

month of February, which is Black History Month, and today I rise to thank the many Members who have supported H. Res. 198, which recognizes the significance of Black History Month.

This piece of legislation is supported by conservatives, moderates and liberals. It is a piece of legislation that I received not one negative comment on. Every person that we requested agreed to support the legislation. So I thank those who supported it.

But I also, Mr. Speaker, want to apologize to the many that I did not approach and ask for support because my belief is that this kind of legislation will receive the support of all persons of goodwill. African Americans in the diaspora in America merit this kind of support. The Members of this House have given it to African Americans and to persons of goodwill, and I thank them all.

NEW HOUSE DEMOCRATIC CONGRESS FIGHTS FOR THE RIGHTS OF MIDDLE-CLASS FAMILIES

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

Mr. HODES. Mr. Speaker, when Democrats gained the majority in this House last November, we pledged to fight to make America better for all Americans, not just the privileged few. This Congress has already passed legislation increasing the minimum wage and making college more affordable to middle-class families.

This week, in a bipartisan fashion, we will continue our work on behalf of middle-class families by bringing legislation to the floor that would restore workers' rights to form unions and to collectively bargain for better salaries and better benefits.

At a time when corporate executives are routinely negotiating lavish pay and retirement benefits for themselves, workers have little leverage to negotiate for a better life. This has been particularly concerning over the last 6 years when wages have remained stagnant while everyday costs like housing, transportation, education and health care have increased dramatically.

The Employee Free Choice Act says that if the majority of workers at a workplace sign cards saying they want a union, they get a union. The act protects the rights of employers, too. The legislation shares bipartisan support and is supported by an overwhelming majority of Americans. Let's pass it this week.

DWINDLING INTERNATIONAL SUPPORT FOR THE WAR IN IRAQ

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

Mr. PALLONE. Mr. Speaker, what do our international friends know that the Bush administration doesn't?

It seems everywhere you turn, the "Coalition of the Willing" is con-

cluding it is time to get out of Iraq, while the Bush administration wants to send 21,500 more U.S. troops.

Just last week our biggest ally in the Iraq war, Britain, announced that it was withdrawing 1,600 troops from Iraq in the coming months. The same day Denmark said it, too, would pull out all of its 460 troops by the end of the summer. And then South Korea decided that 1,100 of its 2,300 troops would be withdrawn from Iraq in April, with the rest following later this year.

With this news, the "Coalition of the Willing" is no longer so willing, dwindling to about 10,000 troops. What is it that these countries know that the Bush administration still can't figure out?

Could it be that they see the writing on the wall; that they have concluded, as many others have here in the United States, that the Iraq war can no longer be won militarily?

Mr. Speaker, our dwindling coalition should serve as another wake-up call to the Bush administration that it is time for a new direction in Iraq.

THE REAL WAR ON TERROR IS NOT IRAQ

(Mr. GEORGE MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. GEORGE MILLER of California. Mr. Speaker, Members of the House, finally, but 4 years too late, the Bush administration, with Vice President CHEENEY's trip to Afghanistan, has recognized that the real war on terror is not Iraq; that Iraq has been a diversion against that war on terror; that, in fact, the real war on terror is in Pakistan and Afghanistan and in the border area. They are starting to discover that the Government of Pakistan has not been our friend as we have tried to stabilize Afghanistan and the Karzai government, as we have tried to build democracy in Afghanistan, as we have tried to root out the Taliban and al Qaeda; that, in fact, because of the diversion and our early leaving of Afghanistan for Iraq, that we have now allowed the al Qaeda to come back in command and control and to build their membership, to recruit around the world.

We have seen the Taliban come back into Afghanistan and start to threaten and overturn village leaders and democratically elected leaders in villages in various parts of Afghanistan. Only now, 4 years too late, does the Bush administration recognize that this is the real war on terror, and they have failed to fight it, failed to deal with it and failed to prepare for it.

NATIONAL SECURITY FOREIGN INVESTMENT REFORM AND STRENGTHENED TRANSPARENCY ACT OF 2007

Mr. ARCURI. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 195 and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 195

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for 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. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Financial Services now printed in the bill. Each section of the committee amendment in the nature of a substitute shall be considered as read. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or his designee and shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from New York (Mr. ARCURI) is recognized for 1 hour.

