

Trump Issues Executive Order Aimed at Foreign Influence on American Campuses

April 25, 2025

On April 23, 2025, President Trump signed an Executive Order aimed at increasing transparency with respect to foreign funding at U.S. colleges and universities. This move comes in response to what the Administration has described as years of underreporting and obfuscation involving significant and increasing foreign fundings at these institutions. In a fact sheet accompanying the Order, the Administration noted that approximately \$60 billion in foreign gifts and contracts have flowed into U.S. universities in recent decades.

The Order directs the Secretary of Education to:

- Reverse or rescind any actions undertaken by the prior Administration that permit higher education institutions to obscure details of their foreign funding sources;
- Require universities to disclose specific details about foreign funding, including the true source and purpose of the funds;
- Provide the American people with greater access to information about foreign funding to higher education institutions; and
- Coordinate with other federal departments/agencies to conduct audits and investigations to ensure compliance with laws concerning disclosure of foreign funding.

The Order also mandates complete and timely disclosure of the origin and purpose of foreign funds received by American higher education and research institutions pursuant to 20 U.S.C § 1011f. This provision of the Higher Education Act requires institutions receiving foreign funding to submit disclosure reports to the Secretary of Education when gifts and/or contracts from a given foreign source

Authors

Tessa Capeloto
Partner
202.719.7586
tcapeloto@wiley.law

Practice Areas

Foreign Agents Registration Act (FARA)
International Trade
National Security
Oversight, Investigations & White Collar
Enforcement

total \$250,000 or more within a calendar year. Beyond directing the Secretary and the heads of other U.S. government agencies and departments to ensure compliance with these reporting requirements, the Order makes clear that failure to comply with the disclosure requirements is material with respect to the False Claims Act (31 U.S.C. § 3729). Additionally, the Order states that institutions failing to comply with foreign funding disclosure requirements may also see their federal grant funding withheld.

What Does It Mean for Industry?

While U.S. colleges and universities are not generally prohibited from receiving foreign gifts and entering into foreign contracts, there are a number of reporting and disclosure requirements that may apply if they choose to do so. For instance, beyond ensuring compliance with the disclosure requirements set forth in 20 U.S.C. 1011f, U.S. educational institutions that receive foreign funding should also be aware of the Foreign Agents Registration Act (FARA), a transparency statute that was enacted to ensure that political and quasi-political activities taking place in the United States on behalf of a foreign interest are disclosed to the U.S. public. To the extent that a given fact pattern involves (1) agency, (2) with a foreign principal, (3) with respect to one or more covered activities under the statute, FARA registration would be required absent an exemption. Notably, influencing sectors of the U.S. public (*e.g.*, college students) with respect to U.S. laws or policies or foreign laws and policies is covered activity (*e.g.*, “political activity”) under FARA. Given the breadth of both agency and covered activities under FARA, there are a variety of ways that foreign financing and other influence on U.S. campuses could implicate FARA and require reporting under the statute. Particularly in light of this recent Order, and with other recent Administration actions, it would be prudent for U.S. colleges and universities to not only ensure that they are carefully tracking and, where applicable, reporting foreign funding, but also carefully evaluate their FARA risk exposure and have a robust FARA compliance program in place.

Wiley’s FARA Handbook provides further information on FARA and what may be on the horizon for FARA enforcement.

For more information on FARA and our related capabilities, please contact the attorney listed on this alert.

To stay informed on all of the Executive Orders and announcements from the Trump Administration, please visit our dedicated resource center below.

Wiley's Trump Administration Resource Center

Jack Maniscalco, an International Trade Specialist at Wiley Rein LLP, contributed to this alert.