ONE HUNDRED NINTH LEGISLATURE - FIRST SESSION - 2025 COMMITTEE STATEMENT LB378

Hearing Date: Monday January 27, 2025

Committee On: Education **Introducer:** Andersen

One Liner: Require that each public or private two-year or four-year college or university provide a report to

the Attorney General relating to certain funding from a foreign source

Roll Call Vote - Final Committee Action:

Advanced to General File with amendment(s)

Vote Results:

Aye: 6 Senators Murman, Hughes, Juarez, Lonowski, Sanders, Meyer

Nay: 1 Senator Hunt Absent: 1 Senator Conrad

Present Not Voting:

Testimony:

Proponents:Representing:Senator Bob AndersenOpening Presenter

John Murante State Shield

Doug Kagan NE Taxpayers for Freedom
Alan Seybert NE Taxpayers for Freedom

Opponents: Representing:

Matt Blomstedt University of Nebraska System

Neutral: Representing:

Summary of purpose and/or changes:

LB 378 establishes a reporting requirement for public and private colleges and universities in Nebraska (covered institutions) regarding funding received from foreign sources. The bill defines "contract" as any agreement between a covered institution and a foreign source for acquiring property or services, "covered institution" as any two-year or four-year college or university in Nebraska, and "foreign source" as a foreign government, foreign legal entity, non-U.S. citizen, or agent of these entities. "Reportable funding" includes contracts, gifts, grants, donations, and other financial exchanges exceeding \$50.

LB 378 establishes that, on the first day of each calendar quarter, covered institutions must report to the Attorney General and the Legislature all reportable funding received from foreign sources in the previous quarter. The report must include the funding amount, its purpose, details of the foreign source, and any related agreements. Exemptions are provided for payments made for tuition or related fees. The Attorney General is responsible for enforcing these



^{*} ADA Accommodation Written Testimony

requirements and may impose a civil penalty of up to \$10,000 for violations, along with forfeiture of unreported funding. The Attorney General must also post the report publicly on their website.

Explanation of amendments:

AM 825 amends LB 378 by Striking the original section and insert the following new sections:

Section 1 defines several key terms related to reporting foreign adversarial funding received by covered institutions, which include public and private two-year or four-year colleges or universities in Nebraska. A "contract" refers to any agreement between a covered institution and a foreign adversarial source for the acquisition of property or services. A "foreign adversarial source" is defined as a foreign adversary government, entity, individual, or agent associated with such a government, including any subsidiary or affiliate. A "foreign adversary" is further defined by federal regulation (15 C.F.R. 791.4, as of January 1, 2025). "Reportable funding" encompasses any revenue or the fair market value of resources received from contracts, gifts, grants, endowments, awards, scholarships, or donations, including both conditional and unconditional pledges from foreign adversarial sources.

Section 1 mandates that each covered institution submit a biannual report to the Coordinating Commission for Postsecondary Education detailing all reportable funding received. The report must include specific information unless exempt or prohibited from disclosure by law. Required details include: the amount and date of the funding, a description of the funding type and its purpose (including whether it is part of an ongoing relationship with the foreign adversarial source), a detailed description of the foreign adversarial source (including their name and, if not a government, their country of citizenship and principal residence or domicile), and a copy of any associated contracts, agreements, pledges, or memorandums of understanding.

Section 1 exempts payments made by a natural person, who may otherwise qualify as a foreign adversarial source, from the reporting requirements. Specifically, it does not require the reporting of payments made for tuition or related fees to support an individual enrolled in or planning to attend a covered institution.

Section 1 requires the Coordinating Commission for Postsecondary Education to post the report on its public website.

Section 2 establishes an effective date of July 1, 2025 for LB 378.

Section 3 declares this as an emergency, making LB 378 effective as soon as it is passed and approved according to law.

Dave Murman, Chairperson