Mr. ARCURI. Mr. Speaker, for purpose of debate only, I yield the customary 30 minutes to my colleague from Washington (Mr. HASTINGS). All time yielded during consideration of the rule is for debate only.

Mr. Speaker, I yield myself such time as I may consume.

(Mr. ARCURI asked and was given permission to revise and extend his remarks.)

□ 1030

Mr. ARCURI. Mr. Speaker, House Resolution 195 provides for consideration of H.R. 556, the National Security Foreign Investment Reform and Strengthened Transparency Act of 2007 under an open rule with a preprinting requirement. The rule provides 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Financial Services.

The rule waives all points of order against consideration of the bill except for clause 9 and 10 of rule XXI. The rule makes in order the amendment in the nature of a substitute reported by the Committee on Financial Services as an original bill for purpose of amendment, which shall be considered for amendment by section with each section considered as read.

The rule provides that any amendment to the committee amendment in the nature of a substitute must be printed in the CONGRESSIONAL RECORD prior to consideration of the bill. Each amendment so printed may be offered only by the Member who caused it to be printed or his designee or her designee and shall be considered as read. Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, foreign investment creates jobs and serves as a vital component of our Nation's economy. However, we as a Nation cannot afford to sacrifice the safety and security with a foreign investment review process that jeopardizes American lives. Take, for instance, our Nation's ports, which employ thousands of Americans and handle a large majority of U.S.-bound cargo. New Yorkers and many of my colleagues take the security of these ports very, very seriously. We as a country cannot go halfway on port security. We must take all the necessary steps to ensure the safety and security of our infrastructure and, more importantly, our constituents.

We took a giant step in the right direction on port security a few weeks ago when we approved legislation that would require screening of 100 percent of all U.S.-bound shipping containers over the next 5 years. And today we are taking another step by reforming and strengthening the interagency Committee on Foreign Investment in the United States, also known as CFIUS, process by which the Federal Government reviews foreign investments in the United States for their national security implications.

As a new Member of Congress, I am new to this institution, but the controversy surrounding the Dubai Ports scandal last year echoed far beyond the Washington Beltway. I, along with many of my constituents, was troubled by the administration's approval of a deal to allow a company owned by a government of the United Arab Emirates to manage terminal operations at six major U.S. ports. It was clear that the administration dropped the ball and that the national security review process for foreign investments had failed.

The National Security FIRST Act would significantly reform the foreign investment review process so that we never have another Dubai debacle, by ensuring that the proper steps are taken to keep our ports, our cities, and our citizens safe and secure. The National Security FIRST Act also requires the interagency Committee on

Foreign Investment in the United States to conduct a 30-day review of any national security-related business transaction. After a 30-day review is conducted, it would be required to conduct a full-scale, 45-day investigation of the effects the business transaction would have on national security, if deemed necessary.

In addition, the legislation requires the committee to file semi-annual reports to Congress, keeping the American people informed and shedding some much-needed sunlight and transparency on foreign investments in the U.S. infrastructure that could have potentially devastating consequences to our security and our citizens.

And while the legislation strengthens and reforms the process, it also allows the critical flow of foreign investment into the United States economy to continue, which is critical if we are going to successfully compete with the rest of the world in this age of globalization.

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

Mr. HASTINGS of Washington. Mr. Speaker, I want to thank the gentleman from New York (Mr. ARCURI) for yielding me the customary 30 minutes, and I yield myself such time as I may consume.

(Mr. HASTINGS of Washington asked and was given permission to revise and extend his remarks.)

Mr. HASTINGS of Washington. Mr. Speaker, most Americans, including some Members of Congress, had never heard of the Committee on Foreign Investment in the United States, that is, until the proposed purchase of commercial operations of six U.S. ports by the Dubai Ports World, a company controlled by the United Arab Emirates.

After reviewing the way in which the Committee on Foreign Investment in the United States operates, it became clear that we must revamp the process by which foreign investments are examined for any effect that they may have on national security. The House acted and passed legislation last year, but, unfortunately, differences with the Senate were not resolved. That is why we are here again today to consider the bipartisan National Security FIRST Act, of which I am proud to be a cosponsor.

