

110TH CONGRESS
1ST SESSION

S. 740

To establish in the Department of Commerce an Under Secretary for United States Direct Investment, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 1, 2007

Mr. BINGAMAN (for himself and Mr. LUGAR) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To establish in the Department of Commerce an Under Secretary for United States Direct Investment, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Invest USA Act of
5 2007”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) ADMINISTRATION.—The term “Administra-
9 tion” means the United States Direct Investment
10 Administration established under section 4.

1 (2) APPROPRIATE CONGRESSIONAL COMMIT-
 2 TEES.—The term “appropriate congressional com-
 3 mittees” means the Committee on Finance and the
 4 Committee on Commerce, Science, and Transpor-
 5 tation of the Senate and the Committee on Energy
 6 and Commerce and the Committee on Ways and
 7 Means of the House of Representatives.

8 (3) CRITICAL HIGH-TECHNOLOGY INDUS-
 9 TRIES.—The term “critical high-technology indus-
 10 tries” means industries involved in technology—

11 (A) the development of which will—

12 (i) provide a wide array of economic,
 13 environmental, energy, and defense-related
 14 returns for the United States; and

15 (ii) ensure United States economic,
 16 environmental, energy, and defense-related
 17 welfare; and

18 (B) in which the United States has an
 19 abiding interest in creating or maintaining se-
 20 cure domestic sources.

21 (4) DEPARTMENT.—The term “Department”
 22 means the Department of Commerce.

23 (5) UNDER SECRETARY.—The term “Under
 24 Secretary” means the Under Secretary of Commerce

1 for United States Direct Investment described in
 2 section 4(a).

3 (6) UNITED STATES DIRECT INVESTMENT PRO-
 4 MOTION COMMITTEE.—The term “United States Di-
 5 rect Investment Promotion Committee” means the
 6 Interagency United States Direct Investment Pro-
 7 motion Committee established under section 7.

8 (7) WTO AGREEMENT.—The term “WTO
 9 Agreement” means the Agreement establishing the
 10 World Trade Organization entered into on April 15,
 11 1994.

12 **SEC. 3. RELATION TO CFIUS.**

13 The provisions of this Act shall not affect the imple-
 14 mentation or application of section 721 of the Defense
 15 Production Act of 1950 (50 U.S.C. App. 2170) and the
 16 activities of the Committee on Foreign Investment in the
 17 United States (or any successor committee).

18 **SEC. 4. ESTABLISHMENT OF UNITED STATES DIRECT IN-**
 19 **VESTMENT ADMINISTRATION.**

20 (a) IN GENERAL.—There is established in the De-
 21 partment of Commerce a United States Direct Investment
 22 Administration, which shall be headed by an Under Sec-
 23 retary of Commerce for United States Direct Investment.
 24 The Under Secretary shall be appointed by the President,
 25 by and with the advice and consent of the Senate, and

1 shall be compensated at the rate of pay provided for a
2 position at level III of the Executive Schedule under sec-
3 tion 5314 of title 5, United States Code.

4 (b) DEPUTY UNDER SECRETARY.—There shall be in
5 the Administration a Deputy Under Secretary for United
6 States Direct Investment, who shall be appointed by the
7 President, by and with the advice of the Senate, and shall
8 be compensated at the rate of pay provided for a position
9 at level IV of the Executive Schedule under section 5315
10 of title 5, United States Code.

11 (c) STAFF.—The Under Secretary may appoint such
12 additional personnel to serve in the Administration as the
13 Under Secretary determines necessary.

14 (d) DUTIES.—The Under Secretary, in cooperation
15 with the Economics and Statistics Administration and
16 other offices at the Department, shall—

17 (1) collect and analyze data related to the flow
18 of direct investment in the United States and
19 throughout the world, as described in section 5;

20 (2) submit to the appropriate congressional
21 committees an annual United States Direct Invest-
22 ment Report, as described in section 6;

23 (3) develop and publish an annual United
24 States Direct Investment Agenda;

1 (4) assume responsibility as the lead agency for
 2 advocating and implementing strategic policies that
 3 will increase direct investment in the United States;
 4 and

5 (5) coordinate with the President regarding im-
 6 plementation of section 721 of the Defense Produc-
 7 tion Act of 1950 (50 U.S.C. App. 2170) and the ac-
 8 tivities of the Committee on Foreign Investment in
 9 the United States (or any successor committee).

10 (e) CONFORMING AMENDMENTS.—

11 (1) Section 5314 of title 5, United States Code,
 12 is amended by adding at the end the following:
 13 “Under Secretary of Commerce for United States
 14 Direct Investment.”.

15 (2) Section 5315 of title 5, United States Code,
 16 is amended by adding at the end the following:
 17 “Deputy Under Secretary of Commerce for United
 18 States Direct Investment.”.

