

**ALERT**

# Commerce Secretary Raimondo Signals Support for Outbound Investment Screening

March 25, 2022

On March 22, 2022, U.S. Secretary of Commerce Gina Raimondo signaled the Biden Administration's willingness to agree to outbound investment screening legislation incorporated in the America COMPETES Act and also indicated that Executive action regarding such screening may be possible if Congress does not act, according to media reports.

As we previously described, earlier this year the House of Representatives passed the America COMPETES Act as the counterpart to the Senate-passed U.S. Innovation and Competition Act (USICA). The America COMPETES Act includes provisions that would establish a review process for outbound investment and offshoring transactions through a new Committee on National Critical Capabilities (Committee). As opposed to the Committee on Foreign Investment in the United States (CFIUS), which reviews inbound investment, the interagency Committee would review outbound transactions related to the offshoring of certain supply chains and other "national critical capabilities" in an effort to protect domestic manufacturing capacity.

The House and Senate are in the process of reconciling the differences between the America COMPETES Act and USICA. A final bill could pass by Memorial Day, and the provisions that would stand up a review process for outbound investment and offshoring transactions may emerge as part of the consensus bill. Secretary Raimondo's comments indicate that such an investment screening process remains a distinct possibility in the near future and may come as a result of Executive action.

## Authors

Nova J. Daly  
Senior Public Policy Advisor  
202.719.3282  
ndaly@wiley.law

Daniel P. Brooks  
Partner  
202.719.4183  
dbrooks@wiley.law

Paul J. Coyle  
Associate  
202.719.3446  
pcoyale@wiley.law

Paul A. Devamithran  
Associate  
202.719.3451  
pdevamithran@wiley.law

## Practice Areas

Committee on Foreign Investment in the United States (CFIUS)

International Trade

National Security

Wiley's National Security and International Trade practices have represented clients before CFIUS and Team Telecom for decades. We have worked with Congress and executive agencies on legal and policy issues affecting investors and companies across the private sector. We welcome you to reach out to any of our professionals for additional information or guidance.