

U.S. Rep. Fitzgerald: Leads bipartisan bill to track foreign money in mergers

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WASHINGTON, DC – Today, Congressman Scott Fitzgerald (WI-05) introduced the [Foreign Merger Subsidy Disclosure Act](#) (FMSDA) alongside Congressman Greg Stanton (AZ-09), Congressman Barry Loudermilk (GA-11), and Congresswoman Jackie Speier (CA-14).

This bill would require merging companies operating in the United States to disclose information about any financial support or subsidies provided by a foreign government to U.S. antitrust regulators, the Federal Trade Commission (FTC), and the Department of Justice (DOJ) Antitrust Division.

State Owned Enterprises (SOE) and companies receiving foreign subsidies may take anticompetitive actions such as predatory pricing because they do not need to generate a profit, potentially distorting markets even more than their private counterparts. Antitrust regulators must be able to recognize when heavily subsidized, government-owned companies harm competition, particularly when China uses SOEs to acquire U.S. assets such as critical technologies.

*“The need for Antitrust regulators to follow the money when countries like China utilize state-owned enterprises to distort markets and harm competition is strong and immediate,” **said Congressman Fitzgerald.** “China has a long pattern of acquiring U.S. assets through state-owned enterprises, dedicating 3% of its GDP to direct and indirect corporate subsidies, often targeted at U.S. technology. This legislation will give antitrust regulators the information they need to identify foreign government subsidies and act when necessary.”*

“Our nation’s economy works best for consumers, workers, and businesses alike when competition is fair and the playing field is level. By modernizing our existing antitrust laws, we can ensure that businesses with government-controlled investment stakes—owned by China itself or its state-sponsored allies—cannot wrongfully influence American markets and jeopardize our national security. I am proud to co-lead this bipartisan legislation to provide regulators with more information, innovative companies with more safeguards, and the American consumer with more transparency,” **said Congressman Stanton.**

“When countries like China subsidize businesses in order to undercut the market and gain the upper-hand through IP theft, the United States must take action to level the playing field,” **said Congressman Loudermilk.** *“This is why the Foreign Merger Subsidy Disclosure Act is vital, because it will require the FTC and DOJ to investigate, and take into account, subsidies a business receives from a foreign government before a merger can happen.”*

“America must take seriously the risk that Chinese ownership stakes in American companies poses to America’s economic competitiveness as well as our national security,” **said Congresswoman Speier, a member of the House Intelligence Committee.** *“That’s why I’m co-leading the Foreign Merger Subsidy Disclosure Act, which will give the US government the information it needs to make informed decisions on mergers and acquisitions by Chinese State-Owned Enterprise companies that benefit from government subsidies, which our companies don’t receive, and that are seeking to derail American innovation and competition in the global economy while undermining our national security and world standing.”*

Read the [bill text here](#).