

AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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

Sec. 51.957. HIGHER EDUCATION RESEARCH SECURITY COUNCIL.

(a) In this section:

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

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

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

(4) "Private or independent tier one research institution" means a private or independent institution of higher education designated as R1: very high spending and doctorate production in the 2025 Carnegie Classification of Institutions of

1 Higher Education published by the Indiana University Center for
2 Postsecondary Research.

3 (b) The Higher Education Research Security Council is
4 established to promote secure academic research at postsecondary
5 educational institutions while mitigating the risk of foreign
6 espionage and interference.

7 (c) The council is composed of the following members:

8 (1) one research security officer appointed by the
9 governing board of each university system;

10 (2) one additional research security officer
11 appointed by each governing board of a university system that
12 oversees one or more medical schools, as defined by Section 61.501,
13 if the governing board elects to make that additional appointment;

14 (3) one research security officer appointed by the
15 governing board of Texas Southern University; and

16 (4) one research security officer appointed by each
17 private or independent tier one research institution that elects to
18 participate in the council.

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

21 (e) A council member serves at the will of the person who
22 appointed the member.

23 (f) A vacancy on the council shall be filled in the same
24 manner as the original appointment.

25 (g) The council member appointed under Subsection (c)(1)
26 for The Texas A&M University System shall serve as the initial
27 presiding officer of the council.

1 (h) The council shall:

2 (1) identify best practices for a postsecondary
3 educational institution to:

4 (A) conduct research securely while mitigating
5 the threat of foreign espionage and interference; and

6 (B) vet and approve any gift to a postsecondary
7 educational institution from an individual who is a citizen of a
8 foreign adversary, as defined by Section 51B.001;

9 (2) develop a model research security policy that a
10 postsecondary educational institution may adopt to improve
11 research security;

12 (3) establish an accreditation process under which the
13 council may award a postsecondary educational institution an
14 accreditation for security excellence;

15 (4) promote attendance at the annual academic security
16 and counter exploitation program seminar offered by The Texas A&M
17 University System; and

18 (5) develop and offer an annual training program for
19 postsecondary educational institution research security officers
20 that includes:

21 (A) background and academic history checks of
22 researchers; and

23 (B) research security and integrity tools and
24 software that must be used to prevent the loss of intellectual
25 capital.

26 (i) The Texas Higher Education Coordinating Board shall
27 provide administrative support to the council at the council's

1 request.

2 (j) The council shall meet at least once each quarter.

3 (k) A meeting conducted under Subsection (j) must be in
4 person or by video conference call, as determined by the presiding
5 officer.

6 (l) Not later than December 1 of each even-numbered year,
7 the council shall prepare and submit to the governor, the attorney
8 general's office, and the presiding officer of each legislative
9 committee with primary jurisdiction over higher education a report
10 on the status of research security at postsecondary educational
11 institutions and any associated recommendations.

12 (m) Unless otherwise approved by the council for
13 dissemination to postsecondary educational institutions,
14 information produced by the council under Subsection (h) is
15 confidential and is not subject to disclosure under Chapter 552,
16 Government Code. A report submitted under Subsection (l) is
17 confidential and is not subject to disclosure under Chapter 552,
18 Government Code.

19 (n) The council may solicit and accept gifts, grants, and
20 donations for purposes of this section but may not solicit or accept
21 a gift, grant, or donation from an entity or country:

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

25 (2) identified as a Chinese military company by the
26 United States Department of Defense in accordance with Section
27 1260H, William M. (Mac) Thornberry National Defense Authorization

Act for Fiscal Year 2021 (Pub. L. No. 116-283);

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

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

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

CHAPTER 51B. HIGHER EDUCATION RESEARCH AND PROTECTION

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 51B.001. DEFINITIONS. In this chapter:

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

(2) "Coordinating board" means the Texas Higher Education Coordinating Board.

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

(4) "Foreign adversary" means a country:

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

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

(5) "Foreign government" means the government or an

1 agent of a country, nation, or group of nations, or a province or
2 other political subdivision of a country or nation, other than the
3 United States government.

4 (6) "Foreign source" means:

5 (A) a foreign government or agency of a foreign
6 government;

7 (B) a legal entity created solely under the laws
8 of a foreign adversary and having its principal place of business in
9 a foreign adversary;

10 (C) a partnership, association, organization, or
11 other combination of persons, or a subsidiary of such an entity,
12 organized under the laws of and having its principal place of
13 business in a foreign adversary;

14 (D) a political party of a foreign adversary; or

15 (E) an agent acting on behalf of an entity
16 described by Paragraph (A), (B), (C), or (D).

17 (7) "Gift" means any gift of money or property.

18 (8) "Institution of higher education" has the meaning
19 assigned by Section 61.003, except that the term does not include a
20 public junior college or public technical institute as defined by
21 that section.

22 (9) "Political party" means an organization or
23 combination of individuals whose aim or purpose is, or who are
24 engaged in an activity devoted to, the establishment, control, or
25 acquisition of administration or control of a government, or the
26 furtherance or influencing of the political or public interest,
27 policies, or relations of a government.

1 Sec. 51B.002. RULES. The coordinating board shall adopt
2 rules necessary to implement this chapter.

3 SUBCHAPTER B. REQUIREMENTS FOR GIFTS FROM AND CONTRACTS WITH
4 FOREIGN ADVERSARIES AND CERTAIN COMPANIES

5 Sec. 51B.051. GIFT FROM FOREIGN ADVERSARY. (a) Except as
6 provided by Subsection (c), an institution of higher education or
7 employee of an institution of higher education may not accept a gift
8 the institution or employee knows is directly or indirectly offered
9 from a foreign source of a foreign adversary unless the gift is of
10 de minimis value, as determined by coordinating board rule in
11 consultation with the council.

