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Letters

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Foreign Investment Bill Will Hurt U.S. Business

While Douglas Holtz-Eakin makes a strong case in his July 13 editorial-page commentary "[You Can't be CFIUS](#)," it is important to elaborate on two of the specific problems in pending congressional legislation to change the Committee on Foreign Investment in the United States (CFIUS). First, the Senate's Shelby-Sarbanes bill would allow governors and members of Congress to be notified of foreign investments under review by CFIUS, which is made up of representatives of federal agencies. Such reviews are now confidential, so the opportunity is ripe for political mischief (or even corruption) under such a change in the law.

Second, the Shelby-Sarbanes legislation would put foreign investors at a disadvantage by creating for them a separate timeline from domestic investors. The bill would take CFIUS review times beyond the current 30-day period, which now matches up with the existing Hart-Scott-Rodino antitrust reviews required of both U.S. and foreign investors. If you were considering selling your house to two potential buyers and one told you it would likely take an extra 30 days before he knew he could complete the sale, then which buyer would you choose?

Ultimately, the real losers will be U.S. companies, shareholders and entrepreneurs unable to obtain a fair market value for their assets.

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