I

119TH CONGRESS
1ST SESSION

H. R. 6412

To establish an Independence Investment Fund to facilitate investments in companies developing critical and emerging technologies, such as biotechnology, that significantly enhance the national security and economic security of the United States, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 3, 2025

Mr. SESSIONS (for himself, Ms. HOULAHAN, Mr. KHANNA, Mrs. BICE, Mr. DAVIS of North Carolina, and Mrs. MCCLAIN DELANEY) introduced the following bill; which was referred to the Committee on Financial Services

---

A BILL

To establish an Independence Investment Fund to facilitate investments in companies developing critical and emerging technologies, such as biotechnology, that significantly enhance the national security and economic security of the United States, 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 ‘‘Independence Investment Fund Act’’.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADVERSARIAL INVESTMENT.—The term "adversarial investment" means capital or intellectual property acquisition from 1 or more foreign entities of concern.

(2) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means—

(A) the Committee on Finance of the Senate; and

(B) the Committee on Financial Services of the House of Representatives.

(3) CRITICAL AND EMERGING TECHNOLOGY.—The term "critical and emerging technology" means a technology identified in the most recent critical and emerging technologies list published by the National Science and Technology Council.

(4) FOREIGN ENTITY OF CONCERN.—The term "foreign entity of concern" has the meaning given the term in section 10612(a) of the Research and Development, Competition, and Innovation Act (42 U.S.C. 19221(a)).

(5) FUND.—The term "Fund" means the Independence Investment Fund established by section 3(a).

(6) MANAGING ENTITY.—The term ''managing entity'' means the independent entity that enters into a partner agreement with the Secretary under section 4(a).

(7) OTHER TRANSACTIONS.—The term ''other transactions'' means transactions, other than procurement contracts, grants, and cooperative agreements.

(8) PORTFOLIO COMPANY.—The term ''portfolio company'' means a company in which the Fund invests.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

SEC. 3. ESTABLISHMENT OF FUND.

(a) IN GENERAL.—There is established in the Department of the Treasury an entity to be known as the ''Independence Investment Fund''.

(b) OBJECTIVES.—The objectives of the Fund shall be—

(1) to invest in companies developing critical and emerging technologies that provide measurable improvements to the national security or economic security of all or part of the United States;

(2) to signal critical and emerging technology priorities to private sector investors in order to

unlock the deployment of private capital to support companies;

(3) to make investments designed to generate financial returns that enable self-sustainment of the Fund over time;

(4) to offer an alternate source of financial support to companies vulnerable to adversarial investment; and

(5) to provide the Federal Government with situational awareness over critical and emerging technology market trends, such as new products and capabilities.

(c) STRATEGY.—The Secretary shall oversee the overall strategy of the Fund, in consultation with the Secretary of Defense and the Secretary of Commerce, by determining—

(1) national security and economic security needs that the Fund shall meet; and

(2) the technological priorities of the Fund, including what critical and emerging technology products and capabilities will be considered significant to national security and economic security needs.

(d) PRIORITY.—Biotechnology shall be a priority of the Fund.

(e) INVESTMENTS.—

(1) IN GENERAL.—The Fund shall make seed to mid-stage equity investments in technology companies that are headquartered in the United States.

(2) AMOUNT.—The Fund may make investments of any amount, but shall seek to achieve an average investment amount between $1,000,000 and $10,000,000.

(f) OUTSIDE INVESTMENTS AND PARTNERSHIPS.—As appropriate, the Fund may—

(1) make investments in companies that are headquartered outside of the United States, other than in a foreign entity of concern; and

(2) partner with venture capital funds of a country other than the United States, other than a foreign entity of concern.

(g) ADVISORY BOARD.—

(1) IN GENERAL.—There is established an advisory board to the Fund (referred to in this subsection as the ‘‘advisory board’’), to advise the Secretary on the establishment and implementation of the Fund.

(2) MEMBERSHIP.—

(A) IN GENERAL.—Subject to subparagraphs (B) and (C), the Secretary shall select members to serve on the advisory board.

(B) EXPERIENCE.—In selecting members for the advisory board, the Secretary shall seek to include—

(i) individuals with demonstrated experience in the financing of critical and emerging technologies, including through the use of strategic venture capital and equity financing practices and methods;

(ii) individuals with demonstrated experience in managing public-private partnerships to meet Federal Government needs in critical and emerging technologies; and

(iii) individuals with demonstrated experience in determining how critical and emerging technologies can meet national security or economic security needs of the United States.

(C) BIOTECHNOLOGY EXPERTISE.—1 member of the advisory board shall be a senior official in the Executive Office of the President focused on biotechnology and national security.

(3) DUTIES.—The advisory board, in consultation with the Secretary, shall recommend to the Secretary each of the following for the Fund:

(A) ROADMAP.—A roadmap to guide the establishment and implementation of the Fund, including—

(i) a clear articulation of specific goals and milestones for the Fund to meet the objectives described in subsection (b), including timelines for meeting those goals and milestones;

(ii) the bylaws, rules, regulations, policies, and procedures governing the manner in which the business of the Fund may be conducted and in which the powers granted to the Fund by law may be exercised; and

(iii) the solicitation process for the managing entity described in section 4.

