

§ 4566. Prohibition on purchase of United States defense contractors by entities controlled by foreign governments

(a) In general

No entity controlled by a foreign government may merge with, acquire, or take over a company engaged in interstate commerce in the United States that—

(1) is performing a Department of Defense contract, or a Department of Energy contract under a national security program, that cannot be performed satisfactorily unless that company is given access to information in a proscribed category of information; or

(2) during the previous fiscal year, was awarded—

(A) Department of Defense prime contracts in an aggregate amount in excess of \$500,000,000; or

(B) Department of Energy prime contracts under national security programs in an aggregate amount in excess of \$500,000,000.

(b) Inapplicability to certain cases

The limitation in subsection (a) shall not apply if a merger, acquisition, or takeover is not suspended or prohibited pursuant to section 4565 of this title.

(c) Definitions

In this section:

(1) The term “entity controlled by a foreign government” includes—

(A) any domestic or foreign organization or corporation that is effectively owned or controlled by a foreign government; and

(B) any individual acting on behalf of a foreign government,

as determined by the President.

(2) The term “proscribed category of information” means a category of information that—

(A) with respect to Department of Defense contracts—

(i) includes special access information;

(ii) is determined by the Secretary of Defense to include information the disclosure of which to an entity controlled by a foreign government is not in the national security interests of the United States; and

(iii) is defined in regulations prescribed by the Secretary of Defense for the purposes of this section; and

(B) with respect to Department of Energy contracts—

(i) is determined by the Secretary of Energy to include information described in subparagraph (A)(ii); and

(ii) is defined in regulations prescribed by the Secretary of Energy for the purposes of this section.

(Pub. L. 102-484, div. A, title VIII, §835, Oct. 23, 1992, 106 Stat. 2461.)

CODIFICATION

Section was formerly classified to section 2170a of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

Section was enacted as part of the National Defense Authorization Act for Fiscal Year 1993, and not as part

of the Defense Production Act of 1950 which comprises this chapter.

§ 4567. Defense Production Act Committee

(a) Committee established

There is established the Defense Production Act Committee (in this section referred to as the “Committee”), which shall coordinate and plan for on¹ the effective use of the priorities and allocations authorities under this chapter by the departments, agencies, and independent establishments of the Federal Government to which the President has delegated authority under this chapter.

(b) Membership

(1) IN GENERAL.—The members of the Committee shall be—

(A) the head of each Federal agency to which the President has delegated authority under this chapter; and

(B) the Chairperson of the Council of Economic Advisors.

(2) The Chairperson of the Committee shall be the head of the agency to which the President has delegated primary responsibility for government-wide coordination of the authorities in this chapter.

(c) Coordination of Committee activities

The Chairperson shall appoint one person to coordinate all of the activities of the Committee, and such person shall—

(1) be a full-time employee of the Federal Government;

(2) report to the Chairperson; and

(3) carry out such activities relating to the Committee as the Chairperson may determine appropriate.

(d) Report

The Committee shall issue a report each year by March 31 to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report signed by the Chairperson that contains—

(1) a description of the contingency planning by each department, agency, or independent establishment of the Federal Government to which the President has delegated authority under this chapter for events that might require the use of the priorities and allocations authorities;

(2) recommendations for the effective use of the priorities and allocations authorities in this chapter in a manner consistent with the statement of policy under section 4502(b) of this title;

(3) recommendations for legislation actions, as appropriate, to support the effective use of the priorities and allocations authorities in this chapter;

(4) recommendations for improving information sharing between departments, agencies, and independent establishments of the Federal Government relating to the use of the priorities and allocations authorities in this chapter;

¹ So in original. The word “on” probably should not appear.