

# Nova Daly Discusses New CFIUS Law's Impact on Investments in U.S. Assets

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Nova J. Daly, Senior Public Policy Advisor in Wiley Rein's International Trade and Privacy & Cybersecurity Practices, was quoted in an August 14 article in *The Deal* regarding the Foreign Investment Risk Review Modernization Act, which was signed into law this week by President Trump.

The new law empowers the Committee on Foreign Investment in the United States (CFIUS) to review non-controlling foreign investments in U.S. assets that involve critical technologies and infrastructure or access to personal data. This expanded CFIUS authority may limit certain investments into emerging U.S. technologies, such as those arising from Silicon Valley startups.

Mr. Daly, who previously ran the CFIUS process as Deputy Assistant Secretary at the U.S. Department of the Treasury, said examples of acquisitions that will face increased CFIUS scrutiny can be found in China's *Made in 2025 Key Technology Roadmap*. These include wireless mobile communications, high-performance computers and servers, biopharmaceuticals, and advanced medical equipment.

In particular, "semiconductor companies are probably going to be broadly off limits to Chinese investments ... unless it's ... legacy technology that's otherwise globally produced," said Mr. Daly.

He also discussed how the types and structures of deals may evolve under the new law. "You'll see probably a lot more passive investments done through private equity [firms] or hedge funds," Mr. Daly said.

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