

# Key Takeaways from House Subcommittee Hearing on CFIUS

January 22, 2026

A recent congressional hearing on the Committee on Foreign Investment in the United States (“CFIUS”) previewed what to expect from CFIUS under its new leadership, including improved process efficiency, more focus on emerging areas of national security risk and continued scrutiny of China-related investments.

On January 14, 2026, the House Financial Services Subcommittee on National Security, Illicit Finance, and International Financial Institutions (the “Subcommittee”) held an oversight hearing examining the operations of CFIUS. The hearing marked the first congressional appearance of Treasury Assistant Secretary for Investment Security Chris Pilkerton following his confirmation.

According to his testimony, the Assistant Secretary’s top-five goals for CFIUS in 2026 are:

- **Maintaining national security as CFIUS’s core mission.** Pilkerton emphasized that CFIUS’s primary objective remains identifying and mitigating national security concerns arising from covered transactions. He described the process as evaluating foreign actor threats and transaction vulnerabilities and identifying appropriate mitigation measures. Central considerations include foreign access to technology and data, proximity to sensitive sites and adversarial state ownership.
- **Improving process efficiency.** Pilkerton highlighted the Known Investor Program (the “KIP”), which was launched on a pilot basis last year. The KIP seeks to collect detailed information from repeat or trusted investors in advance of transactions. The Department of the Treasury (“Treasury”) intends this program to expedite reviews for lower-risk investors while preserving robust CFIUS reviews. A public request for information is expected soon to inform Treasury’s finalization and formal launch of the KIP.
- **Prioritizing non-notified transaction review.** Transactions not filed with CFIUS, known as non-notified transactions, continue to be a CFIUS priority for review. Recognizing that post-closing mitigation is often more difficult and disruptive,

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CFIUS plans to expand outreach and detection efforts to address transactions that close without a CFIUS filing. Although CFIUS filings are voluntary for many transactions, CFIUS plans to continue to address transactions that implicate, but do not comply with, the mandatory filing requirement.

- **Expanding expertise in key risk areas.** Pilkerton committed to doubling the size of CFIUS's research team, with a focus on PhD-level experts in emerging technologies, artificial intelligence, semiconductors, biotechnology and sensitive data sectors.
- **Continuing international and domestic engagement.** Consistent with the Foreign Investment Risk Review Modernization Act of 2018, Treasury will continue to engage with foreign allies and partners on their own investment screening regimes. Pilkerton also stated that he intends to meet with state officials and legislators to increase awareness of CFIUS, its jurisdiction and its processes.

Along with the Assistant Secretary sharing top goals for CFIUS, the Subcommittee members shared their thoughts and concerns and had many questions for Pilkerton during the hearing. The top-five notable congressional concerns (among others) appeared to be:

- **Ensuring scrutiny of China-related transactions.** The People's Republic of China (the "PRC") was an ongoing concern for the Subcommittee, with members of both parties raising risks related to PRC's access to sensitive technologies and data as well as opaque PRC-affiliated corporate ownership structures. The discussion reflected continued congressional pressure to scrutinize China-related transactions. Although the hearing focused on inbound CFIUS review, Treasury's Assistant Secretary for Investment Security is also responsible for outbound investment regulations. Various members referenced the recently passed Comprehensive Outbound Investment National Security Act of 2025 (the "COINS Act") (covered in our client alert [here](#)), illustrating to Pilkerton their interest in outbound controls to address risks related to the PRC as well.
- **Preserving CFIUS's institutional credibility.** Multiple Subcommittee members raised concerns about the politicization of CFIUS, citing high-profile interventions in transactions such as Nippon Steel and TikTok. While views differed sharply on which presidential administration had arguably politicized CFIUS, members agreed that CFIUS's credibility depends on addressing nonpartisan national security concerns rather than being used as a partisan tool.
- **Expanding scrutiny of greenfield investments.** Certain Subcommittee members focused on "greenfield" investments (i.e., a foreign person establishing a new business in the United States, as opposed to acquiring an existing business).

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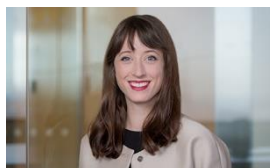
Members expressed concern that greenfield investments can fall outside of CFIUS review while still posing national security risks, especially where foreign adversaries are involved. Pilkerton acknowledged that greenfield investments are an area of ongoing focus and evaluation.

- **Addressing national security risks in agriculture and real property.** Subcommittee members raised concerns about foreign adversary ownership of farmland and critical infrastructure as well as the challenges posed by differing state-level approaches to regulating non-U.S. ownership of real property. Pilkerton noted Treasury's existing coordination with the Department of Agriculture ("USDA") on agriculture-related transactions and affirmed USDA's participatory role on CFIUS.
- **Navigating corporate transparency and ownership opacity.** Some Subcommittee members warned that CFIUS reviews and investigations can be complicated when dealing with anonymous shell companies, complex ownership chains and artificial intelligence-driven corporate actors, particularly in light of the Trump administration's decision last year to narrow the scope of the Corporate Transparency Act beneficial ownership reporting (covered in our client alert [here](#)). CFIUS may face increased congressional pressure to gather more information from transaction parties, such as through CFIUS information requests and non-notified inquiries.

The hearing highlights continued bipartisan support for CFIUS as a core national security tool, alongside sustained congressional interest in CFIUS's efficiency and administration. The hearing's wide range of topics illustrates the evolving nature of national security risk and the potential for Congress to legislate in a manner that further expands the scope of CFIUS's authority to review and investigate transactions.



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