(B) OPERATING GUIDANCE.—Operating procedures to be followed by the Fund in carrying out the duties and purposes of the Fund, including—

(i) criteria, requirements, and standards regarding the provisions of the investments made by the Fund; and

(ii) disclosure and reporting requirements for portfolio companies.

(C) OTHER DETAILS.—Decisions on all other details necessary for the implementation of the Fund, which may include—

(i) provisions of non-financial assistance to portfolio companies, such as mentorship in partnering with government entities, regulatory guidance, computational resources, and connectivity to potential customers;

(ii) handling of intellectual property;

(iii) ability or requirement for the Fund to have a board or board observer seat in portfolio companies;

(iv) a formal or informal mechanism directing the Fund to consider investments in companies that have had an investment round blocked or reversed by the Committee on Foreign Investment in the United States;

(v) a requirement for portfolio companies to report to the Committee on Foreign Investment in the United States in the case of a proposed sale or merger with a foreign company;

(vi) a prohibition against portfolio companies accepting investment from entities established in foreign entities of concern; and

(vii) an option for the Fund to sell equity back to the portfolio company if the company develops in a direction antithetical to the objectives described in subsection (b).

(4) REPORT.—Not later than 180 days after the date of enactment of this Act, the advisory board shall submit to the Secretary and the appropriate congressional committees a report that describes the recommendations made under paragraph (3).

(5) STAFF.—To assist the advisory board in carrying out the duties under this subsection, the Secretary shall appoint a professional staff of 3 employees, who may be full-time employees of the Department of the Treasury.

(6) FACA.—Chapter 10 of title 5, United States Code (commonly referred to as the ''Federal Advisory Committee Act''), shall not apply to the advisory board.

(7) SUNSET.—The advisory board shall terminate on the date that is 90 days after the date on

which the report under paragraph (4) is submitted to the Secretary and the appropriate congressional committees.

(h) SUPERVISORY BOARD.—

(1) IN GENERAL.—Not later than 30 days after the termination of the advisory board under subsection (g)(7), the Secretary shall establish a supervisory board to the Fund (referred to in this subsection as the ''supervisory board''), to provide the Secretary with ongoing oversight of the Fund and the managing entity.

(2) MEMBERSHIP.—

(A) IN GENERAL.—The supervisory board shall consist of 5 members, whom the Secretary shall select, subject to subparagraphs (B) and (C).

(B) EXPERIENCE.—In selecting members for the supervisory board, the Secretary shall seek to include—

(i) individuals with demonstrated experience in the financing of critical and emerging technologies, including through the use of strategic venture capital and equity financing practices and methods;

(ii) individuals with demonstrated experience in managing public-private partnerships to meet Federal Government needs in critical and emerging technologies; and

(iii) individuals with demonstrated experience in determining how critical and emerging technologies can meet national security or economic security needs of the United States.

(C) SELECTION.—In appointing members to the supervisory board, the Secretary shall include—

(i) 1 representative from the Department of the Treasury;

(ii) 1 representative from the managing entity; and

(iii)(I) for the initial appointment of the supervisory board, 3 representatives from the advisory board that are not affiliated with the Department of the Treasury or the managing entity; and

(II) for subsequent appointments to the supervisory board, 3 individuals who meet the criteria under subparagraph (B).

(D) TERMS.—

(i) IN GENERAL.—The term of each member of the supervisory board shall be 3 years.

(ii) REAPPOINTMENT.—

(I) IN GENERAL.—Except as provided in subclause (I), a member of the supervisory board may be reappointed to not more than 2 consecutive terms immediately following the initial term of the member.

(II) EXCEPTION.—The limitation under subclause (I) shall not apply to a member of the supervisory board described in clause (i) or (ii) of subparagraph (C).

(3) DUTIES.—The supervisory board, in consultation with the Secretary, shall carry out each of the following for the Fund:

(A) GENERAL OVERSIGHT.—Provide general oversight of the Fund and managing entity.

(B) INVESTMENT OVERSIGHT.—Serve as an investment committee, with all investment decisions subject to a vote of approval by the supervisory board, subject to the conditions that—

(i) at least 4 of the 5 members of the supervisory board shall be present for a voting quorum; and

(ii) at least 3 members shall vote in favor of an investment in order for the investment to be approved.

(4) FACA.—Chapter 10 of title 5, United States Code (commonly referred to as the ''Federal Advisory Committee Act''), shall not apply to the supervisory board.

SEC. 4. MANAGING ENTITY OF FUND.

(a) IN GENERAL.—To support the objectives described in section 3(b), the Secretary shall enter into an agreement (including through the use of grants, contracts, cooperative agreements, or other transactions) with an independent entity that shall serve as the managing entity of the Fund.