19 **SEC. 5. ANNUAL DIRECT INVESTMENT REPORT.**

20 (a) ANNUAL DIRECT INVESTMENT REPORT.—Not
 21 later than October 1, 2008, and annually thereafter, the
 22 Under Secretary shall submit a report on the data identi-
 23 fied and the analysis described in subsection (b) for the
 24 preceding calendar year (which shall be known as the “An-
 25 nual Direct Investment Report”). The Report shall be sub-

1 mitted to the President and the appropriate congressional
2 committees.

3 (b) DATA IDENTIFICATION.—

4 (1) IN GENERAL.—The data identified and
5 analysis for the Report described in subsection (a)
6 means the data identified and analyzed by the
7 Under Secretary of Commerce, in cooperation with
8 the Economic and Statistics Administration and
9 other offices at the Department and with the assist-
10 ance of other departments and agencies, including
11 the Office of the United States Trade Representa-
12 tive, for the preceding calendar year regarding the
13 following:

14 (A) Policies, programs, and practices at
15 the State and regional level designed to attract
16 direct investment.

17 (B) The amount of direct investment at-
18 tracted in each such State and region.

19 (C) Policies, programs, and practices in
20 foreign countries designed to attract direct in-
21 vestment, and the amount of direct investment
22 attracted in each such foreign country.

23 (D) A comparison of the levels of direct in-
24 vestment attracted in the United States and in

1 foreign countries, including a matrix of inputs
2 affecting the level of direct investment.

3 (E) Specific sectors in the United States
4 and in foreign countries in which direct invest-
5 ments are being made, including the specific
6 amounts invested in each sector, with particular
7 emphasis on critical high-technology industries.

8 (F) Trends in direct investment, with par-
9 ticular emphasis on critical high-technology in-
10 dustries.

11 (G) The best policy and practices at the
12 Federal, State, and regional levels regarding di-
13 rect investment policy, with specific reference to
14 programs and policies that have the greatest
15 potential to increase direct investment in the
16 United States and enhance United States com-
17 petitive advantage relative to foreign countries.
18 Particular emphasis should be given to attract-
19 ing direct investment in critical high-technology
20 industries.

21 (H) Policies, programs, and practices in
22 foreign countries designed to attract direct in-
23 vestment that are not in compliance with the
24 WTO Agreement and the agreements annexed
25 to that Agreement.

1 (2) CERTAIN FACTORS TAKEN INTO ACCOUNT
2 IN MAKING ANALYSIS.—In making any analysis
3 under paragraph (1), the Under Secretary shall take
4 into account—

5 (A) the relative impact of policies, pro-
6 grams, and practices of foreign governments on
7 United States commerce;

8 (B) the availability of information to docu-
9 ment the effect of policies, programs, and prac-
10 tices;

11 (C) the extent to which such act, policy, or
12 practice is subject to international agreements
13 to which the United States is a party; and

14 (D) the impact trends in direct investment
15 have had on—

16 (i) the competitiveness of United
17 States industries in the international econ-
18 omy, with particular emphasis on critical
19 high-technology industries;

20 (ii) the value of goods and services ex-
21 ported from and imported to the United
22 States;

23 (iii) employment in the United States,
24 in particular high-wage employment; and

1 (iv) the provision of health care, pen-
2 sions, and other benefits provided by com-
3 panies based in the United States.

4 (c) ASSISTANCE OF OTHER AGENCIES.—

5 (1) FURNISHING OF INFORMATION.—The head
6 of each department or agency of the executive
7 branch of the Government, including any inde-
8 pendent agency, is authorized and directed to fur-
9 nish to the Under Secretary, upon request, such
10 data, reports, and other information as is necessary
11 for the Under Secretary to carry out the functions
12 under this Act.

13 (2) RESTRICTIONS ON RELEASE OR USE OF IN-
14 FORMATION.—Nothing in this subsection shall au-
15 thorize the release of information to, or the use of
16 information by, the Under Secretary in a manner in-
17 consistent with law or any procedure established
18 pursuant thereto.

19 (3) PERSONNEL AND SERVICES.—The head of
20 any department, agency, or instrumentality of the
21 United States may detail such personnel and may
22 furnish such services, with or without reimburse-
23 ment, as the Under Secretary may request to assist
24 in carrying out the functions of the Under Sec-
25 retary.

1 (d) ANNUAL REVISIONS AND UPDATES.—The Under
2 Secretary shall annually revise and update the Report de-
3 scribed in subsection (a).

