

1-1 By: Wilson, et al. (Senate Sponsor - Hughes, et al.) H.B. No. 127  
 1-2 (In the Senate - Received from the House May 15, 2025;  
 1-3 May 16, 2025, read first time and referred to Committee on  
 1-4 Education K-16; May 27, 2025, reported adversely, with favorable  
 1-5 Committee Substitute by the following vote: Yeas 9, Nays 0;  
 1-6 May 27, 2025, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19			X	

1-20 COMMITTEE SUBSTITUTE FOR H.B. No. 127 By: Parker

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to measures to protect institutions of higher education  
 1-24 from foreign adversaries and to the prosecution of the criminal  
 1-25 offense of theft of trade secrets; increasing a criminal penalty.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Subchapter 2, Chapter 51, Education Code, is  
 1-28 amended by adding Section 51.957 to read as follows:

1-29 Sec. 51.957. HIGHER EDUCATION RESEARCH SECURITY COUNCIL.

1-30 (a) In this section:

1-31 (1) "Council" means the Higher Education Research  
 1-32 Security Council established under this section.

1-33 (2) "Governing board," "institution of higher  
 1-34 education," "private or independent institution of higher  
 1-35 education," "public junior college," "public technical institute,"  
 1-36 and "university system" have the meanings assigned by Section  
 1-37 61.003.

1-38 (3) "Postsecondary educational institution" means an  
 1-39 institution of higher education, other than a public junior college  
 1-40 or public technical institute, or a private or independent tier one  
 1-41 research institution.

1-42 (4) "Private or independent tier one research  
 1-43 institution" means a private or independent institution of higher  
 1-44 education designated as R1: very high spending and doctorate  
 1-45 production in the 2025 Carnegie Classification of Institutions of  
 1-46 Higher Education published by the Indiana University Center for  
 1-47 Postsecondary Research.

1-48 (b) The Higher Education Research Security Council is  
 1-49 established to promote secure academic research at postsecondary  
 1-50 educational institutions while mitigating the risk of foreign  
 1-51 espionage and interference.

1-52 (c) The council is composed of the following members:

1-53 (1) one research security officer appointed by the  
 1-54 governing board of each university system;

1-55 (2) one additional research security officer  
 1-56 appointed by each governing board of a university system that  
 1-57 oversees one or more medical schools, as defined by Section 61.501,  
 1-58 if the governing board elects to make that additional appointment;

1-59 (3) one research security officer appointed by the  
 1-60 governing board of Texas Southern University; and

2-1 (4) one research security officer appointed by each  
2-2 private or independent tier one research institution that elects to  
2-3 participate in the council.

2-4 (d) A council member appointed under Subsection (c)(2) or  
2-5 (4) serves as a nonvoting member.

2-6 (e) A council member serves at the will of the person who  
2-7 appointed the member.

2-8 (f) A vacancy on the council shall be filled in the same  
2-9 manner as the original appointment.

2-10 (g) The council member appointed under Subsection (c)(1)  
2-11 for The Texas A&M University System shall serve as the initial  
2-12 presiding officer of the council.

2-13 (h) The council shall:

2-14 (1) identify best practices for a postsecondary  
2-15 educational institution to:

2-16 (A) conduct research securely while mitigating  
2-17 the threat of foreign espionage and interference; and

2-18 (B) vet and approve any gift to a postsecondary  
2-19 educational institution from an individual who is a citizen of a  
2-20 foreign adversary, as defined by Section 51B.001;

2-21 (2) develop a model research security policy that a  
2-22 postsecondary educational institution may adopt to improve  
2-23 research security;

2-24 (3) establish an accreditation process under which the  
2-25 council may award a postsecondary educational institution an  
2-26 accreditation for security excellence;

2-27 (4) promote attendance at the annual academic security  
2-28 and counter exploitation program seminar offered by The Texas A&M  
2-29 University System; and

2-30 (5) develop and offer an annual training program for  
2-31 postsecondary educational institution research security officers  
2-32 that includes:

2-33 (A) background and academic history checks of  
2-34 researchers; and

2-35 (B) research security and integrity tools and  
2-36 software that must be used to prevent the loss of intellectual  
2-37 capital.

