

GLOBAL INVESTMENT IN AMERICAN JOBS ACT OF 2023

JULY 11, 2023.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mrs. RODGERS of Washington, from the Committee on Energy and Commerce, submitted the following

R E P O R T

[To accompany H.R. 813]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 813) to direct the Secretary of Commerce, in coordination with the heads of other relevant Federal departments and agencies, to conduct an interagency review of and report to Congress on ways to increase the global competitiveness of the United States in attracting foreign direct investment, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:  
Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Global Investment in American Jobs Act of 2023”.

**SEC. 2. SENSE OF CONGRESS.**

It is the sense of Congress that—

(1) the ability of the United States to attract foreign direct investment from responsible private-sector entities based in trusted countries is directly linked to the long-term economic prosperity, global competitiveness, and security of the United States;

(2) it is a top national priority to enhance the global competitiveness, economic prosperity, and security of the United States by—

(A) removing unnecessary barriers to foreign direct investment from responsible private-sector entities based in trusted countries and the jobs that such investment creates throughout the United States;

(B) promoting policies to ensure the United States remains the premier global destination to invest, hire, innovate, provide services, and manufacture products;

(C) promoting policies to ensure the United States remains the global leader in developing and deploying cutting-edge technologies, such as self-driving vehicle technology, artificial intelligence, Internet of Things, quantum computing, blockchain; and

(D) promoting policies that maintain and expand resilient supply chains and reduce the dependence of the United States on supply chains from China and other foreign adversaries;

(3) maintaining the United States commitment to an open investment policy with private-sector entities based in trusted countries encourages other countries to reciprocate and enable the United States to open new markets abroad for United States companies and their products;

(4) while foreign direct investment by responsible private-sector entities based in trusted countries can enhance the United States economic strength, policies regarding foreign direct investment should reflect security interests and should not disadvantage domestic investors, companies, or the workforce;

(5) United States efforts to attract foreign direct investment from responsible private-sector entities based in trusted countries should be consistent with efforts to maintain and improve the domestic standard-of-living, including for the workforce;

(6) as digital information becomes increasingly important to the United States economy and the development of new technologies and services that will be crucial to the country’s competitiveness in the 21st century global economy, barriers including data localization and infringement of intellectual property rights must be further addressed;

(7) foreign direct investment by companies or other entities owned, directed, supported, or influenced by the Chinese Communist Party is a threat to United States security and merits an aggressive policy framework to protect United States interests, jobs, intellectual property, and security;

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

(9) foreign direct investment from any source should strengthen United States security and support United States workforce, health and safety, consumer, and financial standards.

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

(a) **REVIEW.**—The Secretary and the Comptroller General of the United States, in consultation with the Federal Interagency Investment Working Group established pursuant to Executive Order 13577 (76 Fed Reg. 35715; relating to establishment of the SelectUSA Initiative) and in consultation with the heads of other relevant agencies, shall conduct an interagency review of the global competitiveness of the United States in attracting foreign direct investment from responsible private-sector entities based in trusted countries and addressing key foreign trade barriers that firms in advanced technology sectors face in the global digital economy.

(b) **SPECIFIC MATTERS TO BE INCLUDED.**—The review conducted pursuant to subsection (a) shall include a review of the following:

(1) The economic impact of foreign direct investment in the United States, with particular focus on manufacturing, services, trade (with an emphasis on digital trade), and United States jobs.

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

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

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

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

(6) The unique challenges posed by foreign direct investment, particularly acquisitions, in the United States by State-owned or State-backed enterprises, especially from State-directed economies, including companies or other entities owned, directed, supported, or influenced by the Chinese Communist Party.

(7) Specific information on the prevalence of investments made by State-owned or State-backed enterprises, especially from State-directed economies, including companies or other entities owned, directed, supported, or influenced by the Chinese Communist Party, with a particular focus on investments relating to manufacturing, services, trade (with an emphasis on digital trade), and jobs.

(8) How other trusted countries are dealing with the challenge, including screening for and preventing market distorting investments, of State-directed and State-supported investment and whether there are opportunities to work with like-minded nations to address such challenge.

