

1 (B) promoting policies to ensure the
2 United States remains the premier global des-
3 tination to invest, hire, innovate, provide serv-
4 ices, and manufacture products;

5 (C) promoting policies to ensure the
6 United States remains the global leader in de-
7 veloping and deploying cutting-edge tech-
8 nologies, such as self-driving vehicle technology,
9 artificial intelligence, Internet of Things, quan-
10 tum computing, blockchain; and

11 (D) promoting policies that maintain and
12 expand resilient supply chains and reduce the
13 dependence of the United States on supply
14 chains from China and other foreign adver-
15 saries;

16 (3) maintaining the United States commitment
17 to an open investment policy with private-sector en-
18 tities based in trusted countries encourages other
19 countries to reciprocate and enable the United
20 States to open new markets abroad for United
21 States companies and their products;

22 (4) while foreign direct investment by respon-
23 sible private-sector entities based in trusted coun-
24 tries can enhance the United States economic
25 strength, policies regarding foreign direct investment

1 should reflect security interests and should not dis-
2 advantage domestic investors, companies, or the
3 workforce;

4 (5) United States efforts to attract foreign di-
5 rect investment from responsible private-sector enti-
6 ties based in trusted countries should be consistent
7 with efforts to maintain and improve the domestic
8 standard-of-living, including for the workforce;

9 (6) as digital information becomes increasingly
10 important to the United States economy and the de-
11 velopment of new technologies and services that will
12 be crucial to the country's competitiveness in the
13 21st century global economy, barriers including data
14 localization and infringement of intellectual property
15 rights must be further addressed;

16 (7) foreign direct investment by companies or
17 other entities owned, directed, supported, or influ-
18 enced by the Chinese Communist Party is a threat
19 to United States security and merits an aggressive
20 policy framework to protect United States interests,
21 jobs, intellectual property, and security;

22 (8) foreign direct investment from any source
23 should not result in the net loss of United States
24 economic activity, productive capabilities, and supply
25 chain resilience; and

1 (9) foreign direct investment from any source
2 should strengthen United States security and sup-
3 port United States workforce, health and safety,
4 consumer, and financial standards.

5 **SEC. 3. FOREIGN DIRECT INVESTMENT REVIEW.**

6 (a) REVIEW.—The Secretary and the Comptroller
7 General of the United States, in consultation with the
8 Federal Interagency Investment Working Group estab-
9 lished pursuant to Executive Order 13577 (76 Fed Reg.
10 35715; relating to establishment of the SelectUSA Initia-
11 tive) and in consultation with the heads of other relevant
12 agencies, shall conduct an interagency review of the global
13 competitiveness of the United States in attracting foreign
14 direct investment from responsible private-sector entities
15 based in trusted countries and addressing key foreign
16 trade barriers that firms in advanced technology sectors
17 face in the global digital economy.

18 (b) SPECIFIC MATTERS TO BE INCLUDED.—The re-
19 view conducted pursuant to subsection (a) shall include
20 a review of the following:

21 (1) The economic impact of foreign direct in-
22 vestment in the United States, with particular focus
23 on manufacturing, services, trade (with an emphasis
24 on digital trade), and United States jobs.

1 (2) Trends in global cross-border investment
2 and data flows and the underlying factors for such
3 trends.

4 (3) Federal Government policies, that facilitate
5 foreign direct investment attraction and retention
6 from responsible private-sector entities based in
7 trusted countries.

8 (4) Foreign direct investment as compared to
9 direct investment by domestic entities.

10 (5) Foreign direct investment that takes the
11 form of greenfield investment as compared to foreign
12 direct investment relating to merger and acquisition
13 activity.

14 (6) The unique challenges posed by foreign di-
15 rect investment, particularly acquisitions, in the
16 United States by State-owned or State-backed enter-
17 prises, especially from State-directed economies, in-
18 cluding companies or other entities owned, directed,
19 supported, or influenced by the Chinese Communist
20 Party.

21 (7) Specific information on the prevalence of in-
22 vestments made by State-owned or State-backed en-
23 terprises, especially from State-directed economies,
24 including companies or other entities owned, di-
25 rected, supported, or influenced by the Chinese Com-

1 munist Party, with a particular focus on investments
2 relating to manufacturing, services, trade (with an
3 emphasis on digital trade), and jobs.

