all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 556, and insert into the RECORD extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY ACT OF 2007

The SPEAKER pro tempore (Mr. ARCURI). Pursuant to House Resolution 195 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 556.

□ 1109

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 556) to ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States, and for other purposes, with Mr. PASTOR in the Chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered read the first time.

The gentleman from Massachusetts (Mr. FRANK) and the gentleman from Alabama (Mr. BACHUS) each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself such time as I may consume.

Last year the Bush administration made a grave error. A proposal came from the country of Dubai to buy a company that ran our ports. The response from the administration, and there was an intergovernmental committee called the Committee on Foreign Investment in the U.S. which Members will hear us abbreviating as CFIUS, should have said to Dubai, you know, we have found you to be a reasonable group of people, but you are in an area of the world where there is great tension, where there are violent, armed people who wish us ill. You will be subjected to great pressures. There will be efforts to infiltrate and there will be assaults on your integrity, and that makes us nervous about your controlling something as sensitive to security as ports. We have been worrying about the possibility of the shipping ports being entry ports for harmful activity.

So the people of Dubai should have been told, look, we mean you no ill, but we think it is a mistake for you to buy these ports. There are, I would have thought, many other investments I think they could have made.

Instead, incredibly, a series of people from the White House's various offices, from the Departments, did not see this coming; and in consequence, they gave an approval which led to an entirely predictable outcry in the country.

Our job, Mr. Chairman, is to prevent this great lapse in judgment by the Bush administration over the Dubai situation from leading to bad public policy that would extend to restricting and discouraging foreign direct investment in general.

Members should be very clear when we talk about foreign direct investment. All three words are important. We are not talking about buying equities and we are not talking about foreign countries holding our debt, which can be problematic. We are talking about foreign investors, mostly, in some cases government, but mostly private investors, taking money and investing it in real economic activity in the U.S. That is what direct investment means.

And that inevitably, not inevitably, that, in fact, will produce more economic activity here. It is very much in our interest as a Nation to have people investing in real economic activity. That creates jobs and that creates taxation for local governments and that creates the kind of economic activity that we thrive on.

The fear again was that others in other parts of the world, seeing the reaction to Dubai would say, you know what, we better not invest there.

One of the great assets America has economically is we are about as stable a place as there is in the world to invest your money. This is a problem. It is a problem for Russia. Russia is suffering I believe legitimately because of concern from people that if they invest in Russia their investments will not be as fully protected as they should be. The security legally and in every other way of money invested in the U.S. in direct ways is an asset for us. We do not want the political fallout from the Dubai mistake to discourage this.

What we then decided to do together, and while there was an earlier reference to this being a Republican bill, which I regret because this has been a genuinely bipartisan bill and that sort of partisanship doesn't help, the gentlewoman from New York (Mrs. MALONEY) who was then the ranking member on the relevant committee; the gentlewoman from Ohio, who is with us now who was Chair of that subcommittee; the minority whip, then the majority whip; myself; the former chairman of the committee, Mr. Oxley of Ohio, we all worked together to say, look, let us give a set of rules and procedures so that people with money in other countries who want to invest it in the U.S. in ways that will be beneficial to us can get some assurance that they can make that investment and not be buffeted politically.

People say, Look what happened to Dubai. First they got approval, and then it was withdrawn. We want to have a good process so that people can invest with assurance. People who are investing money need stability and certainty.

They also need a certain amount of privacy before the fact. One of the things that we jointly did was to reject efforts to expose potential investments to wide publicity and the political process at too early a stage. There is no point in scaring these things off.

Now it should be noted that entirely independent of this bill authority exists in the President of the United States, delegated as he chooses, to reject investments that would jeopardize our national security. There are also separate statutes that limit investment in particular parts of the economy. Some of those, I think, go too far. None of those are altered. In other words, this bill does not weaken any existing statutory protection against investment that might undermine our security.

□ 1115

What it says is that the great bulk of investments not only do not undermine our security, but add to our prosperity by providing more resources here within the country for good, beneficial, economic activity. We will have a process which gives you some assurance that you can go ahead with that investment. That is what this bill does.

There are some questions about it. There will be some amendments, but that is the core of the bill. It is in the interest of our economy. It protects national security even more than currently because it does have some procedures to require a kind of inspection that would have prevented, we believe, the Dubai mistake.

I should say that this bill is widely supported. We have worked closely with the administration. The Treasury has been very helpful, and they do not like everything in this bill, but on the other hand, I do not like everything in the Treasury. In fact, if you look at the great bulk of it, we are together on this, and this is a bill which the Treasury, I am pleased to say, and you can see in the statement of administration policy, regards this as an advance. They would like some changes, but they clearly regard this bill as an advance. A broad swath of the business community is in favor of it, and all should be in favor of it.

While there are controversial aspects of international policy, this is one that should not be controversial. This is one which welcomes foreign investors who want to take money and engage in real, beneficial, safe economic activity in the United States.

Mr. Chairman, I reserve the balance of my time.

Mr. BACHUS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today in strong support of H.R. 556, the National Security FIRST Act. It makes important

reforms to the process by which we ensure our national security is protected, while maintaining and welcoming a healthy flow of foreign investment into the United States.

Reform of the Nation's foreign investment vetting process became an issue last year, as we all know, when the Committee on Foreign Investment in the United States, CFIUS, received criticism for failing to question the safety and security implications stemming from the Dubai Ports World's purchase of commercial operations of American ports.

The bipartisan legislation we have before us today makes needed changes in the CFIUS process, changes that were highlighted by the Dubai Ports deal.

It promotes executive branch accountability enforced by a requirement that the chairman and vice chairman of CFIUS sign every decision. It increases interagency coordination within CFIUS and ensures that the Director of National Intelligence does a thorough analysis of any proposed transaction without becoming part of the policy-making aspects of the review. It dramatically improves CFIUS reporting to Congress on its activities so that Congress can perform regular and much-needed oversight of the process to ensure that the CFIUS process remains vigilant, but does not unnecessarily interfere with foreign investment or discourage foreign investment.

But, Mr. Chairman, of everything I would say here today, I would like to stress that the key issues we face here today transcend the Dubai Ports deal. They transcend CFIUS. They are more important than the CFIUS process.

H.R. 556 meets our challenges by advancing three important objectives, while leaving the essential sound foundation of CFIUS intact.

The first objective of this legislation is to continue to encourage opportunities for foreign investment in our economy. The surest way to ensure America remains strong and secure is to strengthen our economy and maintain global competitiveness. While we should never underestimate the threat to U.S. interests from economic espionage or from critical technologies falling into the wrong hands, we must also recognize that discouraging foreign investment or otherwise restricting global capital flows poses a very serious threat to our economic security and prosperity as well. The welcome mat for foreign investment must be out.

In fact, last year, and we hear lots about American capital going overseas and American companies investing overseas, but last year alone, over a half a trillion, $500 billion, net inflow of foreign capital in our country, more than foreign outflows of capital.

Because of the Dubai Ports situation, we have seen a fall-off on a lot of these inflows. We talk about our deficit. We talk about the need to export more. Well, in fact, foreign investment in this country, if you took away the foreign investment in this country, the recent foreign investment, it would reduce our exports by between 15 and 20 percent. The foreign-owned companies or foreign investments have created jobs in this country which result in about one-fifth of our exports today.

Also, the majority of a lot of those companies are actually owned by Americans. The Wall Street Journal talks about a company today in an editorial that 55 percent of it is owned by Americans, a Swedish company. I believe it was a Swedish company.

The second objective of this legislation, while we want to continue to say to foreigners investment in the United States, it is a good market, America is a good investment, we also want transparency in the process when they do invest. Many Members of Congress learned of the Dubai Ports deal when they picked up the newspaper or turned on the TV. This bill will ensure that as a matter of policy that does not happen again. CFIUS keeps Congress informed, this CFIUS legislation.

Third, we need empowerment of experts best qualified to assess national security issues. To that end, this bill ensures that the Director of National Intelligence can provide important and timely input into the CFIUS process based on the most current intelligence available, and guarantees the Department of Homeland Security will be a full participant in the process.

Mr. Chairman, we moved legislation very similar to this in the last session of Congress. The gentleman from Missouri (Mr. BLUNT) constructed that legislation, led that effort along with the former chairman of the committee, Mr. OXLEY, and Ms. PRYCE from Ohio, and I would like to acknowledge at this time their contributions last year. This Congress, this body, passed that legislation last year because we wanted nothing to stand in the way of people investing in our country, creating jobs here, creating capital here, and that legislation passed unanimously.

This legislation is even stronger than that legislation, and I commend Chairman FRANK for having the insight and the intellect to make this one of his first priorities in the new Congress because, as we saw yesterday, when the stock market in Shanghai fell, we are in a global economy, and the worst thing that can happen in that global economy is outflows of capital from the United States. This legislation will ensure that those outflows continue to come to America to create jobs here in America.

I will comment during the manager's amendment on some important changes in this legislation that have been proposed by the gentleman from California (Mr. HUNTER), which I believe greatly strengthens this legislation, but let me close simply by saying this.

Mr. Chairman, the world is a lot different than it was back in 1975 when President Ford first created CFIUS, and it is far different than 1988 when the outline of the current review process was established. Terrorism requires us to exercise increased vigilance, while the demands of the global economy necessitate that America compete aggressively for foreign investment capital.

The siren song of protectionism is one that must be resisted if we are to be serious about maintaining America's competitive standing in the world.

This bill modernizes the way CFIUS does business, ensuring that both our security and economic needs are met, but without fundamental changes which make this country a protectionist country.

The foreign markets and people wanting to invest in America are watching us today, waiting to see what we do. For this reason, Mr. Chairman, I congratulate the sponsors of this legislation, and I urge the Members of this body to unanimously join together and pass this legislation and send it to the other body.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 6 minutes to the gentlewoman from New York (Mrs. MALONEY), who was one of the major authors of this bill and has been a strong proponent of it to this time.

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentleman for yielding and for his leadership.

I want to thank in particular Chairman FRANK for making this bill, the National Security FIRST Act, a priority of this Congress. Democrats and Republicans have supported this bill, demonstrating a desire to enhance national security while avoiding a freeze of beneficial and safe economic investment in our country.

I would like to thank in addition my other Democratic colleagues, LUIS GUTIERREZ and JOE CROWLEY, and my colleagues on the other side of the aisle, DEBORAH PRYCE, ROY BLUNT and Ranking Member BACHUS, for their continued support and leadership on this important legislation.

A year ago, Mr. Speaker, Americans woke up to find out that six of the largest ports in our Nation would be controlled by a foreign government, the United Arab Emirates, under the Dubai Ports World. Even worse, this deal had been approved by our government through a secretive process no one had ever heard of. In fact, Congress and senior administration officials learned about this deal by reading about it in the newspapers.

Even before the Dubai Ports World fiasco, the General Accountability Office had criticized the Committee on Foreign Investments in the United States, or CFIUS, for being overly focused on bureaucratic goals, basically getting deals done with little oversight, without causing a fuss.

Well, the Dubai Ports World deal showed the world the weaknesses in the CFIUS process. The decision was

made, and when they did make that decision, they did not involve any high-level government officials. They did not report to Congress. They used a very out-of-date definition of national security.

Surely anyone in a post-9/11 world would consider our largest ports a national security concern. The 9/11 Commission called it one of the areas that we have the most problems and one that needs the most attention.

As a Representative from New York, which is both target number one for terrorism and the financial capital in our Nation, I felt very strongly that we needed to get something done.

At the time, along with DEBORAH PRYCE, I was the ranking member on the subcommittee which we both served on with jurisdiction over CFIUS, and so we had a front-line responsibility for the issue, and we worked together to put forward this legislation.

Our legislation passed the last Congress 421–0. We hope we get the same result today, and we resubmitted the bill again earlier this year. It is past time to get this done. If you had told the American people that a year after Dubai Ports World and the scandal involved with it we would still be debating CFIUS reform and had not strengthened the system already, I think they would be very surprised.

The need for reform remains even after DPW. The CFIUS process is not catching all the deals that it should.

Last year I personally called to the attention of CFIUS the fact that a company with ties to the Venezuelan Government had purchased a major voting machine manufacturer in our country. CFIUS did initiate a review, and after some time in the process, the company announced that it would withdraw from the U.S. market. Surely we would consider a foreign government owning our voting machines a national security concern.

In the end the process did work, but it worked only after prodding, and it should work better. That is what this bill would accomplish. It puts national security first, addressing the weaknesses in the Dubai Ports World.

The bill requires high-level attention and sign-off on every transaction, and particular attention to transactions involving foreign-government-owned entities.

□ 1130

The bill also creates a formal role for the intelligence community and sets up an independent intelligence assessment. It requires a broad and flexible definition of national security that includes the concerns of 12 different agencies, and it sets up a system for monitoring deals that are withdrawn from the process.

The bill contains very tough provisions to protect national security, including the ability of CFIUS to reopen reviews when companies do not comply with mitigation agreements designed to reduce security risks. This is such a severe remedy that we have hedged it with many procedural protections, and we expect CFIUS to use it only in exceptional cases.

This bill also puts Congress in the picture, making sure that we learn about these deals from CFIUS, not from the newspapers but after the decisions have been made. And by providing greater certainty and predictability in the process, we can encourage foreign investors. I am glad he yielded me this time, because a very important part of CFIUS is we build in predictability and clarity for foreign investment, so that it is not gray, but black and white of where they can go to get a swift approval for safe foreign investment.

This is critical to our economy. Over 5.1 million jobs came into our economy from foreign investment in 2004, and there were 50,000 jobs recently created in New York City after 9/11 from foreign investment. It is very important to economic growth in our country. We want to encourage it, but at the same time, we want to protect our citizens, our number one responsibility.

Mr. Chairman, may I say to Ms. PELOSI, I appreciate your making this a priority and moving it to the floor so quickly. We will be able to work with our colleagues in the Senate to get a strong bill and pass it and sign it into law. I appreciate the support from the business community, the intelligence community, and from the executive office.

I request unanimous consent to place in the RECORD the statement from the Executive.

What can I say, it is a win-win situation. It is a bipartisan bill. Let's move forward and pass it and enact it into law.

STATEMENT OF ADMINISTRATION POLICY

H.R. 556—NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY (REP. MALONEY (D) NY AND 58 COSPONSORS)

The Administration supports House passage of H.R. 556 and appreciates the efforts of the House Financial Services Committee to strengthen the Committee on Foreign Investment in the United States (CFIUS). The Administration regards the Nation's security as its top priority. In addition, the Administration views investment, including investment from overseas, as vital to continued economic growth, job creation, and building an ever-stronger America. Therefore, the Administration seeks to improve the CFIUS process in a manner that protects national security and ensures a strong U.S. economy and an open investment environment that will serve as an example and thereby support U.S. investment abroad.

In light of the President's responsibility to ensure the Nation's security, and in the context of comity between the executive and legislative branches, we believe the President should retain substantial flexibility to determine CFIUS's membership and administrative procedures and to make adjustments when national security so requires. Accordingly, the Administration has concerns with some of the provisions of H.R. 556 and looks forward to working with Congress to address these concerns, to strengthen CFIUS, and to ensure the protection of America's homeland and the strength of our economy.

Establishment and membership of CFIUS

The President should retain the flexibility to determine and adjust the appropriate Executive Branch membership of CFIUS and their roles. H.R. 556 should not mandate that CFIUS have Vice Chairs, nor that CFIUS include members of the Executive Office of the President. Further, the President should retain the flexibility to determine roles and responsibilities of CFIUS and its members. For example, the Administration opposes any language in Section 6 that would call for the designation of a lead agency or agencies to represent other agencies or the Committee in negotiating, entering into, imposing, modifying, monitoring, or enforcing mitigation agreements.

Deliberations and decision-making of the committee

The Administration is concerned that the legislation imposes procedural requirements, such as roll call voting and motions, which are ill-suited for executive bodies such as CFIUS and are inconsistent with the vesting of the executive power in the President. Given the bill's reporting requirements, such procedures will deter the full and open interagency discussion that is required to consider CFIUS cases properly.

The Administration fully shares Congress' goal of ensuring senior-level accountability for CFIUS decisions. The Administration supports requiring the Secretary, Deputy Secretary, or an Under Secretary of the Treasury to sign CFIUS decisions at the conclusion of a second-stage (45-day) investigation, as H.R. 556 provides. With respect to cases for which CFIUS concludes its action at the end of the first-stage (30-day) investigation, the Administration supports the House Financial Services Committee's decision to authorize delegation of this authority. However, in view of the volume and variety of cases and to ensure that our most senior officials are able to focus on those cases that do raise national security concerns, this authority should be further delegable to other officials appointed by the President and confirmed by the U.S. Senate.

The Administration believes that the current 30-day and 45-day time frames for first-stage and second-stage investigations provide CFIUS with sufficient time to examine transactions. The possibility of extensions may discourage foreign investment by generating uncertainty and delay for the parties to proposed transactions. The Administration therefore opposes allowing CFIUS to extend the second stage (45-day) investigation period. The Administration notes that the current CFIUS practice of encouraging parties to transactions to consult with CFIUS prior to filing provides CFIUS with additional time and flexibility to examine complex transactions.

The Administration supports the role of the intelligence community as an independent advisor to CFIUS and appreciates the bill's inclusion of a provision that ensures that the Director of National Intelligence (DNI) is provided adequate time to complete the DNI's analysis of any threat to the national security of a covered transaction. However, language in H.R. 556 also appears to provide the DNI with the ability to force a second-stage (45-day) investigation if the DNI has identified particularly complex intelligence concerns and CFIUS was not able to satisfactorily mitigate the threat. Such a policy role would be inconsistent with the independent advisory role of the DNI envisioned in the legislation and supported by the Administration.