I would like to take this opportunity to thank my friends on the majority for bringing to the floor a bill that mirrors legislation championed in the last Congress by Republican whip Mr. BLUNT, the National Security FIRST Act, which passed the U.S. House of Representatives by a unanimous vote last year of 424-0.

This underlying bill would for the first time establish in law the Committee on Foreign Investment in the United States, which is currently a creation of a 1975 executive order. It would require the committee to increase its scrutiny of foreign acquisitions of U.S. assets whenever the transactions involve firms owned by foreign govern-

ments. The bill would also enhance congressional oversight of the committee by ensuring that leaders of both parties in Congress are briefed on investigative results before the committee completes its reviews of the takeover bids.

Following the tragedy of September 11, 2001, protecting our homeland must be a top priority for Congress. We face no greater challenge than protecting Americans from an enemy without borders that we all know is determined to destroy our Nation by any means necessary.

Mr. Speaker, it is vital that we act to revise and review the investigative process for foreign investment activities that may affect our national security. In the wake of the Dubai Ports World controversy, the current foreign investment process lacks confidence, predictability, and reliability, trademarks, I might say, of the U.S. securities markets.

The underlying bill, the National Security FIRST Act, restores confidence, predictability, and reliability while continuing to encourage foreign investments and preserve the over 5 million American jobs that foreign investment supports in the United States.

In my home State of Washington, Mr. Speaker, U.S. subsidiaries of foreign companies play a vital role in supporting jobs, employing over 83,000 Washingtonians. This bill has been carefully balanced so as not to discourage these important investments.

I urge my colleagues to support this open rule, and I hope this will not be the last open rule that we have providing for consideration of legislation impacting our national security.

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

Mr. ARCURI. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Massachusetts (Mr. FRANK), the chairman of Financial Services.

Mr. FRANK of Massachusetts. Mr. Speaker, I appreciate the Rules Committee's complying with our preference for this rule, which allows any amendments to be offered that are germane.

And I just want to touch a little bit on a discussion we had in the Rules Committee yesterday about whether or not it makes any sense to have an open rule. There were a couple Members, one in particular, who said, This is no big deal because, after all, this bill passed last year overwhelmingly and it could have been done on suspension. And the argument that it is an equivalent to pass a bill on a suspension and to give it an open rule if it is likely to pass by an overwhelming majority is deeply flawed and misunderstands the legislative process, and I want to make sure that people have addressed this.

The important question on a bill may not be "yes" or "no." There is a large number of bills that are going to pass. There are bills that are going to pass because politically they are perceived as impossible to oppose. There are bills

that achieve a purpose that everyone is for. In many cases, and it would appear to be the case with this bill, the important question is not whether or not it passes but in what form. That is, the amending process has a relevance and an importance, whether or not the bill is ultimately going to pass. And when you rely, as it was suggested yesterday that we should, on a suspension, as long as we know the bill is going to pass because, as Members understand, a suspension does not allow for the amendment process, then you are constricting the ability of Members to legislate sensibly.

The question is not just "yes" or "no." That, as I said, is a denigration of the legislative process. And having an open rule, as opposed to a suspension, means a number of amendments are offered. I am opposing many of the amendments, as are my colleagues on the other side. I am not opposing all of the amendments. Even where an amendment is defeated, remember, our purpose is not simply to stamp out an end result. It is to participate in the democratic process of discussion and debate. The process is diminished when a bill that is important is given only 40 minutes with no amendments because it is noncontroversial. We will talk for more than 40 minutes today. We will have some amendments.

So I hope this will stand, this process today, as a repudiation of the notion that it is an equivalent to pass a bill under suspension of the rules, with no amendments and only 40 minutes of debate, and to go through this process of an open rule. Even though I expect this bill to pass overwhelmingly, as it passed last year, this House, this country, this democratic process benefit. And, of course, it is just one bill.

As a general rule, I would hope that we would not use the suspension process for bills that are complex where Members might have some difference of view not as to whether or not the bill should pass, but in what form it should pass. This process today, I think, will show the superiority of the choice we are making under the current leadership of the Congress to go ahead with a more open debate than last year when the question was simply can we get the votes to pass, and if so, let's shut down the debate and shut down the amendment process. That is ill-served democracy. Today is a much better way, and I thank the Rules Committee for it.

