

TIM SCOTT, SOUTH CAROLINA, CHAIRMAN
ELIZABETH WARREN, MASSACHUSETTS, RANKING MEMBER

MIKE CRAPO, IDAHO
MIKE ROUNDS, SOUTH DAKOTA
THOM TILLIS, NORTH CAROLINA
JOHN KENNEDY, LOUISIANA
BILL HAGERTY, TENNESSEE
CYNTHIA LUMMIS, WYOMING
KATIE BOYD BRITT, ALABAMA
PETE RICKETTS, NEBRASKA
JIM BANKS, INDIANA
KEVIN CRAMER, NORTH DAKOTA
BERNIE MORENO, OHIO
DAVID MCCORMICK, PENNSYLVANIA

JACK REED, RHODE ISLAND
MARK R. WARNER, VIRGINIA
CHRIS VAN HOLLEN, MARYLAND
CATHERINE CORTEZ MASTO, NEVADA
TINA SMITH, MINNESOTA
RAPHAEL G. WARNOCK, GEORGIA
ANDY KIM, NEW JERSEY
RUBEN GALLEGO, ARIZONA
LISA BLUNT ROCHESTER, DELAWARE
ANGELA D. ALSOBROOKS, MARYLAND

CATHERINE FUCHS, STAFF DIRECTOR
JON DONENBERG, DEMOCRATIC STAFF DIRECTOR

United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

August 6, 2025

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Dodaro:

I write to request that the Government Accountability Office undertake a comprehensive review of two critical national security tools that can be used to mitigate risks posed by foreign influence and control. In particular, I am interested in your assessment of the most significant potential improvements to the mitigation measures taken by the Committee on Foreign Investment in the United States (CFIUS) or under the Department of Defense's Foreign Ownership, Control, or Influence (FOCI) program.

GAO's prior work examining aspects of CFIUS (e.g., GAO-24-107358, CAO-22-106007 and work evaluating FOCI mitigation practices (GAO-18-407 and GAO-05-681) has helped identify some of the strengths and vulnerabilities in these programs. But Congress would benefit from a more comprehensive study on potential redundancies or shortcomings – as well as an the efficacy of the mechanisms in place to ensure compliance with agreed upon mitigations. A key question is whether the third-party boards and other oversight and compliance mechanisms are staffed with individuals that possess senior government experience in relevant national security fields, or are being selected primarily for their commercial expertise or professional connections. I am especially interested in understanding whether the current ecosystem of mitigation agreements represents a truly rigorous system of oversight focused primarily on national security outcomes, or whether other considerations have come to influence the implementation of these critical safeguards. Therefore, I write to request that the GAO build upon its foundation of work by conducting a comprehensive examination focusing specifically on:

1. Any coordination between CFIUS mitigation agreements established under Section 721 of the Defense Production Act of 1950, as amended, and FOCI mitigation arrangements implemented pursuant to the National Industrial Security Program Operating Manual (NISPOM), including assessment of information sharing, jurisdictional boundaries, and potential regulatory blind spots;

2. The effectiveness of compliance monitoring for both systems, particularly evaluating whether staffing, resources, and authorities are sufficient to enforce mitigation agreements after they are implemented;
3. The compliance structures established under CFIUS mitigation agreements, specifically addressing:
 - a. The selection criteria and appointment processes for individuals serving in oversight roles;
 - b. The existence and effectiveness of conflict of interest screening protocols and the potential impact of any identified conflicts on mitigation effectiveness; and
 - c. Any restrictions or safeguards for individuals who have compliance responsibilities across multiple mitigation agreements.
4. The compliance structures established under FOCI mitigation arrangements, specifically examining:
 - a. Whether current practices ensure appointees possess substantial senior government experience in relevant national security roles;
 - b. The prevalence of individuals serving on multiple mitigation boards simultaneously and whether such arrangements compromise the rigor of oversight;
 - c. Compensation structures for board members, including comparison across different arrangements, assessment of market reasonableness, and evaluation of whether compensation models align with national security objectives rather than commercial interests;
5. The operational effectiveness of these FOCI governance mechanisms, including:
 - a. The frequency, documentation, and effectiveness of board meetings;
 - b. The nature of interactions with foreign controlling entities and whether sufficient barriers exist to prevent undue influence;
 - c. Documentation of decision-making processes and whether national security considerations are appropriately prioritized;
6. A comparative analysis of outcomes between CFIUS and FOCI mitigation approaches when applied to similar foreign investment scenarios, including metrics on effectiveness, compliance costs, and ultimate success in protecting national security interests;
7. A description of the diversity and breadth of legal practitioners regularly involved in establishing and implementing these mitigation agreements, including whether the

concentration of expertise in a limited number of firms or individuals potentially undermines the robustness of the oversight system;

8. The level of engagement and information-sharing between all relevant departments and agencies involved in these processes, including (but not limited to) the Department of the Treasury, Department of Defense and its combat support agencies, Department of Energy, Department of Homeland Security, and the Intelligence Community, to ensure a comprehensive whole-of-government approach to foreign investment security;
9. The adequacy of transparency measures that balance legitimate national security concerns with the need for public and congressional oversight of these critical programs.

I look forward to your response regarding this request.

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs