



United States House of Representatives
One Hundred Nineteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

September 15, 2026

The Honorable Scott Bessent
Chair
Committee on Foreign Investment in the United States
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

Dear Chair Bessent:

The House Committee on Financial Services (Committee) has been conducting oversight of the Committee on Foreign Investment in the United States (CFIUS) and its process for reviewing certain transactions involving foreign entities investing in the United States. The Committee is concerned that CFIUS currently operates without sufficient transparency and accountability, which creates the opportunity for abuse or mismanagement of the process and allows CFIUS members or other government officials to deviate the process from its intended purpose. This risk is most evident in the Biden Administration's review of Nippon Steel Corporation's (Nippon's) proposed acquisition of U.S. Steel Corporation (U.S. Steel, or jointly, the Parties) (the Transaction).¹ In that case, it appears that then-President Biden predetermined and politicized the review, deviating from the apolitical analysis that CFIUS is meant to undertake.

As part of its oversight, the Committee sent you a letter on October 27, 2025, requesting records relating to CFIUS's review of the Transaction.² The Committee has been disappointed with the U.S. Department of the Treasury's (Treasury's or the Department's) lack of engagement on this issue. While the Department provided the Committee with a classified briefing about the Transaction, that briefing revealed minimal new, non-public information. Moreover, in the more than 10 months since its initial request, the Committee has received just five documents related to the Transaction, four of which were produced by the Office of the Director of National Intelligence. The single document produced by the Department—which was provided almost nine months after the Committee's initial request—largely recited information that was already publicly available or known to the Committee.

¹ Letter from Dan Meuser et al., Chairman, Subcomm. on Oversight & Investigations, H. Comm. on Fin. Servs., to Scott Bessent, Chairman, Comm. on Foreign Invest. in the United States (Oct. 27, 2025).

² *Id.*

In discussions with Committee staff, the Department has argued that it cannot or will not produce responsive records within its possession, in part, because it claimed much of the CFIUS process and decision-making is “paperless.” This raises concerns, as reliance on undocumented, oral communications for critical decisions directly impacts the auditability of the CFIUS process and the ability to conduct meaningful oversight.

Committee Republicans are concerned that the process is ripe for abuse by administrations—of either party—and shields the process from congressional oversight, judicial review, and public accountability. To remedy this situation, the Committee is evaluating whether legislation is needed to clarify CFIUS’s duty to maintain written records of its communications and decisions, and to provide these materials to congressional committees of jurisdiction upon request. The Committee is also considering whether additional reforms are needed to ensure the review process is not abused.

CFIUS and the Review Process

CFIUS Generally

As you know, CFIUS is an interagency committee to “review certain transactions involving foreign investment in the United States and certain real estate transactions by foreign persons, in order to determine the effect of such transactions on the national security of the United States.”³ CFIUS is limited to “covered transactions,”⁴ which, in part, include any merger, acquisition, or takeover “by or with any foreign person that could result in foreign control of any United States business, including such a merger, acquisition, or takeover carried out through a joint venture.”⁵ Recognizing the wide range of transactions that could fall under this definition, CFIUS convenes the heads of various agencies to provide subject matter expertise. While the Treasury Secretary chairs CFIUS and co-leads on all CFIUS reviews and investigations,⁶ the “Secretaries of State, Defense, Homeland Security, Commerce, and Energy; Attorney General; U.S. Trade Representative; and Director of the Office of Science and Technology Policy” also serve as voting members.⁷

CFIUS was established through executive order in 1975⁸ and codified by the Exon-Florio amendment to the *Defense Production Act* in 1988.⁹ Generally, the CFIUS “review process” is broken down into four key steps: (1) notice¹⁰ of a proposed transaction, (2) review of the

³ *The Committee on Foreign Investment in the United States (CFIUS)*, U.S. DEP’T OF THE TREASURY, <https://www.cfius.gov/> (last visited Sep. 8, 2026).

⁴ 50 U.S.C. § 4565(a)(4).

⁵ *Id.* § 4565(a)(4)(B)(i).

⁶ CONG. RSCH. SERV., IF10177, COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES (CFIUS) (2026), available at <https://www.congress.gov/crs-product/IF10177>.

⁷ *Id.*

⁸ Exec. Order No. 11,858, 40 Fed. Reg. 20,263 (1975).

⁹ H. Rept. 100-576 (1988); *CFIUS Overview*, COOLEY, <https://www.cooley.com/services/practice/cfius/cfius-overview> (last visited Sep. 8, 2026).

¹⁰ While parties can file a formal notice, they can also file a declaration, which generally contains less information than formal notice. 31 C.F.R. §§ 800.403-800.404; *cf.* 31 C.F.R. §§ 800.501-800.502. A declaration leads to an

proposal, (3) a deeper investigation, where needed, and (4) decision, including where needed, referral to the president.¹¹ Notice can be filed voluntarily by the transacting parties or as directed by CFIUS.¹² Regardless of who prompts it, once notice is filed, a 45-day clock is triggered during which CFIUS must complete its review.¹³ CFIUS uses this time to assess the submitted documentation, submit questions for the parties to answer, and screen for national security risks.¹⁴ Should CFIUS need additional time beyond the first 45 days to assess the national security risks, it can proceed to the investigation phase, which also occurs on a 45-day requirement.¹⁵

At the end of CFIUS's analysis—whether during the review or investigation phase—CFIUS will take one of four steps: (1) clear the transaction with no mitigation requirements, allowing the parties to proceed as proposed, (2) clear the transaction, subject to a mitigation agreement aimed at remedying any identified national security concerns, (3) recommend the president block the transaction, or (4) where CFIUS members are unable to reach consensus as to which of the above decisions to take, refer the matter to the president for decision.¹⁶ If CFIUS is unable to reach consensus, member agencies supporting “an alternative recommendation shall produce . . . a written statement justifying the alternative recommendation; and . . . as appropriate, a risk-based analysis that supports the alternative recommendation.”¹⁷ In the event a transaction is referred to the president, the president has 15 days to announce a decision.¹⁸ Importantly, a president may only prohibit a transaction if two elements are met. First, “there is credible evidence that leads the President to believe that a foreign person that would acquire an interest in a United States business or its assets as a result of the covered transaction might take action that threatens to impair the national security.”¹⁹ Second, other “provisions of law . . . do not, in the judgment of the President, provide adequate and appropriate authority for the President to protect the national security in the matter before the President.”²⁰

Apolitical Review of National Security Concerns

CFIUS's review and investigation phases were intended to be apolitical—they were to strictly evaluate the national security risks of a proposed transaction. Congress has been clear in its intent. In codifying CFIUS, Congress affirmed a president's authority to “stop foreign takeovers, mergers, or acquisitions which threaten the national security.”²¹ When Congress

expedited 30-day assessment after which CFIUS can require the parties to file a notice, clear the transaction, or take no action. Notably, if no action is taken, CFIUS retains authority to require the parties submit a notice in the future.
31 C.F.R. §§ 800.405, 800.407.