2-38 (i) The council shall meet at least once each quarter.

2-39 (j) A meeting conducted under Subsection (i) must be in  
2-40 person or by video conference call, as determined by the presiding  
2-41 officer.

2-42 (k) The council shall prepare and submit to the governor,  
2-43 the attorney general's office, and the presiding officer of each  
2-44 legislative committee with primary jurisdiction over higher  
2-45 education an annual report on the status of research security at  
2-46 postsecondary educational institutions and any associated  
2-47 recommendations.

2-48 (l) Unless otherwise approved by the council for  
2-49 dissemination to postsecondary educational institutions,  
2-50 information produced by the council under Subsection (h) is  
2-51 confidential and is not subject to disclosure under Chapter 552,  
2-52 Government Code. A report submitted under Subsection (k) is  
2-53 confidential and is not subject to disclosure under Chapter 552,  
2-54 Government Code.

2-55 (m) The council may solicit and accept gifts, grants, and  
2-56 donations for purposes of this section but may not solicit or accept  
2-57 a gift, grant, or donation from an entity or country:

2-58 (1) prohibited from participating in federal  
2-59 contracts under Section 889, John S. McCain National Defense  
2-60 Authorization Act for Fiscal Year 2019 (Pub. L. No. 115-232);

2-61 (2) identified as a Chinese military company by the  
2-62 United States Department of Defense in accordance with Section  
2-63 1260H, William M. (Mac) Thornberry National Defense Authorization  
2-64 Act for Fiscal Year 2021 (Pub. L. No. 116-283);

2-65 (3) owned by the government of a country designated as  
2-66 a foreign adversary by the United States secretary of commerce  
2-67 under 15 C.F.R. Section 791.4; or

2-68 (4) controlled by a governing or regulatory body  
2-69 located in a country described by Subdivision (3).

3-1 SECTION 2. Subtitle A, Title 3, Education Code, is amended  
3-2 by adding Chapter 51B to read as follows:

3-3 CHAPTER 51B. HIGHER EDUCATION RESEARCH AND PROTECTION

3-4 SUBCHAPTER A. GENERAL PROVISIONS

3-5 Sec. 51B.001. DEFINITIONS. In this chapter:

3-6 (1) "Company" has the meaning assigned by Section  
3-7 117.001, Business & Commerce Code.

3-8 (2) "Coordinating board" means the Texas Higher  
3-9 Education Coordinating Board.

3-10 (3) "Council" means the Higher Education Research  
3-11 Security Council established under Section 51.957.

3-12 (4) "Foreign adversary" means a country:

3-13 (A) identified by the United States Director of  
3-14 National Intelligence as a country that poses a risk to the national  
3-15 security of the United States in at least one of the three most  
3-16 recent Annual Threat Assessments of the U.S. Intelligence Community  
3-17 issued pursuant to Section 108B, National Security Act of 1947 (50  
3-18 U.S.C. Section 3043b); or

3-19 (B) designated by the governor after  
3-20 consultation with the director of the Department of Public Safety.

3-21 (5) "Foreign government" means the government or an  
3-22 agent of a country, nation, or group of nations, or a province or  
3-23 other political subdivision of a country or nation, other than the  
3-24 United States government.

3-25 (6) "Foreign source" means:

3-26 (A) a foreign government or agency of a foreign  
3-27 government;

3-28 (B) a legal entity created solely under the laws  
3-29 of a foreign adversary and having its principal place of business in  
3-30 a foreign adversary;

3-31 (C) an individual who is not a citizen or a lawful  
3-32 permanent resident of the United States, including a territory or  
3-33 protectorate of the United States;

3-34 (D) a partnership, association, organization, or  
3-35 other combination of persons, or a subsidiary of such an entity,  
3-36 organized under the laws of and having its principal place of  
3-37 business in a foreign adversary;

3-38 (E) a political party of a foreign adversary; or

3-39 (F) an agent acting on behalf of an individual or  
3-40 entity described by Paragraph (A), (B), (C), (D), or (E).

3-41 (7) "Gift" means a gift, grant, endowment, award, or  
3-42 donation of money, property, or a service of any kind, including a  
3-43 conditional or unconditional pledge of the gift, grant, endowment,  
3-44 award, or donation.

3-45 (8) "Institution of higher education" has the meaning  
3-46 assigned by Section 61.003, except that the term does not include a  
3-47 public junior college or public technical institute as defined by  
3-48 that section.

3-49 (9) "Political party" means an organization or  
3-50 combination of individuals whose aim or purpose is, or who are  
3-51 engaged in an activity devoted to, the establishment, control, or  
3-52 acquisition of administration or control of a government, or the  
3-53 furtherance or influencing of the political or public interest,  
3-54 policies, or relations of a government.

3-55 Sec. 51B.002. RULES. The coordinating board shall adopt  
3-56 rules necessary to implement this chapter.

3-57 SUBCHAPTER B. REQUIREMENTS FOR GIFTS FROM AND CONTRACTS WITH  
3-58 FOREIGN ADVERSARIES AND CERTAIN COMPANIES

3-59 Sec. 51B.051. GIFT FROM FOREIGN ADVERSARY. (a) Except as  
3-60 provided by Subsection (c), an institution of higher education or  
3-61 employee of an institution of higher education may not accept a gift  
3-62 the institution or employee knows is directly or indirectly offered  
3-63 from a foreign source of a foreign adversary unless the gift is of  
3-64 de minimis value, as determined by coordinating board rule in  
3-65 consultation with the council.

3-66 (b) An institution of higher education shall:

3-67 (1) include the prohibition described by Subsection  
3-68 (a) in the institution's ethics policy; and

3-69 (2) create a mechanism by which an employee of the

4-1 institution may report being offered from a foreign source of a  
4-2 foreign adversary a gift prohibited by Subsection (a).

4-3 (c) An institution of higher education may accept a gift of  
4-4 more than de minimis value from a foreign source of a foreign  
4-5 adversary only if:

4-6 (1) the foreign source is an individual;

4-7 (2) the gift is determined by the institution's  
4-8 research security officer serving on the council not to be an  
4-9 indirect gift from a government of a foreign adversary;

4-10 (3) the institution uses the best practices adopted by  
4-11 the council under Section 51.957(h)(1)(B) to vet and approve the  
4-12 gift; and

4-13 (4) if the gift has a value of more than \$25,000, the  
4-14 gift is approved by the chief executive officer of the institution  
4-15 and disclosed to the council at an interval established by the  
4-16 council.

4-17 (d) A gift described by Subsection (c)(4) is not subject to  
4-18 disclosure under Chapter 552, Government Code, except as otherwise  
4-19 required by federal or state law.

4-20 (e) Each institution of higher education that submits  
4-21 reporting on foreign gift and contract disclosures to the United  
4-22 States Department of Education required under Section 117, Higher  
4-23 Education Act of 1965 (20 U.S.C. Section 1001 et seq.), shall submit  
4-24 that reporting to the coordinating board at the time when the  
4-25 institution is required to submit that reporting to the United  
4-26 States Department of Education.

4-27 (f) Not later than December 1 of each year, the coordinating  
4-28 board shall submit to the governor, the lieutenant governor, and  
4-29 the speaker of the house of representatives a report detailing the  
4-30 information submitted by institutions of higher education under  
4-31 Subsection (e) for that year.

4-32 (g) Information required to be reported under this section  
4-33 is not confidential except as otherwise provided by federal or  
4-34 state law or unless protected as a trade secret by federal or state  
4-35 law.