Notification and reports to Congress

The Administration supports enhanced communication with Congress on CFIUS

matters to better facilitate Congress' performance of its functions. CFIUS should be required to notify Congress of transactions only after all deliberative action is concluded, as H.R. 556 provides. As discussed above, roll call voting, particularly if reported outside the Executive Branch, would deter the full and open interagency discussion that is required to consider CFIUS cases, and reporting on internal Executive Branch deliberations, including the positions of individual CFIUS members, should not be required.

Authorities of CFIUS

The Administration believes current law and regulations give the President and CFIUS adequate authority to gather all information needed to conduct CFIUS investigations. The Administration is concerned that provisions of the bill that provide CFIUS with additional statutory authority to collect evidence and require the attendance and testimony of witnesses and the production of documents would make the CFIUS process more adversarial and less effective.

The Administration believes its ability to protect national security would be enhanced by a statutory grant of authority to impose civil penalties for a breach of a mitigation agreement. This authority to seek civil penalties, which could be calibrated to the seriousness of the non-compliance, would be a useful and effective tool for enforcing those agreements.

Presidential review and decision

The Administration supports requiring the President to make the final decision on a case only when CFIUS recommends that a transaction be blocked or when CFIUS fails to reach a consensus after a second-stage investigation. Requiring Presidential action in a broader set of cases would undermine the President's ability to determine how best to exercise Executive Branch decision-making authority.

The Administration looks forward to working with Congress on these important issues.

Mr. BACHUS. Mr. Chairman, I would like to yield 3 minutes to the gentlewoman from Ohio. And as I do, I would like to commend her for her leadership last year when the Dubai Ports deal came to light, in shepherding that bill through.

Ms. PRYCE of Ohio. Mr. Chairman, I appreciate our ranking member yielding the time. And I want to thank Chairman FRANK and Ranking Member BACHUS for making this bill a priority in this new Congress. I want to especially thank Chairman FRANK for assuring that the goodwill and the hard work that went into this bill in the last Congress has not gone to waste. And I want to thank my good friend, CAROLYN MALONEY, for this is not the first bill that we have worked on nor will it be the last.

The National Security FIRST Act is not a compromise between Democrats and Republicans, it is a product of bipartisan consensus. We often pay lip service to bipartisanship in this Chamber, but today we have a chance to pass a sincerely bipartisan product.

Americans were appalled by the Dubai Ports fiasco, as they should have been. And the answer to the Dubai Ports problem could have been an overreacting, overreaching, protectionist response.

It is often joked that legislative bodies do two things well: Nothing and overreact. But that is not the case here. Instead, this legislation puts national security first, while not sacrificing job creation and important relationships with our trading partners. America is a good investment. The National Security FIRST Act makes important changes to CFIUS. Responsibility is restored by requiring the chairman and the vice chairman of CFIUS to put their signature on every deal. A formal intelligence assessment must be conducted for every transaction. CFIUS must be accountable to Congress through committee notification of individual deals and an annual report on every CFIUS transaction.

Investors in the United States deserve certainty that the process by which deals are reviewed is objective, thorough, and straightforward. This bill ensures that we continue to protect the United States' national and economic security while promoting beneficial foreign investment.

Mr. Chairman, in my State of Ohio, a State admittedly struggling to keep our manufacturing jobs, international employers provide jobs for more than 200,000 of us. We have seen the benefits of open markets and foreign investment. Honda Motor Corporation's capital investment alone topped $6.3 billion during its time in our State. Honda's North American plants purchased more than $6.5 billion in parts from 150 different Ohio suppliers in 2005 alone.

H.R. 556 clearly outlines an objective review process that will encourage future investment in Ohio and elsewhere, just like the Honda investment, and will help protect American companies from possible retaliatory measures by other countries. But, most importantly, the American people can feel confident that this legislation institutes the oversights and protections needed to determine if a foreign investment transaction is really in the best interests of the United States' national security and the safety of our citizens.

I want to thank once again Chairman FRANK, Ranking Member BACHUS, Ms. MALONEY, our whip Mr. BLUNT, Representative CROWLEY, and everyone who worked so hard on this issue. I urge support for a clean bill.

Mr. FRANK of Massachusetts. Mr. Chairman, I reserve the balance of my time.

Mr. BACHUS. Mr. Chairman, I yield myself 1 minute to simply say that as we close this debate on the main text of H.R. 556, I hope that all Members of this body recognize the benefits to our economy from the robust level of foreign investment that is coming into this country. A few minutes ago, I mentioned a company that 55 percent of it was owned by one American company, and it is Nokia, which is a Finnish company, yet 55 percent of the stock in that company is owned by American companies.

So even those foreign companies are making investments in the United States. A large percentage of those companies are American-owned. You have these foreign investments in our country, foreign-owned companies, the subsidiaries of them employ 5.5 million Americans, and the average wage for those workers is $60,000.

Mr. Chairman, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 1 minute just to say, before I yield back, that there has been a debate about whether or not an open rule was controversial or not. I know in today's Wall Street Journal, there is an editorial grudgingly giving us some credit for moving on this. Essentially they are surprised that, given that we are Congress, we didn't do a lot worse.

But I will note that in the Wall Street Journal editorial this morning, there are two negative references to an open rule. It is clear from this that they are among those that did not want an open rule because they said they were afraid that protectionists in the House would ruin the bill.

So I do, again, want to note the idea that the open rule was somehow something of no particular consequence. This contradicted the Wall Street Journal in its editorial today, and I urge Members to read it. I am not going to put the whole thing in the RECORD because it takes some shots at some Members that I think are unfair. But I urge Members who think that this was some sort of a slam dunk to read the Wall Street Journal.

I am submitting the following jurisdictional correspondence on H.R. 566:

COMMITTEE ON FOREIGN AFFAIRS,
HOUSE OF REPRESENTATIVES,
Washington, DC, February 23, 2007.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, Washington, DC.

DEAR CHAIRMAN FRANK: I am writing to you concerning the bill, H.R. 556, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007. There are certain provisions in the legislation which fall within the Rule X jurisdiction of the Committee on Foreign Affairs, including provisions relating to the Defense Production Act of 1950, as it pertains to the Committee on Foreign Investment in the United States.

In the interest of permitting your Committee to proceed expeditiously to Floor consideration of this important bill, I am willing to waive this Committee's right to sequential referral. I do so with the understanding that by waiving consideration of the bill, the Committee on Foreign Affairs does not waive any future jurisdictional claim over the subject matters contained in the bill, which fall within its Rule X jurisdiction. I request that you urge the Speaker to appoint Members of this Committee to any conference committee which is named to consider any such provisions.

Please place this letter into the Committee report on H.R. 556 and into the Congressional Record during consideration of the measure on the House Floor. Thank you for the cooperative spirit in which you have worked regarding this matter and others between our respective committees.

Cordially,

TOM LANTOS,
Chairman.

COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, February 23, 2007.

Hon. TOM LANTOS,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter concerning H.R. 556, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007. This bill was introduced on January 18, 2007, and was referred to the Committee on Financial Services, and in addition to the Committees on Foreign Affairs and Energy and Commerce. The bill was ordered reported by the Committee on Financial Services on February 13, 2007. It is my expectation that this bill will be scheduled for floor consideration in the near future.

I recognize that certain provisions in the bill fall within the jurisdiction of the Committee on Foreign Affairs under Rule X of the Rules of the House of Representatives. However, I appreciate your willingness to forego action on H.R. 556 in order to allow the bill to come to the floor expeditiously. I agree that your decision will not prejudice the Committee on Foreign Affairs with respect to its jurisdictional prerogatives on this or similar legislation. I would support your request for conferees on those provisions within your jurisdiction should this bill be the subject of a House-Senate conference.

I will include this exchange of correspondence in the Committee report and in Congressional Record when this bill is considered by the House. Thank you again for your cooperation in this important matter.

Yours truly,

BARNEY FRANK,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, February 27, 2007.

Hon. BARNEY FRANK,
Chairman, Committee on Financial Services, Washington, DC.

DEAR MR. CHAIRMAN: I write with regard to H.R. 556, legislation to overhaul the process for reviewing foreign investment in the United States, which was reported favorably by your Committee on February 13, 2007.

As you know, the Committee on Energy and Commerce received a referral of the bill. The bill concerns section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170). The Committee, together with the Senate Committee on Commerce, wrote that section, which is the so-called ''Exon-Florio Amendment'' to the Act. (See section 5021 of Public Law 100–418; 102 Stat. 1425.) Additionally, the bill concerns the Committee on Foreign Investment in the United States (''CFIUS''). The membership of CFIUS includes the Secretaries of Commerce and Energy. The Secretary of Commerce is a vice chair of CFIUS. CFIUS's annual report will also be directed to the Committee on Energy and Commerce, and the Department of Commerce must be consulted on the study of foreign investment in critical infrastructure and industries affecting national security.

I have reviewed the manager's amendment that was approved by your Committee. In general, I support the passage of the bill with that amendment. I will not hold a markup of the bill in the Committee on Energy and Commerce, notwithstanding the Committee's strong jurisdictional and policy interests, because it is my understanding that you agree with me on the following:

(1) The term ''national security'' should not be defined in the statute. The term is meant to encompass a wide variety of circumstances, as indicated by the origins of the Exon-Florio amendment.

(2) The decision to remove from the bill the requirement of Inspector General reports should be reconsidered. The Committee on Energy and Commerce has always found IG reports to be very effective tools for accountability and oversight. The bill's requirement of annual reports, while important for the purpose that they serve, are not an adequate substitute. The Dubai Ports deal, GAO's critical report, and CFIUS's failure to file required quadrennial reports, as well as the multi-agency and department structure of CFIUS, argues in favor of having an independent entity conduct performance and systems audits and evaluations in order to identify problems quickly and efficiently.

(3) The inaction of the Committee on Energy and Commerce with respect to the bill does not in any way serve as a jurisdictional precedent as to our two Committees.

In the main, I applaud the work that your Committee has done on this bill. I request that you send me a letter confirming our agreement and that, as part of the consideration of the bill on the House floor, you insert our exchange of letters in the Congressional Record. If you wish to discuss this matter further, please contact me or have your staff contact Consuela Washington, Chief Counsel/Commerce, Trade, and Consumer Protection to the Committee on Energy and Commerce, at extension 5–2927.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON FINANCIAL SERVICES,
Washington, DC, February 28, 2007.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter concerning H.R. 556, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007. This bill was introduced on January 18, 2007, and was referred to the Committee on Financial Services, and in addition to the Committees on Foreign Affairs and Energy and Commerce. The bill was ordered reported by the Committee on Financial Services on February 13, 2007. The bill is scheduled for floor consideration on February 28th.

I appreciate your input on this bill and am pleased to confirm our agreement on this bill. I recognize that certain provisions in the bill fall within the jurisdiction of the Committee on Energy and Commerce under Rule X of the Rules of the House of Representatives. However, I appreciate your willingness to forego action on H.R. 556 in order to allow the bill to come to the floor expeditiously. I agree that your decision will not prejudice the Committee on Energy and Commerce with respect to its jurisdictional prerogatives on this or similar legislation. I agree that the term ''national security'' should not be defined in the statute and I will offer an amendment re-instating the Inspector General reporting requirement as previously discussed.

I will include this exchange of correspondence in the Congressional Record when this bill is considered by the House. Thank you again for your cooperation in this important matter.

Sincerely,

BARNEY FRANK,
Chairman.

Mr. BARTON of Texas. Mr. Chairman, I rise in support of H.R. 556 the National Security Foreign Investment Reform and Strengthening Transparency Act of 2007. I want more foreign investment in America, not less, but I do not want the kind that threatens our security. CFIUS exists to make the distinction, and we need to know that it's doing a good job.

We don't automatically fear foreign investors here in America. The money provided by foreign investors creates jobs, growth and opportunity here at home. I just want to ensure the investment we attract does not jeopardize national security.

H.R. 556 provides consistent criteria with appropriate discretion and will improve the review process without impairing our ability to attract significant and needed foreign investment.

Mr. Chairman, I fully support the legislation before us. Importantly, it provides for mandatory review of foreign-government controlled transactions and any transaction that affects national security. Additionally, it provides clear and consistent review criteria for all other commercial investments, it adds the Secretary of Energy to the Committee, and it makes the Secretary of Commerce a co-vice chair of the Committee. Most important, it adds transparency in the process for Congressional oversight and establishes new reporting requirements many of us feel are essential to this process.

I support H.R. 556 and urge my colleagues to approve the measure.

Mr. HOLT. Mr. Chairman, I am pleased that the House is considering this measure today, and I intend to vote for it.

According to the Congressional Research Service, in 2005, direct foreign investment in the U.S. totaled some $109 billion. By year-end 2004, the latest year for which detailed data are available, foreign firms employed 5.6 million Americans (just under 4% of the U.S. civilian labor force) and owned over 30 thousand individual business establishments. While the impact of foreign investment on our economy is generally positive, last year we saw how inadequate monitoring of the foreign investment process can produce threats to our security.

It was just over a year ago that we learned from media reports that the Bush administration had quietly approved the sale of an American port operations company to Dubai Ports World (DPW), an entity owned by the government of the United Arab Emirates. The deal was approved by a little-known government entity, the Committee on Foreign Investment in the United States, or CFIUS for short. CFIUS was created by President Ford in 1975 via executive order in response to Congressional concerns over OPEC's investment activities in the United States.

In the DPW case, we subsequently learned that at least some elements of the intelligence community had expressed concerns about the security implications of the DPW transaction. In Congress, we were concerned that CFIUS had ignored or downplayed any potential security issues surrounding the transaction. We were told that DPW is well run and efficient. That may be, but there was good reason for concern.

The UAE, which owned and controlled the acquiring company in this case, had previously been identified as a key transfer point for shipments of nuclear components that were sent to Iran, North Korea, and Libya, which were sold by Pakistan's nuclear scientist A.Q. Khan. In addition, the UAE was one of only 3 countries (including Pakistan and Saudi Arabia) to recognize the Taliban as the legitimate government of Afghanistan prior to 9/11. Two of the 9/11 hijackers were UAE nationals (Fayez Banihamrnad and Marwan al-Shehhi), and the Federal Bureau of Investigation had previously claimed the money used for the attacks was

transferred to the 9/11 hijackers primarily through the UAE's banking system. Furthermore, after the 9/11 attacks, the Department of Commerce complained of a lack of cooperation by the UAE and other Arab countries as the U.S. was trying to track down Osama bin Laden's bank accounts.

The Bush administration initially denied there were any such security concerns surrounding the DPW deal, so I worked to get a portion of the United States Coast Guard intelligence estimate declassified so the public would know the truth. The Coast Guard finally provided me with the declassified executive summary on May 25, 2006, and I want to make sure my colleagues and the public are aware of what this assessment says.

While the USCG assessment stated that the DPW deal posed no ''immediate'' threat to the United States, it also stated that the deal ''could also provide a potential vector for Dubai-based terrorists to enter the United States, exploiting the port facilities in the same way that other terrorists have exploited individual shipping companies.''

I note for the record that I spent three months pressing Coast Guard officials to declassify this single page. Congress should not have to haggle with the executive branch to get intelligence assessments on potential security threats to our people in a manner that protects intelligence sources and methods. The bill before us contains changes in the law governing CFIUS that should help prevent a repeat of the Dubai Ports World fiasco, particularly with regards to intelligence assessments and Congressional notification.

Specifically, the bill before us requires a mandatory 45–day investigation for all acquisitions involving foreign governments, to include a requirement that the Director of National Intelligence play a direct role in evaluating the national security implications of such acquisitions. The bill also requires automatic notification of Congress within five days after the conclusion of each investigation. Finally, the bill requires the Secretaries or Deputy Secretaries of the Departments of Treasury and Homeland Security to personally approve such transactions. These are common sense reforms of the CFIUS process that are long overdue, and I urge my colleagues to join me in voting for this important legislation.

Mr. ACKERMAN. Mr. Chairman, I rise in support of H.R. 556, the National Security FIRST Act. I would like to thank the Chairman of the Financial Services Committee, Mr. FRANK, for his efforts in making this legislation one of the committee's first priorities. I would also like to commend my colleague from New York, Mrs. MALONEY, for sponsoring this important legislation.

Mr. Chairman, it's been a year since the Bush administration thought it would be a good idea to hand over commercial operations of six of our nation's ports to the government of Dubai—a country that the 9/11 Commission report named as a source of terrorist financing and which two of the 9/11 hijackers called home. We have since learned that, during the review process undertaken by the Committee on Foreign Investment in the United States, or CFIUS, administration officials did not perform a required thorough investigation of the deal to a satisfactory level and chose not to require Dubai Ports World to follow certain security conditions at some of the busiest ports in the country—over 4 years after 9/11.

Mr. Chairman, the Dubai Ports World debacle was a paragon of bureaucratic ineptitude and the shining example of why this legislation is needed. Even those who believe that DPW should currently be administering our nation's ports must concede that the process is broken.

The CFIUS process needs more transparency, better oversight and increased fail-safes to ensure that the administration doesn't next absent-mindedly sell our nation's airports to Iran Airports World.

This bill mandates that any proposed deal that involves an entity owned by a foreign government trigger an automatic—and thorough—CFIUS review. To be clear, this legislation does not increase barriers for foreign governments interested in investing in the United States—H.R. 556 merely puts in place necessary safeguards to ensure that investments in the United States do not threaten our national security.

This legislation also requires that the Securities of Treasury and Homeland Security, or their Deputy Secretaries or Under Secretaries, sign off on all deals before they are completed. We now know that, during the review of the Dubai Ports World deal, low-level bureaucrats approved the transaction without the knowledge of the relevant Cabinet members. By mandating that the under-secretary level is the lowest level authorized to approve these transactions, we will build another fail-safe into the CFIUS process, and, perhaps more importantly, we will put in place a system of accountability, rather than one of finger-pointing.