¹¹ H. Rept., *supra* note 9.

¹² 31 C.F.R. §§ 800.501(a), (b)(1)-(2).

¹³ *Id.* § 800.503(b).

¹⁴ *Id.* §§ 800.502, 800.801; Nick Oberheiden, *What Triggers A CFIUS Review?*, OBERHEIDEN (July 5, 2026), <https://federal-lawyer.com/national-security/cfius/what-triggers-review/>.

¹⁵ 50 U.S.C. §§ 4565(b)(1)(F), (2)(C)(i).

¹⁶ COOLEY, *supra* note 9.

¹⁷ 50 U.S.C. §§ 4565(l)(4)(B)(ii)(I)-(II).

¹⁸ *Id.* § 4565(d)(2).

¹⁹ *Id.* § 4565(d)(4)(A).

²⁰ *Id.* § 4565(d)(4)(B).

²¹ 134 Cong. Rec. 8882 (1988) (statement of Sen. Exon).

updated CFIUS's governing statute in 2007, it again reaffirmed that CFIUS must "ensure national security is protected" by using current intelligence from the Director of National Intelligence in CFIUS's review of covered transactions.²² CFIUS is to review transactions from "countries, including China and Russia, that truly present a national security risk"²³ and involve particular "sensitive assets like personal data of U.S. citizens or technological information on critical technologies."²⁴

The intent of having an apolitical assessment of a transaction is also evident in the government's own documents. As the Office of the Director of National Intelligence has explained, CFIUS examines the foreign company's intentions and capabilities to harm U.S. national security—the threat.²⁵ It also looks to which "aspects of the U.S. business present vulnerabilities to national security."²⁶ And, it considers what the consequences would be "if the vulnerabilities were to be exploited."²⁷ Particular factors to be considered are also outlined in statute—all of which speak to the national security implications of a proposed transaction. These factors include:

- Domestic production needed for projected national defense requirements;
- The capability and capacity of domestic industries to meet national defense requirements;
- The control of domestic industries and commercial activity by foreign citizens as it affects the capability and capacity of the United States to meet the requirements of national security;
- The potential effects of the proposed or pending transaction on sales of military goods, equipment, or technology;
- The potential effects of the proposed or pending transaction on United States international technological leadership in areas affecting United States national security;
- The potential national security-related effects on United States critical infrastructure, including major energy assets;
- The potential national security-related effects on United States critical technologies;

²² 153 Cong. Rec. H1988 (2007) (statement of Rep. Bachus); Foreign Investment and National Security Act of 2007, Pub. L. No. 110-49, 121 Stat. 246 (2007).

²³ 164 Cong. Rec. H5693 (2018) (statement of Rep. Hensarling).

²⁴ *Id.*

²⁵ OFF. OF THE DIR. OF NAT'L INTELLIGENCE, INTELLIGENCE COMMUNITY SUPPORT TO THE COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES (CFIUS) THREAT ANALYSIS PROCESS (2022).

²⁶ Aimen Mir, U.S. Dep't of the Treasury, Speech at the Council on Foreign Relations (Apr. 1, 2016) (as prepared for delivery); U.S. Dep't of the Treasury, Office of Investment Security; Guidance Concerning the National Security Review Conducted by the Committee on Foreign Investment in the United States, 73 Fed. Reg. 74,567 (Dec. 8, 2008) (Notice).

²⁷ Mir, *supra* note 26; 73 Fed. Reg., *supra* note 26.

- The long-term projection of United States requirements for sources of energy and other critical resources and material; and
- Such other factors as the president or the Committee may determine to be appropriate, generally or in connection with a specific review or investigation.²⁸

In 2022, through Executive Order (E.O.) 14083, then-President Biden expanded the factors to include “effects on the resilience of U.S. critical supply chains and technological leadership; aggregate industry investment trends; cybersecurity risks; and risks to U.S. sensitive data.”²⁹ These additions were aimed at assessing the impact of transactions through which a foreign investor may gain control over a sector over time.³⁰

Use of Mitigation Agreements

As noted above, at any point during the review or investigation stage, CFIUS may “negotiate and impose mitigation conditions on the parties to address its concerns.”³¹ CFIUS typically enters into mitigation agreements—a contract between the foreign acquirer and the U.S. government tempering any national security risks—as a result of these negotiations. Mitigation agreements are enforceable contracts, and CFIUS has several remedies it can pursue if noncompliance occurs. For example, CFIUS could “impose monetary penalties”³² for “noncompliance,”³³ could “refer [noncompliance] to other government enforcement authorities,” if appropriate,³⁴ or could seek to unwind the transaction or “force a post-closing divestiture.”³⁵

Both CFIUS’s historical conduct and its own guidance demonstrate the preference for entering into mitigation agreements where possible. In 2022 and 2024, CFIUS updated its Enforcement and Penalty Guidelines, which allow CFIUS to reopen an investigation into the transaction, require the foreign acquirer to file for any future covered transaction for five years, or seek injunctive relief.³⁶ As of 2024, CFIUS was a signatory to nearly 250 active mitigation agreements.³⁷ By contrast, since 2015, presidents have only blocked eight proposed

²⁸ 50 U.S.C. § 4565(f).

²⁹ See CONG. RSCH. SERV., IF10177, *supra* note 6.

³⁰ CONG. RSCH. SERV., IF12415, CFIUS EXECUTIVE ORDER ON EVOLVING NATIONAL SECURITY RISKS AND CFIUS ENFORCEMENT GUIDELINES (2024), *available at* <https://www.congress.gov/crs-product/IF12415>.

³¹ See CONG. RSCH. SERV., IF10177, *supra* note 6.

³² *CFIUS Enforcement and Penalty Guidelines*, U.S. DEP’T OF THE TREASURY, <https://home.treasury.gov/policy-issues/international/the-committee-on-foreign-investment-in-the-united-states-cfius/cfius-enforcement-and-penalty-guidelines> (last visited Sep. 8, 2026).

³³ *Id.*

³⁴ *Id.*

³⁵ Stephen R. Heifetz et al., *CFIUS Rules: A Crash Course in Assessing and Navigating Risk*, LEXISNEXIS, <https://www.wsgr.com/a/web/eEJgAmdZD9DCDVeDwQoD1P/cfius-rules-0322.pdf> (last visited Sep. 8, 2026).