Mr. HASTINGS of Washington. Mr. Speaker, I appreciate the gentleman from Massachusetts for making his remarks. For a minute I thought he was making an argument about the debate we had last week regarding the Iraq resolution where we were asking for an open debate.

Mr. Speaker, I would like to yield 2 minutes to my friend from Illinois (Mr. MANZULLO).

□ 1045

Mr. MANZULLO. Mr. Speaker, I rise in strong support of H.R. 556. This bill

strikes the correct balance between the need to increase foreign direct investment and national security.

Let me first make clear that I am a strong supporter of foreign direct investment, which represents the insourcing of capital and local jobs to America. The congressional district that I am pleased to represent has had several manufacturing facilities that have benefited, and some have been saved as a direct result of foreign direct investment. This includes investment from businesses located in Great Britain, Sweden, Canada, Israel, Denmark, Germany, the Netherlands, Switzerland, Japan, Brazil and Italy. Even a Chinese enterprise bought a nonsecurity-sensitive manufacturing facility in my congressional district at a time when no other financing was available.

These investments have been critical for saving and creating jobs in the 16th District of Illinois. While I very much am interested in maintaining full foreign direct investments, I recognize it is important for our national security to regulate the types of businesses that receive such investment.

The bill before us ensures us that the Committee on Foreign Investments in the United States, known as CFIUS, will conduct an extended review when a foreign government tries to purchase a company within the United States. The bill also mandates greater transparency by ensuring that Congress is informed of a CFIUS investigation in a timely manner.

I encourage my colleagues to vote in favor of the rule and in favor of final passage.

Mr. ARCURI. Mr. Speaker, I yield 2 minutes to the gentlewoman, my colleague from the Rules Committee, Ms. SUTTON.

Ms. SUTTON. I thank the distinguished gentleman from New York.

Mr. Speaker, I rise in support of H.R. 556, the National Security FIRST Act, and I believe this bill is a good example of how we can ensure our Nation's security and still encourage foreign investment to help create and maintain jobs.

While I didn't have the honor to serve in the last Congress, I can tell you that the Dubai Ports World deal was not well received in northeast Ohio. Myself, and many of our constituents, wondered how such a concerning deal could have been approved. The answer was that there was little accountability, oversight and transparency with the way the Committee on Foreign Investment and the United States, or CFIUS, worked. The DPW deal was so concerning to this Congress last year, as has been mentioned, that legislation very similar to that which we are passing today passed overwhelmingly by a vote of 424-0. H.R. 556 ensures that these matters are addressed and gives both the administration and Congress greater responsibilities for dealing with foreign investment in our Nation.

We can have oversight, accountability and transparency and still support American businesses and workers. That is the lesson of this bill. This bill enjoys broad support, including the Chamber of Commerce, the National Association of Manufacturers and other business organizations. This bill represents another bipartisan success. I am pleased to support it, and I encourage its passage to ensure our national security.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 5 minutes to the distinguished Republican Conference chairman, Mr. PUTNAM of Florida.

Mr. PUTNAM. I thank the gentleman for yielding time, and I thank my former colleagues on the Rules Committee for bringing to the floor the second open rule of the year. I think that it yields better policy when all of us work together and hash things out on the floor and can move forward with something that is productive for the entire Nation.

The virtues of this legislation are well known to Members on both sides of the aisle. The bill brings much needed clarity and oversight to the insourcing process. More importantly, it applies a post-9/11 mindset to a pre-9/11 infrastructure.

It was about a year ago at this time that Dubai Ports World's acquisition of a stake in our ports became a very hot topic around America. When we discovered the DP World transaction, we reacted as strongly as we did not only because of the potential imminent threat being posed to our security, but because the deal was so far along in the process before it came to light. So we acted in the last Congress to pass a substantially similar bill to what we are considering today, giving CFIUS the authority necessary to review legitimate foreign transactions. The Republican bill considered last year passed the House unanimously, again, a bipartisan product, on an issue important both to national security and the national economy.

