

Department of the Treasury  
Committee on Foreign  
Investment in the United States  
Activities

Congressional Budget  
Justification and Annual  
Performance Plan and Report

FY 2023

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## **Section I – Budget Request**

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### **A – Mission Statement**

Review certain transactions involving foreign investment in the United States and certain real estate transactions by foreign persons to determine the effect of such transactions on the national security of the United States and to address any identified national security risks.

### **B – Summary of the Request**

The Committee on Foreign Investment in the United States (CFIUS) was established in 1975 under Executive Order 11858 to monitor the impact of foreign investment in the United States, and to coordinate and implement federal policy on such investment. CFIUS is composed of nine voting member agencies. The Committee’s unique design leverages the skills, subject matter expertise, and integrated analysis of Committee members and other relevant agencies. CFIUS voting members include:

- Department of the Treasury
- Department of Commerce
- Department of Defense
- Department of Energy
- Department of Homeland Security
- Department of Justice
- Department of State
- Office of Science Technology and Policy
- Office of the United States Trade Representative

As both Chair and member of CFIUS, Treasury is responsible for leading CFIUS in establishing policies, implementing processes and functions, and managing its daily operations. Treasury participates in every aspect of CFIUS, including reviews and investigations, policy and international relations, mitigation monitoring and enforcement, non-notified transaction analysis, legal support, and national security threat assessments. The Office of International Affairs (IA) is responsible for case management and coordination and representing the Committee to parties that file notices or declarations. The Office of General Counsel (OGC) provides legal support to IA and is responsible for certain analyses conducted on each notice filed with CFIUS.

The Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA) strengthened CFIUS to better address national security concerns arising from some types of investments and transactions that were previously outside its jurisdiction. Additionally, FIRRMA modernized Committee processes to better enable timely and effective reviews of covered transactions. FIRRMA also established the CFIUS Fund (the Fund), to be administered by the chairperson (the Secretary of the Treasury), to accept appropriated funds for these expanded responsibilities and functions, and to collect filing fees.

Case volume has increased significantly in recent years, from 172 notices formally reviewed in calendar year (CY) 2016 to 303 cases (comprised of 187 notices and 116 declarations) formally reviewed in CY 2020. The expanded jurisdiction authorized by FIRRMA took effect February 13, 2020. CY 2021 data is not yet publicly available, but case totals exceeded CY 2020. The FY 2023 Budget requests resources necessary to handle the increased case workload from

FY 2022 (including significantly expanded activity with respect to non-notified transactions), mitigation monitoring, and international engagement.

The Administration requests \$20 million for the Fund in upfront appropriations that will be offset by up to \$20 million in offsetting collections from filing fees, of which \$15 million is proposed for transfer to Treasury Departmental Offices to fund capital investments and staff to support Committee activities. The remaining \$5 million will be available for transfers to other CFIUS agencies to facilitate, for example, interagency connectivity with Treasury’s information technology (IT) and case management systems, and to address other emerging needs.

### 1.1 – Appropriations Detail Table

Dollars in Thousands

Appropriated Resources	FY 2021		FY 2022		FY 2023		FY 2022 to FY 2023	
	Operating Plan		Annualized CR		Request		% Change	
<b>New Appropriated Resources</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
Treasury CFIUS Activities	0	\$15,000	0	\$15,000	0	\$15,000	NA	0.0%
Other Member CFIUS Activities	0	\$5,000	0	\$5,000	0	\$5,000	NA	0.0%
<b>New Appropriated Resources – Member Agencies</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
Treasury Departmental Offices S&E	0	\$22,661	0	\$22,494	0	\$25,611	NA	13.9%
<b>Subtotal New Appropriated Resources</b>	<b>0</b>	<b>\$42,661</b>	<b>0</b>	<b>\$42,494</b>	<b>0</b>	<b>\$45,611</b>	<b>NA</b>	<b>7.3%</b>
<b>Other Resources</b>								
Anticipated User Fees - CFIUS Fund	0	(\$20,000)	0	(\$20,000)	0	(\$20,000)	NA	0.0%
<b>Subtotal Other Resources</b>	<b>0</b>	<b>(\$20,000)</b>	<b>0</b>	<b>(\$20,000)</b>	<b>0</b>	<b>(\$20,000)</b>	<b>NA</b>	<b>0.0%</b>
<b>Total Budgetary Resources</b>	<b>0</b>	<b>22,661</b>	<b>0</b>	<b>\$22,494</b>	<b>0</b>	<b>\$25,611</b>	<b>NA</b>	<b>13.9%</b>

FY 2021 Other Resources and Full-time Equivalents (FTE) reflect actuals.