³⁶ *CFIUS Enforcement*, U.S. DEP’T OF THE TREASURY, <https://www.cfius.gov/monitoring-enforcement/enforcement/> (last visited Sep. 8, 2026); *see also* CONG. RSCH. SERV., IF10177, *supra* note 6; U.S. GOV’T ACCOUNTABILITY OFF., GAO-24-107358, FOREIGN INVESTMENT IN THE UNITED STATES: EFFORTS TO MITIGATE NATIONAL SECURITY RISKS CAN BE STRENGTHENED (2024), *available at* <https://www.gao.gov/assets/gao-24-107358.pdf>.

³⁷ U.S. DEP’T OF THE TREASURY, COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES ANNUAL REPORT TO CONGRESS REPORT PERIOD: CY 2024 39 (2025), *available at* <https://home.treasury.gov/system/files/206/2024-CFIUS-Annual-Report.pdf>.

transactions.³⁸ The vast majority of these proposals included Chinese companies seeking to acquire semiconductor or technology companies.³⁹ Given that the United States has been receptive to and encouraging of foreign investment, presidential blocks are often limited to cases where mitigation genuinely does not alleviate the national security risks.

Confidentiality

Much—if not all—of CFIUS’s review is confidential. Given that governing law expressly precludes judicial review of presidential decisions,⁴⁰ Congress operates as the only potential check to ensure the CFIUS operates in the manner intended—focused on national security implications and not on political or other factors. To be able to carry out this important function, it is important that Congress have information needed to be able to evaluate the government’s review process and operations.

The Nippon-U.S. Steel Proposed Transaction

The ability for the CFIUS process to be abused and deviated from its apolitical purpose is embodied in the case of Nippon’s proposed acquisition of U.S. Steel. Announced on December 18, 2023, Nippon—a Japanese steel company—proposed to acquire U.S. Steel for \$14.9 billion.⁴¹ The proposed purchase price was a 142 percent premium on U.S. Steel’s share price and more than double other offers.⁴² Within days of the announcement, then-President Biden’s top economic advisor, Lael Brainard, publicly called for “serious scrutiny” of the deal.⁴³ The Transaction deserved scrutiny, according to Brainard, because U.S. Steel played “an integral part of our arsenal of democracy in WWII and remain[ed] a core component of the overall domestic steel production.”⁴⁴ Domestic steel production capacity is a legitimate national security concern; invoking U.S. Steel’s WWII-era history is not. The Parties ultimately submitted a voluntary

³⁸ See CONG. RSCH. SERV., IF10177, *supra* note 6. This figure does not include then-President Biden’s block of the Transaction.

³⁹ See *id.*

⁴⁰ 50 U.S.C. § 4565(e).

⁴¹ Press Release, U.S. Steel Corp., Nippon Steel Corporation (NSC) to Acquire U.S. Steel, Moving Forward Together as the ‘Best Steelmaker with World-Leading Capabilities’ (Dec. 18, 2023), <https://www.ussteel.com/prereleases/-/blogs/nippon-steel-corporation-nsc-to-acquire-u-s-steel-moving-forward-together-as-the-best-steelmaker-with-world-leading-capabilities->.

⁴² Press Release, U.S. Steel Corp., U.S. Steel Issues Updated Letter to Stockholders (Mar. 27, 2025), <https://www.ussteel.com/es/prereleases/-/blogs/u-s-steel-issues-updated-letter-to-stockholders>; William Chou & Paul Sracic, *The Real Deal for US Steel: A Comprehensive Analysis of the Nippon Steel-US Steel Purchase*, HUDSON INST. (Dec. 19, 2024), <https://www.hudson.org/economics/real-deal-us-steel-comprehensive-analysis-nippon-steel-us-steel-purchase-william-chou-paul-sracic>.

⁴³ Andrea Shalal, *White House: Nippon-U.S. Steel deal deserves ‘serious scrutiny’*, REUTERS (Dec. 21, 2023), <https://www.reuters.com/markets/deals/nippon-us-steel-deal-deserves-serious-scrutiny-white-house-says-2023-12-21/>.

⁴⁴ Julia Mueller, *Biden economic adviser says US Steel sale deserves ‘serious scrutiny’*, THE HILL (Dec. 21, 2023), <https://thehill.com/homenews/administration/4372355-biden-economic-adviser-says-us-steel-sale-deserves-serious-scrutiny/>.

notice of the Transaction with CFIUS by March 14, 2024.⁴⁵ That same day, then-President Biden publicly demonstrated his opposition to the Transaction, stating:

It is important that we maintain strong American steel companies powered by American steel workers. I told our steel workers I have their backs, and I meant it. U.S. Steel has been an iconic American steel company for more than a century, and it is vital for it to remain an American steel company that is domestically owned and operated.⁴⁶

Five weeks later, then-President Biden reiterated his intention to block Nippon's acquisition, stating about U.S. Steel, "American owned, American operated, by American union steelworkers . . . and that is going to happen, *I promise you*."⁴⁷ This was an unprecedented action: a president publicly committing to a course of action on a proposed acquisition, before CFIUS had even begun its official review.⁴⁸ Not only did then-President Biden publicly state his opposition to the Transaction, but he also allegedly called David McCall, President of the United Steel Workers Union (USW), and vowed to block the Transaction.⁴⁹

Although the President had already—at worst—predetermined or—at best—significantly prejudiced the outcome of the review, the Parties proceeded with CFIUS review, engaging with CFIUS throughout 2024. At various points, CFIUS presented purported national security concerns about the proposed transaction, including a reduction in U.S. Steel's production capacity, Nippon's potential failure to engage in trade enforcement actions, and Nippon's ties to China.⁵⁰ Nippon agreed at multiple points to address these concerns, agreeing both orally and in writing to change its operations to mitigate CFIUS's purported concerns.⁵¹ Yet, based on the documents provided to the Committee, CFIUS never appears to have responded to Nippon's commitments or to have explained why they were insufficient to address the purported national security concerns.

⁴⁵ The Exec. Off. of the Pres., Regarding the Proposed Acquisition of United States Steel Corporation by Nippon Steel Corporation, 90 Fed. Reg. 26,185 (June 18, 2025).

⁴⁶ Press Release, White House, Statement from President Biden on US Steel (Mar. 14, 2024), <https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2024/03/14/statement-from-president-biden-on-us-steel/>.