Here we are a year later with the benefit of hindsight, but our charge remains the same, to establish that balance between the momentum of the global market and the needs of our national and homeland security. Our ports remain an important example of why this legislation, which involves all foreign transactions, is so critical. The worldwide shipping industry sends to our shores over 9 million shipping containers each year. These containers are transported on megaships that can deliver 3,000 containers at a time. And at the same time our ports are critical to keeping our economy competitive in a global marketplace. These 9 million containers account for a whopping 95 percent of our imports by weight, and 75 percent by value.

Keeping foreign transactions secure is our first priority, and this legislation is a very important start because we must put in place an interagency

review process that is comprehensive without being counterproductive.

This bill should not be the launching point for legislative micromanagement of foreign transactions. Unnecessary bureaucracy will certainly deter foreign companies from investing their resources here, which is precisely what we want to be, a magnet for investment from around the world.

And there is a danger of politicizing the foreign investment process. There is clearly a difference between a transaction that runs contrary to an individual's parochial priorities as opposed to one that conflicts with this body's national priorities. And we must, again, be careful not to send the wrong message to the world's investors that America is closed for business. Our citizens, also, should be aware that our national security is not for sale.

This bill should become law without delay. It strengthens our national security, while recognizing our role, America's role, in a global market. If we are diligent in seeing these reforms through, we can have both safer transactions and a stronger economy.

I thank all of the authors and the sponsors of the bill and the work that has gone into this.

Mr. ARCURI. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York (Mrs. MALONEY).

Mrs. MALONEY of New York. I thank the gentleman for yielding, and I thank him so much for his leadership on this bill and so many other important issues to our State and country.

Mr. Speaker, I rise in strong support for National Security FIRST, the underlying bill, and in strong support for the open rule that is before us.

Democrats have pledged a return to democracy on the floor of the House of Representatives with an open rule process, and I am very happy to support that pledge with a debate on my bill, H.R. 556.

As Congressman DREIER said last night in the Rules Committee, he said that this doubles the amount of times the Republicans allowed for an open rule on a legislative bill in the last Congress; of course this is legislative bills, not appropriations bills. And even though this bill has strong bipartisan support, we did get several amendments last night.

I appreciate deeply that Chairman FRANK supported and called for an open rule, and that in addition he asked for and obtained a preprinting requirement, since the bill is complicated, and Members on both sides of the aisle need to have time to read the amendments and put them in context.

This is the second time this bill has come to the floor. It passed overwhelmingly last year, 421-0, and it is a sound bill that strengthens national security, while encouraging safe foreign investment that helps create American jobs.

I hope and expect that the bipartisan effort that got this bill passed in the last Congress will be here today, and I believe that this open rule reflects the spirit of our bipartisan work.

I would just like to point out that a year has passed since the Dubai World's fiasco, the scandal, and if you had told me that it would take a year to pass this bill, I would not have believed it. And I think my colleagues on both sides of the aisle share this sense of urgency to get this bill done. I am deeply grateful for their support. This is not a political issue; it deserves strong bipartisan support. Nothing is more important than our national security, our homeland security and promoting American jobs.

I thank the gentleman for yielding.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield as much time as he may consume to the distinguished ranking member of the Rules Committee, Mr. DREIER of California.

(Mr. DREIER asked and was given permission to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, I rise in strong support of this rule and the underlying legislation.

I have to say, as I listen to my good friend from New York (Mrs. MALONEY), who has worked long and hard on this, it didn't take a year for us to pass this measure through the House of Representatives; it passed, as the gentlewoman said, by a vote of 421-0 in the last Congress, and that was in response to the DPW deal, which obviously raised a number of concerns from a number of people in this institution.

Mr. Speaker, this is a Republican bill, which, as the distinguished chairman of the Committee on Financial Services pointed out in the Rules Committee last night, enjoys strong bipartisan support, and it enjoys the kind of support that motherhood and apple pie enjoy. There is no controversy to this bill whatsoever. And I am very proud of the fact, as the gentlewoman from New York said, that we are now, by passing an open rule for the second time in the 110th Congress, doubling the record that we had in the 109th Congress when it came to open rules. But the true test will come when we are dealing with a controversial issue that does not enjoy strong bipartisan support. That is where this Madisonian vision of a clash of ideas is very important, Mr. Speaker.