4 **SEC. 6. ANNUAL DIRECT INVESTMENT AGENDA.**

5 (a) IN GENERAL.—Not later than October 1, 2008,
6 and annually thereafter, the Under Secretary shall submit
7 an agenda based on the data and analysis described in
8 section 5 for the preceding calendar year, to the President
9 and the appropriate congressional committees. The agenda
10 shall be known as the “Annual Direct Investment Agen-
11 da” and shall include—

12 (1) an evaluation of the research and develop-
13 ment program expenditures being made in the
14 United States with particular emphasis to critical
15 high-technology industries considered essential to
16 United States economic security and necessary for
17 long-term United States economic competitiveness in
18 world markets; and

19 (2) proposals that identify the policies, pro-
20 grams, and practices in foreign countries and that
21 the United States should pursue that—

22 (A) encourage direct investment in the
23 United States that will enhance the country’s
24 competitive advantage relative to foreign coun-

1 tries, with particular emphasis on critical high-
2 technology industries;

3 (B) enhance the viability of the manufac-
4 turing sector in the United States;

5 (C) increase opportunities for high-wage
6 jobs and promote high levels of employment;

7 (D) encourage economic growth; and

8 (E) increase opportunities for the provision
9 of health care, pensions, and other benefits pro-
10 vided by companies based in the United States.

11 (b) SUBMISSION.—To the extent practical, the Under
12 Secretary shall submit the Annual Direct Investment
13 Agenda concurrently with the Annual Direct Investment
14 Report.

15 (c) CONSULTATION WITH CONGRESS ON ANNUAL DI-
16 RECT INVESTMENT AGENDA.—The Under Secretary shall
17 keep the appropriate congressional committees currently
18 informed with respect to the Annual Direct Investment
19 Agenda and implementation of the Agenda. After the sub-
20 mission of the Agenda, the Under Secretary shall also con-
21 sult periodically with, and take into account the views of,
22 the appropriate congressional committees regarding imple-
23 mentation of the Agenda.

1 **SEC. 7. UNITED STATES DIRECT INVESTMENT PROMOTION**
2 **COMMITTEE.**

3 (a) ESTABLISHMENT.—The President shall establish
4 and the Under Secretary shall assume lead responsibility
5 for an Interagency United States Direct Investment Pro-
6 motion Committee. The functions of the Committee shall
7 be to—

8 (1) coordinate all United States Government ac-
9 tivities related to the promotion of direct investment
10 in the United States;

11 (2) advocate and implement strategic policies,
12 programs, and practices that will increase direct in-
13 vestment in the United States;

14 (3) train United States Government officials to
15 pursue strategic policies, programs, and practices
16 that will increase direct investment in the United
17 States;

18 (4) consult with business, labor, State, regional,
19 and local government officials on strategic policies,
20 programs, and practices that will increase direct in-
21 vestment in the United States;

22 (5) develop and publish materials that can be
23 used by Federal, State, regional, and local govern-
24 ment officials to increase direct investment in the
25 United States;

1 (6) create and maintain a database of direct in-
2 vestment opportunities in the United States;

3 (7) create and maintain an interactive website
4 that can be used to access direct investment oppor-
5 tunities in different sectors and geographical areas
6 of the United States, with particular emphasis on
7 critical high-technology industries;

8 (8) coordinate direct investment marketing ac-
9 tivities with State Economic Development Agencies;
10 and

11 (9) host regular meetings and discussions with
12 State, regional, and local economic development offi-
13 cials to consider best policy practices to increase di-
14 rect investment in the United States.

15 (b) MEMBERS.—The Committee shall be composed of
16 the following:

17 (1) The Secretary of Commerce.

18 (2) The United States Trade Representative.

19 (3) Members of the United States International
20 Trade Commission.

21 (4) The Secretary of the Treasury.

22 (5) Members of the National Economic Council.

23 (6) The Secretary of Agriculture.

24 (7) Such other officials as the President deter-
25 mines to be necessary.

1 **SEC. 8. DESIGNATION OF ADDITIONAL RENEWAL COMMU-**
2 **NITIES.**

3 Section 1400E of the Internal Revenue Code of 1986
4 (relating to designation of renewal communities) is amend-
5 ed by adding at the end the following new subsection:

6 “(h) ADDITIONAL DESIGNATIONS PERMITTED.—

7 “(1) IN GENERAL.—In addition to the areas
8 designated under subsection (a), the Under Sec-
9 retary of Commerce for United States Direct Invest-
10 ment, after consultation with the Secretary of the
11 Treasury, may designate in the aggregate an addi-
12 tional 10 nominated areas as renewal communities
13 under this section, subject to the availability of eligi-
14 ble nominated areas.

15 “(2) PERIOD DESIGNATIONS MAY BE MADE AND
16 TAKE EFFECT.—A designation may be made under
17 this subsection after the date of the enactment of
18 this subsection and before the date which is 5 years
19 after such date of enactment. Subject to subpara-
20 graphs (B) and (C) of subsection (b)(1), a designa-
21 tion made under this subsection shall remain in ef-
22 fect during the period beginning with such designa-
23 tion and ending on the date which is 8 years after
24 such designation.

25 “(3) APPLICATION OF RULES.—Except as oth-
26 erwise provided in paragraph (1), the rules of this

- 1 section shall apply to designations under this sub-
- 2 section.”.