⁴⁷ The Biden White House, *4/17/24: President Biden Delivers Remarks*, YOUTUBE (Apr. 17, 2024), <https://www.youtube.com/watch?v=z2sif3eV4Hg> (emphasis added).

⁴⁸ Petition for Review, *U.S. Steel Corp. v. Comm. on Foreign Inv. in the U.S.*, No. 25-1004, at 38 (D.C. Cir. filed Jan. 6, 2025).

⁴⁹ Trevor Hunnicut & Alexandra Alper, *Biden says U.S. Steel must stay domestically owned, a major blow to Nippon Steel*, REUTERS (updated Mar. 16, 2024), <https://www.reuters.com/markets/us/biden-say-us-steel-must-remain-domestically-owned-operated-2024-03-14/>.

⁵⁰ Brief of Petitioners, *U.S. Steel Corp. v. Comm. on Foreign Inv. in the U.S.*, No. 25-1004, at 20 (D.C. Cir. Filed Feb. 3, 2025); Petition for Review, *supra* note 48, at 38.

⁵¹ Brief of Petitioners, *supra* note 50, at 7-8.

Given the length of review, it appears the Parties agreed at different points to withdraw and refile the notice. This provided the Parties and CFIUS additional time to assess the proposed transaction. For example, on August 23, 2024, the Parties requested to withdraw and refile the proposed Transaction in hopes of giving CFIUS more time to review the written commitments Nippon had presented.⁵² Instead of promptly denying or granting the request, as is customary, CFIUS remained silent for days.⁵³ A week later, on August 31, 2024—the Saturday of Labor Day weekend—CFIUS issued a formal letter to the Parties, rehashing the same concerns that the Parties had sought for months to resolve.⁵⁴ CFIUS asked for a response by the opening of business on September 4—one full business day following the issuance of the letter. While CFIUS did agree to a call over Labor Day weekend to discuss the letter, CFIUS staff stated they were in “listen-only mode” and would not provide any response to the Parties.⁵⁵ The Parties ultimately answered the August 31 letter, challenging CFIUS’s assessment of the risks, providing a proposed mitigation agreement to address CFIUS’s concerns (September mitigation agreement), and reiterating their request to withdraw and refile.⁵⁶

CFIUS ultimately granted the Parties’ request to withdraw and refile,⁵⁷ thereby restarting the clock by which CFIUS had to conduct its risk-based assessment of the potential national security concerns. In mid-October, CFIUS and the Parties met to discuss the September mitigation agreement.⁵⁸ Based on these discussions, the Parties offered a revised mitigation agreement (October mitigation agreement).⁵⁹ Again, the Parties met with CFIUS to answer questions about the October mitigation agreement in late November.⁶⁰ Following this meeting, the Parties proposed a third mitigation agreement.⁶¹ Based on the information made available to the Committee, at no point did CFIUS ever provide a draft mitigation agreement to the Parties for their consideration, nor did it ever provide edits or modifications to the multiple drafts submitted by the Parties. All written correspondence made available to the Committee shows that CFIUS disregarded the Parties’ attempts to mitigate any and all purported national security concerns. Ultimately, on December 23, 2024, CFIUS referred the matter to then-President Biden after failing to reach consensus.⁶²

⁵² *Id.* at 59.

⁵³ *Id.*

⁵⁴ *Id.* at 20.

⁵⁵ *Id.* at 20-21.

⁵⁶ *See id.* at 21-22.

⁵⁷ *Id.* at 59.

⁵⁸ *Id.* at 22.

⁵⁹ *Id.* at 22-23.

⁶⁰ *Id.* at 23.

⁶¹ *Id.* at 23.

⁶² Alan Rappeport & Lauren Hirsch, *National Security Committee Forgoes Decision on U.S. Steel Acquisition*, N.Y. TIMES (Dec. 23, 2024), <https://www.nytimes.com/2024/12/23/business/us-steel-nippon-biden-cfius.html>.

On December 30, 2024, the Parties made one final attempt, directly to then-President Biden, to alleviate any national security concerns. The Parties offered the U.S. government a ten-year veto over any reduction in steel production capacity.⁶³ This offer fell on deaf ears, as then-President Biden had already made his determination nearly 10 months prior. On January 3, 2025, then-President Biden formally blocked the Transaction.⁶⁴ On January 6, 2025, the Parties filed suit in the U.S. Court of Appeals for the District of Columbia Circuit against then-President Biden and CFIUS.⁶⁵ The Parties alleged that then-President Biden predetermined the outcome for political reasons, resulting in a biased and unlawful CFIUS review.⁶⁶

Upon taking office, President Trump reopened the case, charging CFIUS with conducting a *de novo* review of the Transaction.⁶⁷ On May 21, 2025, CFIUS submitted a recommendation to President Trump.⁶⁸ President Trump announced via social media that he was reversing the Biden decision, confirming the Transaction between U.S. Steel and Nippon.⁶⁹ On June 13, 2025, President Trump issued an executive order overturning the Biden block and allowing the Transaction with a mitigation agreement.⁷⁰

The Biden Administration's Abuse of the CFIUS Process

Assessment of the proposed Transaction unfolded over more than a year from the initial announcement and Biden Administration scrutiny of the deal through then-President Biden's decision to formally block it. The Biden Administration's handling of the review is defined by political considerations and campaign promises—placing Biden's reelection aspirations over a genuine national security review. First, then-President Biden predetermined the outcome, which

⁶³ Alexandra Alper, *Nippon Steel offers the U.S. government veto power in bid for U.S. Steel approval, source tells Reuters*, REUTERS (Dec. 31, 2024), <https://www.reuters.com/markets/commodities/nippon-steel-offers-us-government-veto-power-bid-us-steel-approval-wapo-reports-2024-12-31/>.

⁶⁴ Press Release, White House, Order Regarding the Proposed Acquisition of United States Steel Corporation by Nippon Steel Corporation (Jan. 3, 2025), <https://bidenwhitehouse.archives.gov/briefing-room/presidential-actions/2025/01/03/order-regarding-the-proposed-acquisition-of-united-states-steel-corporation-by-nippon-steel-corporation/>.

⁶⁵ *US Steel and Nippon file lawsuit over Biden's order blocking \$14.9bn deal*, THE GUARDIAN (Jan. 6, 2025), <https://www.theguardian.com/us-news/2025/jan/06/us-steel-nippon-lawsuit-biden>; Alexandra Alper et al., *U.S. Steel, Nippon sue Biden administration over decision to block merger*, REUTERS (Jan. 6, 2025), <https://www.reuters.com/markets/deals/us-steel-nippon-steel-file-two-lawsuits-after-biden-blocks-149-billion-deal-2025-01-06/>.