(b) SELECTION.—To select the managing entity of the Fund, the Secretary shall—

(1) hold an open competition and solicit bids from eligible entities to manage the Fund; and

(2) enter into an agreement with a selected entity not later than 180 days after the date on which the Secretary begins the competition.

(c) ELIGIBILITY.—The managing entity shall—

(1) be an independent nonprofit or for-profit entity;

(2) have a demonstrated record of managing investment funds and making equity investments;

(3) have a demonstrated record of being able to create linkages between companies and investors and leverage those partnerships and resources for the purpose of addressing strategic needs; and

(4) have experience in promoting novel technology innovation.

(d) OTHER TRANSACTION AUTHORITY.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may enter into other transactions with the managing entity to carry out the purposes of this Act.

(2) LIMITATION.—To the maximum extent practicable, competitive procedures shall be used when entering into other transactions under this subsection.

(e) DUTIES.—The managing entity shall—

(1) be responsible for the management of the Fund through employing the use of strategic venture capital practices and methods;

(2) develop and advance an investment strategy for the development of critical and emerging technologies that address United States national security and economic security needs, as identified by the Secretary; and

(3) provide expert consultation and advice to foster critical and emerging technology innovation, including helping companies navigate unique industry challenges with respect to developing critical and emerging technology products and capabilities.

(f) DIRECTION.—Pursuant to an agreement entered into under this section and in coordination with the supervisory board established under section 3(h), the Secretary shall provide direction to the managing entity, including by—

(1) communicating the national security and economic security needs to be addressed by the managing entity under the agreement;

(2) developing a description of work to be performed by the managing entity under the agreement;

(3) providing technical feedback and appropriate oversight over work carried out by the man-

aging entity, including subsequent development and partnerships consistent with the needs and requirements described in this section;

(4) ensuring fair consideration of products developed under the agreement in order to maintain competition to the maximum extent practicable; and

(5) ensuring, as a condition of the agreement, that the managing entity—

(A) has in place a comprehensive set of policies that demonstrate a commitment to transparency and accountability;

(B) protects against conflicts of interest through a comprehensive set of policies that address potential conflicts of interest, ethics, disclosure, and reporting requirements;

(C) provides monthly accounting on the use of funds provided under the agreement; and

(D) provides on a quarterly basis reports regarding the progress made toward meeting the needs described in the agreement.

(g) NOT A FEDERAL AGENCY.—The Fund shall not be considered to be an agency, department, or instrumentality of the Federal Government.

SEC. 5. PERSONNEL AUTHORITIES.

The Secretary may—

(1) appoint not more than 25 personnel without regard to any provision of title 5, United States Code, governing appointments in the competitive service; and

(2) fix the rate of basic pay for such personnel without regard to any provision of title 5, United States Code, governing rates of pay or classification of employees in the executive branch, subject to the condition that the rate of basic pay shall not exceed the amount of annual compensation (excluding expenses) specified in section 102 of title 3, United States Code.

SEC. 6. REPORTING REQUIREMENTS.

Not later than October 1 of each year, the Secretary shall submit to the appropriate congressional committees a report of the operations of the Fund during the preceding fiscal year, including an assessment of—

(1) the impacts of investments on meeting the objectives of the Fund described in section 3(b);

(2) performance measurements of investments;

(3) the progress of the Fund in meeting the goals and milestones developed by the advisory board under section 3(g)(3)(A)(i), including timelines for those goals and milestones; and

(4) the extent to which the investments complement other Federal financing mechanisms for critical and emerging technologies.

SEC. 7. EXEMPTION FROM CERTAIN LAWS.

Any action taken or decision made by the Secretary under this Act shall be exempt from the requirements of—

(1) section 3506 of title 44, United States Code (commonly referred to as the ‘‘Paperwork Reduction Act’’); and

(2) chapters 5 and 7 of title 5, United States Code (commonly referred to as the ‘‘Administrative Procedure Act’’).

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out this Act $975,500,000 for fiscal year 2025, of which $300,000,000 shall be for biotechnology investments, to remain available until expended.

(b) ADMINISTRATIVE AND OPERATING COSTS.—There are authorized to be appropriated for the administrative and operating costs of carrying out this Act—

(1) $2,000,000 for fiscal year 2025; and

(2) $22,000,000 for each of fiscal years 2026 through 2040.

(c) CONDITIONAL AUTHORIZATION OF APPROPRIATIONS.—

(1) In general.—Subject to paragraph (2), during the period of fiscal years 2035 through 2040, if the cash balance available for biotechnology investments in the Fund is less than $80,000,000 on September 30 of any of those fiscal years, there is authorized to be appropriated to carry out this Act for the following fiscal year $500,000,000, of which $150,000,000 shall be for biotechnology investments.

(2) Limitation.—Not more than $500,000,000 is authorized to be appropriated under paragraph (1) during the period described in that paragraph.

○