

MEMORANDUM

To: Members of the Committee on Financial Services

From: FSC Majority Staff

Date: September 8, 2023

Re: September 13, 2023, Full Committee Hearing Entitled “Oversight of the Committee on Foreign Investment in the United States (CFIUS) and Other Efforts to Strengthen National Security in the United States”

On Wednesday, September 13, 2023, at 10:00 a.m. in Room 2128 of the Rayburn House Office Building, the Financial Services Committee will hold a hearing titled “Oversight of the Committee on Foreign Investment in the United States (CFIUS) and Other Efforts to Strengthen National Security in the United States.”

The hearing will examine the actions and operations of CFIUS, particularly in light of reforms established under the Foreign Investment Risk Review Modernization Act.

This will be a two-panel hearing. The first panel will be held in open session with the following witness:

- The Honorable Paul Rosen, Assistant Secretary, U.S. Department of the Treasury

The second panel will be held in a classified setting with the following witnesses:

- Mr. Brian Reissaus, Deputy Assistant Secretary for Investment Security, U.S. Department of the Treasury
- Mr. Lucas Cadena, Director, Office of the Director of National Intelligence
- Mr. Adam Vaccaro, Director, Office of Investment Security, U.S. Department of Commerce
- Ms. Halimah Najieb-Locke, Deputy Assistant Secretary for Industrial Base Resilience, U.S. Department of Defense

Background

Chaired by the Department of the Treasury, CFIUS reviews certain foreign investments and real estate purchases for the purpose of resolving national security risks, while upholding the United States’ longstanding commitment to an open investment climate. Under reforms enacted in 2018, CFIUS’s jurisdiction was extended to include certain non-controlling investments by foreign persons involving critical technologies, critical infrastructure, and sensitive personal data of U.S. citizens. In addition, CFIUS may review real estate purchases and leases by foreign persons in proximity to sensitive U.S. government sites.

Legislative Proposals

H.R. 3378, *the Agricultural Risk Review Act* (Rep. Lucas)

- This bill would formally add the Secretary of Agriculture to the Committee on Foreign Investment in the United States for the purposes of covered transactions related to agriculture.

H.R. __ (Luetkemeyer)

- This bill would amend the Defense Production Act of 1950 to require the Committee on Foreign Investment in the United States to determine whether a national security review is needed for certain covered agricultural land transactions referred by the Secretary of Agriculture.

H.R. 692, *the No AIIB Co-Financing Act of 2023* (Torres)

- This bill requires U.S. representatives to vote against any program or project at a multilateral development bank (e.g., the World Bank) that includes joint or parallel financing provided by the Asian Infrastructure Investment Bank (AIIB) unless the Department of the Treasury certifies that the AIIB (1) has the authority and resources to provide grants and concessional assistance to countries eligible to borrow from the International Development Association on terms similar to those provided to these countries by the International Development Association, and (2) has a demonstrated history of providing such assistance to these countries.