⁶⁶ Alper, *supra* note 65.

⁶⁷ Review of Proposed United States Steel Corporation Acquisition, 2025 Daily Comp. Pres. Doc. 440 (Apr. 7, 2025), available at <https://www.whitehouse.gov/presidential-actions/2025/04/review-of-proposed-united-states-steel-corporation-acquisition/>.

⁶⁸ Memorandum from Cravath, Swaine & Moore LLP to Clients, *Following De Novo CFIUS Review, U.S. Government Approves Nippon Steel's Proposed Acquisition of U.S. Steel with Potentially Groundbreaking Conditions* (June 17, 2025), available at <https://www.cravath.com/a/web/c97aFprhBUZxMMdV6GRoRs/asVrHd/following-de-novo-cfius-review-us-government-approves-nippon-steels-proposed-acquisition-of-us-steel-with-potentially-groundbr.pdf>.

⁶⁹ Donald Trump (@realDonaldTrump), Truth Social (May 23, 2025, 3:25 PM), <https://truthsocial.com/@realDonaldTrump/posts/114558783827880495>.

⁷⁰ See 90 Fed. Reg., *supra* note 45 (The *de novo* review was signed on June 13, 2025, and published in the Federal Register on June 18, 2025).

tainted CFIUS's review before it even began.⁷¹ Second, then-President Biden predetermined the review to win the endorsement and support of the USW—not a direct party to the Transaction—in his reelection efforts.⁷² This came in the face of some senior administration officials agreeing that the proposed Transaction could be mitigated.⁷³ Finally, because CFIUS officials failed to engage in the process in good faith, it appears that they failed to consider how blocking the Transaction would only serve to perpetuate the very “security” concerns they claimed existed.⁷⁴

Then-President Biden's Predetermination of the Outcome

As explained above, by law, a president may only block a CFIUS-reviewed transaction when “there is credible evidence that leads the President to believe that a foreign person . . . might take action that threatens to impair the national security”⁷⁵ and when “provisions of law . . . do not, in the judgment of the President, provide adequate and appropriate authority for the President to protect the national security.”⁷⁶ Both conditions must be met, and both presuppose a completed review by CFIUS. The “credible evidence” standard is based on the existence of evidence assembled by CFIUS through its statutory review and investigation process. The president is required to act on evidence—not to generate the conclusion and then instruct the process to support it.

As soon as the proposed transaction was announced, senior Biden Administration officials publicly expressed skepticism of the deal and then-President Biden himself went so far as to telegraph his intention to block the deal on the same day the Parties submitted it to CFIUS for review.⁷⁷ Then-President Biden publicly announced his desire to keep U.S. Steel domestically owned and weeks later promised to do so.⁷⁸ Jointly, both statements signal his intent to prevent the foreign acquisition of U.S. Steel, regardless of the recommendations by his own officials, and regardless of the national security concerns—or lack thereof—posed by a potential acquisition.

⁷¹ See Ximena Bustillo, *Biden said he opposes Nippon Steel takeover of US Steel. Now the USW endorses him*, NAT'L PUB. RADIO (updated Mar. 20, 2024), <https://www.npr.org/2024/03/14/1238570651/biden-opposes-nippon-steel-takeover-of-u-s-steel-its-an-issue-in-some-swing-stat>.

⁷² Brief of Petitioners, *supra* note 50, at 1-2.

⁷³ Ellen Nakashima et al., *Biden rejected appeals of several top advisers in blocking U.S. Steel bid*, WASH. POST (Jan. 4, 2025), <https://www.washingtonpost.com/business/2025/01/04/biden-steel-nippon-advisers/>; Matt Egan, *Biden killed US Steel deal even though some US officials rejected national security concerns*, CNN (Jan. 6, 2025), <https://www.cnn.com/2025/01/06/business/us-steel-biden-japan-nippon>.

⁷⁴ See Petition for Review, *supra* note 48, at 59-60.

⁷⁵ 50 U.S.C. § 4565(d)(4)(A).

⁷⁶ *Id.* § 4565(d)(4)(B).

⁷⁷ See Hunnicut & Alper, *supra* note 49.

⁷⁸ See Statement from President Biden, *supra* note 46; President Biden Delivers Remarks, *supra* note 47.

Then-President Biden effectively created a new standard for CFIUS cases: “domestically owned and operated”—a standard that contradicts the entire purpose of CFIUS, which is meant to review national security risks related to foreign investment in U.S. companies. That is why such a standard appears nowhere in CFIUS’s governing statute or associated regulations. The statute authorizes a block only upon credible evidence of a threat to national security, by the acquirer, where no other legal options are available.⁷⁹ While factors related to foreign ownership and capacity may be considered,⁸⁰ they must be considered within the bounds of national security.⁸¹ In fact, many independent analysts believed the Transaction posed zero risk to national security.⁸² This was ultimately reinforced when senior officials at several CFIUS member agencies agreed that any purported national security risks could be mitigated, as described more below.⁸³

Even if then-President Biden was justified in considering the foreign ownership of U.S. Steel, his prejudicial statements came well before he was presented with any evidence as to the potential national security implications of the proposal. At that time, he had been presented with no threat analysis from the Director of National Intelligence nor with any vulnerability or consequences analysis from CFIUS.

Then-President Biden’s Politicization of the Process

If then-President Biden felt strongly enough to predetermine the outcome of a review process before it began, the natural question is why. Unfortunately, the answer seems clear: he did so to score the endorsement and support of the USW—a powerful voting bloc—during an election year. The USW’s endorsement is impactful in battleground states, such as Pennsylvania, Wisconsin, and Michigan. During his reelection campaign, then-President Biden made the steel belt a priority.⁸⁴ Part of his efforts to win support in these states was courting labor unions for their endorsement.⁸⁵ Then-President Biden, in his 2019 campaign, declared himself a “union man. Period.”⁸⁶ This focus on union support continued into his 2024 reelection campaign. For example, he made seven campaign trips to Pennsylvania in the first five months of 2024, opened

⁷⁹ 50 U.S.C. § 4565(d)(4).

⁸⁰ *Id.* § 4565(f).

⁸¹ *Id.*

⁸² Thomas Feddo, *Biden, CFIUS and the U.S. Steel Acquisition*, WALL ST. J. (Apr. 15, 2024), <https://www.wsj.com/opinion/biden-cfius-and-the-u-s-steel-acquisition-58b579f4>; Scott Lincicome, *Nippon Steel and the “National Security” Hoax*, CATO INST. (Jan. 3, 2025), <https://www.cato.org/blog/national-security-hoax>; *Blocking the Nippon Steel Acquisition: Politics Versus Policy*, COUNCIL ON FOREIGN RELS. (Jan. 3, 2025), <https://www.cfr.org/articles/blocking-nippon-steel-acquisition-politics-versus-policy>.