### 1.2.1 – CFIUS Fund Budget Adjustments Table

The total request for Treasury CFIUS activities is \$40.963 million, with requested funding increases shown in the two Budget Adjustment tables below.

Dollars in Thousands

	FTE	Amount
<b>FY 2022 Annualized CR</b>	<b>0</b>	<b>\$20,000</b>
<b>Changes to Base:</b>		
Maintaining Current Levels (MCLs):	0	\$0
Non-Recurring Costs	0	\$0
Subtotal Changes to Base	0	\$0
<b>FY 2023 Current Services</b>	<b>0</b>	<b>\$20,000</b>
Program Changes:		
Anticipated User Fees - CFIUS Fund	0	(\$20,000)
<b>FY 2023 President's Budget Request</b>	<b>0</b>	<b>\$0</b>

## 1.2.2 – Departmental Offices Budget Adjustments Table

Dollars in Thousands

	FTE	Amount
<b>FY 2022 Annualized CR</b>	<b>110</b>	<b>\$22,494</b>
Transfer in from CFIUS Fund		\$15,000
<b>FY 2022 DO SE CFIUS Base</b>	<b>110</b>	<b>\$37,494</b>
<b>Changes to Base:</b>		
Maintaining Current Levels (MCLs):	0	\$923
Pay Annualization (2.7% average pay raise)	0	\$143
Pay Raise (4.6% average pay raise)	0	\$743
Non-Pay	0	\$37
Non-Recurring Costs:	0	(\$1,674)
Non-recur to CFIUS investments	0	(\$1,674)
Subtotal Changes to Base	0	(\$751)
<b>FY 2023 Current Services</b>	<b>110</b>	<b>\$36,743</b>
<b>Program Changes:</b>		
Reinvestments:	22	\$3,868
Staffing to support CFIUS caseload growth	22	\$3,868
<b>Subtotal Program Changes</b>	<b>22</b>	<b>\$3,868</b>
<b>FY 2023 President's Budget Request</b>	<b>132</b>	<b>\$40,611</b>

\*Note: CFIUS Fund transfers to non-Treasury agencies of \$5 million are not included in this table.

\*\*Note: FTEs in the above include 1 FTE funded through reimbursable resources.

### C – Budget Increases and Decreases Description

#### Anticipated User Fees – CFIUS Fund -\$20,000,000 / -0 FTE

Treasury and IA anticipate collection of filing fees that will be credited to the Fund as offsetting collections.

#### Transfer in from CFIUS Fund +\$15,000,000 / +0 FTE

The CFIUS Fund anticipates transferring \$15.0 million dollars to the DO Salaries and Expenses account to provide for Treasury DO CFIUS activities.

#### Maintaining Current Levels (MCLs) .....+\$923,000 / +0 FTE

##### Pay Annualization (2.7%) +\$143,000 / +0 FTE

Funds are requested for annualization of the January 2022 2.7% average pay raise.

##### Pay Raise (4.6% in 2023) +\$743,000 / +0 FTE

Funds are requested for a 4.6% average pay raise in January 2023.

##### Non-Pay +\$37,000 / +0 FTE

Funds are requested for non-labor expenses such as travel, contracts, rent, supplies, and equipment.

#### Non-Recurring Costs .....-\$1,674,000 / -0 FTE

##### Non-recur to CFIUS Investments -\$1,674,000 / -0 FTE

Non-recurring costs for CFIUS associated with the baseline completion of CFIUS's case management system and configuration of secure spaces for new CFIUS staff.

**Reinvestments** .....+\$3,868,000 / +22 FTE  
*Staffing to Support CFIUS Caseload Growth +\$3,868,000 / +22 FTE*  
 Increase in CFIUS staffing to continue in light of anticipated program growth.

**1.3– Object Classification (Schedule O) Obligations**

Dollars in Thousands

Object Classification	FY 2021	FY 2022	FY 2023
	Actual Obligations	Estimated Obligations	Estimated Obligations
11.1 - Full-time permanent	0	0	0
<b>11.9 - Personnel Compensation (Total)</b>	<b>0</b>	<b>0</b>	<b>0</b>
12.0 - Personnel benefits	0	0	0
<b>Total Personnel and Compensation Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
94.0 - Financial Transfers	16,113	20,000	20,000
<b>Total Non-Personnel</b>	<b>\$16,113</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>Total Obligations</b>	<b>\$16,113</b>	<b>\$20,000</b>	<b>\$20,000</b>
<b>Full-time Equivalents (FTE)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers.  
 FTE levels are reflected in Departmental Offices Salaries and Expenses