Mr. Chairman, this is a vitally important piece of legislation, which passed unanimously in the last Congress. I ask my colleagues to once again support this important national security measure.

Mr. SHAYS. Mr. Chairman, as a cosponsor of H.R. 556, I am pleased the new majority is moving quickly to consider this legislation, which passed the House in the last Congress by an overwhelming bipartisan vote. This legislation would require that all transactions involving foreign state-owned companies be automatically subject to a full 45-day investigation.

Last year, the attempt by Dubai Ports World (DP World), a port operations company owned by the government of the United Arab Emirates (UAE), to purchase operating terminals at six U.S. ports was a clear indicator we must reform the CFIUS process.

Whenever a foreign investment affects homeland security, it deserves greater scrutiny. It seems to me, this legislation strikes the proper balance between strengthening our economy and protecting the American people.

Mr. Chairman, I urge my colleagues to support this legislation.

Mr. MARKEY. Mr. Chairman, I rise in strong support of H.R. 556, the National Security FIRST Act, introduced by the Gentlelady from New York, Congresswoman CAROLYN MALONEY.

A year ago, a secretive committee at the Treasury Department that most Americans had never heard of approved a transaction to give a company owned by the United Arab Emirates control over terminal operations at 6 major U.S. ports.

The decision by the Committee on Foreign Investment in the United States—or CFIUS—to approve this purchase by Dubai Ports World shined a bright light on an obscure committee and the process it uses to make decisions that can have important consequences for the security of our country.

Clearly, the Dubai Ports World transaction did not receive the scrutiny it deserved. The 9/11 Commission had identified the government of the UAE—the same entity that would own the terminals at major U.S. ports—as a ''persistent counterterrorism problem''. Two of the 9/11 hijackers were from the UAE. The 9/11 Commission concluded that the UAE banking system was used as a conduit for funds for the September 11th attacks.

Moreover, the UAE was a key transfer point for illegal shipments of nuclear components to Iran, North Korea and Libya. The UAE was one of only three nations to recognize the legitimacy of the Taliban government and still does not recognize the State of Israel.

Despite all of these warning signs, the proposed port deal did not even lead the Bush Administration to conduct a 45-day investigation, which is provided in current law and should have been interpreted as being mandatory when foreign governments—whether involving the UAE, the UK, the Ukraine or any other nation—seek mergers, acquisitions or similar transactions that could affect U.S. national security.

Public outrage ultimately sunk the Dubai deal. Last March, Dubai Ports World agreed to divest itself of the U.S. port operations involved in the transaction, and AIG purchased these assets earlier this month.

I commend Congresswoman MALONEY for crafting this strong legislation. It closes the loopholes that had, unbelievably, allowed commerce to trump commonsense. Specifically, this bill requires that a transaction involving foreign governments receive extra scrutiny by mandating that the chairman and vice-chairman of CFIUS certify that the transaction poses no national security threat or the transaction must be subjected to a second-stage 45-day national security investigation; ensures that senior level officials are held accountable for CFIUS decisions by requiring that the chairman and vice chairman of CFIUS approve all transactions where CFIUS consideration is completed within the 30-day review period and mandating that the president approve all transactions that have been subjected to the second-stage 45-day national security investigation; and provides for much-needed congressional oversight by requiring CFIUS to report to the congressional committees of jurisdiction within five days after the final action on a CFIUS investigation. CFIUS also must file semi-annual reports to Congress that contain information on transactions handled by the committee during the previous six months.

Passage of this bill is an important step towards making our country safer. As we continue to learn the lessons of the Dubai Ports World transaction, we also must push forward with efforts to require that all shipping containers are scanned for nuclear bombs before they leave foreign countries bound for our shores and sealed to prevent tampering en route.

The 100 percent scanning mandate was included in the 9/11 Commission recommendations bill that passed the House last month on a bi-partisan basis. As the other body considers its version of the bill, this vital provision should be retained. In New York Times columnist Frank Rich's piece last Sunday, he reported that the former head of the C.I.A. bin

Laden unit, Michael Scheuer has stated that the Taliban and Al Qaeda, having regrouped in Afghanistan and Pakistan, are ''going to detonate a nuclear device inside the United States.''

Mr. Scheuer is not alone in making this assessment. Harvard University arms control expert Graham Allison has said that ''more likely than not'' there will be a terrorist attack using a nuclear bomb in our country. He has described the detonation of a nuclear explosive device in a cargo container in one of our ports as a nightmare scenario for our nation.

Port security expert and former Coast Guard officer Stephen Flynn has written about the ''catastrophic consequences of terror in a box'' that would result if a nuclear device hidden in a cargo container were donated in our country. Admiral James Loy, the former Coast Guard commandant and former Deputy Secretary of Homeland Security, has said that there is evidence that al Qaeda terrorists are already involved in the maritime trades.

Through the Secure Freight Initiative, the Bush Administration has begun the process of establishing pilot programs overseas to test the feasibility and effectiveness of scanning all U.S.-bound containers before they are loaded onto container ships headed to our country.

The provision in the 9/11 Recommendations bill that Congressman NADLER and I authored would require that lessons learned during the Secure Freight Initiative are incorporated into a comprehensive 100 percent scanning and sealing policy for every container headed to our country. Our provision contains a sensible time frame—3 years for large overseas ports and 5 years for smaller ones—to implement the 100 percent scanning mandate.

Dubai Ports World—the same company that triggered the reform process that led us to consideration of the legislation before us today—is planning to incorporate the capability to perform 100 percent scanning at its operations overseas.

We have the technology. We know the risks. We need to take action to require 100 percent scanning and sealing of all U.S. bound cargo containers OVERSEAS, before they arrive at our shores. If we detect a nuclear bomb in a container once it arrives at a U.S. port, it's too late. Once again, I commend the gentlelady from New York for her leadership on this important issue, and I urge an ''aye'' vote.

Mr. DAVIS of Kentucky. Mr. Chairman, first I would like to commend Chairman FRANK, Ranking Member BACHUS and Congresswoman MALONEY for putting together this important bill that exemplifies the bipartisan work of the Financial Services Committee. H.R. 556 succeeds in striking a balance that ensures neither the national security of the United States nor the investment climate will be compromised.

This bill was originally introduced in the 109th Congress in response to the public outcry after the Dubai Ports World case. H.R. 556 formalizes the role of the Director of National Intelligence in the CFIUS process, establishes accountability in CFIUS by ensuring senior officials are involved in clearing transactions and establishes better communication with Congress so that we can perform our oversight function.

However, I am a strong believer in simplifying processes to achieve the best possible outcome. I do not think we should make CFIUS an overly complicated and burdensome process for foreign investment. The goal is to maintain the attractiveness of the U.S. markets as a destination for foreign investment, while protecting our national security.

While I submitted three amendments to H.R. 556 that I was unable to offer today, they address important issues that deserve consideration as the bill moves through the Senate and into a conference committee.

Two of my amendments would eliminate the roll call requirement for both the approval of a deal and as recorded in the annual report. As we have gone through the Committee process in the 109th Congress and in the 110th, I have learned a great deal about how the CFIUS process works. I think it is important that we incorporate this suggestion from the Administration on CFIUS. Currently, the different agencies that make up the CFIUS committee work as a team until they arrive at a consensus view. It is my understanding that the committee does not take roll call votes agency-by-agency on each transaction deal that is examined. The current CFIUS approach is much more holistic and fosters a team effort.

I have concerns that requiring a roll call vote on each deal could discourage one agency from raising an issue if all the others are prepared to sign off. I would not want a roll call vote to have any unintended consequences.

I do not believe we should override the way CFIUS currently works as a team. It is effective and encourages the agencies to interact and communicate throughout the examination of the deal.

The third amendment I submitted would eliminate unnecessary bureaucracy for the transaction deals that are relatively easy to approve by allowing the actual signing off process to be accomplished by a Senate confirmed official. This of course does not mean the Secretary and Deputy Secretary are unaware of the deal or left out of the loop on CFIUS matters. They are briefed on every deal on a regular basis. And they will still be required to sign off on certain cases that are of concern to Congress. However, this amendment would provide for a more expedient CFIUS process for the majority of transactions that pose no threat to national security.

Mr. HOYER. Mr. Chairman, today, the new Democratic Majority in the House has brought legislation to the Floor—the National Security FIRST Act—which will strengthen our national security by addressing a glaring deficiency that became public last year.

Many Members of Congress—and millions of Americans—were shocked when it was reported in 2006 that the Bush Administration had approved a deal allowing Dubai Ports World—a company owned by the government of the United Arab Emirates—to manage terminal operations at six major ports in the United States.

Let me be clear: There is nothing wrong with foreign investment in our nation. In fact, we have reason to encourage it. But what was shocking about the Dubai Ports World deal was that it was approved by the secretive Committee on Foreign Investment in the United States with only minimal review, and without the 45-day national security investigation that clearly should have occurred.

In fact, the deal was approved despite the fact that the Department of Homeland Security had raised security concerns. And, approval occurred without the input of senior Administration officials, such as the Secretaries of the Treasury and Homeland Security, and even the President himself.

Thus, today, I want to congratulate Chairman FRANK of the Financial Services Committee for his strong leadership on this bipartisan legislation. In short, this bill addresses key failings in the current CFIUS review process.

First, it will require that in cases involving a company controlled by a foreign government that either the CFIUS Chairman (the Treasury Secretary) or the Vice-Chairman (the Homeland Security Secretary) certify that the transaction poses no national security threat, or that a 45-day security investigation occur after the initial 30-day review period. In cases where the second stage 45-day review applies, the bill requires the President to approve such transactions.

In addition, the bill improves CFIUS accountability to Congress. Recall that last year, Congress was not notified of the Dubai Ports World deal. Now, CFIUS must report to the committees of jurisdiction within five days after the final action on a CFIUS investigation.

Finally, this legislation requires that every transaction be subjected to an investigation by the Director of National Intelligence.

Again, this is important legislation that will strengthen our national security. I urge Members on both sides of the aisle to support it.

Mr. THOMPSON of Mississippi. Mr. Chairman, I stand here today as chairman of the Committee on Homeland Security in support of H.R. 556, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007. This bill provides needed reform by formalizing and streamlining the structure and duties of the Committee on Foreign Investment in the United States (CFIUS). Indeed, this bill addresses many of the concerns raised about CFIUS during the past twelve months, especially its current lack of transparency and oversight. This bill rectifies these concerns by formally establishing CFIUS and its membership, while also streamlining how and when a CFIUS review will be conducted.

Mr. Chairman, the bill formalizes the CFIUS membership and requires the following to serve: (1) Secretaries of Treasury, Homeland Security, Commerce, Defense, State, and Energy; (2) Attorney General; Chair of the Council of Economic Advisors; the U.S. Trade Representative; Director of Office of Management and Budget; Director of National Economic Council; and (3) The Director of Office of Science and Technology Policy; the President's assistant for national security affairs; and any other designee of the President from the Executive Office.

Under this bill, the Treasury Department will be the Chair with the Secretaries of Commerce and Homeland serving as the Vice Chairs. CFIUS will conduct a review of any national security related business transaction in which the outcome could result in foreign control of any business engaged in interstate commerce in the U.S. After reviewing the proposed business transaction, CFIUS will make a determination, the outcome of which could require conducting a full investigation if one of four circumstances exists: (1) Transaction involves a foreign government-controlled entity; (2) Transaction threatens to impair national security and the review cannot mitigate those concerns; (3) National Intelligence Director

identifies intelligence concerns and CFIUS could not agree upon methods to mitigate the concerns; or, (4) Any one (1) CFIUS Member votes against approving the transaction.

Incidents such as the Dubai Ports World (DPW) and the China National Offshore Oil Corporation's attempted bid for control of oil company Unocal raised and increased awareness around transactions that should receive CFIUS review. These incidents highlighted the need for meaningful CFIUS reform.

The bill balances the need for continued foreign investment in the United States, but reviewing that investment to determine if it would impair or threaten national security or critical infrastructure.

This bill establishes accountability to key Cabinet level agencies and, much like other corporate reform, requires personal action by the Secretaries of Treasury, Commerce, and Homeland Security. Congressional Research Service's independent report found that for all merger and acquisition activity in 2005, 13 percent of it was from foreign firms acquiring U.S. firms. This is up from 9 percent almost 10 years before. This statistic shows that foreign investment in the U.S. is vital to the economy. Only through this legislation, will CFIUS have a formal budget, membership and clear mission—protecting American security while maintaining a free and growing economy.

In closing, let me thank my colleagues on the Financial Services Committee for their leadership on this legislation, especially my Democratic colleagues Representative CAROLYN MALONEY and JOSEPH CROWLEY of New York for their efforts.

Mr. PEARCE. Mr. Chairman, this urgently needed bipartisan legislation constitutes an important step forward in our efforts to improve homeland security. H.R. 556 injects significant doses of transparency, accountability, and oversight into how our government reviews and approves U.S. investments by foreign government-owned companies.

Before the proposed transfer of six major eastern shipping terminals to Dubai Ports World came to light last year, very few Americans had heard of the Committee on Foreign Investment in the United States, or CFIUS. The concern that greater scrutiny was not applied to this transaction and its potential impact upon the security of our ports became a source of shock and outrage—and CFIUS became synonymous for bureaucratic failure in the face of the post 9–11 challenges America confronts.

Congress began investigating the CFIUS process immediately following the resolution of this controversy. The House and Senate passed legislation last year which enhanced reporting standards while strengthening congressional oversight; yet a final conference agreement was not reached before the end of the last Congress.

H.R. 556 builds upon last year's efforts, providing the comprehensive CFIUS reform that our national security requires without overburdening the flow of commerce and capital upon which our prosperity depends.

I have listened to American business owners as they urged us to act for the sake of certainty and stability in international investment markets—and I am pleased that acting together as Democrats and Republicans, we are poised to pass legislation today that constitutes real progress toward addressing their concerns.

We must remain vigilant in our oversight of CFIUS and other long-established bureaucratic processes that can fundamentally impact our economy and our security. We can—and we must—protect our homeland while ensuring that foreign investment remains strong and New Mexico and America continue to be the best places in the world to do business.

Mr. DINGELL. Mr. Chairman, the Committee on Energy and Commerce supports the consideration of H.R. 556 by the House today. This bill adopts a number of needed reforms to the process by which the Federal government reviews foreign investments in the United States for their national security implications. The free and fair flow of capital and trade is an important goal. At the same time, we face new challenges in a complex global economy where countries increasingly have clear national strategies on how to compete in order to increase national power and their standard of living.

In 1987, the leadership of the Congress was troubled by our nation's rising trade deficit, and decided to craft an omnibus trade bill. Congress passed the Omnibus Trade Act in 1988. The so-called Exon-Florio amendment to the Defense Production Act, written by the Senate and House Commerce Committees on which Senator Exon and Congressman Florio served, authorized the President to suspend or prohibit foreign acquisitions of U.S. companies in instances where the foreign acquisition poses a threat to national security. The President delegated this authority to the Committee on Foreign Investment in the United States.

The 1988 Act's Conference Agreement made absolutely clear that the term "national security" was meant to be broadly interpreted. H.R. 556 continues in this vein by including "a security-related impact on critical infrastructure" and "whether the covered transaction is foreign-government controlled" as additional factors required to be considered. The Report filed by the Committee on Financial Services notes that: "The Committee expects that CFIUS will consider all aspects of a covered transaction to determine if the investment threatens to impair national security." I wholeheartedly agree. The Report also makes clear that national security encompasses critical energy-related infrastructure issues. The Energy and Commerce Committee appreciates this emphasis on matters within our jurisdiction and of critical concern to the security of the nation.

I also note that, under this legislation, the membership of CFIUS includes the Secretaries of Commerce and Energy, the Secretary of Commerce is a vice chair of CFIUS, the Chairman and Vice Chairmen must approve all covered transactions and must certify that foreign government transactions pose no threat to national security, CFIUS's annual report will also be directed to the Committee on Energy and Commerce, and the Department of Commerce must be consulted on the study of foreign investment in critical infrastructure and industries affecting national security. I support these changes. I further note that the Committee on Financial Services has agreed to a request from Energy and Commerce to require Inspector General reports as an important oversight and accountability check on the operations of CFIUS. This agreement is contained in an exchange of letters to be inserted in the Record.

I urge my colleagues to support this legislation. I look forward to working with the Committees on Financial Services and on Foreign Affairs to bring a good law to the President's desk.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the bill shall be considered by sections as an original bill for purpose of amendment, and each section is considered read.

No amendment to that amendment shall be in order except those printed in the designated place in the CONGRESSIONAL RECORD and pro forma amendments for the purpose of debate. Amendments printed in the RECORD may be offered only by the Member who caused it to be printed or his designee and shall be considered read.

The Clerk will designate section 1.

Mr. FRANK of Massachusetts. Mr. Chairman, I ask unanimous consent that the bill be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The text of the bill is as follows:

H.R. 556

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Security Foreign Investment Reform and Strengthened Transparency Act of 2007''.

SEC. 2. UNITED STATES SECURITY IMPROVEMENT AMENDMENTS; CLARIFICATION OF REVIEW AND INVESTIGATION PROCESS.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by striking subsections (a) and (b) and inserting the following new subsections:

''(a) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(1) COMMITTEE.—The term 'Committee' means the Committee on Foreign Investment in the United States.

''(2) CONTROL.—The term 'control' has the meaning given to such term in regulations which the Committee shall prescribe.

''(3) COVERED TRANSACTION.—The term 'covered transaction' means any merger, acquisition, or takeover by or with any foreign person which could result in foreign control of any person engaged in interstate commerce in the United States.

