

119TH CONGRESS
2D SESSION

S. _____

To amend title VIII of the Defense Production Act of 1950 to include biotechnology in the definitions of “prohibited technology” and “notifiable technology”, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. RICKETTS (for himself and Ms. SLOTKIN) introduced the following bill;
which was read twice and referred to the Committee on

A BILL

To amend title VIII of the Defense Production Act of 1950 to include biotechnology in the definitions of “prohibited technology” and “notifiable technology”, 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 at the “Biotech Investment
5 National Security Act of 2026” or the “BINSAs Act”.

6 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

7 (a) FINDINGS.—Congress finds the following:

1 (1) The People’s Republic of China has pursued
2 a deliberate, state-directed strategy to dominate
3 global biotechnology, including pharmaceutical devel-
4 opment, biologics manufacturing, and clinical re-
5 search and development capabilities.

6 (2) United States capital flowing to Chinese
7 biotechnology companies through licensing agree-
8 ments, joint ventures, and equity investments is ac-
9 celerating the acquisition by the People’s Republic of
10 China of pharmaceutical intellectual property and
11 clinical development capabilities in a manner that
12 creates strategic dependency risks for the United
13 States.

14 (3) Cross-border out-licensing transactions be-
15 tween United States and European pharmaceutical
16 companies and Chinese biotechnology firms totaled
17 approximately \$136,000,000,000 in 2025, rep-
18 resenting a rapid and accelerating transfer of phar-
19 maceutical innovation capacity to entities subject to
20 the direction and control of the People’s Republic of
21 China.

22 (4) Biotechnology, including pharmaceutical de-
23 velopment and biologics manufacturing, has civil-
24 military dual-use applications and presents strategic
25 dependency risks for the United States comparable

1 to those presented by semiconductors, artificial intel-
2 ligence, and other technologies already covered by
3 title VIII of the Defense Production Act of 1950 (50
4 U.S.C. 4581 et seq.).

5 (5) Section 851 of the National Defense Au-
6 thorization Act for Fiscal Year 2026 (Public Law
7 119–60; 41 U.S.C. 3901 note prec.) (commonly re-
8 ferred to as the “BIOSECURE Act”), recognized
9 that biotechnology is both a national security asset
10 and a strategic vulnerability, and that the People’s
11 Republic of China seeks to dominate biotechnology
12 as an industry of the future.

13 (b) SENSE OF CONGRESS.—It is the sense of Con-
14 gress that consistent application of outbound investment
15 screening to biotechnology is necessary to prevent United
16 States capital and intellectual property from accelerating
17 the dominance by the People’s Republic of China of the
18 pharmaceutical innovation supply chain in a manner that
19 will create long-term strategic dependency risks analogous
20 to those the United States now faces with respect to rare
21 earth elements and semiconductors.

1 **SEC. 3. INCLUSION OF BIOTECHNOLOGY AND LICENSING**
2 **OF TECHNOLOGIES IN PROHIBITED AND**
3 **NOTIFIABLE TRANSACTIONS.**

4 Section 809 of the Defense Production Act of 1950
5 (50 U.S.C. 4589) is amended—

6 (1) in paragraph (4)(A)—

7 (A) in clause (vii), by striking “; or” and
8 inserting a semicolon;

9 (B) by redesignating clause (viii) as clause
10 (ix); and

11 (C) by inserting after clause (viii) the fol-
12 lowing:

13 “(viii) licensing of a prohibited tech-
14 nology from a covered foreign person; or”;

15 (2) in paragraph (7)(A), by adding at the end
16 the following:

17 “(vi) Biotechnology, meaning the re-
18 search, development, manufacturing, or
19 commercialization of—

20 “(I) pharmaceutical products
21 (which has the meaning given the
22 term ‘drug’ in section 201(g)(1) of the
23 Federal Food, Drug, and Cosmetic
24 Act (21 U.S.C. 321(g)(1)));