**D – Appropriations Language and Explanation of Changes**

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY DEPARTMENTAL OFFICES COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES FUND <i>Federal Funds</i></p> <p style="text-align: center;">(Including transfer of funds)</p> <p><i>For necessary expenses of the Committee on Foreign Investment in the United States, \$20,000,000, to remain available until expended: Provided, That the chairperson of the Committee may transfer such amounts to any department or agency represented on the Committee (including the Department of the Treasury) subject to advance notification to the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That amounts so transferred shall remain available until expended for expenses of implementing section 721 of the Defense Production Act of 1950, as amended (50 U.S.C. 4565), and shall be available in addition to any other funds available to any department or agency: Provided further, That fees authorized by section 721(p) of such Act shall be credited to this appropriation as offsetting collections: Provided further, That the total amount appropriated under this heading from the general fund shall be reduced as such offsetting collections are received during fiscal year 2023, so as to result in a total appropriation from the general fund estimated at not more than \$0.</i></p> <p>Note.--A full-year 2022 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2022 (Division A of P.L. 117-43, as amended). The amounts included for 2022 reflect the annualized level provided by the continuing resolution.</p>	

**E – Legislative Proposals**

CFIUS has no legislative proposals.

## Section II – Annual Performance Plan and Report

### A – Strategic Alignment

CFIUS supports the following strategic objectives for Strategic Goal 2, to Enhance National Security:

- Objective 2.1: Cyber Resiliency of Financial Systems and Institutions. Harden assets and systems of Treasury and the broader financial system to promote financial system resiliency
- Objective 2.2: Economic Measures to Advance National Security. Enhance and protect national security through the application of targeted financial measures and review of certain foreign investments.

This office supports the following strategic objectives for Strategic Goal 4, to Combat Climate Change:

- Objective 4.4: Sustainable Treasury Operations. Improve Treasury’s overall environmental and energy sustainability and invest in Bureaus’ adaptation and resiliency efforts to address climate change impacts on operations and services.

This office supports the following strategic objectives for Strategic Goal 5, to Modernize Treasury Operations:

- Objective 5.1: Recruit and Retain a Diverse and Inclusive Workforce. Recruit and retain a diverse workforce that represents communities that Treasury serves.
- Objective 5.2: Future Work Routines. Transform the Department’s work routines to support changing mission and workforce needs.
- Objective 5.3: Better Use of Data. Increase timely access to and use of quality data and other types of evidence to inform decision-making.
- Objective 5.4: Customer Experience Practices. Mature and embed strong customer experience practices across the Department, establishing Treasury’s reputation for consistently positive experiences.

### B – Budget and Performance by Budget Activity

#### 2.1.1 – Treasury CFIUS Activities Resources and Measures

Dollars in Thousands

Resource Level	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Annualized CR	FY 2023 Request
Treasury CFIUS Activities	0	0	0	\$15,000	\$15,000	\$15,000	\$15,000
<b>Budget Activity Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$15,000</b>	<b>\$15,000</b>
<b>Full-time Equivalents (FTE)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Performance Measure	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2021 Target	FY 2022 Target	FY 2023 Target
Timely Review of CFIUS cases (%)	100	100	100	100	100	100	100	100

Key: DISC - Discontinued; B - Baseline



## 2.1.2 – Other Member CFIUS Activities Resources and Measures

Dollars in Thousands

Resource Level	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Annualized CR	FY 2023 Request
Other CFIUS Activities	0	0	0	\$5,000	\$1,113	\$5,000	\$5,000
<b>Budget Activity Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>\$5,000</b>	<b>\$1,113</b>	<b>\$5,000</b>	<b>\$5,000</b>
Full-time Equivalents (FTE)	0	0	0	0	0	0	0

### Committee on Foreign Investment in the United States Budget and Performance

*(\$20,000,000 from direct appropriations):*

In FY 2021, Treasury CFIUS continued its growth to support requirements laid out in the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA). This includes continued investment in infrastructure necessary to support an increase in CFIUS’s responsibilities, as well as additional staff to manage the workload growth. FY 2021 was the first full year that the CFIUS Fund was entirely fee funded.

Timely Review of CFIUS Cases: This measure tracks compliance with statutory deadlines for completing national security reviews of transactions notified to the CFIUS to ensure that the CFIUS process is timely and efficient. The target (100 percent) was met in CY 2021. IA’s target for this measure in CY 2022 and CY 2023 is 100 percent.

### C – Changes in Performance Measures

With the publication of Treasury’s Strategic Plan for FY 2022 – 2026, CFIUS will work this year to baseline performance against the new strategic objectives. This could result in changes to performance measures in the FY 2024 budget.

## Section III – Additional Information

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### A – Summary of Capital Investments

A summary of capital investment resources, including major information technology and non-technology investments related to CFIUS can be found with other DO IT investments at: <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-request-annual-performance-plan-and-reports/summary-of-capital-investments>