⁸³ Nakashima, *supra* note 73; Egan, *supra* note 73.

⁸⁴ Seung Min Kim & Lisa Mascaro, *Biden campaign names Wisconsin, Pennsylvania and Michigan as ‘clearest pathway’ to White House*, PUB. BROAD. SERV. NEWS (July 11, 2024), <https://www.pbs.org/newshour/politics/biden-campaign-names-wisconsin-pennsylvania-and-michigan-as-clearest-pathway-to-white-house>.

⁸⁵ Kyle Feldscher et al., *Biden jabs at Trump on Labor Day as he looks to shore up his union base*, CNN (Sep. 4, 2023), <https://www.cnn.com/2023/09/04/politics/joe-biden-labor-day/index.html>.

⁸⁶ Will Weissert & Seung Min Kim, *Biden is returning to his union roots as his 2024 campaign gears up*, ASSOC. PRESS (June 16, 2023), <https://apnews.com/article/biden-unions-reelection-campaign-2024-04b89292c9c41f35a127f2458d90a610>.

twenty-four field offices, and spent tens of millions of dollars there.⁸⁷ While many unions quickly announced their endorsement for then-President Biden,⁸⁸ the USW initially withheld its endorsement. According to reports, then-President Biden sought to win the favor and endorsement of the USW by blocking the Transaction.⁸⁹ The USW represents a large membership base in the swing states that then-President Biden needed to win reelection, and the USW's support would have been critical in securing those votes.⁹⁰

This process is very concerning. Then-President Biden needed support from the USW, while the USW wanted to prevent Nippon from acquiring U.S. Steel. The USW's focus is on protecting union jobs.⁹¹ The USW feared that Nippon would close steel mills in the United States—resulting in potentially thousands of lost jobs—in favor of importing Japanese steel.⁹² USW also expressed concern with the relationship between Nippon and China, claiming it had national security implications.⁹³ Lastly, the USW stated that Nippon's acquisition of "U.S. Steel would destabilize America's trade enforcement system"⁹⁴ because Nippon would prevent U.S. Steel from joining enforcement actions to prevent other countries undercutting the price of steel in the United States.⁹⁵

Before the Parties had even filed their voluntary notice with CFIUS, USW President McCall stated, "today we received personal assurances that President Joe Biden has our backs."⁹⁶ Immediately following then-President Biden's March 14 statement, the White House confirmed that then-President Biden called USW President McCall, reaffirming that then-President Biden had the steelworkers' backs.⁹⁷ Allegedly, the USW was lobbying hard against Nippon because it had already committed to supporting Cleveland-Cliffs Inc.'s (Cleveland-Cliffs) acquisition of U.S. Steel.⁹⁸ The Parties claimed that Cleveland-Cliffs' Chief Financial Officer stated on a February 2024 investor call that "[the Biden Administration is] not gonna allow the [Transaction] to go through."⁹⁹ On a March 2024 investor call, Cleveland-Cliffs' Chief Executive Officer (CEO) stated that "CFIUS is just a cover for a President to kill a deal."¹⁰⁰

⁸⁷ Myah Ward & Braktkton Booker, *Biden is investing heavily in Pennsylvania — with little to show for it*, POLITICO (May 29, 2024), <https://www.politico.com/news/2024/05/29/pennsylvania-2024-biden-trump-00160511>.

⁸⁸ See Weissert & Kim, *supra* note 86.

⁸⁹ Alper et al., *supra* note 65.

⁹⁰ Robert A. Friedman & Caroline Grace Howard, *Biden Administration's Blocking Order Sparks Legal Battles*, HOLLAND & KNIGHT (Jan. 17, 2025), <https://www.hklaw.com/en/insights/publications/2025/01/biden-administrations-blocking-order-sparks-legal-battles>.

⁹¹ Kenneth Rapoza, *Why the Nippon Steel Deal has steel workers in a panic*, PROSPEROUS AM. (Mar. 11, 2024), <https://prosperousamerica.org/why-the-nippon-steel-deal-has-steel-workers-in-a-panic/>.

⁹² *Id.*

⁹³ *Id.*

⁹⁴ Press Release, United Steelworkers Union, USW Solidarity Will Determine the Future of U.S. Steel, Not Sellout Executives or Foreign Managers (June 27, 2024), <https://usw.org/bargaining-update/usw-solidarity-will-determine-the-future-of-u-s-steel-not-sellout-executives-or-foreign-managers/>.

⁹⁵ *Id.*

⁹⁶ *Id.*

⁹⁷ See Bustillo, *supra* note 71.

⁹⁸ Brief of Petitioners, *supra* note 50, at 1-4.

⁹⁹ Petition for Review, *supra* note 48, at 3.

¹⁰⁰ *Id.* at 4.

Then-President Biden allegedly called the USW on March 20, 2024, demanding its endorsement “now,” and in return, the USW received assurances that the Transaction would be blocked.¹⁰¹ Cleveland-Cliffs’ CEO allegedly stated that then-President Biden and other officials assured him at various points that the deal would not be approved.

Considering the timeline, it is unreasonable to believe the USW’s endorsement a week after then-President Biden’s statement was purely coincidence. Then-President Biden’s public opposition to the Transaction and his stated commitment to the USW—combined with allegations that CFIUS served merely as a “cover”—suggest the outcome was driven by political considerations rather than a national security determination. While the allegations were never proven in court, the timeline and process demand scrutiny and an examination of whether CFIUS was used as a purely political tool.

CFIUS’s Failure to Engage in Good Faith Review & Negotiation

Good-faith engagement by CFIUS during its review requires a genuine, open dialogue between CFIUS and the parties to a transaction. This allows CFIUS to fully explore all the national security implications of the transaction while allowing the parties the chance to mitigate those concerns if needed or possible. Nippon and U.S. Steel did not receive this good-faith engagement. Once then-President Biden had publicly stated his opposition to the Transaction, CFIUS’s incentive to conduct a genuine review of the Transaction was effectively eliminated. This lack of a good-faith engagement is evident in the record: generalized statements of concern, failure to engage with the Parties on mitigation, and going as far as being in “listening” only mode on multiple calls with the Parties.¹⁰²

CFIUS articulated two concerns known to the Committee and likely a third: (1) a possible reduction in U.S. Steel’s production capacity; (2) potential interference with trade positions U.S. Steel might take; and (3) potential concerns regarding Nippon’s ventures in China.¹⁰³ With respect to capacity concerns, CFIUS mentioned the potential for Nippon to intentionally reduce capacity for business or financial reasons.¹⁰⁴ The Parties admitted this is a valid concern of CFIUS and as part of their proposed mitigation agreement, committed to not reducing production capacity unless two of three CFIUS-approved, non-dual U.S. citizen board members voted to reduce capacity.¹⁰⁵ The Parties even committed to not reducing domestic steel production for ten

¹⁰¹ *Id.*

¹⁰² Petition for Review, *supra* note 48, at 44, 56.

