119TH CONGRESS
1ST SESSION

S. 1407

To ban the use of Federal funds for the purchase of drugs manufactured in the People's Republic of China, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 10, 2025

Mr. COTTON introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To ban the use of Federal funds for the purchase of drugs manufactured in the People's Republic of China, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Anyone But China Safe Drug Act'' or the ''ABC Safe Drug Act''.

SEC. 2. FEDERAL HEALTH PROGRAM PURCHASE OF DRUGS.

(a) FEDERAL HEALTH PROGRAM PURCHASE OF DRUGS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, with respect to the purchase of a

drug by the Department of Health and Human Services, the Department of Veterans Affairs, the Department of Defense, or any other Federal health care program (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(b))), the following shall apply:

(A) Beginning on January 1, 2028, such agency or program may purchase only drugs for which 60 percent or more of the active pharmaceutical ingredients are manufactured in countries described in paragraph (2).

(B) Beginning on January 1, 2030, such agency or program may purchase only drugs for which 100 percent of the active pharmaceutical ingredients are manufactured in countries described in paragraph (2).

(2) COUNTRIES DESCRIBED.—The countries described in this paragraph are countries—

(A) other than People's Republic of China; and

(B) that meet the health and safety standards of the Food and Drug Administration.

(3) WAIVERS.—The Secretary of Health and Human Services may issue waivers of the requirements under paragraph (1) for any agency or pro-

gram that is unable to meet such requirements and demonstrates a need for the waiver. No waiver may be issued under this paragraph for drugs that are purchased on or after January 1, 2031.

(b) LABELING REQUIREMENT.—Section 502 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 352) is amended by adding at the end the following:

''(hh) If it is a drug and its labeling does not specify the country of origin of each active ingredient contained in the drug.''.

SEC. 3. TEMPORARY 100 PERCENT EXPENSING FOR PHARMACEUTICAL AND MEDICAL DEVICE MANUFACTURING PROPERTY.

(a) IN GENERAL.—For purposes of section 168(k) of the Internal Revenue Code of 1986, in the case of any qualified pharmaceutical and medical device manufacturing property which is placed in service after December 31, 2024, and before January 1, 2031—

(1) such property shall be treated as a qualified property (within the meaning of such section);

(2) the applicable percentage otherwise determined under section 168(k)(6) of such Code with respect to such property shall be 100 percent; and

(3) paragraph (8) of such section shall not apply.

(b) QUALIFIED PHARMACEUTICAL AND MEDICAL DEVICE MANUFACTURING PROPERTY.—For purposes of this section, the term ''qualified pharmaceutical and medical device manufacturing property'' means any tangible property placed in service in the United States as part of the construction or expansion of property for the manufacture of drugs (as defined in section 201(g) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)) or devices (as defined in section 201(h) of such Act (21 U.S.C. 321(h)))).

(c) TERMINATION.—This section shall not apply to any property placed in service after December 31, 2030.

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