4 (8) How other trusted countries are dealing
5 with the challenge, including screening for and pre-
6 venting market distorting investments, of State-di-
7 rected and State-supported investment and whether
8 there are opportunities to work with like-minded na-
9 tions to address such challenge.

10 (9) Ongoing Federal Government efforts to im-
11 prove the investment climate and facilitate greater
12 levels of foreign direct investment in the United
13 States from responsible private-sector entities based
14 in trusted countries.

15 (10) Innovative and noteworthy initiatives by
16 State and local government to attract foreign invest-
17 ment from responsible private-sector entities based
18 in trusted countries.

19 (11) Initiatives by other countries to identify
20 best practices for increasing global competitiveness
21 in attracting foreign direct investment from respon-
22 sible private-sector entities based in trusted coun-
23 tries.

24 (12) The impact that protectionist policies by
25 other countries, including forced data localization

1 rules, forced localization of production, industrial
2 subsidies, and the infringement of intellectual prop-
3 erty rights, have on the advanced technology econ-
4 omy of the United States and the ability for United
5 States located firms to develop innovative tech-
6 nologies.

7 (13) Other barriers to the ability of the United
8 States to compete globally in an increasingly con-
9 nected and digital global economy, including the use
10 of technical barriers to trade (such as country-spe-
11 cific standards for technology products and digital
12 services).

13 (14) The adequacy of efforts by the Federal
14 Government to encourage and facilitate foreign di-
15 rect investment in the United States.

16 (15) Efforts by the Chinese Communist Party
17 to circumvent existing laws to gain access to United
18 States markets, foreign direct investment responsible
19 private-sector entities based in trusted countries, or
20 intellectual property.

21 (16) The extent to which foreign direct invest-
22 ment from any source, including the Chinese Com-
23 munist Party, results in displacement, offshoring, or
24 outsourcing, including the impact of such investment
25 on supply chains.

1 (c) LIMITATION.—The review conducted pursuant to
2 subsection (a) may not address laws or policies relating
3 to the Committee on Foreign Investment in the United
4 States.

5 (d) PUBLIC COMMENT.—

6 (1) REVIEW.—Not sooner than 60 days before
7 the date on which the review is commenced pursuant
8 to subsection (a), the Secretary shall publish notice
9 of the review in the Federal Register and shall pro-
10 vide an opportunity for public comment on the mat-
11 ters to be covered by the review.

12 (2) REPORT.—Not sooner than 60 days before
13 the date on which the report is submitted pursuant
14 to subsection (e), the Secretary shall publish the
15 proposed findings and recommendations in the Fed-
16 eral Register and shall provide an opportunity for
17 public comment.

18 (e) REPORT TO CONGRESS.—Not later than one year
19 after the date of the enactment of this Act, the Secretary,
20 in coordination with the Federal Interagency Investment
21 Working Group and the heads of other relevant agencies,
22 shall submit to Congress a report on the findings of the
23 review required pursuant to subsection (a) and include
24 recommendations for increasing the global competitiveness
25 of the United States in attracting foreign direct invest-

1 ment from responsible private-sector entities based in
2 trusted countries in a manner that strengthens or main-
3 tains the security, workforce, consumer, or financial pro-
4 tections of the United States.

5 (f) DEFINITIONS.—In this Act:

6 (1) AGENCY.—The term “agency” has the
7 meaning given that term in section 551 of title 5,
8 United States Code.

9 (2) FOREIGN ADVERSARY.—The term “foreign
10 adversary” has the meaning given that term in part
11 7.4 of title 15, Code of Federal Regulations.

12 (3) RESPONSIBLE PRIVATE-SECTOR ENTITY.—
13 The term “responsible private-sector entity” means
14 an entity that the Secretary determines is—

15 (A) not organized under the laws of a for-
16 eign adversary; and

17 (B) not owned, controlled, or otherwise
18 subject to the influence of, a foreign adversary.

19 (4) SECRETARY.—The term “Secretary” means
20 the Secretary of Commerce.

21 (5) STATE.—The term “State” means each
22 State of the United States, the District of Columbia,
23 each commonwealth, territory, or possession of the
24 United States, and each federally recognized Indian
25 Tribe.

1 (6) TRUSTED COUNTRY.—The term “trusted
2 country” means a country that is not determined by
3 the Secretary to be a foreign adversary of the
4 United States.