4-36 Sec. 51B.052. INVESTIGATION. (a) An institution of higher  
4-37 education shall investigate an alleged violation of this subchapter  
4-38 if the institution receives:

4-39 (1) a complaint from a compliance officer of a state  
4-40 agency or the institution; or

4-41 (2) a sworn complaint based on substantive information  
4-42 and reasonable belief.

4-43 (b) An institution of higher education may request from any  
4-44 person records relevant to a reasonable suspicion of a violation of  
4-45 this subchapter. A person who receives a request under this  
4-46 subsection shall produce the records not later than the 10th  
4-47 business day after the date the person receives the request, unless  
4-48 the institution and the person agree to a later date.

4-49 SUBCHAPTER C. ACADEMIC PARTNERSHIPS AND STUDENT ASSOCIATIONS

4-50 Sec. 51B.101. DEFINITIONS. In this subchapter:

4-51 (1) "Academic partnership" means a written statement  
4-52 of mutual interest in cultural exchange or academic or research  
4-53 collaboration or a faculty or student exchange program, study  
4-54 abroad program, matriculation program, recruiting program, or dual  
4-55 degree program.

4-56 (2) "Benefit" and "student organization" have the  
4-57 meanings assigned by Section 51.9315.

4-58 Sec. 51B.102. CERTAIN INTERNATIONAL ACADEMIC PARTNERSHIPS  
4-59 PROHIBITED. (a) An institution of higher education may not  
4-60 participate in an academic partnership with a foreign source of a  
4-61 foreign adversary, or an entity controlled by a foreign adversary,  
4-62 that:

4-63 (1) constrains the institution's freedom of contract;

4-64 (2) allows the institution's curriculum or values to  
4-65 be directed, controlled, or influenced by the foreign adversary; or

4-66 (3) promotes an agenda detrimental to the safety or  
4-67 security of this state, the residents of this state, or the United  
4-68 States.

4-69 (b) Before entering into an academic partnership with a

5-1 foreign source of a foreign adversary, an institution of higher  
 5-2 education shall share the partnership with the council and omit  
 5-3 information that may be confidential or proprietary. The council  
 5-4 may establish a process for reviewing an academic partnership under  
 5-5 this section and best practices for institutions of higher  
 5-6 education seeking to enter into an academic partnership. If the  
 5-7 council determines that an academic partnership violates the  
 5-8 prohibition under Subsection (a), the council may recommend that  
 5-9 the institution not participate in the partnership.

5-10 (c) Not later than December 1 of each year, the council  
 5-11 shall submit to the governor, the lieutenant governor, and the  
 5-12 speaker of the house of representatives a report detailing the  
 5-13 total number of academic partnerships that were entered into by  
 5-14 institutions of higher education but not recommended for  
 5-15 participation by the council in the 12 months preceding the date of  
 5-16 the report.

5-17 Sec. 51B.103. PROHIBITIONS IN RELATION TO CERTAIN FOREIGN  
 5-18 INFLUENCE ON STUDENT ORGANIZATION. (a) A student organization at  
 5-19 an institution of higher education may not:

5-20 (1) accept a gift from a foreign adversary or an agent  
 5-21 of a foreign adversary; or

5-22 (2) enter into a contract or agreement with a foreign  
 5-23 adversary or an agent of a foreign adversary under which the student  
 5-24 organization receives financial support.

5-25 (b) Subsection (a) does not prohibit a student organization  
 5-26 at an institution of higher education from accepting member dues or  
 5-27 fees.

5-28 (c) Each student organization at an institution of higher  
 5-29 education annually shall certify to the institution the  
 5-30 organization's compliance with Subsection (a).

5-31 (d) Notwithstanding Section 51.9315, an institution of  
 5-32 higher education may not provide any benefit to a student  
 5-33 organization that violates this section. An institution of higher  
 5-34 education that determines a student organization has violated this  
 5-35 section shall terminate the organization's recognition or  
 5-36 registration, as applicable.

#### 5-37 SUBCHAPTER D. SCREENING OF FOREIGN RESEARCHERS

5-38 Sec. 51B.151. SCREENING OF FOREIGN RESEARCHERS REQUIRED.

