

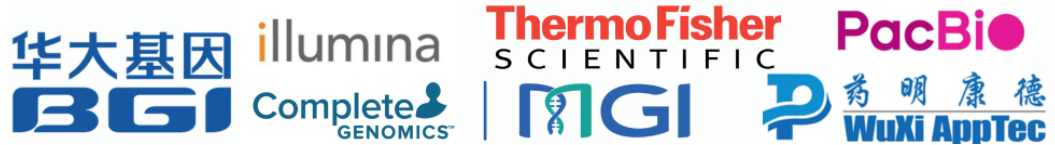
# CAPITOL STREET

March 1, 2024

## Biden EO Places More Controls on Chinese Genomics Companies

### A New Way to Protect American DNA?

Relevant Companies



### »» Our Take & Next Up

**The Biden-Harris administration issued an Executive Order that would restrict activities of Chinese genomics companies (like BGI, WuXi AppTec) in the United States (see our 1/26 memo [here](#)).** The EO is unlike the current bills rolling through Congress that seek to drive a wedge between the two nations ([here](#)) & the EO may replace legislative passage given controversial topic, election year politics. The Administration is requesting all federal agencies to halt the transfer of human data to China to prevent bioterrorism. This current EO comes at an interesting time as the House Select Committee on the Strategic Competition Between the US and CCR is adjusting its bill ([H.R. 7085](#)), but Senate Homeland Security is ramping up their language ([S. 3558](#)). Both biosecurity bills have similar language that would prohibit federal contracting with specific biotechnology companies in China.

### »» Key Points

**Both pieces of legislation have faced backlash from the biotech industry, hence the tweaks being made.** Sen. Peters (D-MI), is trying to gather support from his party to pass this bill. He is facing Republican opposition; the argument that Congress should not specifically target one nation.

- The Committee has a meeting to discuss and markup this legislation (in addition to others) March 6 at 9:30 AM EST ([here](#)).
- The House Committee on Strategic Competition Between the US and the CCP will be meeting this week as well on March 7 at 9:00 AM EST ([here](#)). Testifying at this hearing will be the CEO of Ginkgo Bioworks Holdings Inc, Jason Kelly, EVP of in-Q-Tel, Tara O'Toole, and SVP & CTO of Mitre Corp., Charles Clancy.

**The Executive Order on Preventing Access to Americans' Bulk Sensitive Personal Data and United States Government-Related Data by Countries of Concern ([here](#)) does not come as a surprise.** In our previous memo, we speculated that the Executive Order would be coming shortly after the proposed bills began to be discussed in Congress (per *Bloomberg*). There is continued risk of access to Americans' bulk information from foreign nations. The EO lays out steps and policies to prevent the transfers of American health data and other bulks to China and other countries of concern.

**Differences between Congress' legislation and Executive Order are minimal & the EO is not targeting specific companies like BGI, WuXi Apptec, etc that are specified in both bills.** The White House will be issuing an -omics report (expected to be drafted by end of June by the Domestic Policy Council, the Office of Science and Technology Policy, and the Office of Pandemic Preparedness and Response Policy) on the risks associated with transfers of human health data and has requested that federal agencies not address this topic. The EO expresses the concern that even if such private health data is de-identified and pseudonymized if accessible by countries of concern, this is a reversed threat to national security. The Secretary of Defense, Secretary of HHS, Secretary of VA and Director of the National Science Foundation are being asked to provide regulations and guidance to biotechnology companies.

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