

China Healthcare

Factors affecting China's Bio story: US S.3558 Bill moves forward with EO issued

Industry Overview

The Bill passing out of the HSGA Committee

At the HSGA Committee meeting on 6 March, the Committee voted 11-1 to move forward the S.3558 Bill (which prohibits contracting with certain biotechnology providers and for other purposes). On comparing the amended version that the Committee passed with the original version, we note key changes include: 1) The Act may be cited as the "Prohibiting Foreign Access to American Genetic Information Act of 2024", and 2) added a section "Rules of Construction" to limit it to only prospective applications and not retrospectively as it mentions "it shall not apply to biotechnology equipment or services produced or provided under a contract or agreement entered into before the effective date". However, the listed biotechnology companies of concern remain unchanged. With respect to the subsequent process, once the Bill passes out of the Committee, it would need to move to both the Senate and the House floor for a vote. The Bill may be amended by the Senate and/or House, and any differences between the House and Senate versions must be worked out before a final vote on the legislation in both the House and the Senate. After passing the House and Senate, the Bill goes to the President to sign into a law or veto the Bill. The whole process could be lengthy, ranging from 3-9 months or more to move a bill through Congress. In addition, the Select Committee on the CCP will hold a hearing titled "Growing Stakes: The Bioeconomy and American National Security" at 9am ET on 7 March. However, no voting process is involved and is not directly linked to the discussion on the BIOSECURE Act (HR 7085) introduced by Congressman Mike Gallagher (R-WI).

Biden issues EO to protect sensitive personal data

Last week, the White House issued an [Executive Order](#) (EO) on sensitive personal data protection to prevent any countries of concern from accessing Americans' sensitive data. Sensitive information includes genomic data, biometric data, personal health data, geolocation data, financial data, and certain types of personally identifiable information. The purpose of issuing such an EO was mainly due to rising concerns that 1) such data may be misused to track Americans and other privacy violations; 2) commercial data brokers and other companies can sell or resell data to countries of concern, concerned entities, and other types of institutions or militaries that foreign governments control; and 3) the sale of such sensitive data causes rising privacy, counterintelligence, blackmail and other national security risks. Therefore, President Biden requires several departments to issue regulations/take measures to protect Americans' sensitive information, which include 1) DOJ to issue regulations to protect sensitive data that can be accessed and exploited by countries of concern; and issue regulations to better protect sensitive government-related data; 2) DOJ and Homeland Security to set standards to prevent data from being accessed by concerned countries commercially; 3) multiple departments to ensure Federal-related financial support will not be used to facilitate any data access by concerned countries; and 4) the above activities shall not promote decoupling of crucial relationships the US has with other countries.

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Abbreviations:

HSGA: Homeland Security and Governmental Affairs

EO: Executive Order

DOJ: Department of Justice

CCP: Chinese Communist Party

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[Conference takeaways: discussion with US healthcare analyst on Biosecure Act Bill](#)

[BIOSECURE Act Bill proposed by US](#)

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