5-39 (a) Before offering a person employment for a research or  
 5-40 research-related support position at the institution or granting a  
 5-41 person access to research data or activities or other sensitive  
 5-42 data of the institution, an institution of higher education must  
 5-43 screen the person as provided by this subchapter if the person:

5-44 (1) is a citizen of a foreign country and is not a  
 5-45 permanent resident of the United States; or

5-46 (2) is affiliated with an institution or program, or  
 5-47 has at least one year of employment or training, in a foreign  
 5-48 adversary, other than employment or training by an agency of the  
 5-49 United States.

5-50 (b) A screening under this section must include a background  
 5-51 check to determine if the person has any ties to a foreign adversary  
 5-52 that would prevent the person from being able to maintain the  
 5-53 security or integrity of the institution of higher education and  
 5-54 research data or activities or other sensitive data of the  
 5-55 institution. The council may establish a risk-based framework for  
 5-56 the screening of a person under this subchapter.

5-57 (c) If an institution of higher education procures a third  
 5-58 party to conduct a background check under Subsection (b), the  
 5-59 institution may consult with the Department of Public Safety and  
 5-60 the council in determining whether the third party is qualified to  
 5-61 conduct a background check that meets the requirements of that  
 5-62 subsection.

5-63 (d) An institution of higher education may screen  
 5-64 additional persons as provided by this subchapter for a position  
 5-65 described by Subsection (a) at the institution's discretion.

5-66 (e) An institution of higher education may waive the  
 5-67 screening requirement under Subsection (a) for a person who  
 5-68 possesses an active United States government security clearance  
 5-69 issued by a federal agency.

6-1 Sec. 51B.152. EMPLOYMENT: REQUIRED MATERIALS. (a) An  
 6-2 institution of higher education must require a person subject to  
 6-3 screening under Section 51B.151 to submit to the institution:

6-4 (1) if the person is a citizen of a foreign country, a  
 6-5 copy of the person's passport and nonimmigrant visa application  
 6-6 most recently submitted to the United States Department of State;  
 6-7 and

6-8 (2) any additional information as determined by the  
 6-9 council.

6-10 (b) An institution of higher education may destroy or return  
 6-11 to a person subject to screening under Section 51B.151 the copy of  
 6-12 the person's nonimmigrant visa application submitted under  
 6-13 Subsection (a)(1) after extracting all information relevant to the  
 6-14 requirements of this subchapter.

6-15 Sec. 51B.153. RESEARCH SECURITY OFFICE. (a) The chief  
 6-16 administrative officer of an institution of higher education shall  
 6-17 establish a research security office to:

6-18 (1) review the materials submitted to the institution  
 6-19 by a person under Section 51B.152;

6-20 (2) take reasonable steps to verify the information in  
 6-21 the submission; and

6-22 (3) take any other action the office considers  
 6-23 appropriate.

6-24 (b) A research security office established under this  
 6-25 section may serve in an institutional or system-wide capacity.

6-26 (c) An institution of higher education may direct the  
 6-27 research security office to approve persons for hire using a  
 6-28 risk-based determination that considers the nature of the research  
 6-29 and the person's background and ongoing affiliations.

6-30 (d) An institution of higher education must complete the  
 6-31 requirements of this subchapter before:

6-32 (1) hiring a person described by Section 51B.151(a) in  
 6-33 a research or research-related support position; or

6-34 (2) granting the person access to research data or  
 6-35 activities or other sensitive data.

6-36 (e) An institution of higher education may not employ a  
 6-37 person subject to screening under Section 51B.151 in a research or  
 6-38 research-related support position if the person fails to disclose  
 6-39 in the submission a substantial educational, employment, or  
 6-40 research-related activity, publication, or presentation unless the  
 6-41 applicable department head or the department head's designee  
 6-42 certifies in writing the substance of the failure to disclose and  
 6-43 the reasons for disregarding that failure. A copy of the  
 6-44 certification must be kept in the investigative file of the  
 6-45 research security office.

