Guidance:

BIOSECURE ACT - How proposed legislation may impact your work

Proposed legislation seeking to address US national security concerns in the biotech space may impact some of Northwestern's research and collaborations. In its current form, the proposed bill, called the **BIOSECURE Act**, would prohibit companies and institutions like Northwestern that receive US federal grants or contracts from working with several Chinese biotech companies (BGI, MGI, Complete Genomics, and WuXi Apptec) and other "biotechnology companies of concern." While the bill has bipartisan support in both houses of Congress, it is still in the early stages of the legislative process, making it difficult to predict when or if it will pass and what its final language will be.

What is the BIOSECURE Act? The act would prohibit federal agencies from contracting or extending loans or grants to any entity, including Northwestern, using equipment or services of a "biotechnology company of concern". A "biotechnology company of concern" is subject to the jurisdiction, direction, control, or operates on behalf of the government of a foreign entity of concern (i.e., China, Iran, North Korea, and Russia) and poses a potential threat to national security. The proposed legislation names certain companies based in China as "biotechnology companies of concern," including BGI, MGI, Complete Genomics, WuXi Apptec and their affiliates. Link to draft legislation.

What does this mean? Because the bill is only in draft form and has not been passed, we can currently collaborate and work with MGI, Complete Genomics, WuXi Apptec, and other biotech companies that are not on restricted lists. On the other hand, we cannot currently collaborate or work with BGI or BGI Tech Solutions without prior federal authorization as they are on a restricted party list. There is a presumption of denial, so receiving an export control license or exemption is highly unlikely. However, the regulatory environment is fluid and can change at any time. The Export Controls & International Compliance team will communicate if MGI, Complete Genomics, WuXi Apptec or their subsidiaries are added to a restricted list. Additionally, you still need to conduct your own due diligence because we are not allowed to collaborate, including shipping items, to any company, university, or entity when the end purpose is for "military" use.

What should you do?

- While no action is required now, you should evaluate the impact the BIOSECURE Act would have on your work if passed and plan for alternative sources of the products or services supplied by these companies, if needed. You may contact NU Procurement and Payment Services for help in identifying other suppliers.
- If you work with companies or organizations in high-risk countries, request Restricted Party Screenings from the Export Controls team.
 - Military end use (MEU) countries: The MEU designated <u>countries change</u> over time and are currently Belarus, Burma, Cambodia, China, Russia and Venezuela.
 - **OFAC sanctioned countries:** Highly sanctioned countries or areas **change over** time but include Cuba, Iran, North Korea, Russia, Syria, and Crimea, Donetsk and Luhansk.
- If you are <u>shipping items</u> or hand carrying them abroad, request an export control review from the Export Controls team. Contact the <u>Export Controls & International Compliance</u> team with any questions.