

DEPUTY WHIP
COMMITTEE ON APPROPRIATIONS
COMMITTEE ON OVERSIGHT

Congress of the United States
House of Representatives
Washington, DC 20515-1602

January 8, 2024

The Honorable Janet Yellen
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue N.W.
Washington, D.C. 20220

The Honorable Lloyd Austin
Secretary
U.S. Department of Defense
1000 Defense Pentagon
Washington, D.C. 20301

Dear Secretary Yellen and Austin,

I write to you in your capacity as members of the Committee on Foreign Investment in the United States (CFIUS) to draw your attention to potential national security concerns arising from the decision by Cnano Technology USA, Inc. to invest nearly \$95 million for the construction of a manufacturing facility in the state of Kansas.¹ As you know, CFIUS is responsible both for reviewing transactions that could result in an American business being controlled by a foreign person and non-controlling investments in sensitive US businesses in order to safeguard both our national security interests and American citizens.

Cnano Technology USA, which is a subsidiary of Cnano Jiangsu Technology Co. Ltd., has been authorized to proceed in the development of their commercial space southwest of the Kansas City metropolitan area – approximately 21 miles from the Kansas City National Security Campus, 35 miles from Fort Leavenworth, 70 miles from Whiteman Air Force Base, and 105 miles from Fort Riley.

Cnano Jiangsu has repeatedly received funding from the Chinese government for participation in state initiatives, including in the CCP's 863 Program that the U.S. Director of National Intelligence has stated "provides funding and guidance for efforts to clandestinely acquire U.S. technology and sensitive economic information."² Cnano Jiangsu has also cooperated in the past with the CCP's United Front Work Department, which oversees work that "damages U.S. interests through legal and illegal technology transfer" according to the Select Committee on the Chinese Communist Party.³

¹ <https://thinkkc.com/news/news-categories/press-releases/thinkkc-blog/2023/08/02/international-manufacturer-of-electric-vehicle-components-selects-kc-region-for-north-american-headquarters>

² https://www.dni.gov/files/documents/Newsroom/Reports%20and%20Pubs/20111103_report_fecie.pdf

³ <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/uf-101-memo-final-pdf-version.pdf>

I have strong concerns about granting a company with proven and significant ties to the CCP permission to operate as a critical component supplier to the burgeoning field of electronics and battery production, particularly so close to sensitive military and national security assets. We must do everything within our power to prevent CCP-backed companies from expanding their foothold in American supply chains.

For these reasons, I urge CFIUS to review this investment in Kansas and ask that you take into consideration the implications for our supply chain integrity and the potential risk of foreign investment in close proximity to our military bases. Thank you for your attention to this urgent matter of U.S. national and economic security.

Sincerely,

A handwritten signature in blue ink, appearing to read "J. LaTurner".

Jake LaTurner
Member of Congress