6-46 (f) The research security office shall report to any law  
 6-47 enforcement agency designated by the governor or the institution of  
 6-48 higher education's governing board the identity of a person who is  
 6-49 rejected for employment based on the screening required by this  
 6-50 subchapter or other risk-based screening.

#### 6-51 SUBCHAPTER E. FOREIGN TRAVEL

6-52 Sec. 51B.201. FOREIGN TRAVEL. (a) An institution of higher  
 6-53 education shall establish an international travel approval and  
 6-54 monitoring program.

6-55 (b) The program must establish a risk-based framework for  
 6-56 employment-related foreign travel approval, including health,  
 6-57 safety, and security factors.

6-58 (c) A research security office must preapprove certain  
 6-59 employment-related foreign travel according to the risk-based  
 6-60 framework established under the program. The preapproval must  
 6-61 require a traveling employee to review and acknowledge guidance  
 6-62 related to foreign adversaries or countries under sanctions or  
 6-63 other restrictions by this state or the United States government.

6-64 (d) A traveling employee must agree to comply with the  
 6-65 institution of higher education's limitation on travel and  
 6-66 activities abroad and all applicable federal laws.

6-67 Sec. 51B.202. MAINTENANCE OF RECORDS AND REPORT. (a) An  
 6-68 institution of higher education shall maintain for at least three  
 6-69 years, or any longer period of time required by applicable federal

7-1 or state law, records relating to employment-related foreign travel  
 7-2 to and activities involving a foreign adversary by a faculty  
 7-3 member, researcher, or research department staff member of the  
 7-4 institution, including:

- 7-5 (1) each foreign travel request and approval;  
 7-6 (2) expenses reimbursed by the institution for foreign  
 7-7 travel, including for travel, food, and lodging;  
 7-8 (3) payments and honoraria received during foreign  
 7-9 travel and activities, including for travel, food, and lodging;  
 7-10 (4) a statement of the purpose of each foreign travel;  
 7-11 and

- 7-12 (5) any record related to the foreign activity review.  
 7-13 (b) An institution of higher education shall annually  
 7-14 submit to the institution's governing board a report on  
 7-15 employment-related foreign travel by a faculty member, researcher,  
 7-16 or research department staff member of the institution to a foreign  
 7-17 adversary. The report must list each traveler, foreign location  
 7-18 visited, and foreign institution visited.

7-19 SUBCHAPTER F. FOREIGN ADVERSARY EDUCATION SOFTWARE

7-20 Sec. 51B.251. REVIEW OF EDUCATION SOFTWARE. (a) The  
 7-21 council, in coordination with the coordinating board, shall:

- 7-22 (1) conduct a thorough review of the use of testing,  
 7-23 tutoring, or other education software owned or controlled by a  
 7-24 foreign adversary or a company domiciled or headquartered in a  
 7-25 foreign adversary; and

- 7-26 (2) publish a list of prohibited software on the  
 7-27 coordinating board's Internet website.

- 7-28 (b) An institution of higher education may not enter into or  
 7-29 renew a contract to provide testing, tutoring, or other education  
 7-30 software included on the list published under Subsection (a)(2).

7-31 SUBCHAPTER G. ENFORCEMENT

7-32 Sec. 51B.301. ENFORCEMENT. (a) An institution of higher  
 7-33 education may not spend money appropriated to the institution for a  
 7-34 state fiscal year until the governing board of the institution  
 7-35 submits to the governor, the legislature, the coordinating board,  
 7-36 and the council a report certifying the governing board's  
 7-37 compliance with this chapter during the preceding state fiscal  
 7-38 year.

- 7-39 (b) In the interim between each regular session of the  
 7-40 legislature, the governing board of each institution of higher  
 7-41 education, or the board's designee, shall testify before the  
 7-42 standing legislative committees with primary jurisdiction over  
 7-43 higher education at a public hearing of the committee regarding the  
 7-44 board's compliance with this chapter.