¹⁰³ *Id.* at 38, 44. The August 31 letter the Parties received “mirrored many of the talking points advanced by United Steelworkers leadership.” *Id.*; *cf.* Rapoza, *supra* note 91.

¹⁰⁴ Brief of Petitioners, *supra* note 50, at 66-67.

¹⁰⁵ “In an NSA term sheet proposed to CFIUS in September 2024, Nippon Steel pledged that a majority of U.S. Steel’s board members will be American, and that three of them...will be approved by CFIUS.” *U.S. will have golden share in Nippon Steel’s takeover of U.S. Steel, lawmaker says*, BNN BLOOMBERG (May 27, 2025), <https://www.bnnbloomberg.ca/business/company-news/2025/05/27/nippon-steel-could-offer-washington-golden-share-to-seal-us-steel-deal-nikkei-reports/>. U.S. Steel’s production capacity would only be reduced if a majority of the CFIUS independent directors approved the reduction. *Id.*; *see generally* Brief of Petitioners, *supra* note 50, at 67.

years without CFIUS's approval.¹⁰⁶ CFIUS would have direct control over U.S. Steel's production capacity.

CFIUS's concern—whether motivated by permits or financial reasons—revolved around the potential of a reduction in steel production capacity at U.S. Steel facilities.¹⁰⁷ However, U.S. Steel noted that multiple operational facilities would require a reduction in staff or would idle completely unless the transaction was approved.¹⁰⁸ This would have likely resulted in a significant decrease in steel production capacity within the United States.¹⁰⁹ Without the Transaction, U.S. Steel would have remained in a weak financial position, resulting in limited investments and shifting resources.¹¹⁰ With the Transaction, and Nippon's significant investment into U.S. Steel's facilities, steel production capacity would remain strong. Nippon's investment would result in the exact situation CFIUS wanted—maintaining or increasing U.S. steel production capacity. Additionally, Nippon's investment and commitments would have been guaranteed under the proposed mitigation agreements offered by the Parties.¹¹¹ The proposed mitigation agreements would have subjected all future capacity reductions to approval from CFIUS-approved independent directors with advance notice and consultation with CFIUS.¹¹² By U.S. Steel's own admission, U.S. steel production capacity would diminish without the Transaction.¹¹³

Next, CFIUS believed that Nippon would interfere with trade positions U.S. Steel may wish to take.¹¹⁴ Yet, CFIUS failed to address why Nippon would not support U.S. Steel in any trade positions it may take.¹¹⁵ Nippon committed to a significant monetary investment, both in purchasing U.S. Steel and in upgrading U.S. Steel's current facilities.¹¹⁶ If U.S. Steel were to take a position in an anti-dumping or countervailing duties suit,¹¹⁷ it would be in Nippon's best financial interest to support that position. There are only two possible situations here. First, a foreign company is attempting to undercut the steel market by selling steel in the United States that may or may not be subsidized by its own country. Second, Nippon is actively undercutting the U.S. steel market. Regarding the first situation, Nippon has a financial interest in preventing foreign companies from undercutting the steel market in which it is actively participating. As for

¹⁰⁶ David J. Lynch & Jeff Stein, *Japanese buyer sends Biden new U.S. Steel proposal in final bid for support*, WASH. POST (Dec. 31, 2024), <https://www.washingtonpost.com/business/2024/12/31/nippon-us-steel-biden-union/>.

¹⁰⁷ Brief of Petitioners, *supra* note 50, at 20.

¹⁰⁸ Petition for Review, *supra* note 48, at 74; Press Release, U.S. Steel Corp., U.S. Steel Employees to Rally in Support of Nippon Steel Transaction (Sep. 4, 2024), <https://www.ussteel.com/prereleases/-/blogs/u-s-steel-employees-to-rally-in-support-of-nippon-steel-transaction>.

¹⁰⁹ Petition for Review, *supra* note 48, at 74; *see generally* U.S. Steel Corp., *supra* note 108.

¹¹⁰ Petition for Review, *supra* note 48, at 74; Jeff Mason et al., *Biden close to blocking Nippon Steel deal to buy U.S. Steel, sources say*, REUTERS (Sep. 5, 2024), <https://www.reuters.com/markets/deals/us-steel-would-close-mills-move-headquarters-if-149-bln-nippon-deal-collapses-2024-09-04/>.

¹¹¹ Brief of Petitioners, *supra* note 50, at 7-8, 66.

¹¹² Petition for Review, *supra* note 48, at 5.

¹¹³ *Id.* at 74-75; Mason, *supra* note 110.

¹¹⁴ Petition for Review, *supra* note 48, at 5, 46.

¹¹⁵ *Id.* at 46, 49, 57.

¹¹⁶ *Id.* at 6, 73-74.

¹¹⁷ *Understanding Antidumping & Countervailing Duty Investigations*, INTERNAT'L TRADE COMM'N, https://www.usitc.gov/press_room/usad.htm (last visited Sep. 8, 2026).

Nippon undercutting steel prices, Nippon was proposing significant investment in U.S. steel production. It would be illogical to invest in U.S. steel production capacity just to sell steel from Japan at a reduced rate. This would have limited Nippon's ability to recoup its initial and subsequent investments.

Further, CFIUS—based on prior reviews resulting in a block—likely expressed concern regarding Nippon's operations within China.¹¹⁸ During the review process, China accounted for less than five percent of Nippon's operations.¹¹⁹ While the CFIUS review was ongoing, Nippon decided to end its participation in its largest venture within China, roughly seventy percent of Nippon's business in China.¹²⁰ This left Nippon with few ventures and no crude steel production within China.¹²¹ The operations in China were not related to the operations at question here—crude steel production. Moreover, if CFIUS had expressed concern with the Chinese ventures, it could have requested that Nippon completely withdraw from all of its Chinese operations to reach an acceptable mitigation agreement.

