

**DIVE BRIEF**

Louisiana to require colleges to report foreign gifts worth \$50,000 or more

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Dive Brief:

- Louisiana colleges will need to disclose to the state any gifts and contracts from foreign entities worth \$50,000 or more under a law passed earlier this year.
- The requirement covers public and private institutions, which will also need to share details like the size of donations and the date they received them. Colleges will also need to provide a copy of gift agreements with foreign entities.
- The law takes effect July 1, 2023. A year after that, an auditor for the Louisiana regent board will begin annually inspecting a random sample of at least 5% of the total donations an institution disclosed during the previous fiscal year.

Dive Insight:

Louisiana's new law hews closely to one passed in Florida last year, which mandates public and private colleges tell the state about gifts from foreign sources totaling \$50,000 or more. Florida's law also demands public institutions with large research budgets screen job applicants for certain research positions.

Florida's Republican governor, Ron DeSantis, has proposed even stricter measures, saying he wants to ban all foreign donations from state-identified "countries of concern," like China.

Louisiana's law also echoes Florida's in that institutions need to apply an extra layer of scrutiny to applicants for research or research-related support positions. That screening must include asking questions like whether an applicant is a citizen of a foreign nation or if they have ties to countries of concern, which the legislation defines as those "under sanctions or other restrictions imposed by the state or federal government."

Institutions with research budgets of \$10 million or more will need to establish a program for monitoring foreign travel, too.

Violations of the gift-reporting requirement could lead to a fine of 105% of the amount of the undisclosed donation.

The attention on colleges' foreign gift reporting can be traced back to the Trump administration, which began aggressively policing institutions' compliance with federal law requiring colleges to report foreign gifts and contracts worth \$250,000 or more in a year.

Former President Donald Trump's stance on the issue then spread down to states.

Other states have introduced legislation to beef up foreign gift reporting requirements, according to the law firm Ropes & Gray.

The firm said in an online summary of the Louisiana law that it could signal similar action by governors and legislatures.

"We could well have, over the next few years, a state-by-state patchwork of regulatory requirements applicable to researchers, students, and faculty from outside the U.S., as well as to scholarly

activities and collaborations with researchers outside the U.S.," the firm said.