And so I hope very much that as we bring measures, both of which in the 110th Congress were passed by unanimous votes in the 109th Congress, to the floor, and we are very proud of the fact that they are being considered on an open rule, I hope very much that we will do everything that we possibly can to ensure that debates like the one that we had 2 weeks ago on the issue of Iraq are considered under a process that will allow maybe a chance for the minority to consider a substitute, or a process that would, again, bring that clash of ideas, because it is very clear there was complete agreement on the fuels bill that we dealt with 2 weeks ago under an open rule, extraordinarily strong bipartisan support. There is complete agreement on the goal of

CFIUS reform. Yes, we know that 12 amendments were filed by seven Members last night that will be considered here on the House floor under this open amendment process, but at the end of the day, Republicans and Democrats will come together in support of this.

The true test, Mr. Speaker, will be whether or not we take up a measure where there is strong, vigorous disagreement on the part of our Members. But I will say that we need to recognize that the two most important issues that we face as Members of this institution are the issues of, first and foremost, our national security; and, second, ensuring that we create economic opportunity for all Americans and maintain the strong, bold, dynamic growth that we have in our economy.

This measure that we are addressing today actually addresses both issues, Mr. Speaker. It will strengthen the process by which our national security stakeholders in the administration, from the Defense Department to the National Security Agency, review and investigate foreign investors in the U.S. economy. It focuses in particular on those companies that are controlled by foreign governments or are based in countries that support terrorism. These are commonsense reforms that again enjoy strong bipartisan support that will provide an adequate level of scrutiny to ensure that no investment poses a national security threat to our interests. However, it also ensures a process that, while thorough, is not prohibitive. This legislation is a reflection of the need for a review process that does not close us off to the vital foreign investment that is a major source of our economic strength.

I again praise the distinguished Chair of the Committee on Financial Services who last night in the Rules Committee talked about the importance of foreign direct investment. FDI is very important to us, and if we look at our economic growth, there is a strong, strong reliance that we have had. Because economic security underpins national security, it is absolutely imperative that we work to ensure that our economy remains the world's best place to invest and do business.

Mr. Speaker, let me provide some numbers that not everyone is familiar with. Foreign companies currently employ 5.3 million Americans here in the United States. We just got the report of this Toyota plant that is going to be opening in Tupelo, Mississippi. It is important to note that those foreign investors who employ 5.3 million Americans actually pay wage rates that are 50 percent higher than the average wage paid here in the United States. Companies like Toyota, Siemens, Novartis come to the United States in order to tap into our powerful market, innovative environment and superior workforce. In the process, they generate greater economic activity, create high-paying jobs and improve our

standard of living. And we have enjoyed these benefits, Mr. Speaker, because of the openness, strength and dynamism of the U.S. economy.

As we debate the need for national security reforms to our review process, we must recognize that to close off our economy to the world's investors would be to close ourselves off to the prosperity and opportunities that we have long enjoyed as the world's best investment. We cannot lose sight of the fact that we have prospered not in spite of, but because of our Nation's openness.

I believe that this bill charts a smart path that preserves both national security and our ability to attract investment and grow our economy. My colleagues, as I said, all agree with me. We have been through this process before, as I said, in the 109th Congress.

□ 1100

The bill that was passed in the last Congress was sponsored by the gentleman from Missouri (Mr. BLUNT), the distinguished minority whip, and this legislation which is virtually identical to the bill we are considering today, was considered by an overwhelming unanimous bipartisan vote.

Personally, I would very much like to see these good, well-crafted utterly noncontroversial bills where they belong, and that is on the suspension calendar where we passed it quickly and expeditiously in the last Congress.

But the fact of the matter is we are where we are, Mr. Speaker. It is important for us to recognize our priorities of national security, number one; and, number two, our economic strength and making sure that we expand that economic growth.

I urge support of this rule and the underlying legislation.

Mr. ARCURI. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. FRANK).

Mr. FRANK of Massachusetts. Mr. Speaker, I want to make clear the flaws in the reasoning we have just heard.

Equating a suspension of the rules procedure which allows only 40 minutes of debate and no amendments with an open rule simply because the final bill will get a large vote misunderstands, indeed, denigrates the democratic process.