(9) Ongoing Federal Government efforts to improve the investment climate and facilitate greater levels of foreign direct investment in the United States from responsible private-sector entities based in trusted countries.

(10) Innovative and noteworthy initiatives by State and local government to attract foreign investment from responsible private-sector entities based in trusted countries.

(11) Initiatives by other countries to identify best practices for increasing global competitiveness in attracting foreign direct investment from responsible private-sector entities based in trusted countries.

(12) The impact that protectionist policies by other countries, including forced data localization rules, forced localization of production, industrial subsidies, and the infringement of intellectual property rights, have on the advanced technology economy of the United States and the ability for United States located firms to develop innovative technologies.

(13) Other barriers to the ability of the United States to compete globally in an increasingly connected and digital global economy, including the use of technical barriers to trade (such as country-specific standards for technology products and digital services).

(14) The adequacy of efforts by the Federal Government to encourage and facilitate foreign direct investment in the United States.

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

(16) The extent to which foreign direct investment from any source, including the Chinese Communist Party, results in displacement, offshoring, or outsourcing, including the impact of such investment on supply chains.

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

(d) PUBLIC COMMENT.—

(1) REVIEW.—Not sooner than 60 days before the date on which the review is commenced pursuant to subsection (a), the Secretary shall publish notice of the review in the Federal Register and shall provide an opportunity for public comment on the matters to be covered by the review.

(2) REPORT.—Not sooner than 60 days before the date on which the report is submitted pursuant to subsection (e), the Secretary shall publish the proposed findings and recommendations in the Federal Register and shall provide an opportunity for public comment.

(e) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, the Secretary, in coordination with the Federal Interagency Investment Working Group and the heads of other relevant agencies, shall submit to Congress a report on the findings of the review required pursuant to subsection (a) and include recommendations for increasing the global competitiveness of the United States in attracting foreign direct investment from responsible private-sector entities based in trusted countries in a manner that strengthens or maintains the security, workforce, consumer, or financial protections of the United States.

## (f) DEFINITIONS.—In this Act:

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

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

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

(A) not organized under the laws of a foreign adversary; and

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

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

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

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

## PURPOSE AND SUMMARY

H.R. 813, the “Global Investment in American Jobs Act of 2023,” was introduced by Representative Pence on February 2, 2023, and referred to the Committee on Energy and Commerce. H.R. 813 would direct the Secretary of Commerce and the Comptroller General of the United States to conduct an interagency review and report on ways to increase global competitiveness of the U.S. in attracting foreign direct investment (FDI) from responsible private-sector entities based in trusted countries and economies. The review conducted shall include but not be limited to the current economic impact of FDI in the United States, trends in global cross-border investment, Federal Government policies that are closely linked to the ability of the U.S. to attract and retain FDI, FDI as compared to domestic direct investment, barriers to the U.S. competitiveness to attract FDI, and ongoing U.S. efforts to attract FDI. The bill would also require the Secretary of Commerce and the Comptroller General to report to Congress with recommendations for increasing global competitiveness of the U.S. in attracting FDI.

## BACKGROUND AND NEED FOR LEGISLATION

FDI is a category of investments into an ownership stake of a company that originates from foreign sources whether they are made by an investor, company, or a government from another country. FDI has proven to be critical for a country’s economy, including during financial hardships,<sup>1</sup> and creates a pathway for countries to manufacture new and emerging technologies.

In order for the U.S. to remain the global leader in the deployment of critical emerging technologies like autonomous vehicles, and the many other applications of artificial intelligence, quantum computing, blockchain and distributed ledger technologies, and advanced and new materials, it must remove unnecessary barriers prohibiting the expanse of FDI from trusted countries and economies. The U.S. must also promote policies to ensure it remains the premier global destination to invest, hire, innovate, provide services, and manufacture products, including emerging technologies.

<sup>1</sup> <https://www.imf.org/external/pubs/ft/fandd/2001/06/loungani.htm>.

