

109TH CONGRESS
2^D SESSION

S. 2333

To require an investigation under the Defense Production Act of 1950 of the acquisition by Dubai Ports World of the Peninsular and Oriental Steam Navigation Company, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27, 2006

Mr. SCHUMER (for himself, Mr. COLEMAN, Mr. MENENDEZ, Ms. SNOWE, Mrs. CLINTON, Mr. COBURN, Mr. REED, Ms. COLLINS, Mr. LAUTENBERG, Mr. DURBIN, Mrs. BOXER, Mr. SANTORUM, and Ms. MIKULSKI) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To require an investigation under the Defense Production Act of 1950 of the acquisition by Dubai Ports World of the Peninsular and Oriental Steam Navigation Company, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Foreign Investment
5 Security Improvement Act of 2006”.

1 **SEC. 2. INVESTIGATION UNDER DEFENSE PRODUCTION**2 **ACT OF 1950.**

3 (a) INVESTIGATION.—

4 (1) IN GENERAL.—Notwithstanding any other
5 provision of law, the President or the President’s
6 designee shall conduct an investigation, under sec-
7 tion 721(b) of the Defense Production Act of 1950
8 (50 U.S.C. App. 2170(b)), of the acquisition by
9 Dubai Ports World, an entity owned or controlled by
10 the Emirate of Dubai, of the Peninsular and Ori-
11 ental Steam Navigation Company, a company that is
12 a national of the United Kingdom, with respect to
13 which written notification was submitted to the
14 Committee on Foreign Investment in the United
15 States on December 15, 2005. Such investigation
16 shall be completed not later than 45 days after the
17 date of the enactment of this Act.

18 (2) SUSPENSION OF EXISTING DECISION.—The
19 President shall suspend any decision by the Presi-
20 dent or the President’s designee pursuant to section
21 721 of the Defense Production Act of 1950 (50
22 U.S.C. App. 2170) with respect to the acquisition
23 described in paragraph (1) that was made before the
24 completion of the investigation described in para-
25 graph (1), including any such decision made before
26 the date of the enactment of this Act.

1 (b) REQUIREMENTS FOR INVESTIGATION.—The in-
2 vestigation under subsection (a) shall include—

3 (1) a review of foreign port assessments con-
4 ducted under section 70108 of title 46, United
5 States Code, of ports at which Dubai Ports World
6 carries out operations;

7 (2) background checks of appropriate officers
8 and security personnel of Dubai Ports World;

9 (3) an evaluation of the impact on port security
10 in the United States by reason of control by Dubai
11 Ports World of operations at the United States ports
12 affected by the acquisition described in subsection
13 (a); and

14 (4) an evaluation of the impact on the national
15 security of the United States by reason of control by
16 Dubai Ports World of operations at the United
17 States ports affected by the acquisition described in
18 subsection (a), to be carried out in consultation with
19 the Commandant of the Coast Guard, the Commis-
20 sioner of the Bureau of Customs and Border Protec-
21 tion, the heads of other relevant Federal agencies,
22 and relevant State and local officials responsible for
23 port security at such United States ports.

24 (c) REPORT.—Not later than 15 days after the date
25 on which the investigation conducted pursuant to this sec-

1 tion is completed, the President shall submit to Congress
2 a report that—

3 (1) contains the findings of the investigation,
4 including—

5 (A) an analysis of the national security
6 concerns reviewed under the investigation; and

7 (B) a description of any assurances pro-
8 vided to the Federal Government by the appli-
9 cant and the effect of such assurances on the
10 national security of the United States; and

11 (2) contains the determination of the President
12 of whether or not the President will take action
13 under section 721(d) of the Defense Production Act
14 of 1950 (50 U.S.C. App. 2170(d)) pursuant to the
15 investigation.

16 (d) CONGRESSIONAL BRIEFING.—

17 (1) IN GENERAL.—Not later than the date on
18 which the report described in subsection (c) is sub-
19 mitted to Congress pursuant to such subsection, the
20 President or the President's designee shall provide
21 to the Members of Congress specified in paragraph
22 (2) a detailed briefing on the contents of the report.

23 (2) MEMBERS OF CONGRESS.—The Members of
24 Congress specified in this paragraph are the fol-
25 lowing:

1 (A) The majority leader and minority lead-
2 er of the Senate.

3 (B) The Speaker and minority leader of
4 the House of Representatives.

5 (C) The Chairman and Ranking Member
6 of the Committee on Banking, Housing, and
7 Urban Affairs, the Committee on Finance, and
8 the Committee on Homeland Security and Gov-
9 ernmental Affairs of the Senate.

10 (D) The Chairman and Ranking Member
11 of the Committee on Financial Services, the
12 Committee on Homeland Security, and the
13 Committee on Ways and Means of the House of
14 Representatives.

15 (E) Each Member of Congress who rep-
16 represents a State or district in which a United
17 States port affected by the acquisition described
18 in subsection (a) is located.

19 **SEC. 3. CONGRESSIONAL ACTION.**

20 (a) IN GENERAL.—If the determination of the Presi-
21 dent contained in the report submitted to Congress pursu-
22 ant to section 2(c) of this Act is that the President will
23 not take action under section 721(d) of the Defense Pro-
24 duction Act of 1950 (50 U.S.C. App. 2170(d)) and not
25 later than 30 days after the date on which Congress re-

1 ceives the report, a joint resolution described in subsection
2 (b) is enacted into law, then the President shall take such
3 action under section 721(d) of the Defense Production Act
4 of 1950 as is necessary to prohibit the acquisition de-
5 scribed in section 2(a), including, if such acquisition has
6 been completed, directing the Attorney General to seek di-
7 vestment or other appropriate relief in the district courts
8 of the United States.

9 (b) JOINT RESOLUTION DESCRIBED.—For purposes
10 of subsection (a), the term “joint resolution” means a
11 joint resolution of the Congress, the sole matter after the
12 resolving clause of which is as follows: “That the Congress
13 disapproves the determination of the President contained
14 in the report submitted to Congress pursuant to section
15 2(c) of the Foreign Investment Security Improvement Act
16 of 2006 on _____.”, with the blank space being
17 filled with the appropriate date.

18 (c) COMPUTATION OF REVIEW PERIOD.—In com-
19 puting the 30-day period referred to in subsection (a),
20 there shall be excluded any day described in section 154(b)
21 of the Trade Act of 1974 (19 U.S.C. 2194(b)).

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