The gentleman says this belongs on the suspension calendar. There are amendments offered, some I will support and will improve the bill; others that will not. But for one thing, why only 20 minutes of debate on each side on an important issue. When the gentleman says noncontroversial bills belong on the suspension calendar, he undervalues the process of debate and amendment. Very often the questions are not whether the bill will pass ultimately or not, but in what form. And let us be very clear, the suspension calendar eliminates amendments.

To say because a bill can ultimately pass with a large majority Members should not be given a chance on the

floor to alter it or amend it seems to me to denigrate the process.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, I would simply argue that the need for us to consider measures under an open amendment process is something I support. I am standing here in support of this open rule. I also would like to say that the argument for us to come forward and debate issues here on the floor is very important. The issue of Iraq was considered under an open rule.

Mr. FRANK of Massachusetts. I am reclaiming my time because the gentleman is evading the point he made. He is the one who said this should be suspension. He is the one who said suspension is where, if it is going to pass by a lot in the end, you don't need an open rule you can have suspension. He said we should put these noncontroversial bills back on the suspension calendar.

There are two separate sets of bills. There are bills that are going to be controversial in the end that you have to debate, and there are also bills that are controversial in part.

As far as the committee I chair is concerned, unlike the practice under the gentleman's chairmanship of the Rules Committee, we will be bringing out the bills from our committee that are controversial in all aspects open to amendment if I have anything to say about it, and I will fight for that. But that doesn't mean that you go for suspension and no amendments.

Mr. HASTINGS of Washington. Mr. Speaker, I yield myself the balance of my time.

I would like to thank my colleagues on both sides of the aisle for bringing this National Security FIRST Act under an open rule today.

As we move forward, Mr. Speaker, when we have important bills, and I am glad to hear my friend from Massachusetts say if there are controversial bills that come out of his committee, if he has anything to say, he will ask for an open process. I think that is good, and I commend him for that. I would hope as we move forward with bills regarding national security, health care and education, as they are brought to the Rules Committee and to the floor, I hope that all Members will be able to offer input and shape legislation through an open process.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS of Washington. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. I would just say to the gentleman that I intend to make the same request for openness this year from our committee that I did last year when he was in the majority. I am hoping for a better result this time.

Mr. HASTINGS of Washington. The gentleman, I remember, I am sure he

was part of the majority that when the process was closed, there was a great deal of outrage. I would hope, I would hope that if there is a more closed process under a new majority that there would be similar outrage from the gentleman.

Mr. FRANK of Massachusetts. If the gentleman would continue to yield, I am talking about the last year when the gentleman was on the Rules Committee and when the committee I was on brought forward amendments to the Rules Committee and offered amendments, the Rules Committee wouldn't allow us to vote on them on the floor.

Mr. HASTINGS of Washington. Reclaiming my time, I would just remind my friend that when that happened last year, which is acknowledged on our side, that there was a bit of outrage on your side. I am simply saying I would hope as we move forward and you ask for the same consideration as you asked last year, but say it was denied, I hope that there will be the same outrage on your side if you are denied an open process. That is all I am saying. I am looking prospective. That is all I am saying.

Mr. FRANK of Massachusetts. Well, I am hoping for votes, not outrage.

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

Mr. ARCURI. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, last night during the debate in the Rules Committee, some questions were raised as to the appropriateness of an open rule as opposed to bringing this bill under a suspension of the rules.

I think that question was answered clearly in that 12 amendments were filed on the bill, three by Democrats and nine by Republicans. I think that question was clearly answered, an open rule is preferable and there are amendments filed.

Protecting the safety and security of Americans is without question our top priority as Members of this institution. It is overwhelmingly clear that the current process is in place for the Federal Government to review foreign investment is broken.

The National Security FIRST Act will provide the necessary reforms to the process and keep our infrastructure, our cities, and most importantly, our constituents safe and secure.

It will also ensure that a debacle like the one that occurred last year at Dubai Ports does not happen again, while still continuing to encourage the very important foreign investment in our economy here in this country. I would strongly urge a "yes" vote on the rule, and the previous question.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FRANK of Massachusetts. Mr. Speaker, I ask unanimous consent that

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