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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To direct the United States Trade Representative to prioritize North American alignment on foreign investment review during the next joint review conducted under the United States-Mexico-Canada Agreement.

IN THE HOUSE OF REPRESENTATIVES

Mr. ARRINGTON introduced the following bill; which was referred to the Committee on _____

A BILL

To direct the United States Trade Representative to prioritize North American alignment on foreign investment review during the next joint review conducted under the United States-Mexico-Canada Agreement.

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 “Consistency in Foreign
5 Investment in the United States-Mexico-Canada Agree-
6 ment Act” or the “CFIUSMCA Act”.

1 **SEC. 2. NORTH AMERICAN ALIGNMENT ON FOREIGN IN-**
2 **VESTMENT REVIEW.**

3 (a) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that—

5 (1) Canada and Mexico are the two largest
6 trading partners of the United States, with bilateral
7 goods and services trade between the United States
8 and each such country reaching approximately
9 \$1,000,000,000,000 in 2024;

10 (2) the United States–Mexico–Canada Agree-
11 ment (USMCA) underpins much of the trade re-
12 ferred to in paragraph (1) and promotes a strong
13 North American supply chain that supports millions
14 of good-paying jobs in the United States;

15 (3) given the close economic relationship be-
16 tween the United States, Mexico, and Canada under
17 the USMCA, ensuring that each party has robust in-
18 vestment review mechanisms in place is important
19 towards strengthening the collective national security
20 interests of those countries;

21 (4) the Committee on Foreign Investment in
22 the United States plays a critical role in protecting
23 the national security of the United States by review-
24 ing foreign investments for national security risks;
25 and

1 (5) the establishment or modification by Mexico
2 and Canada of legislative and regulatory frameworks
3 to review foreign investments for national security
4 risks that are similar to the framework established
5 under section 721 of the Defense Production Act of
6 1950 (50 U.S.C. 4565) would—

7 (A) advance the national security interests
8 of the United States; and

9 (B) allow for closer coordination between
10 the USMCA countries with respect to shared
11 threats from investments in strategically impor-
12 tant economic sectors and critical infrastructure
13 in North America.

14 (b) JOINT REVIEW NEGOTIATION OBJECTIVE.—Sub-
15 ject to the requirements of section 611 of the United
16 States-Mexico-Canada Agreement Implementation Act (19
17 U.S.C. 4611), during the first joint review conducted after
18 the date of the enactment of this Act, the Trade Rep-
19 resentative shall advocate for—

20 (1) each USMCA country to implement a legis-
21 lative and regulatory framework for reviewing for-
22 eign investment for national security risks that is
23 similar to the framework established under section
24 721 of the Defense Production Act of 1950 (50
25 U.S.C. 4565); and

1 (2) the establishment of a mechanism for
2 USMCA countries to coordinate to address shared
3 threats from investments in strategically important
4 economic sectors and critical infrastructure in North
5 America that is overseen by the Trade Representa-
6 tive, Secretary of State, and Secretary of the Treas-
7 ury and provides a forum for each USMCA country
8 to—

9 (A) implement this mechanism;

10 (B) enhance communication and coopera-
11 tion among the USMCA countries related to
12 shared threats from foreign investment;

13 (C) facilitate the development of consistent
14 foreign investment screening practices and
15 standards among the USMCA countries;

16 (D) exchange information on shared
17 threats from investments in strategically impor-
18 tant economic sectors and critical infrastruc-
19 ture;

20 (E) notify the other USMCA countries of
21 investments in strategically important economic
22 sectors and critical infrastructure; and

23 (F) identify, consult, manage, and resolve
24 existing or proposed foreign investments in one

1 USMCA country determined to pose a national
2 security risk to another USMCA country.

3 (c) TECHNICAL ASSISTANCE.—In carrying out sub-
4 section (b)(1), the Trade Representative shall coordinate
5 with the Secretary of the Treasury and the Secretary of
6 State with respect to the provision of technical assistance
7 to USMCA countries to support the establishment or
8 modification of frameworks for reviewing foreign invest-
9 ments for national security risks. With respect to the pro-
10 vision of technical assistance to USMCA countries to sup-
11 port the establishment or modification of frameworks for
12 reviewing foreign investment for national security risks,
13 the Trade Representative shall also consult closely and on
14 a timely basis with appropriate Congressional committees,
15 including the Committee on Ways and Means of the House
16 of Representatives and the Committee on Finance of the
17 Senate.

18 (d) DEFINITIONS.—In this section:

19 (1) CRITICAL INFRASTRUCTURE.—The term
20 “critical infrastructure” means, in the context of a
21 particular covered control transaction, systems and
22 assets, whether physical or virtual, so vital to the
23 United States that the incapacity or destruction of
24 such systems or assets would have a debilitating im-
25 pact on national security.

1 (2) FOREIGN INVESTMENT.—The term “foreign
2 investment” has the meaning given the terms “cov-
3 ered investment”, “covered investment critical infra-
4 structure”, and “covered transaction” in sections
5 800.211 through 800.213 of title 31, Code of Fed-
6 eral Regulations.

7 (3) JOINT REVIEW.—The term “joint review”
8 has the meaning given that term in section 611 of
9 the United States-Mexico-Canada Agreement Imple-
10 mentation Act (19 U.S.C. 4611).

11 (4) TRADE REPRESENTATIVE.—The term
12 “Trade Representative” means the United States
13 Trade Representative.

14 (5) NATIONAL SECURITY RISK.—The term “na-
15 tional security risk” has the meaning given that
16 term for purposes of any determination under sec-
17 tion 721 of the Defense Production Act of 1950, in-
18 cluding as provided in Executive Order 14083 (87
19 Fed. Reg. 57369; relating to ensuring robust consid-
20 eration of evolving national security risks by the
21 Committee on Foreign Investment in the United
22 States).

23 (6) STRATEGICALLY IMPORTANT ECONOMIC
24 SECTORS.—The term “strategically important eco-
25 nomic sectors” includes—

- 1 (A) advanced computing;
- 2 (B) advanced engineering materials;
- 3 (C) advanced gas turbine engine tech-
- 4 nologies;
- 5 (D) advanced and networked sensing and
- 6 signature management;
- 7 (E) advanced manufacturing;
- 8 (F) artificial intelligence;
- 9 (G) biotechnologies;
- 10 (H) critical technologies, as such term is
- 11 defined in section 800.215 of title 31, Code of
- 12 Federal Regulations;
- 13 (I) data privacy, data security, and cyber-
- 14 security technologies;
- 15 (J) directed energy;
- 16 (K) highly automated, autonomous, and
- 17 uncrewed systems, and robotics;
- 18 (L) human-machine interfaces;
- 19 (M) hypersonics;
- 20 (N) integrated communication and net-
- 21 working technologies;
- 22 (O) positioning, navigation, and timing
- 23 technologies;
- 24 (P) quantum information and enabling
- 25 technologies;

1 (Q) semiconductors and microelectronics;
2 and

3 (R) space technologies and systems.

4 (7) USMCA.—The term “USMCA” has the
5 meaning given that term in section 3 of the United
6 States-Mexico-Canada Agreement Implementation
7 Act (19 U.S.C. 4502).

8 (8) USMCA COUNTRY.—The term “USMCA
9 country” has the meaning given that term in section
10 202(a) of the United States-Mexico-Canada Agree-
11 ment Implementation Act (19 U.S.C. 4531(a)).