



U.S. Senate Committee on Finance, Subcommittee on Health Care Hearing

"Building a Resilient Health Care Future with Biotechnology"

August 4, 2026

Prepared testimony of Dr. Michelle Rozo, Vice Chair of the National Security Commission on Emerging Biotechnology (NSCEB)



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Chairman Young, Ranking Member Hassan, and members of the Subcommittee, thank you for the opportunity to testify. It is an honor to appear before you on behalf of the National Security Commission on Emerging Biotechnology to discuss why biotechnology is a matter of U.S. national security.

Chairman Young, it has been a privilege to serve alongside you as Vice Chair of the Commission. Your leadership helped produce recommendations that will strengthen America's biotechnology future.

I have two messages for the Committee today: First, China is no longer merely catching up to us in biotechnology. In key domains, particularly in areas of biopharmaceutical innovation, they are surpassing us.ⁱ Second, biotechnology is about far more than medicine. Leadership in biotechnology will shape agriculture, defense, economic competitiveness, and national power for decades to come.ⁱⁱ

China's rise in biotechnology is no accident. For two decades, the Chinese government has pursued a national strategy for biotechnology leadership to dominate the sector, using legal and illegal means.ⁱⁱⁱ

We can see the results most clearly in pharmaceutical biotechnology. Multinational pharmaceutical companies are increasingly going to China to acquire cutting-edge innovation.^{iv} Last year alone, companies entered into more than 150 licensing deals with Chinese biotechnology firms worth over \$135 billion—nearly triple the previous year's total.^v This year is on pace to shatter that record.^{vi}

Let me spend a minute on why this matters from a national security perspective. I come to this issue as both a scientist and national security professional. I am a biologist by training and have served across the Department of War and the National Security Council. I now work with the intelligence community on emerging technologies. People often ask me: "If China develops a breakthrough cancer therapy, is that not a good thing? Would more innovation and more cures not benefit patients across the world?"

These are fair questions. We all want lifesaving medicines to reach patients faster. But it is not just about who invents the technology—it is about who controls it, and whether we can rely on them in a crisis. Just like we saw with telecommunications, electric vehicles, batteries, and critical minerals, America's growing dependency on Chinese biopharmaceutical supply chains is a strategic vulnerability.^{vii}

What we should be asking is: "If China has already restricted access to critical minerals, why would we assume it would continue supplying lifesaving medicines during a conflict?" Imagine American

doctors forced to ration treatments because our supply chains have been weaponized. Imagine policymakers forced to choose between national security priorities and the health of the American people. Those are choices we should never have to face—but that is where we are headed. China’s growing biotechnology capacity increases its strategic options, while our dependence risks constraining ours.

The Commission laid out a plan to change this trajectory: 49 recommendations to strengthen the U.S. biotechnology ecosystem and address risks created by China’s non-market system.^{viii} With the help of members of this Committee, Congress is acting on this plan. Legislative action has been taken on 40 of our 49 recommendations, with 26 provisions signed into law.^{ix}

For example, one recommendation was to restore the full and immediate expensing of R&D costs.^x I am grateful to Senator Young and Senator Hassan for their leadership on the American Innovation and Jobs Act, which implements this recommendation.^{xi} Ensuring biotechnology companies can fully deduct these investments is essential to maintaining U.S. competitiveness.^{xii}

But more work remains. The country that leads in biotechnology will gain lasting economic, geopolitical, and national security advantages. The Chinese Communist Party has made that bet deliberately; the question before us is whether the United States will act with the same urgency.^{xiii}

This Committee has a critical role to play. The policy levers under your jurisdiction—including Medicare and Medicaid, tax, and trade policy—are essential to enabling U.S. biotechnology leadership and addressing China’s non-market practices.

Our Commission sunsets at the end of this year, but our mission continues: to translate these recommendations into action and ensure American biotechnology leadership long after we close our doors. Thank you.

ⁱ <https://www.biotech.senate.gov/wp-content/uploads/2025/12/NSCEB-Future-of-U.S.-China-Biotech-Competition-Dec-2025.pdf>

ⁱⁱ <https://www.biotech.senate.gov/final-report/chapters/>

ⁱⁱⁱ <https://itif.org/publications/2024/07/30/how-innovative-is-china-in-biotechnology/>

^{iv} <https://www.biotech.senate.gov/wp-content/uploads/2025/12/NSCEB-Future-of-U.S.-China-Biotech-Competition-Dec-2025.pdf>

^v <https://asia.nikkei.com/spotlight/caixin/chinese-drugmakers-strike-record-135bn-in-cross-border-licensing-deals>

^{vi} <https://www.scmp.com/economy/global-economy/article/3362144/record-chinese-biotech-out-licensing-meets-rising-us-scrutiny>

^{vii} <https://www.biotech.senate.gov/final-report/chapters/>; <https://www.iea.org/reports/global-ev-outlook-2025/trends-in-electric-car-markets-2>; <https://www.eia.gov/todayinenergy/detail.php?id=65305>; <https://www.reuters.com/markets/commodities/china-bans-exports-gallium-germanium-antimony-us-2024-12-03/>

^{viii} <https://www.biotech.senate.gov/final-report/chapters/executive-summary/><https://www.biotech.senate.gov/final-report/chapters/recommendations/>

^{ix} <https://www.biotech.senate.gov/recommendation-tracker/>

^x <https://www.biotech.senate.gov/final-report/chapters/chapter-2/section-2/>

^{xi} <https://www.congress.gov/bill/119th-congress/senate-bill/1639/text>

^{xii} <https://www.oecd.org/en/topics/r&d-tax-incentives.html>

^{xiii} <https://www.biotech.senate.gov/press-releases/u-s-vs-chinese-action-against-key-nsceb-recommendations/>