''(4) FOREIGN GOVERNMENT-CONTROLLED TRANSACTION.—The term 'foreign government-controlled transaction' means any covered transaction that could result in the control of any person engaged in interstate commerce in the United States by a foreign government or an entity controlled by or acting on behalf of a foreign government.

''(5) CLARIFICATION.—The term 'national security' shall be construed so as to include those issues relating to 'homeland security', including its application to critical infrastructure.

''(b) NATIONAL SECURITY REVIEWS AND INVESTIGATIONS.—

''(1) NATIONAL SECURITY REVIEWS.—

''(A) IN GENERAL.—Upon receiving written notification under subparagraph (C) of any covered transaction, or on a motion made under subparagraph (D) with respect to any covered transaction, the President, acting through the

Committee, shall review the covered transaction to determine the effects of the transaction on the national security of the United States.

''(B) CONTROL BY FOREIGN GOVERNMENT.—If the Committee determines that the covered transaction is a foreign government-controlled transaction, the Committee shall conduct an investigation of the transaction under paragraph (2).

''(C) WRITTEN NOTICE.—

''(i) IN GENERAL.—Any party to any covered transaction may initiate a review of the transaction under this paragraph by submitting a written notice of the transaction to the Chairperson of the Committee.

''(ii) WITHDRAWAL OF NOTICE.—No covered transaction for which a notice was submitted under clause (i) may be withdrawn from review unless—

''(I) a written request for such withdrawal is submitted by any party to the transaction; and

''(II) the request is approved in writing by the Chairperson, in consultation with the Vice Chairpersons, of the Committee.

''(iii) CONTINUING DISCUSSIONS.—The approval of a withdrawal request under clause (ii) shall not be construed as precluding any party to the covered transaction from continuing informal discussions with the Committee or any Committee member regarding possible resubmission for review pursuant to this paragraph.

''(D) UNILATERAL INITIATION OF REVIEW.—Subject to subparagraph (F), the President, the Committee, or any member acting on behalf of the Committee may move to initiate a review under subparagraph (A) of—

''(i) any covered transaction;

''(ii) any covered transaction that has previously been reviewed or investigated under this section, if any party to the transaction submitted false or misleading material information to the Committee in connection with the review or investigation or omitted material information, including material documents, from information submitted to the Committee; or

''(iii) any covered transaction that has previously been reviewed or investigated under this section, if any party to the transaction or the entity resulting from consummation of the transaction intentionally materially breaches a mitigation agreement or condition described in subsection (l)(1)(A), and—

''(I) such breach is certified by the lead department or agency monitoring and enforcing such agreement or condition as an intentional material breach; and

''(II) such department or agency certifies that there is no other remedy or enforcement tool available to address such breach.

''(E) TIMING.—Any review under this paragraph shall be completed before the end of the 30-day period beginning on the date of the receipt of written notice under subparagraph (C) by the Chairperson of the Committee, or the date of the initiation of the review in accordance with a motion under subparagraph (D).

''(F) LIMIT ON DELEGATION OF CERTAIN AUTHORITY.—The authority of the Committee or any member of the Committee to initiate a review under subparagraph (D) may not be delegated to any person other than the Deputy Secretary or an appropriate Under Secretary of the department or agency represented on the committee or by such member (or by a person holding an equivalent position to a Deputy Secretary or Under Secretary).

''(2) NATIONAL SECURITY INVESTIGATIONS.—

''(A) IN GENERAL.—In each case in which—

''(i) a review of a covered transaction under paragraph (1) results in a determination that—

''(I) the transaction threatens to impair the national security of the United States and that threat has not been mitigated during or prior to the review of a covered transaction under paragraph (1); or

''(II) the transaction is a foreign government-controlled transaction;

''(ii) a roll call vote pursuant to paragraph (3)(A) in connection with a review under paragraph (1) of any covered transaction results in at least 1 vote by a Committee member against approving the transaction; or

''(iii) the Director of National Intelligence identifies particularly complex intelligence concerns that could threaten to impair the national security of the United States and Committee members were not able to develop and agree upon measures to mitigate satisfactorily those threats during the initial review period under paragraph (1),

the President, acting through the Committee, shall immediately conduct an investigation of the effects of the transaction on the national security of the United States and take any necessary actions in connection with the transaction to protect the national security of the United States.

''(B) TIMING.—

''(i) IN GENERAL.—Any investigation under subparagraph (A) shall be completed before the end of the 45-day period beginning on the date of the investigation commenced.

''(ii) EXTENSIONS OF TIME.—The period established under subparagraph (B) for any investigation of a covered transaction may be extended with respect to any particular investigation by the President or by a rollcall vote of at least 2/3 of the members of the Committee involved in the investigation by the amount of time specified by the President or the Committee at the time of the extension, not to exceed 45 days, as necessary to collect and fully evaluate information relating to—

''(I) the covered transaction or parties to the transaction; and

''(II) any effect of the transaction that could threaten to impair the national security of the United States.

''(C) EXCEPTION.—Notwithstanding subparagraph (A)(i)(II), an investigation of a foreign government-controlled transaction shall not be required under this paragraph if the Secretary of the Treasury, the Secretary of Homeland Security, and the Secretary of Commerce determine, on the basis of the review of the transaction under paragraph (1), that the transaction will not affect the national security of the United States and no agreement or condition is required, with respect to the transaction, to mitigate any threat to the national security (and such authority of each such Secretary may not be delegated to any person other than the Deputy Secretary of the Treasury, of Homeland Security, or of Commerce, respectively).

''(3) APPROVAL OF CHAIRPERSON AND VICE CHAIRPERSONS REQUIRED.—

''(A) IN GENERAL.—A review or investigation under this subsection of a covered transaction shall not be treated as final or complete until the results of such review or investigation are approved by a majority of the members of the Committee in a roll call vote and signed by the Secretary of the Treasury, the Secretary of Homeland Security, and the Secretary of Commerce (and such authority of each such Secretary may not be delegated to any person other than the Deputy Secretary or an appropriate Under Secretary of the Treasury, of Homeland Security, or of Commerce, respectively).

''(B) ADDITIONAL ACTION REQUIRED IN CERTAIN CASES.—In the case of any roll call vote pursuant to subparagraph (A) in connection with an investigation under paragraph (2) of any foreign government-controlled transaction in which there is at least 1 vote by a Committee member against approving the transaction, the investigation shall not be treated as final or complete until the findings and report resulting from such investigation are signed by the President (in addition to the Chairperson and the Vice Chairpersons of the Committee under subparagraph (A)).

''(C) PRESIDENTIAL ACTION REQUIRED IN CERTAIN CASES.—In the case of any covered transaction in which any party to the transaction is—

''(i) a person of a country the government of which the Secretary of State has determined, for purposes of section 6(j) of the Export Administration Act of 1979 (as continued in effect pursuant to the International Emergency Economic Powers Act), section 40 of the Arms Export Control Act, section 620A of the Foreign Assistance Act of 1961, or other provision of law, is a government that has repeatedly provided support for acts of international terrorism;

''(ii) a government described in clause (i); or

''(iii) person controlled, directly or indirectly, by any such government,

a review or investigation under this subsection of such covered transaction shall not be treated as final or complete until the results of such review or investigation are approved and signed by the President.

''(4) ANALYSIS BY DIRECTOR OF NATIONAL INTELLIGENCE.—

''(A) IN GENERAL.—The Director of National Intelligence shall expeditiously carry out a thorough analysis of any threat to the national security of the United States of any covered transaction, including making requests for information to the Director of the Office of Foreign Assets Control within the Department of the Treasury and the Director of the Financial Crimes Enforcement Network. The Director of National Intelligence also shall seek and incorporate the views of all affected or appropriate intelligence agencies.

''(B) TIMING.—The Director of National Intelligence shall be provided adequate time to complete the analysis required under subparagraph (A), including any instance described in paragraph (2)(A)(iii).

''(C) INDEPENDENT ROLE OF DIRECTOR.—The Director of National Intelligence shall not be a member of the Committee and shall serve no policy role with the Committee other than to provide analysis under subparagraph (A) in connection with a covered transaction.

''(5) SUBMISSION OF ADDITIONAL INFORMATION.—No provision of this subsection shall be construed as prohibiting any party to a covered transaction from submitting additional information concerning the transaction, including any proposed restructuring of the transaction or any modifications to any agreements in connection with the transaction, while any review or investigation of the transaction is on-going.

''(6) REGULATIONS.—Regulations prescribed under this section shall include standard procedures for—

''(A) submitting any notice of a proposed or pending covered transaction to the Committee;

''(B) submitting a request to withdraw a proposed or pending covered transaction from review; and

''(C) resubmitting a notice of proposed or pending covered transaction that was previously withdrawn from review.''.

SEC. 3. STATUTORY ESTABLISHMENT OF THE COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.

(a) IN GENERAL.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by striking subsection (k) and inserting the following new subsection:

''(k) COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES.—

''(1) ESTABLISHMENT.—The Committee on Foreign Investment in the United States established pursuant to Executive Order No. 11858 shall be a multi-agency committee to carry out this section and such other assignments as the President may designate.

''(2) MEMBERSHIP.—The Committee shall be comprised of the following members or the designee of any such member:

''(A) The Secretary of the Treasury.

''(B) The Secretary of Homeland Security.

''(C) The Secretary of Commerce.

''(D) The Secretary of Defense.

''(E) The Secretary of State.

''(F) The Attorney General.

''(G) The Secretary of Energy.

''(H) The Chairman of the Council of Economic Advisors.

''(I) The United States Trade Representative.

''(J) The Director of the Office of Management and Budget.

''(K) The Director of the National Economic Council.

''(L) The Director of the Office of Science and Technology Policy.

''(M) The President's Assistant for National Security Affairs.

''(N) Any other designee of the President from the Executive Office of the President.

''(3) CHAIRPERSON; VICE CHAIRPERSONS.—The Secretary of the Treasury shall be the Chairperson of the Committee. The Secretary of Homeland Security and the Secretary of Commerce shall be the Vice Chairpersons of the Committee.

''(4) OTHER MEMBERS.—Subject to subsection (b)(4)(B), the Chairperson of the Committee shall involve the heads of such other Federal departments, agencies, and independent establishments in any review or investigation under subsection (b) as the Chairperson, after consulting with the Vice Chairpersons, determines to be appropriate on the basis of the facts and circumstances of the transaction under investigation (or the designee of any such department or agency head).

''(5) MEETINGS.—The Committee shall meet upon the direction of the President or upon the call of the Chairperson of the Committee without regard to section 552b of title 5, United States Code (if otherwise applicable).

''(6) COLLECTION OF EVIDENCE.—Subject to subsection (c), the Committee may, for the purpose of carrying out this section—

''(A) sit and act at such times and places, take such testimony, receive such evidence, administer such oaths; and

''(B) require the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Chairperson of the Committee may determine advisable.

''(7) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury for each of fiscal years 2008, 2009, 2010, and 2011 expressly and solely for the operations of the Committee that are conducted by the Secretary, the sum of $10,000,000.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—The first sentence of section 721(c) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(c)) is amended—

(1) by striking ''material filed with'' and inserting ''material, including proprietary business information, filed with, or testimony presented to,''; and

(2) by striking ''or documentary material'' the second place such term appears and inserting '', documentary material, or testimony''.

SEC. 4. ADDITIONAL FACTORS REQUIRED TO BE CONSIDERED.

Section 721(f) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(f)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by striking ''may'' and inserting ''shall''; and

(B) by striking ''among other factors'';

(2) by striking ''and'' at the end of paragraph (4);

(3) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(4) by adding at the end the following new paragraphs:

''(6) whether the covered transaction has a security-related impact on critical infrastructure in the United States;

''(7) whether the covered transaction is a foreign government-controlled transaction; and

''(8) such other factors as the President or the President's designee may determine to be appropriate, generally or in connection with a specific review or investigation.''.

SEC. 5. NONWAIVER OF SOVEREIGN IMMUNITY.

Section 721(d) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(d)) is amended by adding at the end the following new sentence: ''The United States shall not be held liable for any losses or other expenses incurred by any party to a covered transaction as a result of actions taken under this section after a covered transaction has been consummated if the party did not submit a written notice of the transaction to the Chairperson of the Committee under subsection (b)(1)(C) or did not wait until the completion of any review or investigation under subsection (b), or the end of the 15-day period referred to in this subsection, before consummating the transaction.''.

SEC. 6. MITIGATION, TRACKING, AND POST-CONSUMMATION MONITORING AND ENFORCEMENT.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (k) (as amended by section 3 of this Act) the following new subsection:

''(l) MITIGATION, TRACKING, AND POSTCONSUMMATION MONITORING AND ENFORCEMENT.—

''(1) MITIGATION.—

''(A) IN GENERAL.—The Committee or any agency designated by the Chairperson and Vice Chairpersons may, on behalf of the Committee, negotiate, enter into or impose, and enforce any agreement or condition with any party to a covered transaction in order to mitigate any threat to the national security of the United States that arises as a result of the transaction.

''(B) RISK-BASED ANALYSIS REQUIRED.—Any agreement entered into or condition imposed under subparagraph (A) shall be based on a risk-based analysis of the threat to national security of the covered transaction.

''(2) TRACKING AUTHORITY FOR WITHDRAWN NOTICES.—

''(A) IN GENERAL.—If any written notice of a covered transaction that was submitted to the Committee under this section is withdrawn before any review or investigation by the Committee under subsection (b) is completed, the Committee shall establish, as appropriate—

''(i) interim protections to address specific concerns with such transaction that have been raised in connection with any such review or investigation pending any resubmission of any written notice under this section with respect to such transaction and further action by the President under this section;

''(ii) specific timeframes for resubmitting any such written notice; and

''(iii) a process for tracking any actions that may be taken by any party to the transaction, in connection with the transaction, before the notice referred to in clause (ii) is resubmitted.

''(B) DESIGNATION OF AGENCY.—The Committee may designate 1 or more appropriate Federal departments or agencies, other than any entity of the intelligence community (as defined in the National Security Act of 1947), as a lead agency to carry out, on behalf of the Committee, the requirements of subparagraph (A) with respect to any covered transaction that is subject to such subparagraph.

''(3) NEGOTIATION, MODIFICATION, MONITORING, AND ENFORCEMENT.—

''(A) DESIGNATION OF AGENCY.—The Committee shall designate 1 or more Federal departments or agencies as the lead agency to negotiate, modify, monitor, and enforce, on behalf of the Committee, any agreement entered into or condition imposed under paragraph (1) with respect to a covered transaction based on the expertise with and knowledge of the issues related to such transaction on the part of the designated department or agency.

''(B) REPORTING BY DESIGNATED AGENCY.—

''(i) IMPLEMENTATION REPORTS.—Each Federal department or agency designated by the Committee as a lead agency under subparagraph (A) in connection with any agreement entered into or condition imposed under paragraph (1) with respect to a covered transaction shall—

''(I) provide periodic reports to the Chairperson and Vice Chairpersons of the Committee on the implementation of such agreement or condition; and

''(II) require, as appropriate, any party to the covered transaction to report to the head of such department or agency (or the designee of such department or agency head) on the implementation or any material change in circumstances.

''(ii) MODIFICATION REPORTS.—Any Federal department or agency designated by the Committee as a lead agency under subparagraph (A) in connection with any agreement entered into or condition imposed with respect to a covered transaction shall—

''(I) provide periodic reports to the Chairperson and Vice Chairpersons of the Committee on any modification to any such agreement or condition imposed with respect to the transaction; and

''(II) ensure that any significant modification to any such agreement or condition is reported to the Director of National Intelligence and to any other Federal department or agency that may have a material interest in such modification.''.

SEC. 7. INCREASED OVERSIGHT BY THE CONGRESS.

(a) REPORT ON ACTIONS.—Section 721(g) of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended to read as follows:

''(g) REPORTS TO THE CONGRESS.—

''(1) REPORTS ON COMPLETED COMMITTEE INVESTIGATIONS.—

''(A) IN GENERAL.—Not later than 5 days after the completion of a Committee investigation of a covered transaction under subsection (b)(2), or, if the President indicates an intent to take any action authorized under subsection (d) with respect to the transaction, after the end of 15-day period referred to in subsection (d), the Chairperson or a Vice Chairperson of the Committee shall submit a written report on the findings or actions of the Committee with respect to such investigation, the determination of whether or not to take action under subsection (d), an explanation of the findings under subsection (e), and the factors considered under subsection (f), with respect to such transaction, to—

''(i) the Majority Leader and the Minority Leader of the Senate;

''(ii) the Speaker and the Minority Leader of the House of Representatives; and

''(iii) the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the covered transaction and its possible effects on national security, including the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives.

''(B) NOTICE AND BRIEFING REQUIREMENT.—If a written request for a briefing on a covered transaction is submitted to the Committee by any Senator or Member of Congress who receives a report on the transaction under subparagraph (A), the Chairperson or a Vice Chairperson (or such other person as the Chairperson or a Vice Chairperson may designate) shall provide 1 classified briefing to each House of the Congress from which any such briefing request originates in a secure facility of appropriate size and location that shall be open only to the Majority Leader and the Minority Leader of the Senate, the Speaker and the Minority Leader of the House of Representatives, (as the case may be) the chairman and ranking member of each committee of the House of Representatives or the Senate (as the case may be) with jurisdiction over any aspect of the covered transaction and its possible effects on national security, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, and appropriate staff members who have security clearance.

''(2) APPLICATION OF OTHER PROVISION.—

''(A) IN GENERAL.—The disclosure of information under this subsection shall be consistent with the requirements of subsection (c). Members of Congress and staff of either House or any committee of the Congress shall be subject to the same limitations on disclosure of information as are applicable under such subsection.

''(B) PROPRIETARY INFORMATION.—Proprietary information which can be associated with a particular party to a covered transaction shall be furnished in accordance with subparagraph (A) only to a committee of the Congress and only when the committee provides assurances of confidentiality, unless such party otherwise consents in writing to such disclosure.''.

