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Barrow: “The time to fix CFIUS is long overdue”

House passes Barrow sponsored amendment to increase congressional oversight of the process that reviews the foreign purchase of U.S. businesses critical to national security and military defense

Washington, DC – During today’s debate on the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007 (H.R. 556), the U.S. House of Representatives unanimously agreed to include an amendment by 12th District Georgia Congressman John Barrow (D-Savannah) which will ensure that the appropriate members of Congress are notified when foreign companies purchase American businesses involved in national security and military defense.

“In a post-9/11 world, we cannot treat foreign investment in our national defense as though it was business as usual. Today’s bill protects investment, protects jobs, and, most importantly, protects national security.”

Last year, in the wake of the Dubai Ports deal, Barrow fought to raise awareness about the flawed federal process that reviews the foreign purchase of American businesses critical to national security and military defense. The Committee on Foreign Investment in the United States (CFIUS) was supposed to conduct thorough reviews of all proposed foreign purchases of U.S. companies involved in national security work. As news of the Duabi Ports deal surfaced, the need to reform CFIUS became increasingly clear.



When the administration disclosed that a military contractor in Effingham County was about to be purchased by a state owned company for the United Arab Emirates, Barrow quickly introduced the “Protect America First Act” to reform the CFIUS process and increase oversight by Congress. Many of the reforms Barrow called for in his bill were incorporated in H.R. 556, including the enhanced notification requirements and increased scrutiny of the review process.

As originally introduced, H.R. 556 directed that the Chair of CFIUS provide a report on any and all investigations to the Majority Leader and the Minority Leader of the Senate, the Speaker and the Minority Leader of the House of Representatives, and certain committee chairs. However, the bill did not require that Members of Congress whose districts would be directly affected by these deals ever be notified of the purchases. Barrow's amendment to H.R. 556 corrected this deficiency, and extended the same level of congressional oversight that Barrow had proposed in last year's bill.

"It's important that we notify the people with the greatest need to know, but it's even more important that we notify the people who know the most about the businesses involved," Barrow said. "And that is not limited to the congressional brass, it includes the rank and file members whose districts include the businesses and employees involved."

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[Photo Caption: Congressman Barrow speaks to reporters at a press conference on the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007 (H.R. 556). Pictured left to right – Reps. Carolyn Maloney, Joe Crowley, John Barrow, and Ron Kline.]