## COMMITTEE ACTION

On February 7, 2023, the Subcommittee on Innovation, Data, and Commerce met in open markup session and forwarded H.R. 813 without amendment, to the full Committee by a voice vote.

On March 9, 2023, the full Committee on Energy and Commerce met in open markup session and ordered H.R. 813 as amended, favorably reported to the House by a recorded vote of 50 yeas and 0 nays.

## COMMITTEE VOTES

Clause 3(b) of rule XIII requires the Committee to list the record votes on the motion to report legislation and amendments thereto. The following reflects the record votes taken during the Committee consideration:

**COMMITTEE ON ENERGY AND COMMERCE  
118TH CONGRESS  
ROLL CALL VOTE # 4**

**BILL:** H.R. 813, the Global Investment in American Jobs Act of 2023

**AMENDMENT:** A motion by Mrs. Rodgers to order H.R. 813 favorably reported to the House, as amended (Final Passage).

**DISPOSITION: AGREED TO,** by a roll call vote of 50 yeas and 0 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Rodgers	X			Rep. Pallone	X		
Rep. Burgess	X			Rep. Eshoo	X		
Rep. Latta	X			Rep. DeGette	X		
Rep. Guthrie	X			Rep. Schakowsky	X		
Rep. Griffith	X			Rep. Matsui	X		
Rep. Bilirakis	X			Rep. Castor	X		
Rep. Johnson	X			Rep. Sarbanes	X		
Rep. Bucshon	X			Rep. Tonko	X		
Rep. Hudson	X			Rep. Clarke	X		
Rep. Walberg	X			Rep. Cárdenas	X		
Rep. Carter	X			Rep. Ruiz	X		
Rep. Duncan	X			Rep. Peters	X		
Rep. Palmer	X			Rep. Dingell	X		
Rep. Dunn				Rep. Veasey	X		
Rep. Curtis	X			Rep. Kuster	X		
Rep. Lesko	X			Rep. Kelly	X		
Rep. Pence	X			Rep. Barragán	X		
Rep. Crenshaw	X			Rep. Blunt Rochester	X		
Rep. Joyce	X			Rep. Soto	X		
Rep. Armstrong	X			Rep. Craig	X		
Rep. Weber	X			Rep. Schrier			
Rep. Allen	X			Rep. Trahan	X		
Rep. Balderson	X			Rep. Fletcher	X		
Rep. Fulcher	X						
Rep. Pfluger	X						
Rep. Harshbarger	X						
Rep. Miller-Meeks	X						
Rep. Cammack	X						
Rep. Obernolte	X						

03/09/2023

## OVERSIGHT FINDINGS AND RECOMMENDATIONS

Pursuant to clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII, the Committee held hearings and made findings that are reflected in this report.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY,  
AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII, the Committee finds that H.R. 813 would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

## CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

<b>H.R. 813, Global Investment in American Jobs Act of 2023</b>			
<b>As ordered reported by the House Committee on Energy and Commerce on March 9, 2023</b>			
By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	2	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		<b>Mandate Effects</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

\* = between zero and \$500,000.

H.R. 813 would require the Department of Commerce, the Government Accountability Office (GAO), and the Federal Interagency Investment Working Group to study and report to the Congress on the ability of the United States to attract foreign direct investment and barriers to foreign trade faced by advanced technology firms in the United States. Topics of study include the economic impact of foreign direct investment, challenges associated with foreign direct investment by state-owned enterprises, and the influence of protectionist policies enacted by other countries on the advanced technology economy.

Using information from the department and based on the cost of similar studies, CBO estimates that implementing H.R. 813 would cost \$2 million over the 2023–2028 period. Any spending would be subject to the availability of appropriated funds. CBO expects that the department would need about 12 economists and support staff, at an average cost of \$180,000 each, to complete the study and prepare the report. CBO estimates that the cost for GAO and the Federal Interagency Investment Working Group to participate would be insignificant.

The CBO staff contact for this estimate is David Hughes. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,  
*Director, Congressional Budget Office.*

#### FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

#### STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to increase U.S. global competitiveness to attract foreign direct investment from trusted countries and economies.

#### DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H.R. 813 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

#### RELATED COMMITTEE AND SUBCOMMITTEE HEARINGS

Pursuant to clause 3(c)(6) of rule XIII,

(1) the following hearing was used to develop or consider H.R. 813:

- The Subcommittee on Consumer Protection and Commerce held a legislative hearing on October 14, 2021, on H.R. 2907, the “Global Investment in American Jobs Act,” and 9 other bills. The hearing was entitled, “Investing in American Jobs: Legislation to Strengthen Manufacturing and Competitiveness.” The Subcommittee received testimony from:
  - Scott Lincicome, Senior Fellow, CATO Institute
  - Scott Paul, President, Alliance for American Manufacturing
  - Caolionn O’Connell, RAND Corporation
  - Eric Sills, CEO, Standard Motor Products

(2) The following related hearing was held:

- The Subcommittee on Innovation, Data, and Commerce held a hearing on February 1, 2023. The hearing was entitled, “Economic Danger Zone: How America Competes to Win the Future Versus China.” The Subcommittee received testimony from the following witnesses:
  - Brandon Pugh, Policy Director and Resident Senior Fellow, R Street Institute
  - Jeff Farrah, Executive Director, Autonomous Vehicle Industry Association (AVIA)
  - Samm Sacks, Cyber Policy Fellow, International Security Program, New America
  - Marc Jarsulic, Senior Fellow and Chief Economist, Center for American Progress



## COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

## EARMARK, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H.R. 813 contains no earmarks, limited tax benefits, or limited tariff benefits.

## ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

## APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

## SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

*Section 1. Short title*

Section 1 designates that the short title may be cited as the “Global Investment in American Jobs Act of 2023”.

*Section 2. Sense of Congress*

Section 2 provides the Sense of Congress expressing the importance of the ability of the U.S. to attract FDI from responsible private-sector entities based in trusted countries, the need to remove barriers prohibiting larger numbers of inbound FDI, the need to promote policies that encourage inbound FDI from responsible private-sector entities based in trusted countries and economies and that ensure the U.S. remains the global leader in developing and deploying emerging technologies. The sense of Congress also expresses that FDI should strengthen the U.S. security, improve the domestic standard of living and U.S. jobs, and that any FDI by companies or other entities owned, directed, supported, or influenced by the Chinese Communist Party (CCP) is a threat to U.S. security and merits an aggressive policy to protect U.S. interests, jobs, intellectual property, and security.

*Section 3. Foreign Direct Investment review*

Section 3 requires the Secretary of the Department of Commerce and the Comptroller General of the United States, in consultation with the Federal Interagency Investment Working Group established pursuant to Executive Order 13577, and in consultation with the heads of other relevant agencies, to conduct an interagency review of the global competitiveness of the U.S. in attracting FDI from responsible private-sector entities based in foreign countries. The section requires the review to include certain aspects including but not limited to, the economic impact of FDI in the U.S.; Federal Government policies that encourage the attraction and retention of

FDI; FDI as compared to direct investment by domestic entities; FDI that takes the form of greenfield investments; specific information on the efforts and the prevalence of investments made with the backing of the CCP, especially investments related to manufacturing, services, trade (with an emphasis on digital trade), and jobs, and how such efforts result in the displacement, offshoring, or outsourcing, including the impact of such investments on supply chains; the adequacy of efforts by the Federal Government to encourage and facilitate U.S. inbound FDI; and other barriers to the ability of the U.S. to compete globally in an increasingly digital economy.

Section 3 clarifies that the review may not address laws or policies relating to the Committee on Foreign Investment in the U.S.

Section 3 also requires the Secretary of Commerce to provide an opportunity for public comment on the matters covered by the review, and subsequently provide a report to Congress on the findings of the review, and provide recommendations for increasing the global competitiveness of the U.S. in attracting FDI from responsible private-sector entities based in trusted countries.

Lastly, section 3 defines terms commonly used in the legislation.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

This legislation does not amend any existing Federal statute.