(b) ANNUAL REPORT.—Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (l) (as added by section 6 of this Act) the following new subsection:

''(m) ANNUAL REPORT TO THE CONGRESS.—

''(1) IN GENERAL.—The Chairperson of the Committee shall transmit a report to the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the report, including the Committee on International Relations, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, before July 31 of each year on all the reviews and investigations of covered transactions completed under subsection (b) during the 12-month period covered by the report.

''(2) CONTENTS OF REPORT RELATING TO COVERED TRANSACTIONS.—The report under paragraph (1) shall contain the following information with respect to each covered transaction:

''(A) A list of all notices filed and all reviews or investigations completed during the period with basic information on each party to the transaction, the nature of the business activities or products of all pertinent persons, along with information about the status of the review or investigation, information on any withdrawal from the process, any rollcall votes by the Committee under this section, any extension of time for any investigation, and any presidential decision or action under this section.

''(B) Specific, cumulative, and, as appropriate, trend information on the numbers of filings, investigations, withdrawals, and presidential decisions or actions under this section.

''(C) Cumulative and, as appropriate, trend information on the business sectors involved in the filings which have been made, and the countries from which the investments have originated.

''(D) Information on whether companies that withdrew notices to the Committee in accordance with subsection (b)(1)(C)(ii) have later refiled such notices, or, alternatively, abandoned the transaction.

''(E) The types of security arrangements and conditions the Committee has used to mitigate national security concerns about a transaction.

''(F) A detailed discussion of all perceived adverse effects of covered transactions on the national security or critical infrastructure of the United States that the Committee will take into account in its deliberations during the period before delivery of the next such report, to the extent possible.

''(3) CONTENTS OF REPORT RELATING TO CRITICAL TECHNOLOGIES.—

''(A) IN GENERAL.—In order to assist the Congress in its oversight responsibilities with respect to this section, the President and such agencies as the President shall designate shall include in the annual report submitted under paragraph (1) the following:

''(i) An evaluation of whether there is credible evidence of a coordinated strategy by 1 or more countries or companies to acquire United States companies involved in research, development, or production of critical technologies for which the United States is a leading producer.

''(ii) An evaluation of whether there are industrial espionage activities directed or directly assisted by foreign governments against private United States companies aimed at obtaining commercial secrets related to critical technologies.

''(B) CRITICAL TECHNOLOGIES DEFINED.—For purposes of this paragraph, the term 'critical technologies' means technologies identified under title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976 or other critical technology, critical components, or critical technology items essential to national defense or national security identified pursuant to this section.

''(C) RELEASE OF UNCLASSIFIED STUDY.—That portion of the annual report under paragraph (1) that is required by this paragraph may be classified. An unclassified version of that portion of the report shall be made available to the public.''.

(c) STUDY AND REPORT.—

(1) STUDY REQUIRED.—Before the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of State and the Secretary of Commerce, shall conduct a study on investments in the United States, especially investments in critical infrastructure and industries affecting national security, by—

(A) foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which comply with any boycott of Israel; or

(B) foreign governments, entities controlled by or acting on behalf of a foreign government, or persons of foreign countries which do not ban organizations designated by the Secretary of State as foreign terrorist organizations.

(2) REPORT.—Before the end of the 30-day period beginning upon completion of the study under paragraph (1) or in the next annual report under section 721(m) of the Defense Production Act of 1950 (as added by subsection (b)), the Secretary of the Treasury shall submit a report to the Congress, for transmittal to all appropriate committees of the Senate and the House of Representatives, containing the findings and conclusions of the Secretary with respect to the study, together with an analysis of the effects of such investment on the national security of the United States and on any efforts to address those effects.

SEC. 8. CERTIFICATION OF NOTICES AND ASSURANCES.

Section 721 of the Defense Production Act of 1950 (50 U.S.C. App. 2170) is amended by inserting after subsection (m) (as added by section 7(b) of this Act) the following new subsection:

''(n) CERTIFICATION OF NOTICES AND ASSURANCES.—Each notice required to be submitted, by a party to a covered transaction, to the President or the President's designee under this section and regulations prescribed under such section, and any information submitted by any such party in connection with any action for which a report is required pursuant to paragraph (3)(B)(ii) of subsection (l) with respect to the implementation of any mitigation agreement or condition described in paragraph (1)(A) of such subsection, or any material change in circumstances, shall be accompanied by a written statement by the chief executive officer or the designee of the person required to submit such notice or information certifying that, to the best of the person's knowledge and belief—

''(1) the notice or information submitted fully complies with the requirements of this section or such regulation, agreement, or condition; and

''(2) the notice or information is accurate and complete in all material respects.''.

SEC. 9. REGULATIONS.

Section 721(h) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(h)) is amended to read as follows:

''(h) REGULATIONS.—The President shall direct the issuance of regulations to carry out this section. Such regulations shall, to the extent possible, minimize paperwork burdens and shall to the extent possible coordinate reporting requirements under this section with reporting requirements under any other provision of Federal law.''.

SEC. 10. EFFECT ON OTHER LAW.

Section 721(i) of the Defense Production Act of 1950 (50 U.S.C. App. 2170(i)) is amended to read as follows:

''(i) EFFECT ON OTHER LAW.—No provision of this section shall be construed as altering or affecting any other authority, process, regulation, investigation, enforcement measure, or review provided by or established under any other provision of Federal law, including the International Emergency Economic Powers Act, or any other authority of the President or the Congress under the Constitution of the United States.''.

SEC. 11. EFFECTIVE DATE.

The amendments made by this Act shall apply after the end of the 90-day period beginning on the date of the enactment of this Act.

AMENDMENT NO. 3 OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Mr. Chairman, I offer the manager's amendment to the bill.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. FRANK of Massachusetts:

Page 20, line 12, insert '', conducted by the Committee,'' after ''analysis''.

Page 22, line 17, strike ''provide periodic reports'' and insert ''report, as appropriate but not less than once in each 6-month period,''.

Page 23, line 23, strike the closing quotation marks and the 2nd period.

Page 23, after line 23, insert the following new clause:

''(iii) COMPLIANCE.—The Committee shall develop and agree upon methods for evaluating compliance with any agreement entered into or condition imposed with respect to a covered transaction that will allow the Committee to adequately assure compliance without—

''(I) unnecessarily diverting Committee resources from assessing any new covered transaction for which a written notice has been filed pursuant to subsection (b)(1)(C), and if necessary reaching a mitigation agreement with or imposing a condition on a party to such covered transaction or any covered transaction for which a review has been reopened for any reason; or

''(II) placing unnecessary burdens on a party to a covered transaction.''.

Page 25, line 6, insert '', at a minimum,'' after ''including''.

Page 25, line 12, insert '', or on compliance with a mitigation agreement or condition imposed with respect to such transaction,'' after ''covered transaction''.

Page 26, beginning on line 5, strike ''the Committee on International Relations'' and insert '', at a minimum, the Committee on Foreign Affairs''.

Page 27, beginning on line 10, strike ''the Committee on International Relations'' and insert '', at a minimum, the Committee on Foreign Affairs''.

Page 28, line 23, insert '', including a discussion of the methods the Committee and any lead departments or agencies designated under subsection (l) are using to determine compliance with such arrangements or conditions'' before the period.

Page 30, line 21, insert ''and annually thereafter'' after ''of this Act''.

Page 31, line 13, strike ''completion of the study'' and insert ''completion of each study''.

Page 31, line 21, insert ''described in paragraph (1)'' after ''to the study''.

Page 31, after line 24, insert the following new subsection:

(d) INVESTIGATION BY INSPECTOR GENERAL.—

(1) IN GENERAL.—The Inspector General of the Department of the Treasury shall conduct an independent investigation to determine all of the facts and circumstances concerning each failure of the Department of the Treasury to make any report to the Congress that was required under section 721(k) of the Defense Production Act of 1950 (as in effect before the date of the enactment of this Act).

(2) REPORT TO THE CONGRESS.—Before the end of the 270-day period beginning on the date of the enactment of this Act, the Inspector General of the Department of the Treasury shall submit a report to the chairman and ranking member of each committee of the House of Representatives and the Senate with jurisdiction over any aspect of the report, including, at a minimum, the Committee on Foreign Affairs, the Committee on Financial Services, and the Committee on Energy and Commerce of the House of Representatives, on the investigation under paragraph (1) containing the findings and conclusions of the Inspector General.

Mr. FRANK of Massachusetts. Mr. Chairman, this is a compendium of amendments that came from some of our sister and fellow committees. The Chair and ranking member of the Armed Services Committee, the gentleman from Missouri, the gentleman from California, collaborated on some language. They, for instance, have noted that when we say periodic reports, that means not less than every 6 months. It also clarifies that CFIUS will report to any committee having jurisdiction over any aspect of the transaction, not just the named committees. And at the insistence of the gentleman from Missouri, which we agreed with, it says that if there are risk analysis performed by mitigation agreement, they will be performed by CFIUS.

The gentleman from Michigan, the Chair of the Energy and Commerce Committee, correctly pointed out that the bill had stricken a report from the Inspector General during our markup. He believed, and his committee believed this is important to reinsert, we agree, and it is reinserted. The gentleman from California, the chairman of the IR Foreign Affairs Committee, moved that we make the one-time report on how people deal with the Israel boycott an annual report, and that has been done. So these are seven amendments that we have incorporated, all of them recommended by three other committees of jurisdiction. They are supported on both sides. We believe they enhance the bill. And I hope they are adopted en banc as one amendment.

Mr. BACHUS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to commend Chairman FRANK for the manager's amendment. It makes a number of changes to the bill that was passed unanimously by the Financial Services Committee 2 weeks ago.

Formerly, I thanked Mr. BLUNT and Ms. PRYCE for their leadership on the bill. I omitted at that time to include the lady from New York (Mrs. MALONEY) who obviously has been a key Member in maintaining this legislation in a proinvestment stance and ensuring that flows of capital investment are not restricted. So I thank her.

As I said, the manager's amendment makes several key changes to the legislation we passed 2 weeks ago, and they are all designed to clarify existing provisions. They are made at the suggestion, as the chairman said, of the gentleman from California (Mr. HUNTER) with the consent, cooperation, and assistance of the chairman of that committee, Chairman SKELTON. They dramatically strengthen both the way CFIUS assures itself that companies are complying with mitigation agreements imposed as a condition of permitting a transaction and the way that CFIUS assures Congress that it is staying on top of compliance.

Every single one of these changes is designed to protect national security, and it is a significant strengthening of the bill for which we all can thank Mr. HUNTER and Chairman SKELTON.

Mr. Chairman, I urge strong support for the passage of the amendment.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts (Mr. FRANK).

The amendment was agreed to.

AMENDMENT NO. 4 OFFERED BY MR. KING OF IOWA

Mr. KING of Iowa. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. KING of Iowa:

Page 18, after line 20, insert the following new paragraph (and redesignate subsequent paragraphs accordingly):

''(7) the potential effects of the covered transaction on the efforts of the United States to curtail human smuggling (and such term, for purposes of this paragraph, means any act constituting a violation of section 274(a) of the Immigration and Nationality Act) and to curtail drug smuggling with regard to any country which is not described in paragraphs (1) and (2) of section 1003(a) of the Controlled Substances Import and Export Act.''.

Mr. KING of Iowa. Mr. Chairman, I bring an, actually, very simple amendment to the floor here. What it does is it just adds to the list of the issues that shall be considered by the President when considering one of the covered transactions. The simple language out of the amendment is that the President shall consider the potential effects of the covered transaction on the efforts of the United States to curtail human smuggling and to curtail drug smuggling. It covers a focus on human smuggling and drug smuggling.

I support the underlying bill, and I recognize the important role played by the Committee on Foreign Investment in the United States in protecting the American people and the security interests of the United States.

One important piece of this legislation will require the President to consider certain factors relating to national security when deciding whether to prohibit the acquisitions, mergers or takeovers that this legislation is intended to scrutinize.

The provisions of the bill provide the President with good criteria to use when deciding what actions should be taken to halt a merger acquisition, but it does not go quite far enough.

Mr. Chairman, my amendment of this bill would add a simple and straightforward requirement to the subject matter of things that the President should take into consideration when making these decisions. My amendment would require that the President consider the potential effects of the transaction on our work to stop human smuggling and drug smuggling.

This bill rightfully calls for the President to consider important factors relating to our national security, but it doesn't make any mention of the two important national security issues that threaten the United States, and we face it every day, and that is human smuggling and drug smuggling.

To give us some background, in the year 2000, the Interagency Commission on Crime and Security in U.S. Seaports, reported that of the 12 major U.S. seaports that it visited, narcotics seized in commercial shipments at the 12 ports constituted 69 percent of the total weight of cocaine, 55 percent of the marijuana and 12 percent of the heroin seized at U.S. borders.

Now that is the amount seized, not necessarily the amount that crosses across the border. There has been some effectiveness there, but we know the DEA has some numbers that also are shocking and might have a little different sense of proportionality.

But not surprisingly, the commission also stated that smuggling of illegal aliens is a problem, and those same 12 ports in that period of time, 1,187 stowaways and 247 individual fraudulent documents arrived aboard sea vessels. This is something that needs to be focused on by the President, and that is just those that were caught.

Of the many threats that face the United States in the global war on terror, we must closely evaluate every merger, every acquisition and every takeover that could put our country at risk, and especially those through drug and human smuggling and especially in this time when we are faced with this global war on terror.

This amendment, I think, is an amendment that improves the bill. I support the underlying bill, and I appreciate the work that is done on the part of the Finance Committee and on the part of the chairman and the ranking member.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, sometimes people get up in the legislative body and say, Mr. Chairman, I am opposed to this amendment because it is unnecessary.

It has been my experience that no one who says that is ever telling the truth. That is, no one opposes an amendment simply because it is unnecessary or superfluous or redundant.

Many us are lawyers. We are in the most redundancy-prone profession in the world. We rarely use one word where we can use two, lewd and lascivious, although I do not suggest that this amendment is either.

I say that because I do not think this amendment is necessary. I don't think it adds a great deal, and I support it. That is, it does not detract.

The reason I say that is I do not think that an administration that was cognizant of these elements would have excluded them. The only reason I rise to say that is this, and I hope we will adopt the amendment, but I wouldn't want us to set a precedent that if a factor was not specifically enumerated, it was not to be taken into account.

This enumerates factors that clearly should be taken into account, and I will therefore be supportive. I just want to make clear there is a Latin maxim, and my English does not always translate well over this microphone, so I won't try Latin, but it is when you specify one, you exclude the others. I just want to make clear that this is not a precedent for that.

The fact that we are specifically here singling these out, I am sure the gentleman from Iowa agrees, does not, in any way, denigrate the importance of other factors not mentioned.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. KING).

The amendment was agreed to.

Mr. CROWLEY. Mr. Chairman, I rise to strike the last word.

I thank the gentleman from Arizona for yielding me this time, and I want to thank my good friend from Massachusetts, the Chair of the Financial Services Committee, Mr. FRANK, for bringing this legislation before us today.

In particular, I want to thank my colleague and friend from New York, CAROLYN MALONEY, who has done an outstanding job in moving this bill so quickly through the House this year, through the committee, and now to the floor. CAROLYN, as myself, being from New York City, understands a number of issues as they come together here on this particular issue, that is, the need to make sure that our country is secure from the interests of terror, and, at the same time, wanting to ensure that our country is open to direct foreign investment.

Direct foreign investment is for two reasons, one, because it is good for America, it is good for New York, it is good for America. But also what we do here in the House of Representatives, and how we transform and change the CFIUS process, if we don't do it quickly and do it properly it can be reciprocated in other parts of the world against the interests of American corporations.

I also want to thank my good friend and colleague on the other side of the aisle, Mr. BLUNT, a gentleman with whom I had an opportunity to work with last year on this very similar legislation, as well as Representative PRYCE, for their hard work in ensuring that this bill came to the floor in such a fashion.

I have to harken back to last year just momentarily, and that is when we look at the overall issue of what brought this legislation to the floor right now, we have to understand the historical context that brought this legislation to the floor. What happened last year, what I call the Dubai Ports debacle, in the administration's inability to explain to the American people just what was happening and why it was in the interests of the United States to walk softly here.

But we have come a long ways since then. Last year, in a very politically contentious year, we would have passed unanimously out of committee very similar legislation as we have on the floor today and then passed unanimously out of the House that legislation, again, in a very hotly contested political year.

But this issue did not fade away because we failed to reach an agreement with the Senate last year and were never able to codify into law the CFIUS process, which was an executive order put into place in the early 1970s that has been amended several times, but never codified in a way which Mr. FRANK wishes to do today, which I would certainly wholeheartedly support.

This bill is a good jobs bill, it is pro-business and it is pro-labor. That is why I want to support this bill. This bill is about keeping the flow in foreign investment coming into the United States and not driving these funds and subsequent jobs out of the United States.

But H.R. 556 includes new tough safeguards put in place to ensure the security of America first. This entire legislative initiative, which has been pursued in a bipartisan fashion, is the result of the botched handling, again, of the Dubai Ports deal. That transaction involved a government-owned company from Dubai buying into various port assets here in the United States.

As a result, a significant and appropriate focus of the committee's work has been to toughen the scrutiny for acquisition by government-owned companies, since some government-owned companies will make decisions based on government interests and not merely on commercial interests.

No job, no deal, no transaction, is worth threatening the safety of Americans, and this bill puts those conditions in place.

We all know this to be true, but, again, being from New York, it is even more true. This bill will provide strong new safeguards to ensure our Nation's security and to protect our critical infrastructure but also continues to give CFIUS the flexibility to exercise discretion, allows CFIUS to focus on the deals that raise real national security issues and not get bogged down into those deals with no national security ramifications whatsoever.

