

118TH CONGRESS
1ST SESSION

S. 2187

To amend the Higher Education Act of 1965 to require annual reporting
on assets of institutions of higher education.

IN THE SENATE OF THE UNITED STATES

JUNE 22, 2023

Mr. BOOKER introduced the following bill; which was read twice and referred
to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Higher Education Act of 1965 to require
annual reporting on assets of institutions of higher education.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Endowment Trans-
5 parency Act”.

6 **SEC. 2. REPORTING ON ASSETS OF INSTITUTIONS OF HIGH-**
7 **ER EDUCATION.**

8 (a) CONSUMER INFORMATION.—

1 (1) ASSET REPORTING.—Section 132(i) of the
2 Higher Education Act of 1965 (20 U.S.C.
3 1015a(i)(1)) is amended—

4 (A) by redesignating paragraphs (2)
5 through (6) as paragraphs (3) through (7); and

6 (B) by adding after paragraph (1) the fol-
7 lowing:

8 “(2) ASSETS.—

9 “(A) IN GENERAL.—Not later than one
10 year after the date of enactment of the Endow-
11 ment Transparency Act, the Secretary shall
12 make publicly available on the College Navi-
13 gator website, in simple and understandable
14 terms, the following information about each in-
15 stitution of higher education that participates
16 in programs under title IV, for the most recent
17 academic year for which satisfactory data are
18 available:

19 “(i) The total assets of the institution
20 that are managed—

21 “(I) by an investment adviser,
22 disaggregated by asset class; and

23 “(II) by a minority- or women-
24 owned investment adviser,

1 disaggregated by asset class and race
2 of the investment adviser.

3 “(ii) With respect to investment advis-
4 ers employed by the institution, the num-
5 ber of those investment advisers,
6 disaggregated by gender and race.

7 “(iii) The percent of bond issuances
8 by the institution that are underwritten by
9 minority- or women-owned asset manage-
10 ment firms.

11 “(B) DEFINITIONS.—In this paragraph—

12 “(i) the term ‘investment adviser’ has
13 the meaning given the term in section
14 202(a) of the Investment Advisers Act of
15 1940 (15 U.S.C. 80b–2(a));

16 “(ii) the term ‘minority’ has the
17 meaning given the term under section
18 308(b) of the Financial Institutions Re-
19 form, Recovery, and Enforcement Act of
20 1989 (12 U.S.C. 1463 note); and

21 “(iii) the term ‘minority- or women-
22 owned’, when used with respect to an in-
23 vestment adviser or an asset management
24 firm, means an investment adviser or an
25 asset management firm that—

1 “(I) is owned more than 50 per-
2 cent by 1 or more individuals who are
3 women or minorities; and

4 “(II) is managed by, and the
5 daily business operations of which are
6 controlled by, 1 or more individuals
7 who are women or minorities.”.

8 (2) TECHNICAL AMENDMENTS.—Section 132(i)
9 of the Higher Education Act of 1965 (20 U.S.C.
10 1015a(i)(4)) is amended—

11 (A) in paragraph (3), as redesignated by
12 paragraph (1), by striking “paragraph (1)” and
13 inserting “paragraphs (1) and (2)”;

14 (B) in paragraph (4), as redesignated by
15 paragraph (1), by striking “paragraph (1)” and
16 inserting “paragraphs (1) and (2)”;

17 (C) in paragraph (6)(A), as redesignated
18 by paragraph (1)—

19 (i) in clause (iii) by striking “para-
20 graph (6)” and inserting “paragraph (7)”
21 each place the term appears; and

22 (ii) in clause (vi) by striking “para-
23 graph (1)” and inserting “paragraphs (1)
24 and (2)”.

1 (3) DATA COLLECTION.—Paragraph (5) of sec-
2 tion 132(i) of the Higher Education Act of 1965 (20
3 U.S.C. 1015a(i)(4)), as redesignated by paragraph
4 (1), is amended—

5 (A) by striking “The Commissioner” and
6 inserting the following:

7 “(A) IN GENERAL.—The Commissioner”;

8 and

9 (B) by adding at the end the following:

10 “(B) RULES FOR ASSET REPORTING.—

11 With respect to the information described in
12 clauses (i), (ii), and (iii) of paragraph (2)(A),
13 the Secretary of Education (acting through the
14 Commissioner for Education Statistics), the Se-
15 curities and Exchange Commission, and the
16 Under Secretary of Commerce for Minority
17 Business Development shall, jointly, issue rules
18 to establish a standardized form and manner
19 for collecting and reporting such information.”.

20 (4) RULE OF CONSTRUCTION.—Nothing in the
21 amendments made by this section may be construed
22 to limit the authority of the Secretary of Education
23 to collect additional diversity information not specifi-
24 cally described in the amendments made by this sec-
25 tion.

1 (b) ANALYSIS AND REPORT BY THE MINORITY BUSI-
2 NESS DEVELOPMENT AGENCY.—

3 (1) IN GENERAL.—After the end of the 1-year
4 period beginning on the date that information is
5 first reported under section 132(i)(2) of the Higher
6 Education Act of 1965 (as added by subsection (a)),
7 the Under Secretary of Commerce for Minority
8 Business Development shall, in consultation with
9 representatives from industry (including minority- or
10 women-owned investment advisers and minority- or
11 women-owned asset management firms)—

12 (A) analyze all information reported under
13 that paragraph (2); and

14 (B) issue a report to the Congress, and
15 make such report available to the public, con-
16 taining—

17 (i) any recommended best practices
18 the Under Secretary may have for substan-
19 tially increasing the use of minority- or
20 women-owned investment advisers and
21 minority- or women-owned asset manage-
22 ment firms in the investment and bond
23 transactions of institutions of higher edu-
24 cation; and

1 (ii) any recommendations the Under
2 Secretary may have for regulatory or legis-
3 lative changes to increase the use of such
4 advisers and firms.

5 (2) UPDATED REPORTS.—The Under Secretary
6 of Commerce for Minority Business Development
7 shall update the report required under paragraph
8 (1)(B) every 2 years.

9 (3) DEFINITIONS.—In this subsection, the
10 terms “investment advisor”, “minority” and
11 “minority- or women-owned” have the meaning give
12 those terms in section 132(i)(2) of the Higher Edu-
13 cation Act of 1965 (as added by subsection (a)).

14 **SEC. 3. MBDA CONFERENCE.**

15 (a) IN GENERAL.—The Under Secretary of Com-
16 merce for Minority Business Development shall, in con-
17 sultation with the Secretary of Education, every 2 years,
18 convene a conference of institutions of higher education,
19 minority- or women-owned investment advisers, minority-
20 or women-owned asset management firms, and investment
21 consultants to help those institutions, advisers, and firms
22 to share best practices for investment and bond trans-
23 actions, including increasing opportunities for such advis-
24 ers and asset management firms, and learn about the ben-

1 efits of using such advisers and firms for investment and
2 bond transactions.

3 (b) DEFINITIONS.—In this section, the terms “invest-
4 ment advisor”, “minority” and “minority- or women-
5 owned” have the meaning give those terms in section
6 132(i)(2) of the Higher Education Act of 1965 (as added
7 by section 2(a)).

8 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated to the Under Secretary of
10 Commerce for Minority Business Development \$3,000,000
11 to carry out this section.

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