

HR 422

No Subsidies for Wealthy Universities Act

Congress: 119 (2025–2027, Current)

Chamber: House

Policy Area: Education

Introduced: Jan 15, 2025

Current Status: Referred to the Committee on Science, Space, and Technology, and in addition to the Committee on Edu

Latest Action: Referred to the Committee on Science, Space, and Technology, and in addition to the Committee on Education and Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned. (Jan 15, 2025)

Official Text: <https://www.congress.gov/bill/119th-congress/house-bill/422>

Sponsor

Name: Rep. Cline, Ben [R-VA-6]

Party: Republican • **State:** VA • **Chamber:** House

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Clyde, Andrew S. [R-GA-9]	R · GA		Jan 15, 2025
Rep. Harris, Andy [R-MD-1]	R · MD		Jan 15, 2025
Rep. Self, Keith [R-TX-3]	R · TX		Jan 21, 2025

Committee Activity

Committee	Chamber	Activity	Date
Education and Workforce Committee	House	Referred To	Jan 15, 2025
Science, Space, and Technology Committee	House	Referred To	Jan 15, 2025

Subjects & Policy Tags

Policy Area:

Education

Related Bills

No related bills are listed.

No Subsidies for Wealthy Universities Act

This bill limits the indirect costs that are allowable under federal research awards to institutions of higher education (IHEs) with endowments above specified thresholds. (Generally, indirect costs represent expenses that are not specific to a research project but are needed to maintain the infrastructure and administrative support for federally funded research.)

Specifically, the National Center for Education Statistics (NCES) must annually collect information regarding the endowments of each IHE that has entered into a program participation agreement with the Department of Education.

With this collected information, NCES must identify and make lists of (1) each IHE with an endowment of more than \$5 billion, and (2) each IHE with an endowment of more than \$2 billion (but not more than \$5 billion). NCES must submit these lists to the Office of Management and Budget, which must then distribute the lists to federal agencies, Congress, and the public.

The bill establishes the following limits on the indirect costs allowable under federal research awards:

- for an IHE with an endowment of more than \$5 billion, the IHE is prohibited from using these awards for indirect costs;
- for an IHE with an endowment of more than \$2 billion (but not more than \$5 billion), the IHE is limited to an indirect cost rate of 8%; and
- for all other IHEs, an indirect cost rate of 15%.

The Government Accountability Office must annually report to Congress on indirect cost reimbursement on federal research awards for IHEs.

Jan 15, 2025: Introduced in House

- **Jan 15, 2025:** Referred to the Committee on Science, Space, and Technology, and in addition to the Committee on Education and Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.