This is a good bill protecting national security, guaranteeing the continued flow of direct foreign investment in the U.S. and ensure we will not have a Dubai Ports debacle.

I therefore urge my colleagues to support this very worthy piece of legislation. Again, I want to thank the Chair of the committee, the ranking member for bringing this bill, Mr. BACHUS, for bringing this bill so quickly to the floor; the gentlelady from New York, once again, CAROLYN MALONEY, for all of her work on this issue; my good friend, the minority whip, Mr. BLUNT, for his work, as well as Representative PRYCE.

This truly is a bipartisan piece of legislation and deserves every Member's support.

Mr. BLUNT. Mr. Chairman, I move to strike the last word.

I thank the gentleman for the time, and I am particularly pleased to follow my good friend, Mr. CROWLEY, at this moment in the debate. I want to recognize others later, but he and others, as he just said, made this a real bipartisan effort for many of us in the Chamber.

September 11 fundamentally changed the way we looked at the world. It also changed a number of important and substantive ways the way we defend against and react to things that could happen that would be unthinkable. It was really within the context of that change of rural view that Americans expressed the outrage they did over the Dubai Ports World deal last year.

The Committee on Foreign Investment in the United States, a previously obscure government agency, known to some and referred to in some debate, often referred to as CFIUS, approved that acquisition, and it didn't take long for the committee to attract all sorts of critical attention.

The reason for all the concern is that the CFIUS decision brought to light some very serious national security issues with equally serious implications for the safety and protection of vital points of the American infrastructure.

Thankfully, as the Congress set last year to consider ways to shore up security protocols over at CFIUS, we found ourselves agreeing that any reform of CFIUS ought to take great care to both encourage foreign investment in the future of America while balancing the need to maintain a strong program of national security. We can, as this bill does, protect America's families physically while protecting their jobs, their investments, and their pension plans.

Congress has no more important responsibility than to ensure the security of the Nation. But I don't believe

that wholesale protectionism either protects our vital national security interest or advances our economic interest in the world.

During the last Congress, Congresswoman PRYCE, Congresswoman MALONEY, Congressman CROWLEY and I crafted a responsible bipartisan bill that addressed the problems exposed in the CFIUS process during the Dubai Ports World incident. Congressman FRANK and Congressman BACHUS helped to see that we got that debate on the floor and have done so much to see that we bring that debate back.

While the bill we passed didn't have a single dissenting vote, even though we asked for and had a roll call, we weren't able to resolve our differences with the other body before the end of the Congress, and so we didn't get that bill done. Today we come back with essentially an identical bill, I think slightly improved, that Congresswoman MALONEY was the principal sponsor of. Our goal is to strike the right balance here between securing the country and open engagement in a global economy.

The bill before us today accomplishes these objectives while dealing with the main issues the Dubai Ports World incident exposed.

□ 1200

It does this in a couple of ways. First, it reaffirms congressional intent relating to the so-called Byrd rule, which mandates a 45-day investigation for companies controlled by foreign governments. Any state-owned enterprise that poses any type of security risk will trigger an automatic CFIUS investigation.

Secondly, it increases accountability in the CFIUS process by establishing CFIUS in statute and adding the Department of Homeland Security and the Department of Commerce as vice chairs of the committee.

Third, our bill greatly expands congressional oversight and includes important language protecting proprietary business information.

The administration has raised some concerns regarding how these things will impact the process operationally. I look forward to working with the administration as we move forward to achieve our shared goal of creating a reasonable framework for approving foreign investments in the United States, while at the same time protecting our national security and ensuring that the mistakes of the Dubai Ports situation are not repeated.

The other thing we don't want to do also is make it so hard to invest in this country that American businesses aren't able to invest in other countries. We don't want to start an investment war, and this bill clearly is headed in the right direction to do the things it needs to do. We are fortunate to have the bill on the floor.

Congresswomen PRYCE and MALONEY, Congressmen FRANK, BACHUS, CROWLEY, KING, HOEKSTRA and BARTON have all been instrumental in coming with a bill that doesn't just respond to the excitement of the moment, but reaches a long-term conclusion that protects Americans and also protects the value of American companies. I am pleased to support it.

AMENDMENT NO. 12 OFFERED BY MR. BARROW

Mr. BARROW. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 12 offered by Mr. BARROW:

Page 24, line 26, strike ''and'' after the semicolon.

Page 25, line 9, strike the period at the end and insert ''; and''.

Page 25, after line 9, insert the following new clause:

''(iv) Senators representing States and Members of Congress representing congressional districts that would be significantly affected by the covered transaction.''.

Mr. BARROW. Mr. Chairman, it is long past time to fix what is broke with the CFIUS process, and I want to commend all involved in bringing us thus far on the project. I want to thank Mrs. MALONEY and Mr. FRANK and the Financial Services Committee for their work in bringing this important legislation to the floor.

Last year, in response to the Dubai business, we had sort of a reprise of the Dubai business in my district. We had yet another CFIUS deal that actually came to public light, the Doncaster's deal that affected a plant and a business in my district. In response to the concerns that were swirling then around the Dubai business, I introduced a bill in the Congress last time, the Protect America First Act. And I am pleased to say that the bill before us incorporates many of the basic features of the Protect America First Act that I drafted in the last Congress.

One important area that I want to focus on has to do with the subject of postapproval oversight, the process or the lack of process under the existing law whereby Congress knows what is going on as it happens and after it happens. Congress has had no effective postapproval oversight of the project for the last 14, 16 years, and as a result, we have had many, many transactions without anybody having any idea what is going on.

Section 7 of the bill before us greatly addresses that problem by providing some meaningful postapproval oversight, the first real, effective oversight that Congress has had in this process since it was launched back in 1988.

The purpose of my amendment is to significantly enhance the postapproval oversight of Congress by making sure that not just folks with the greatest need to know, but the folks who know the most about the deals are also provided postapproval oversight.

My amendment does one thing and one thing only; it simply expands the universe of those folks who will be told what has happened after it has happened, to include the Members of the United States Senate from the States affected; and the Members of the House, not just the chairmen of the respective committees, but the Members of the House whose districts include the businesses and the employees of the businesses involved. That is the purpose of my amendment. That is all it does. I urge approval of the amendment.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word. And I think what the gentleman from Georgia has offered is very constructive. He called this to my attention. I have discussed this with the ranking member. I certainly believe it improves the bill. He pointed out an instance where he as a Member in whose district an important transaction took place had taken initiative and come up with some information that was directly relevant that should have been shared. I regard Members as useful input sources here.

Now, again, let's understand. The way this is drafted and the gentleman agreed to offer it, no one can say that this is the kind of amendment that might jeopardize the investment. Nothing in here would in any way lead to an investment not going forward. This is postapproval. If there is disapproval, then the issue doesn't arise.

What this does is, and we have all agreed that it is important to be able to monitor these arrangements, it lets the Member of Congress in whose district a transaction took place join in the monitoring.

Frankly, I guess as the chairman of the committee, I get a lot of these reports. I want to tell the Members that the extent to which I am personally going to travel around to these areas and monitor this, I hope no one is relying heavily on that.

On the other hand, knowing that the Members in whose districts these are happening are available and then come and talk to me, talk to the ranking member and talk to others, I think that improves what we had in there. So I hope the amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia (Mr. BARROW).

The amendment was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. MCCAUL OF TEXAS

Mr. MCCAUL of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. MCCAUL of Texas:

Page 30, line 17, strike the closing quotation marks and the second period.

Page 30, after line 17, insert the following new paragraph:

''(4) CONTENTS OF REPORT RELATED TO BARRIERS TO INVESTMENT INTO THE UNITED STATES.—In order to assist the Congress in its oversight role of ensuring the national security of the United States by ensuring a healthy investment climate, the President, and such agencies as the President shall designate, shall include in the annual report

submitted under paragraph (1) a detailed discussion of factors, including the effective rate of taxation on entrepreneurs and businesses and other sources of capital in the United States as compared to other countries, that affect the number of filings, changes in the types of business sectors involved in filings, and changes in the number of investments originating from specific countries.''.

Mr. MCCAUL of Texas. First, Mr. Chairman, I want to commend the chairman of the committee and the ranking member for their important work on this bill. As a member of the Homeland Security Committee, I certainly see the importance and value of what we are doing here today.

Mr. Chairman, I rise in support of this amendment which requires the Secretary of the Treasury to include in his reporting information the rate of taxation in the United States as compared to other countries and how that would affect the investments examined by CFIUS.

And while I support the underlying bill, this amendment improves on the oversight requirements included in it. It requires the report to include information on how taxation affects foreign investment in the United States. Congress will be better informed on how our actions make it harder or easier for foreign countries to invest in our critical infrastructure.

The report is also required in the text of the bill, and this amendment merely ensures that we, as a Congress, know all the information we need to perform effective and better oversight.

The underlying bill is about how foreign investment affects national security, and there is no way to understand why foreign investments would be made here, or what it would do to our economy, without understanding the economic factors such as taxes.

I ask my colleagues to support this amendment and support a thorough report that examines all the factors affecting foreign investments in the United States.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to this amendment and its siblings which are apparently to follow.

I gather, I guess, an open rule, we have had so few of them, people can't resist the temptation to take advantage of them, even on matters that are not relevant to the bill.

Now, there is a different between relevance and germaneness. You can make a bill germane with a certain amount of ingenuity, or an amendment. But ingenuity does not affect logic. It only affects parliamentary rules.

This is a requirement that the administration do a report about taxation as it affects business. It says, to be germane to this bill, that it should see how it affects the foreign businesses. But, in fact, no one thinks that foreign direct investment or foreign-owned businesses are differentially affected than others. This is a call for an annual report on the effective taxation on business.

Apparently the gentleman may think that the Council of Economic Advisors annual report doesn't do a very good job. It is the kind of subject that they are supposed to be talking about. It is an effort, I think, to introduce an ideological debate, which is an entirely legitimate one, into a bill that it really does not pertain to.

I can say we have worked closely with the administration. The Treasury, on behalf of the administration, is not supporting this. They have, in fact, been saying, please keep this to national security.

Now, national security, in the CFIUS context, is meant to be clearly defined. It is possible, of course, to say that everything is national security. Health is a matter of national security. Farm policy, agricultural policy is a matter of national security. But if you try to do everything, you often wind up not doing anything very well.

This is a narrowly targeted bill to talk about the extent to which foreign direct investment does or doesn't affect national security in a very specific definition of national security.

This amendment, and the following amendments, say, let's require the administration to do general reports on the effect of regulation, taxation, and something else, I don't remember what it was, on the economy. And it sort of bootstraps it into here.

It is not useful. It is a diversion. If Members think such a report ought to be done, then there are other fora in which to do it. To burden the CFIUS process with this would be a mistake, and I, therefore, hope that the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MCCAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MCCAUL of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

AMENDMENT NO. 6 OFFERED BY MR. MCCAUL OF TEXAS

Mr. MCCAUL of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 6 offered by Mr. MCCAUL of Texas:

Page 30, line 17, strike the closing quotation marks and the second period.

Page 30, after line 17, insert the following new paragraph:

''(4) CONTENTS OF REPORT RELATED TO BARRIERS TO INVESTMENT INTO THE UNITED STATES.—In order to assist the Congress in its oversight role of ensuring the national security of the United States by ensuring a healthy investment climate, the President, and such agencies as the President shall designate, shall include in the annual report submitted under paragraph (1) a detailed discussion of factors, including the amount of burdensome regulation in the United States as compared to other countries, that affect the number of filings, changes in the types of business sectors involved in filings, and changes in the number of investments originating from specific countries.''.

Mr. MCCAUL of Texas. Mr. Chairman, I rise today in support of this amendment which requires the Secretary of the Treasury to include in his reporting information on the amount of regulation in the United States, as compared to other countries, and how it affects the investments, the foreign investments, examined by CFIUS.

I support the underlying bill. This amendment simply improves on the oversight requirements. By requiring the report to include information on how burdensome regulation affects foreign investment in the United States, I believe Congress will be better informed on how our actions in the Congress can either make it harder or easier for foreign countries to invest in our critical infrastructure.

It is already required in the text of the bill. This would ensure us better oversight capability.

The underlying bill again is about foreign investment. I believe foreign investment affects national security. Issues relating to taxation and regulation certainly impact the foreign investments that are made both in this country and outside.

I ask my colleagues to support this bill.

Mr. Chairman, I would like to simply conclude that, and the chairman is certainly an expert and a leader in terms of financial security issues. Certainly he would recognize that our viability as an economic superpower is vitally important in this country as we look at countries like China and India.

So I do believe it is relevant. I believe our ability to globally compete is not just an economic issue, but really is an issue of national security.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the last word.

Mr. FRANK of Massachusetts. Will the gentlewoman yield to me for 30 seconds?

Mrs. MALONEY of New York. I yield to the chairman.

Mr. FRANK of Massachusetts. I would just say to the gentleman from Texas, yes, everything is connected to everything. Everything that rises must converge. But that does not mean that you don't try to deal with it before it has risen and converged.

The fact is that if you define everything as national security, you really can't do the piece by piece that you want to. And an inability to make those distinctions gets in the way of good public policy. This grew out the Dubai Ports situation. It grew out of a fear that things that were generally good for us economically might have an element that compromised national security narrowly defined, that they

might lead to physical or other kind of problems, espionage, terrorism. And it is an effort to try and harmonize those. It doesn't mean that taxation and health care and a whole range of other things, elementary and secondary education, aren't ultimately related to national security. It does mean that trying to use this specific bill, in which we try to make sure that what is our national economic interest doesn't impinge on national security, but trying to load everything into that gets in the way of the committee that is charged with it, which is why the Treasury doesn't support it, among others.

Mrs. MALONEY of New York. Reclaiming my time, I will yield to the gentleman on his own time.

Mr. Chairman, I rise in opposition to the gentleman's amendment. The CFIUS process already requires comprehensive reporting to Congress on just about every factor conceivable that is relevant to the subject of national security and foreign direct investment. That is the purpose of this bill.

This is not the place to evaluate whether our tax or our regulatory system, our jobs should be changed to encourage foreign investment. That is not the purpose of this bill, and we cannot dress it up like a Christmas tree with all these other items.

I would suggest the gentleman put forward a stand-alone bill or address it in an economic development package, but that is not the purpose of this legislation.

□ 1215

The CFIUS process is put in place and should focus on national security. And while we value foreign investment, we certainly do not want CFIUS to be weighing the value of foreign investment, as per regulation or tax burden or jobs, against any national security risk. The primary purpose is national security. And if there are national security risks that cannot be fixed with an agreement, these transactions should not go forward, period.

I would like to add that the process that we have, the CFIUS process, requires annual reporting to a board setup of a committee on, among other things, all filings with CFIUS, details on the trends in filings, investigations, withdrawals, and Presidential decisions. It requires reporting on mitigation agreements and enforcement, the impact of foreign investment on critical infrastructure, critical technologies, and whether there is a coordinated strategy by one or more countries to acquire critical technologies in the United States.

But to force CFIUS to opine on policy matters outside of its mandate and expertise, CFIUS is not the right body to report on regulation matters or tax matters that the gentleman has put forward in his amendment, and this requirement will also distract CFIUS from focusing on its prime focus, which is protecting our American citizens, our national security first.

These are legitimate issues to raise, and I compliment the gentleman on his thoughtful research and concern, but this is not the area where it should be legislated.

So I join the chairman in strongly urging a ''no'' vote on the gentleman's amendment.

Mr. CROWLEY. Mr. Chairman, I move to strike the last word.

I, too, want to rise in opposition to my good friend from Texas's amendment, which I believe is a noble attempt to improve the legislation. I just don't think it belongs here, as the gentlewoman from New York described as well.

What you are asking for, though, that is kind of interesting, is requiring CFIUS to report on the burdens placed upon potential companies entering into the United States through direct foreign investment. Where does this end? We could have an investigation on the burdens, on the burdens, on the burdens, creating more burden for both the companies that have to be investigated, asking them to give that information to CFIUS, as well as placing additional burdens on CFIUS. As the gentlewoman has said, diverting them from the attention that they need to focus on: national security.

And as the gentleman from Massachusetts has said, what is national security? What we have thought was an issue of national security 10 years ago no longer is today, and what we think of national security today may not be an issue of national security 10 years from now. It is ever changing and in flux. But clearly, creating more burden on direct foreign investment is not helpful in this process, I really believe.

Therefore, I would ask my colleagues to reject this amendment, to vote ''no'' on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MCCAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MCCAUL of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

AMENDMENT NO. 7 OFFERED BY MR. MCCAUL OF TEXAS

Mr. MCCAUL of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. MCCAUL of Texas:

Page 30, line 17, strike the closing quotation marks and the second period.

Page 30, after line 17, insert the following new paragraph:

''(4) CONTENTS OF REPORT RELATED TO BARRIERS TO INVESTMENT INTO THE UNITED STATES.—In order to assist the Congress in its oversight role of ensuring the national security of the United States by ensuring a healthy investment climate, the President, and such agencies as the President shall designate, shall include in the annual report submitted under paragraph (1) a detailed discussion of factors, including a detailed discussion, including trend information on the number of jobs in the United States related to foreign investment resulting from covered transactions, that affect the number of filings, changes in the types of business sectors involved in filings, and changes in the number of investments originating from specific countries.''.

Mr. MCCAUL of Texas. Mr. Chairman, I rise today in support of this amendment, which requires the Secretary of the Treasury to include in his report information on the net effect of foreign investment on American jobs.

While I support the underlying bill, this improves our oversight capability and gives the information to Congress that we need on how jobs will be impacted by foreign investment. Congress will be better informed on how our actions lead to the creation or outsourcing of American jobs overseas. This report is already required in the text. This amendment will ensure we have better oversight.