To be clear, CFIUS has no obligation to engage on mitigation, but it does as standard practice. However, the Parties repeatedly attempted to engage with CFIUS in mitigation negotiations.¹²² Indeed, the Parties consistently provided proposed mitigation agreements to CFIUS.¹²³ CFIUS, through communications with the Parties, listed several concerns with the proposed Transaction.¹²⁴ The Parties provided CFIUS with a proposed mitigation agreement to address the concerns.¹²⁵ In fact, the Parties offered several mitigation agreements, providing more assurances to CFIUS to address the concerns.¹²⁶ CFIUS deviated from its standard practice here by never providing feedback regarding the Parties' proposed mitigation agreements.¹²⁷ Indeed, CFIUS staff told the Parties on at least two occasions that they were instructed to only listen and not respond.¹²⁸ This left the Parties to guess what CFIUS would like to see in the mitigation agreement.

¹¹⁸ Katya Golubkova and Amy Lv, *Nippon Steel to dissolve JV with China's Baoshan after 20 years*, REUTERS (July 23, 2024), <https://www.reuters.com/markets/asia/nippon-steel-dissolve-jv-with-chinas-baoshan-after-20-years-2024-07-23/>; CONG. RSCH. SERV., *supra* note 6, at Table 1 (Presidential Blocks of Foreign Transactions).

¹¹⁹ Stanley Wang, *US senator urges white house scrutiny on Nippon Steel deal*, YIEH CORP. (Apr. 9, 2024), <https://yieh.com/en/News/NewsItem//147428>.

¹²⁰ Press Release, Nippon Steel Corp., *Withdrawal from the Joint Venture for Automotive Steel Sheets in China* (July 23, 2024), https://www.nipponsteel.com/en/news/20240723_100.html; Hidemitsu Kaito, *Nippon Steel to End Joint Venture with China's Baoshan*, JAPAN FORWARD (July 29, 2024), <https://japan-forward.com/nippon-steel-to-end-joint-venture-with-chinas-baoshan/>.

¹²¹ NIPPON STEEL CORP., NIPPON STEEL DATA BOOK 2025 12 (2025), *available at* https://www.nipponsteel.com/en/ir/library/pdf/nsc_en_ir_2025_databook_print.pdf.

¹²² Petition for Review, *supra* note 48, at 22, 23; Brief of Petitioners, *supra* note 50, at 44-45.

¹²³ Petition for Review, *supra* note 48, at 22, 23; Brief of Petitioners, *supra* note 50, at 4-6.

¹²⁴ Petition for Review, *supra* note 48, at 20, 66; Brief of Petitioners, *supra* note 50, at 20.

¹²⁵ Petition for Review, *supra* note 48, at 22; Brief of Petitioners, *supra* note 50, at 7-8.

¹²⁶ Petition for Review, *supra* note 48, at 21-23; Brief of Petitioners, *supra* note 50, at 23-24.

¹²⁷ Petition for Review, *supra* note 48, at 21-23; Brief of Petitioners, *supra* note 50, at 7.

¹²⁸ Petition for Review, *supra* note 48, at 21-23; Brief of Petitioners, *supra* note 50, at 23, 28.

CFIUS's silence regarding the four proposed mitigation agreements is consistent with the conclusion that it had already determined the outcome. However, behind closed doors, many of the member agencies had reservations about what they were doing. It was reported that then-Treasury Secretary Yellen, Defense Secretary Austin, Secretary of State Blinken, and others all believed that risks posed by this Transaction could be mitigated.¹²⁹ Former Secretary Yellen, as the Chair of CFIUS and co-lead agency during the review, publicly supported Biden's commitment to keeping U.S. Steel domestically owned.¹³⁰ However, Yellen reportedly stated that a rejection of the Transaction without clear national security risks would harm CFIUS's apolitical reputation.¹³¹ According to reports, many Biden officials "stressed that Japan is the United States' most crucial ally in East Asia" and that "sinking the deal could strain that relationship."¹³²

President Trump's *De Novo* Review

As you know, on April 7, 2025, President Trump ordered CFIUS to conduct a *de novo* review of the Transaction.¹³³ Such a review was free from outside influence;¹³⁴ it was based—as it should have been from the outset—on the national security assessment and risk-based review. Notably, it was the same information that was provided to then-President Biden. Yet, when removing outside influence and political factors, the Trump Administration determined that the proposed transaction could proceed, subject to a mitigation agreement between the Parties and the U.S. government to address potential concerns. In reaching this conclusion, not only did President Trump restore the CFIUS process to its apolitical roots, but also helped boost domestic steel production capacity, strengthened our ties with Japan, and reiterated the United States' commitment to open foreign investment.

Potential Need for Reforms

Committee Republicans are concerned with how the Biden Administration politicized what was intended to be an apolitical process. Given that CFIUS already operates with minimal transparency, the example of Nippon-U.S. Steel heightens concerns that external factors, which should never impact a CFIUS review, could co-opt the entire process. Additional transparency is needed so that Congress and the American public have confidence in the CFIUS process. Greater transparency will simultaneously provide necessary visibility for the parties to a proposed transaction and deter any attempt to unduly prejudice the process. Accordingly, the Committee is considering to what extent reforms may be needed to address these issues.

¹²⁹ Nakashima, *supra* note 73; Egan, *supra* note 73.

¹³⁰ Petition for Review, *supra* note 48, at 42.

¹³¹ Nakashima, *supra* note 73.

¹³² *Id.*

¹³³ See 2025 Daily Comp. Pres. Doc., *supra* note 67.

¹³⁴ Press Release, United Steelworkers Union, USW Statement on U.S. Steel-Nippon Partnership (May 30, 2025), <https://usw.org/press-release/usw-statement-on-u-s-steel-nippon-partnership/>.

The Biden Administration's failure to appropriately engage in this Transaction makes clear that Congress requires greater oversight of the CFIUS process. We look forward to working with the Department and CFIUS in ensuring the process is not politicized in the future. Pursuant to Rule X of the House of Representatives, the Committee on Financial Services has jurisdiction to oversee the activities of CFIUS. Thank you for your attention to this matter.

Sincerely,



French Hill
Chairman



Warren Davidson
Chairman
Subcommittee on National Security, Illicit
Finance, and International Financial Institutions



Dan Meuser
Chairman
Subcommittee on Oversight and Investigations

cc: The Honorable Maxine Waters, Ranking Member
The Honorable Al Green, Ranking Member, Subcommittee on Oversight and
Investigations
The Honorable Joyce Beatty, Ranking Member, Subcommittee on National Security,
Illicit Finance, and International Financial Institutions