25 “(II) biological products (as de-
26 fined in section 351(i) of the Public

1 Health Service Act (42 U.S.C.
2 262(i)); and

3 “(III) therapeutic compounds, in-
4 cluding drug discovery platforms, clin-
5 ical research and development capa-
6 bilities, biologics manufacturing, and
7 intellectual property and know-how re-
8 lating to therapeutic compounds.”;
9 and

10 (3) in paragraph (10)(A), by adding at the end
11 the following:

12 “(vi) Biotechnology, meaning the re-
13 search, development, manufacturing, or
14 commercialization of—

15 “(I) pharmaceutical products
16 (which has the meaning given the
17 term ‘drug’ in section 201(g)(1) of the
18 Federal Food, Drug, and Cosmetic
19 Act (21 U.S.C. 321(g)(1)));

20 “(II) biological products (as de-
21 fined in section 351(i) of the Public
22 Health Service Act (42 U.S.C.
23 262(i)); and

24 “(III) therapeutic compounds, in-
25 cluding drug discovery platforms, clin-

1 ical research and development capa-
2 bilities, biologics manufacturing, and
3 intellectual property and know-how re-
4 lating to therapeutic compounds.”.

5 **SEC. 4. RULEMAKING.**

6 (a) IN GENERAL.—The Secretary of the Treasury
7 shall, not later than 1 year after the date of the enactment
8 of this Act, issue a rule to further define the parameters
9 of the area of “biotechnology”, as used in paragraphs
10 (7)(A) and (10)(A) of section 809 of the Defense Produc-
11 tion Act of 1950, as amended by section 3.

12 (b) REQUIREMENTS.—When defining the parameters
13 of the area of “biotechnology” pursuant to subsection (a),
14 the Secretary of the Treasury shall—

15 (1) consult with the Secretary of Health and
16 Human Services, the Secretary of Defense, and the
17 Director of National Intelligence;

18 (2) give particular consideration to transactions
19 involving the licensing of intellectual property, drug
20 discovery platforms, clinical research and develop-
21 ment capabilities, and biologics manufacturing
22 know-how to covered foreign persons (as defined in
23 section 809 of the Defense Production Act of 1950);

24 (3) give particular consideration to licensing
25 transactions, joint ventures, and equity investments

1 involving drug discovery platforms, clinical develop-
2 ment capabilities, and biologics manufacturing as
3 priority categories for both the prohibited and
4 notifiable technology tiers within the biotechnology
5 sector;

6 (4) consider the degree to which a transaction
7 would transfer pharmaceutical innovation capacity,
8 clinical development capabilities, or manufacturing
9 know-how to entities subject to the direction or con-
10 trol of the People's Republic of China; and

11 (5) not define the biotechnology sector in a
12 manner that includes or could be construed to in-
13 clude agricultural biotechnology, industrial fermenta-
14 tion unrelated to pharmaceutical or therapeutic pro-
15 duction, or basic academic research with no direct
16 pharmaceutical or therapeutic application.

17 **SEC. 5. REPORT REQUIRED.**

18 (a) IN GENERAL.—Not later than 60 days after the
19 date of the enactment of this Act, the Secretary of Defense
20 shall submit to the appropriate congressional committees
21 a report assessing whether flows of United States capital
22 into the biotechnology sector of the People's Republic of
23 China, including through licensing transactions with Chi-
24 nese biotechnology firms, negatively affect United States
25 national security and military readiness.

1 (b) FORM.—The report required by subsection (a)
2 shall be submitted in unclassified form but may include
3 a classified annex.

4 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
5 FINED.—In this section, the term “appropriate congres-
6 sional committees” means—

7 (1) the Committee on Armed Services of the
8 House of Representatives;

9 (2) the Committee on Financial Services of the
10 House of Representatives;

11 (3) the Permanent Select Committee on Intel-
12 ligence of the House of Representatives;

13 (4) the Select Committee on the Strategic Com-
14 petition between the United States and the Chinese
15 Communist Party of the House of Representatives;

16 (5) the Committee on Armed Services of the
17 Senate;

18 (6) the Committee on Banking, Housing, and
19 Urban Affairs of the Senate; and

20 (7) the Select Committee on Intelligence of the
21 Senate.