The underlying bill is about, again, how foreign investments affect national security. There is no way to understand why foreign investments would be made here or what it would do to our economy without information, understanding the effect on jobs that foreign investments would have. I ask my colleagues to support this amendment.

And I would like to respond, if I may, that it is hard to imagine how our taxation and regulatory process is not related to foreign investment. And when we look at taxation, regulatory policies in this country, and when we look at jobs, particularly jobs being outsourced in countries like China and India, when we talk about viability, I appreciate the chairman's arguments and the gentleman from New York and the gentlewoman from New York, but it is hard for me to differentiate and dissect how national security is not impacted by our economic security and economic viability. If we are not a global superpower anymore, if we are not economically viable in this country, if we are losing jobs in this country, if our taxation and regulatory burden is so cumbersome that we are discouraging investment, including foreign investment in this country, I would argue that we are impacting our national security.

It is hard for me to conceive why the Congress wouldn't want this kind of information in evaluating our national security policies as they relate to economics. And the chairman, again, is an expert on financial security. I don't understand why you wouldn't want this information.

Mr. FRANK of Massachusetts. Mr. Chairman, I move to strike the last word.

The gentleman said he is unable to differentiate. I agree. He asked why don't I want this information. Mr. Chairman, I want lunch too, but I am

not asking CFIUS to bring it to me. The question is not what I want. An intelligent, mature adult has a whole set of wants but differentiates, to use a word with which the gentleman said he had difficulty, in where and how you get them.

Yes, it is important to know what the effect of taxation is on the economy, and the Ways and Means Committee should be doing a lot of work on that. It is important to know about regulation. And our committee deals with regulation. Energy and Commerce deals with regulation. Other committees deal with regulation. The point is not that these things are not at some point useful, but whether a specific governmental entity, the Committee on Foreign Investment in the U.S., which is being created for a very specific purpose, ought to be given the burden of doing all that.

We have a Council of Economic Advisers. It is charged with many of these duties. We have the Federal Reserve system. They, under the Humphrey-Hawkins bill, make a monetary report twice a year. It is not that you don't have the information.

Here is, again, the situation. As a result of the Dubai Ports, there was a fear that that reaction would discourage people, foreigners, from investing in the U.S. This has a very specific purpose: to create a system in which people can be reassured that foreign direct investment has no negative effect on national security. In the sense that the gentleman is talking about that, that is not relevant to this bill. No one thinks foreign direct investment unfairly affects the tax system or the regulatory system. The concern is that we might have foreign direct investment that would put foreigners not loyal to this country, perhaps even inimical to this country, in positions where they could do us damage, through espionage, through sabotage, through the planting of bombs. That is what this bill is about.

The gentleman said, Isn't taxation important? Of course it is. Climate change is important. Should they report on climate change? Nutrition is important. Education in the sciences is important. There are a whole lot of important issues. Burdening this particular intergovernmental committee, which has a very specific focus, with all of these other problems doesn't make any sense. That is why, as I said, it is not supported by administration. It is opposed by the business community. The business community would share many of the gentleman's views, many of them, on the specifics of taxation and regulation, but they don't want to dilute the mission of this very specific committee.

Now, in this particular bill, frankly, even in its own terms I have trouble understanding what the gentleman is getting at. He says we ''shall include a detailed discussion of factors . . . including trend information on the number of jobs'' that affect the filing. Now, unemployment, it is hard for me to understand how that affects the filing. Does the gentleman mean that if unemployment goes too low, foreign investors won't come to America because wage rates may go up? I mean, this is an important datum to have. We have this problem. We have annual reports, monthly reports on jobs.

The point we are making is that you should not, for whatever purpose, ideological or whatever else, inject this into this very specific, very important function. We want these people to thoroughly vet whether or not there is a purchase by foreign investors in America that could lead to national security issues in the narrow definition. That doesn't mean that there are not broader factors, such as, as I said, education and the environment and agricultural production, that affect national security. But this is not a bill on national security in general. It is a bill to say that we want very careful vetting of foreign direct investment to make sure that that in itself doesn't do negative things to national security.

There is broad agreement within the administration, within the business community, within our committee that that is an important function. The gentleman has broader purposes. I wish the jurisdiction of the committee encompassed that. We don't have jurisdiction over taxation.

Mr. MCCAUL of Texas. Mr. Chairman, will the gentleman yield?

Mr. FRANK of Massachusetts. I will yield.

Mr. MCCAUL of Texas. You correctly state the issue and the purpose of the bill, and that is a fear of discouraging foreign investments. And I would argue that our system of taxation and regulatory burden in this country has a direct impact on foreign investments.

Mr. FRANK of Massachusetts. Excuse me. Under the rules, I reclaim my time.

Mr. MCCAUL of Texas. And the loss of jobs, outsourcing of jobs is a national security issue, in my view.

Mr. FRANK of Massachusetts. Mr. Chairman, I reclaim my time.

The CHAIRMAN. The time of the gentleman from Massachusetts (Mr. FRANK) has expired.

(By unanimous consent, Mr. FRANK of Massachusetts was allowed to proceed for 2 additional minutes.)

Mr. FRANK of Massachusetts. Mr. Chairman, I would say this. He is now focused on the issue. This is not about a bill about national security in general, and it is not a bill about anything that might discourage foreign investment. That is precisely the point. We want to focus on the extent to which the fear of the Dubai situation would discourage foreign investment.

There are other issues that might affect foreign investment. Currency. The gentleman didn't mention currency exchange rates. There are a whole number of things, environmental policies and other things, that might affect foreign investment. The gentleman has stated this is not a bill about whatever might affect foreign investment. We wouldn't have the jurisdiction and nobody in the administration wants to do that particularly. They want to focus specifically on national security. And what the gentleman would do would be to the move the focus on sabotage, espionage, terrorism, those very specific issues that call that forward.

Mr. BACHUS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, during this debate we have talked about, and I think correctly so, the need to attract foreign investment. And that is one thing that we bipartisanly agree on, that it is very, very important.

There are barriers to foreign investment today, and I do believe it is appropriate in this legislation because this is the committee for foreign investment in the United States to look to see if there are not barriers to that foreign investment, which is chilling those investments that are so important for the economy. For that reason, I am supporting the gentleman's amendment.

Now, I do want to say this, not about the gentleman's amendment, and I rise to say at this time we, in the CFIUS bill as it moves forward, have got to resist the temptation to load this bill up like a Christmas tree, and I am not talking about the gentleman from Texas' legislation, because every requirement that we put on foreign investment has a tendency to alienate those making those foreign investments. And most of the time they are our allies.

In fact, even with Dubai Ports, Dubai is one of our strongest allies in the Middle East, and anyone that thinks that terminating that transaction is not without risk in the Middle East is simply naive because we took a country that welcomes our Armed Forces and is one of our strongest allies, and we basically told them, We don't trust you.

And that is a problem. Alienating one's allies, scaring away investors. And as this bill moves forward, my point is national security and foreign investment are not mutually exclusive. We can have both, but we should not use this mantra of national security to undermine our economy, whether it is through a CFIUS process that foreign investors just throw up their hands and walk away from to our detriment or through regulations over excessive taxation because this money is going to go into competitive markets.

So I think the gentleman from Texas and the gentleman from Massachusetts are both right in that we need to take a serious look at anything which says to foreign investors, who are basically financing our economy today, anything that is said to them that has a chilling effect on their investments.

□ 1230

I yield to the gentleman from Texas.

Mr. MCCAUL of Texas. Mr. Chairman, this is a healthy discussion, a

healthy debate. This bill is about foreign investment. This bill is a reporting requirement, hardly an outrageous request; I think a very sound request to the contrary on, as the gentleman stated, what are the barriers in this country to foreign investment?

It is hard for me to completely dissect our security and viability from one of national security, which is apparently what the gentleman from Massachusetts is attempting to do. I think they go hand in hand. I think we need to look at our ability to compete globally in this country. And when we do that, we are talking about national security. And when we talk about that issue, we have to examine our taxation and regulation policies in this country. And we have to look at the impact that these investments are having on jobs in this country. It is hard to tell the American people that their job is not an area of importance; it is important to our economic viability and security, and I would argue, I know the gentleman disagrees, that it is important to our national security.

Mr. CROWLEY. Mr. Chairman, I move to strike the last word, and I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. There is room for honest disagreement, but to suggest that I in any way said jobs aren't important is simply silly. Of course jobs are important. A lot of things are important. The war in Iraq is important. Global warming is important. They don't all go in the same bill. The gentleman's inability to distinguish between what is important and what you try to accomplish in a specific piece of legislation is disappointing, although it does not quite reach the level of a threat to national security.

Mr. CROWLEY. Reclaiming my time, Mr. Chairman, can anyone argue that investment in the United States does not create jobs? I mean, that is what this is all about, encouraging direct foreign investment from other countries in helping to create jobs here in the United States.

How the job market is touched in some way by the CFIUS process by a loan from direct foreign investment is, I am sure, an issue that someone may have some desire to know more about, but that is not the role of CFIUS.

Mr. McCAUL of Texas. Will the gentleman yield?

Mr. CROWLEY. I will yield in a moment.

That is the role of the Commerce Department to do those kind of studies. They can do that. Let them spend the time. Let's not divert the attention of CFIUS, which is to allow for a steady stream of flow of foreign investment in the United States, and at the same time checking the national security interests of our country, making sure that state-owned businesses that are entering into foreign investment of the United States are not in some way compromising our national security, the private-owned industry that are making investments in the United States are not jeopardizing or compromising our national security. That is the role of CFIUS.

It is not for CFIUS to become the Commerce Department. They have a role to do as well. They can do studies on the implications of the CFIUS process and foreign investment and how it is affecting the growth or loss of jobs in the United States, not the role of CFIUS.

I would yield to the gentleman.

Mr. McCAUL of Texas. I thank the gentleman from New York.

Again, this bill is about foreign investment. Is the gentleman arguing that our economic policies in the United States have nothing to do with foreign investment?

Mr. CROWLEY. Reclaiming my time, Mr. Chairman, no one is arguing that the CFIUS process and the direct foreign investment has an implication on the jobs of the United States. I am arguing that it will actually increase opportunities for jobs in the United States.

And it is not the role of CFIUS to make those investigations, that is the job of the Commerce Department.

Mrs. MALONEY of New York. Mr. Chairman, I move to strike the last word.

I join Chairman FRANK and my colleague from New York in stressing that the CFIUS process is first and foremost for national security, and to give clear guidelines and predictability to foreign businesses to invest in America.

The CFIUS process is supported, if the gentleman is concerned about jobs and the private sector, this is supported almost unanimously by the business sector of our country. They have come out, a whole list of groups, supporting this well-balanced legislation and have called upon it not to be dressed up like a Christmas tree. My other colleague said this did not dress it up like a Christmas tree, yet it is adding unrelated items to the bill. We have bills on commerce, we have bills on education, we have bills in other areas, and that is where this should be discussed.

Foreign investment is very important to our country. It provides 5.1 million American jobs, $1.9 trillion in equity investment; and some 50,000 jobs in New York City are created at this point by foreign investment. But not one of these jobs or dollars is worth risking our national security. That is why we have CFIUS. We do not want to risk our national security for any job, and we have a template, we have a procedure placed in the CFIUS process for direct, safe foreign investment.

I join my colleague in opposing this amendment.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the last word, and I yield to my colleague from Texas.

Mr. McCAUL of Texas. Mr. Chairman, just in a very short conclusion, I think we are ready to move on, but it is a healthy debate that we are having.

The relevance, as the gentlelady from New York mentioned, of jobs and national security, the relevance of our taxation policies and our economic policies and regulatory policies and our economic security does directly impact our national security in this country.

I fully support the underlying bill. It is needed legislation. It is a great piece of legislation. I commended the chairman and ranking member for this bill in response to the Dubai Ports issue. But, again, I don't think we can look at this, and why wouldn't we want this information in the Congress? Our taxation policy in this country or regulatory burden, does that have an impact on foreign investment? Why wouldn't we want that information in the Congress? Wouldn't we want to know whether foreign investment one way or the other impacts jobs in this country? I would argue that is a healthy examination that is useful information for the Congress in examining our economic viability as a superpower, our economic security in this country, which again is a national security issue.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I move to strike the last word.

Let me thank the chairman of the full committee and Chairman FRANK and the ranking member of the full committee for the heavy lifting that has been done.

I rise to support H.R. 556, and in the course of it, let me try to remind my colleagues why we got here. Among many reasons, I think the incident involving the Dubai Ports was not only a shock to the very fine Financial Services Committee, but a shock to Homeland Security, it was a shock to America. And the focus was not around I don't want jobs created by foreign investment; it was around, you mean to tell me we have been exposed to the potential of terrorist activities or control? Certainly some of the suggestions and allegations were probably fanblown because people are fearful. And that is why we have come together to work on these issues from a collective Financial Services perspective and a number of other jurisdictions. On the CFIUS committee is the Secretary of Commerce, is the Secretary of Homeland Security, so therefore, these diverse issues can be addressed.

I rise to support H.R. 556 because of one particular reason. There is transparency. There is no more of the shock value. Across America we are now selling roads. We don't know what else we will be selling. We may be selling doors to banks as it relates to foreign investment. Not that we disagree with foreign investment. We want it to be balanced. And the way the bill has been constructed, one, there is a wide diversity of responsibility, including the Secretaries of Treasury, Homeland Security, Commerce, Defense, State and Energy, very appropriate, Attorney

General, Chair of the Council of Economic Advisers, the U.S. Trade Representative, Director of Office of Management and Budget, Director of National Economic Council, and the Director of the Office of Science and Technology Policy. I can't imagine a more inclusive group to be able to make a very studied assessment, one, of protecting us, which is the real question that Americans ask, who's in my backyard, who's at my back door, and also not to reject legitimate, forthright and job-creating opportunities.

In the transaction process that has been laid out by this bill, it is a study in thoughtfulness. And I think it will work. This determination will be assessed: whether the transaction involves a foreign government-controlled entity, whether the transaction threatens to impair national security, and the review cannot mitigate the concern. So there you are again, no cover-up, transparent. The National Intelligence Director identifies concerns and if CFIUS cannot agree upon methods to mitigate these concerns, any one CFIUS member agency votes against approving the transaction. So one entity, it may be Commerce, it may be Homeland Security, can raise a concern about this transaction.

This is, I think, a fast action on a matter that could not be addressed and did not get addressed in the last Congress. But we are here today talking about ways of securing America and working financially and businesswise with the various constituencies that would be impacted. I find this as a wonderful first step. Coming from the State of Texas, I can assure you that there is a lot of busy-ness about selling roads. It again raises its head of concern about security questions. I have always made the point, do we put making money over security? I believe that we have made a very important first step to strengthen this process, of recognizing the balance. My subcommittee on this question looks forward to hearings after the fact on the actual practical aspects of the selling of infrastructure in the United States, but we now have a body of thought through H.R. 556 which we can use as a form of study and relief.

In conclusion, let me again thank the sponsors of this bill, I am a cosponsor of it as well, but the chairman and ranking member and also for moving this swiftly and quickly and really answering the question of both transparency, jobs and security, might I say security being number one. I ask my colleagues to support the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. MCCAUL).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MCCAUL of Texas. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentleman from Texas will be postponed.

Mr. RUPPERSBERGER. Mr. Chairman, I move to strike the last word.

I rise today in support of H.R. 556. This bill will make national security an important factor in foreign business transactions. Last year's news that the Government of the United Arab Emirates was going to take control over a number of U.S. ports shocked many Americans and it alarmed us here in Congress as well, even though the United Arab Emirates is a close and respected ally.

Congress came to understand that the Committee on Foreign Investment in the United States, or CFIUS process is broken. This process by which the United States sells property and assets to a foreign entity is not fully disclosed, has no congressional oversight and merely glances at the national security implications before a decision is made. Today we are working on passing the National Security FIRST Act to fix this problem.

As cochairman of the Port Security Caucus and the Member who represents the Port of Baltimore, we must commit to strong security while not adversely impacting commerce. After an initial review is conducted, CFIUS would immediately conduct a full-scale investigation on the effects the transaction has on national security. Understanding the national security implications is vital to these transactions, but it must be done in a reasonable time frame. We live and conduct business in a global environment and we must remain competitive. But we need to make sure that we keep our national security at the forefront of any decision.

□ 1245

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to clause 6 of rule XVIII, proceedings will now resume on those amendments on which further proceedings were postponed, in the following order:

Amendment No. 5 by Mr. MCCAUL of Texas;

Amendment No. 6 by Mr. MCCAUL of Texas;

Amendment No. 7 by Mr. MCCAUL of Texas.

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 5 OFFERED BY MR. MCCAUL OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 5 offered by the gentleman from Texas (Mr. MCCAUL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 198, noes 228, not voting 12, as follows:

[Roll No. 106]

AYES—198

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fortuño
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Jindal
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Manzullo
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—228

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)

Hare
Harman
Hastings (FL)
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Pryce (OH)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—12

Brady (PA)
Carson
Cubin
Culberson
Davis, Jo Ann
Honda
Hunter
Inslee
Mica
Rothman
Space
Stark

□ 1314

Mrs. MCCARTHY of New York, Mr. SIRES, Ms. GIFFORDS, Mr. MELANCON, Mrs. TAUSCHER, Messrs. SESTAK, BARROW, KAGEN, LANGEVIN, Ms. NORTON, Mr. STUPAK, Mr. DINGELL, Ms. EDDIE BERNICE JOHNSON of Texas, Messrs. JEFFERSON, AL GREEN of Texas and LEWIS of Georgia changed their vote from ''aye'' to ''no.''

Messrs. CONAWAY, SAXTON, MCHUGH, FLAKE and FRELINGHUYSEN changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. HONDA. Mr. Chairman, on rollcall No. 106, had I been present, I would have voted "no."

