

7/11/2007 - Sires Votes For More Scrutiny Over Foreign Investments In The U.S.

Dubai Ports bill now goes to the President's desk

For Immediate Release

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(Washington, D.C.) - Congressman Albio Sires voted today to insure national security procedures remain in place to avoid the situation created in 2006 with Dubai Ports World. H.R. 556, The Foreign Investment and Security Act will ensure that foreign investments receive the necessary scrutiny so that our country remains secure. This bill that was passed by the Senate last month, will now go to the President's desk for his signature.

"Recent terrorism threats abroad remind us that our country must be vigilant if we want to remain safe," said Congressman Sires. "This bill offers a series of checks and balances that will keep tabs on foreign investments in critical infrastructure, as well as monitoring the access foreign companies may have in the United States".

In 2006, Dubai Ports World, a company owned by the United Arab Emirates, announced they were taking over the management operations of 6 major ports in the United States. One of the ports was Port Newark, located in the 13th Congressional District of New Jersey. The deal was approved with little scrutiny by the Bush Administration.

The Foreign Investment and Security Act significantly strengthens the review of foreign investments by requiring CFIUS, the interagency Committee on Foreign Investment in The United States, to conduct a 30-day review of any national security-related business transaction. CFIUS would then be required to conduct a 45-day full investigation if the committee review determines the transaction could threaten national security, the transaction is foreign government-controlled, or if it raises national security risks associated with foreign-ownership of critical infrastructure.

This bill also requires that CFIUS designate a knowledgeable lead agency - such as the Department of Defense for defense acquisitions - in reviewing transactions and insuring senior-level accountability. The Chairman of CFIUS and the head of the lead agency must approve all deals in order to avoid future transactions, like that of Dubai Ports World, which was approved with little scrutiny and by low-level officials.

"I believe this bill is indispensable and timely," said Congressman Sires. "I hope the President does not hesitate to sign this legislation and ensure the proper foreign investment transaction procedures are in place. Our lawmakers and security experts should then be able to focus on other areas that might need reinforcement of our national security."

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