- 7-45 (c) The state auditor shall periodically conduct a  
 7-46 compliance audit of each institution of higher education to  
 7-47 determine whether the institution has spent state money in  
 7-48 violation of this section. The state auditor shall adopt a schedule  
 7-49 by which the state auditor will conduct compliance audits under  
 7-50 this subsection. The schedule must ensure that each institution of  
 7-51 higher education is audited at least once every four years.

- 7-52 (d) If the state auditor determines pursuant to a compliance  
 7-53 audit conducted under Subsection (c) that an institution of higher  
 7-54 education has spent state money in violation of this section, the  
 7-55 institution:

- 7-56 (1) must cure the violation not later than the 180th  
 7-57 day after the date on which the determination is made; and

- 7-58 (2) if the institution fails to cure the violation  
 7-59 during the period described by Subdivision (1), is ineligible to  
 7-60 receive formula funding increases, institutional enhancements, or  
 7-61 exceptional items during the state fiscal biennium immediately  
 7-62 following the state fiscal biennium in which the determination is  
 7-63 made.

7-64 SECTION 3. Section 31.05(a), Penal Code, is amended by  
 7-65 adding Subdivisions (2-a), (2-b), and (2-c) to read as follows:

- 7-66 (2-a) "Foreign agent" means an officer, employee,  
 7-67 proxy, servant, delegate, or representative of a foreign  
 7-68 government.

- 7-69 (2-b) "Foreign government" has the meaning assigned by

8-1 Section 51B.001, Education Code.

8-2 (2-c) "Foreign instrumentality" means an agency,  
8-3 bureau, ministry, component, institution, association, or legal,  
8-4 commercial, or business organization, corporation, firm, or entity  
8-5 that is substantially owned, controlled, sponsored, commanded,  
8-6 managed, or dominated by a foreign government.

8-7 SECTION 4. Section 31.05(c), Penal Code, is amended to read  
8-8 as follows:

8-9 (c) An offense under this section is a felony of the third  
8-10 degree, except that the offense is a felony of the second degree if  
8-11 it is shown on the trial of the offense that the person who  
8-12 committed the offense intended to benefit a foreign agent, foreign  
8-13 government, or foreign instrumentality.

8-14 SECTION 5. (a) Not later than October 1, 2025, the  
8-15 appropriate entities shall designate the members of the Higher  
8-16 Education Research Security Council established under Section  
8-17 51.957, Education Code, as added by this Act.

8-18 (b) Not later than January 1, 2026, the Higher Education  
8-19 Research Security Council established under Section 51.957,  
8-20 Education Code, as added by this Act, shall hold its initial  
8-21 meeting.

8-22 SECTION 6. The changes in law made by this Act to Section  
8-23 31.05, Penal Code, apply only to an offense committed on or after  
8-24 the effective date of this Act. An offense committed before the  
8-25 effective date of this Act is governed by the law in effect on the  
8-26 date the offense was committed, and the former law is continued in  
8-27 effect for that purpose. For purposes of this section, an offense  
8-28 was committed before the effective date of this Act if any element  
8-29 of the offense occurred before that date.

8-30 SECTION 7. Section 51B.103, Education Code, as added by  
8-31 this Act, applies beginning with the 2025-2026 academic year.

8-32 SECTION 8. Sections 51B.051, 51B.151, and 51B.152,  
8-33 Education Code, as added by this Act, apply beginning with the  
8-34 academic year immediately following the adoption of standards  
8-35 relating to those sections by the Higher Education Research  
8-36 Security Council established under Section 51.957, Education Code,  
8-37 as added by this Act.

8-38 SECTION 9. Section 51B.301(a), Education Code, as added by  
8-39 this Act, applies beginning with money appropriated to a public  
8-40 institution of higher education for the state fiscal year beginning  
8-41 September 1, 2026.

8-42 SECTION 10. This Act takes effect September 1, 2025.

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