

HR 5581

Foreign Investment and Economic Security Act of 2014

Congress: 113 (2013–2015, Ended)

Chamber: House

Policy Area: Armed Forces and National Security

Introduced: Sep 18, 2014

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (Sep 18, 2014)

Official Text: <https://www.congress.gov/bill/113th-congress/house-bill/5581>

Sponsor

Name: Rep. DeLauro, Rosa L. [D-CT-3]

Party: Democratic • **State:** CT • **Chamber:** House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	Sep 18, 2014

Subjects & Policy Tags

Policy Area:

Armed Forces and National Security

Related Bills

No related bills are listed.

Foreign Investment and Economic Security Act of 2014 - Amends the Defense Production Act of 1950 to provide for: (1) national security reviews of transactions involving the construction of a new facility in the United States by any foreign person (currently, national security reviews are conducted only for certain mergers, acquisitions, or takeovers by or with a foreign person); and (2) net benefit reviews of new construction, mergers, acquisitions, or takeovers by or with a foreign person to determine whether the transaction is of net benefit to the United States.

Makes net benefit reviews mandatory for transactions that meet specified requirements under the Clayton Act.

Directs the Committee on Foreign Investment in the United States, for purposes of carrying out net benefit determinations, to consider the effect of the proposed or pending transaction on: (1) employment, resource processing, the utilization of parts and services produced in or imported into the United States, and U.S. exports; (2) industrial efficiency, technological development, technology transfers, and product innovation in the United States; (3) competition within any U.S. industry or between the United States and other countries; (4) compatibility with national industrial, economic, and cultural policies; and (5) public health, safety, and well-being of U.S. consumers.

Requires the Committee, in the case of a net benefit determination concerning a foreign government-influenced transaction, to consider additional factors including:

- the governance and commercial orientation of the foreign person engaging in such transaction;
- the extent to which the foreign person is owned, controlled, or influenced by the foreign government; and
- adherence to U.S. law and corporate governance standards, engagement of the foreign country with the Securities and Exchange Commission (SEC) and the Public Company Accounting Oversight Board, and the likelihood of operation on a commercial basis.

Requires final determinations of the Committee to be certified to Congress.

Requires the Committee to refer to the President any of the Committee's final determinations that a transaction will not be of net benefit to the United States. Requires the President to announce the determination regarding such transactions.

Prohibits transactions that the President determines are not of net benefit to the United States. Requires the President to direct the Attorney General (DOJ) to seek appropriate relief in U.S. district courts to implement and enforce this Act. Bars judicial review of such determinations.

Revises, for purposes of carrying out net benefit determinations, the composition of the Committee.

Actions Timeline

- **Sep 18, 2014:** Introduced in House
- **Sep 18, 2014:** Referred to the House Committee on Financial Services.