As China continues its impressive growth and seeks to move up the value chain toward innovation and a more skilled workforce, its demand for quality education poses a considerable challenge which its institutions of higher education struggle to meet. To meet this demand, China has dedicated considerable resources to improving its educational base and has sought to attract world class educational institutions to China. Although the Chinese education sector has seen significant reforms, foreign educational institutions and companies seeking to enter a Chinese educational market thirsty for foreign talent face considerable legal challenges. In this article, the authors examine these and other issues and offer some thoughts on the future of educational reform in China.