AMENDMENT NO. 6 OFFERED BY MR. MCCAUL OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on amendment No. 6 offered by the gentleman from Texas (Mr. MCCAUL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 197, noes 231, not voting 10, as follows:

[Roll No. 107]

AYES—197

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fortuño
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Jindal
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—231

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Frank (MA)
Giffords
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Pryce (OH)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shays
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—10

Brady (PA)
Carson
Cubin
Culberson
Davis, Jo Ann
Hunter
Inslee
Mica
Rothman
Space

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1323

Mrs. JONES of Ohio changed her vote from ''aye'' to ''no.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 7 OFFERED BY MR. MCCAUL OF TEXAS

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Texas (Mr. MCCAUL) on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 197, noes 231, not voting 10, as follows:

[Roll No. 108]

AYES—197

Aderholt
Akin
Alexander
Altmire
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carney
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fortuño
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Jindal
Johnson (IL)
Johnson, Sam
Jones (NC)
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—231

Abercrombie
Ackerman
Allen
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Bordallo
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Castor
Chandler
Christensen
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Faleomavaega
Farr
Fattah
Filner
Frank (MA)
Giffords
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Norton
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Pryce (OH)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—10

Brady (PA)
Carson
Cubin
Culberson
Davis, Jo Ann
Hunter
Inslee
Mica
Rothman
Space

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN (during the vote). Members are advised that 2 minutes remain in this vote.

□ 1333

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. CARSON. Mr. Chairman, on rollcall No. 106, 107, and 108, had I been present, I would have voted "no."

PERSONAL EXPLANATION

Mr. MICA. Mr. Chairman, due to my attendance at the Arlington National Cemetery funeral of U.S. Army SGT John D. Rode, my constituent from Lake Mary who died from injuries inflicted by a terrorist IED in Iraq on February 14, 2007, I was unable to cast votes on rollcalls 106, 107, and 108. Had I been present, I would have voted "aye" on each of these measures.

The CHAIRMAN. There being no further amendments, the question is on the Committee amendment in the nature of a substitute, as amended.

The Committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. WEINER) having assumed the chair, Mr. PASTOR, Chairman of the Committee of the Whole House on the state of the Union, reported that that Committee, having had under consideration the bill (H.R. 556) to ensure national security while promoting foreign investment and the creation and maintenance of jobs, to reform the process by which such investments are examined for any effect they may have on national security, to establish the Committee on Foreign Investment in the United States, and for other purposes, pursuant to House Resolution 195, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment reported from the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. NEUGEBAUER

Mr. NEUGEBAUER. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. NEUGEBAUER. In its current form, yes.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Neugebauer moves to recommit the bill H.R. 556 to the Committee on Financial Services with instructions to report the same back to the House forthwith with the following amendments:

Page 30, line 17, strike the closing quotation marks and the 2nd period.

Page 30, after line 17, insert the following new paragraph:

"(4) CONTENTS OF REPORT RELATING TO BARRIERS TO INVESTMENT IN THE UNITED STATES.—In order to assist the Congress in its oversight role of ensuring the national security

of the United States by assuring a healthy investment climate, the President, and such agencies as the President shall designate, shall include in the annual report submitted under paragraph (1) detailed analysis of factors in the United States, such as—

''(A) the deleterious effect of burdensome regulations;

''(B) fair, equitable and nondiscriminatory treatment of entrepreneurs, businesses and other sources of capital;

''(C) the stability of the financial markets; and

''(D) economic competitiveness driven by innovation,

that, when compared to similar conditions in other countries, may negatively impact the number of filings, cause changes in the types of business sectors involved in such filings, and adversely affect the number of investments originating from specific countries, or that may induce retaliatory actions by other countries that directly impair United States global investments.''.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas is recognized for 5 minutes.

Mr. NEUGEBAUER. Mr. Speaker, this motion to recommit I offer today is straightforward and simple.

If adopted, it would require the President's annual report to the Congress on CFIUS operations to analyze the factors that promote the healthy investment climate and scrutinize the aspects of our regulatory environment that discourages such investment. I hope that all Members can agree that supporting foreign investment in the United States, with appropriate exceptions to protect our national security, benefits all Americans.

I also hope that all Members recognize that just as important to welcome direct investment in the United States, it is also important to identify and address the barriers that have been erected in this country that chill such investment. Open markets and national security support one another.

The U.S. regulatory climate is driving investment away. It is time to consider broad overhaul of our Nation's rules, enforcement policies and litigation system. The annual report required by this bill, the ''Report Related to Barriers to Investment into the United States,'' is an important venue for Congress to seek information that can lay a foundation for such examination.

National security cannot become a pretext for protectionism. As well, it must be understood that artificial barriers to foreign investment will only induce international retaliation against U.S. investments overseas.

If the United States trends towards restricted markets, others will follow. Should such scenario play out, our country has the most to lose. I urge the House to adopt this motion to recommit with instructions so that we can better understand the impediments to legitimate foreign investment and to our country, promote our interests abroad and to ensure that the United States economy remains the envy of the world.

Mr. Speaker, I yield back the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I rise to speak in opposition to the recommittal.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 5 minutes.

Mr. FRANK of Massachusetts. Mr. Speaker, this is fourth effort by the minority to get exactly the same thing voted on. Apparently, this strategy has become if at first you don't succeed, try, try, again and again and again.

I am disappointed at the poverty of their ability to obstruct. Now, here is where we are. We have a bill that is strongly supported by the administration and by the business community, their erstwhile allies.

We were asked by some on the Republican side and in the business community to get a closed rule, because they were afraid of irresponsible and silly amendments.

I rejected that request, and now I see, frankly, some people who asked me to support a closed rule voting for the amendments that came forward because we had an open rule. Apparently the motto of some of my Republican colleagues, when it comes to rules is, stop me before I obstruct again.

I don't intend to do that. I don't intend to protect you from your own worst impulses. After all, no one has protected me from mine.

We have a bill which says we do not want foreign investment which is good for this country, which is job producing and economically stimulative prevented by fears that unnecessary security interests will be raised. So we set up a policy, we set up a committee to vet proposals for foreign investment to make sure that there is no threat to national security and its very specific definition of terrorism, of espionage, of a transfer of information that might hurt us. This is to undo the damage that might have come from Dubai.

Apparently, the minority is dissatisfied because we are not somehow conforming to this stereotype of us. We have brought forward a responsible and balanced bill. We worked with Treasury. We worked with the business community.

They have decided now to expand the scope. What they have asked for, frankly, here, is a report from the committee that is charged with dealing with this very specific set of issues. Does a particular foreign direct investment impinge on national security?

They want to burden that committee over the objection of the Treasury Department, which does not like this recommit and did not like the amendment before that, the amendment before that, which all said the same thing.

They are trying to dilute the work of the committee by doing what? By asking for a report, for example, on hedge funds. Look at page 2. Let's have a report on the stability of the financial markets.

So instead of focusing their energies on whether or not a particular investment is a national security threat, this committee is supposed to give us a report on hedge funds and on derivatives, the stability of the financial markets. They are supposed to talk about nondiscriminatory treatment of entrepreneurs and the deleterious effect of burdensome regulation.

Of course, that is the right-wing premise that regulation is necessarily burdensome. There might, of course, be a conflict if you are going to talk about the deleterious effect of burdensome legislation, that might be in conflict with your ability to promote the stability to promote financial markets.

They don't belong in this bill. It is an effort to bring in right-wing ideological precepts into a bill that plays an important role. Now, I guess I regret their frustration that we haven't given them a better target to shoot at. But this proposal to take the Committee on Foreign Investments in the U.S. and turn it into the Federal Reserve Board and the Council of Economic Advisers, and God knows what else, will detract from the mission of that committee, make it harder for them to focus on national security, and serves no other purpose.

I would ask the Members for the fourth time to vote against the same issue. I would say to my Republican friends, I know you are not going to be worried about our time, I know you are not going to be worried about civility and comity, but could you take boredom into account.

The next time you are being obstructive, could you be a little creative, could you think of at least a couple of variations and could you not ask for the same vote four times. I have Members asleep over here because they are so bored for what you are doing.

I ask Members to rally themselves for one more ''no'' vote for the fourth time. I don't think there is any other means by which you can do it again, and let's then pass this bill.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. NEUGEBAUER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clauses 8 and 9 of rule XX, this 15-minute vote on the motion to recommit will be followed by 5-minute votes on passage of the bill, if ordered, and the motion to suspend the rules and agree to House Concurrent Resolution 52.

The vote was taken by electronic device, and there were—ayes 193, noes 229, not voting 11, as follows:

[Roll No. 109]

AYES—193

Aderholt
Akin
Alexander
Bachmann
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Biggert
Bilbray
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehner
Bonner
Bono
Boozman
Boustany
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Buchanan
Burgess
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Carter
Castle
Chabot
Coble
Cole (OK)
Conaway
Crenshaw
Davis (KY)
Davis, David
Davis, Tom
Deal (GA)
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Drake
Dreier
Duncan
Ehlers
Emerson
English (PA)
Everett
Fallin
Feeney
Ferguson
Flake
Forbes
Fortenberry
Fossella
Foxx
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gillmor
Gingrey
Gohmert
Goode
Goodlatte
Granger
Graves
Hall (TX)
Hastert
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Hobson
Hoekstra
Hulshof
Inglis (SC)
Issa
Jindal
Johnson (IL)
Johnson, Sam
Jordan
Keller
King (IA)
King (NY)
Kingston
Kirk
Kline (MN)
Knollenberg
Kuhl (NY)
LaHood
Lamborn
Latham
LaTourette
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas
Lungren, Daniel E.
Mack
Marchant
McCarthy (CA)
McCaul (TX)
McCotter
McCrery
McHenry
McHugh
McKeon
McMorris Rodgers
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Neugebauer
Nunes
Paul
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Porter
Price (GA)
Pryce (OH)
Putnam
Radanovich
Ramstad
Regula
Rehberg
Reichert
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Royce
Ryan (WI)
Sali
Saxton
Schmidt
Sensenbrenner
Sessions
Shadegg
Shays
Shimkus
Shuster
Simpson
Smith (NE)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Tancredo
Terry
Thornberry
Tiahrt
Tiberi
Turner
Upton
Walberg
Walden (OR)
Walsh (NY)
Wamp
Weldon (FL)
Weller
Westmoreland
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOES—229

Abercrombie
Ackerman
Allen
Altmire
Andrews
Arcuri
Baca
Baird
Baldwin
Barrow
Bean
Becerra
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boren
Boswell
Boucher
Boyd (FL)
Boyda (KS)
Braley (IA)
Brown, Corrine
Butterfield
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Castor
Chandler
Clarke
Clay
Cleaver
Clyburn
Cohen
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Lincoln
DeFazio
DeGette
Delahunt
DeLauro
Dicks
Dingell
Doggett
Donnelly
Doyle
Edwards
Ellison
Ellsworth
Emanuel
Engel
Eshoo
Etheridge
Farr
Fattah
Filner
Frank (MA)
Giffords
Gilchrest
Gillibrand
Gonzalez
Gordon
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hare
Harman
Hastings (FL)
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hodes
Holden
Holt
Honda
Hooley
Hoyer
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (GA)
Johnson, E. B.
Jones (NC)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind
Klein (FL)
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Loebsack
Lofgren, Zoe
Lowey
Lynch
Mahoney (FL)
Maloney (NY)
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (NY)
McCollum (MN)
McDermott
McGovern
McIntyre
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Payne
Perlmutter
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Salazar
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sestak
Shea-Porter
Sherman
Shuler
Sires
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stupak
Sutton
Tanner
Tauscher
Taylor
Thompson (CA)
Thompson (MS)
Tierney
Udall (CO)
Udall (NM)
Van Hollen
Velázquez
Visclosky
Walz (MN)
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Wexler
Wilson (OH)
Woolsey
Wu
Wynn
Yarmuth

NOT VOTING—11

Brady (PA)
Burton (IN)
Cubin
Culberson
Davis, Jo Ann
Hunter
Inslee
Jones (OH)
Rothman
Space
Towns

□ 1404

Mr. FILNER changed his vote from ''aye'' to ''no.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK of Massachusetts. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 423, noes 0, not voting 10, as follows:

[Roll No. 110]

AYES—423

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Bachus
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Conyers
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Cummings
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Grijalva
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinchey
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inglis (SC)
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Pryce (OH)
Putnam
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)

Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—10

Brady (PA)
Cubin
Culberson
Davis, Jo Ann
Diaz-Balart, M.
Hunter
Inslee
Rothman
Space
Sullivan

□ 1413

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SUPPORTING THE GOALS AND IDEALS OF AMERICAN HEART MONTH

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 52.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey (Mr. PALLONE) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 52, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 0, not voting 21, as follows:

[Roll No. 111]

YEAS—412

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Altmire
Andrews
Arcuri
Baca
Bachmann
Baird
Baker
Baldwin
Barrett (SC)
Barrow
Bartlett (MD)
Barton (TX)
Bean
Becerra
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehner
Bonner
Bono
Boozman
Boren
Boswell
Boucher
Boustany
Boyd (FL)
Boyda (KS)
Brady (TX)
Braley (IA)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Buchanan
Burgess
Burton (IN)
Butterfield
Buyer
Calvert
Campbell (CA)
Cannon
Capito
Capps
Capuano
Cardoza
Carnahan
Carney
Carson
Carter
Castle
Castor
Chabot
Chandler
Clarke
Clay
Cleaver
Clyburn
Coble
Cohen
Cole (OK)
Conaway
Cooper
Costa
Costello
Courtney
Cramer
Crenshaw
Crowley
Cuellar
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis, David
Davis, Lincoln
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly
Doolittle
Doyle
Drake
Dreier
Duncan
Edwards
Ehlers
Ellison
Ellsworth
Emanuel
Emerson
Engel
English (PA)
Eshoo
Etheridge
Everett
Fallin
Farr
Fattah
Feeney
Ferguson
Filner
Forbes
Fortenberry
Fossella
Foxx
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gilchrest
Gillibrand
Gillmor
Gingrey
Gohmert
Gonzalez
Goode
Goodlatte
Gordon
Granger
Graves
Green, Al
Green, Gene
Gutierrez
Hall (NY)
Hall (TX)
Hare
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Heller
Hensarling
Herger
Herseth
Higgins
Hill
Hinojosa
Hirono
Hobson
Hodes
Hoekstra
Holden
Holt
Honda
Hooley
Hoyer
Hulshof
Inglis (SC)
Israel
Issa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jindal
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Jordan
Kagen
Kanjorski
Kaptur
Keller
Kennedy
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Klein (FL)
Kline (MN)
Knollenberg
Kucinich
Kuhl (NY)
LaHood
Lamborn
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Loebsack
Lofgren, Zoe
Lowey
Lucas
Lungren, Daniel E.
Lynch
Mack
Mahoney (FL)
Maloney (NY)
Manzullo
Marchant
Markey
Marshall
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul (TX)
McCollum (MN)
McCotter
McCrery
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMorris Rodgers
McNerney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy, Patrick
Murphy, Tim
Murtha
Musgrave
Myrick
Nadler
Napolitano
Neal (MA)
Neugebauer
Nunes
Oberstar
Obey
Olver
Ortiz
Pallone
Pascrell
Pastor
Paul
Payne
Pearce
Pence
Perlmutter
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Poe
Pomeroy
Porter
Price (GA)
Price (NC)
Putnam
Radanovich
Rahall
Ramstad
Regula
Rehberg
Reichert
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Ross
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Salazar
Sali
Sánchez, Linda T.
Sanchez, Loretta
Sarbanes
Saxton
Schakowsky
Schiff
Schmidt
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Sestak
Shadegg
Shays
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Smith (NE)
Smith (NJ)
Smith (TX)
Snyder
Solis
Souder
Spratt
Stark
Stearns
Stupak
Sutton
Tancredo
Tanner
Tauscher
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Upton
Van Hollen
Velázquez
Visclosky
Walberg
Walden (OR)
Walsh (NY)
Walz (MN)
Wamp
Wasserman Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch (VT)
Weldon (FL)
Weller
Westmoreland
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (OH)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Yarmuth
Young (AK)
Young (FL)

NOT VOTING—21

Bachus
Brady (PA)
Camp (MI)
Cantor
Conyers
Cubin
Culberson
Cummings
Davis, Jo Ann
Flake
Grijalva
Hinchey
Hunter
Inslee
Pryce (OH)
Rangel
Rothman
Slaughter
Smith (WA)
Space
Sullivan

□ 1422

So (two-thirds being in the affirmative) the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 997

Mr. KING of Iowa. Madam Speaker, for my bill, H.R. 997, inadvertently and by obvious mistake, the gentleman from North Carolina (Mr. PRICE) was listed as a cosponsor of the bill in error instead of the gentleman from Georgia (Mr. PRICE). I would ask unanimous consent that we grant the request of both gentlemen, that the gentleman from North Carolina's name could be removed from H.R. 997.

And I would apologize to both the gentlemen from North Carolina and Georgia who are named Mr. PRICE.

The SPEAKER pro tempore (Ms. CLARKE). Is there objection to the request of the gentleman from Iowa?

There was no objection.

DEMOCRATS, DON'T BLOW OUR GREAT ECONOMY

(Mr. GOHMERT asked and was given permission to address the House for 1 minute.)

Mr. GOHMERT. Madam Speaker, you know, over the last 12 years, the Democrats have been in the minority, Republicans have been in the majority. The economy boomed in the late '90s. We had this tragic event on 9/11; it should have sent this country into a terrible depression, but this Congress, Republican majority, pushed through tax cuts that have allowed the economy to rebound and be robust and provide jobs and better standard of living. And in 2 months of talking about raising taxes and more regulation and one committee chairman talking about