12 (b) An institution of higher education shall:

13 (1) include the prohibition described by Subsection
14 (a) in the institution's ethics policy; and

15 (2) create a mechanism by which an employee of the
16 institution may report being offered from a foreign source of a
17 foreign adversary a gift prohibited by Subsection (a).

18 (c) An institution of higher education may accept a gift of
19 more than de minimis value from a citizen of a foreign adversary
20 only if:

21 (1) the citizen is an individual;

22 (2) the institution uses the best practices adopted by
23 the council under Section 51.957(h)(1)(B) to vet and approve the
24 gift; and

25 (3) if the gift has a value of more than \$25,000, the
26 gift is approved by the chief executive officer of the institution
27 and disclosed to the council at an interval established by the

1 council.

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

5 (e) Each institution of higher education that submits
6 reporting on foreign gift and contract disclosures to the United
7 States Department of Education required under Section 117, Higher
8 Education Act of 1965 (20 U.S.C. Section 1001 et seq.), shall submit
9 that reporting to the coordinating board at the time when the
10 institution is required to submit that reporting to the United
11 States Department of Education.

12 (f) Not later than December 1 of each year, the coordinating
13 board shall submit to the governor, the lieutenant governor, and
14 the speaker of the house of representatives a report detailing the
15 information submitted by institutions of higher education under
16 Subsection (e) for that year.

17 (g) Information required to be reported under this section
18 is not confidential except as otherwise provided by federal or
19 state law or unless protected as a trade secret by federal or state
20 law.

21 Sec. 51B.052. INVESTIGATION. (a) An institution of higher
22 education shall investigate an alleged violation of this subchapter
23 if the institution receives:

24 (1) a complaint from a compliance officer of a state
25 agency or the institution; or

26 (2) a sworn complaint based on substantive information
27 and reasonable belief.

1 (b) An institution of higher education may request from any
2 person records relevant to a reasonable suspicion of a violation of
3 this subchapter. A person who receives a request under this
4 subsection shall produce the records not later than the 10th
5 business day after the date the person receives the request, unless
6 the institution and the person agree to a later date.

7 SUBCHAPTER C. ACADEMIC PARTNERSHIPS AND STUDENT ASSOCIATIONS

8 Sec. 51B.101. DEFINITIONS. In this subchapter:

9 (1) "Academic partnership" means a written statement
10 of mutual interest in cultural exchange or academic or research
11 collaboration or a faculty or student exchange program, study
12 abroad program, matriculation program, recruiting program, or dual
13 degree program.

14 (2) "Benefit" and "student organization" have the
15 meanings assigned by Section [51.9315](#).

16 Sec. 51B.102. CERTAIN INTERNATIONAL ACADEMIC PARTNERSHIPS
17 PROHIBITED. (a) An institution of higher education may not
18 participate in an academic partnership with a foreign source of a
19 foreign adversary, or an entity controlled by a foreign adversary,
20 that:

21 (1) constrains the institution's freedom of contract;
22 (2) allows the institution's curriculum or values to
23 be directed, controlled, or influenced by the foreign adversary; or
24 (3) promotes an agenda detrimental to the safety or
25 security of this state, the residents of this state, or the United
26 States.

27 (b) The council shall establish:

1 (1) best practices to be used by an institution of
2 higher education when entering into an academic partnership with a
3 foreign source of a foreign adversary; and

4 (2) a process by which an institution of higher
5 education annually shall certify to the council the institution's
6 compliance or noncompliance with the best practices established
7 under Subdivision (1).

8 (c) Not later than December 1 of each year, the council
9 shall submit to the governor, the lieutenant governor, and the
10 speaker of the house of representatives a report identifying each
11 institution of higher education that did not certify the
12 institution's compliance with the best practices under Subsection
13 (b) in the 12 months preceding the date of the report.

14 Sec. 51B.103. PROHIBITIONS IN RELATION TO CERTAIN FOREIGN
15 INFLUENCE ON STUDENT ORGANIZATION. (a) A student organization at
16 an institution of higher education may not:

17 (1) accept a gift from a foreign adversary or an agent
18 of a foreign adversary; or

19 (2) enter into a contract or agreement with a foreign
20 adversary or an agent of a foreign adversary under which the student
21 organization receives financial support.

22 (b) Subsection (a) does not prohibit a student organization
23 at an institution of higher education from accepting member dues or
24 fees.

25 (c) Each student organization at an institution of higher
26 education annually shall certify to the institution the
27 organization's compliance with Subsection (a).

1 (d) Notwithstanding Section 51.9315, an institution of
2 higher education may not provide any benefit to a student
3 organization that violates this section. An institution of higher
4 education that determines a student organization has violated this
5 section shall terminate the organization's recognition or
6 registration, as applicable.

7 SUBCHAPTER D. SCREENING OF FOREIGN RESEARCHERS

8 Sec. 51B.151. SCREENING OF FOREIGN RESEARCHERS REQUIRED.

9 (a) Before offering a person employment for a research or
10 research-related support position at the institution or granting a
11 person access to research data or activities or other sensitive
12 data of the institution, an institution of higher education must
13 screen the person as provided by this subchapter if the person:

14 (1) is a citizen of a foreign country and is not a
15 permanent resident of the United States; or

16 (2) is affiliated with an institution or program, or
17 has at least one year of employment or training, in a foreign
18 adversary, other than employment or training by an agency of the
19 United States.

20 (b) A screening under this section must include a background
21 check to determine if the person has any ties to a foreign adversary
22 that would prevent the person from being able to maintain the
23 security or integrity of the institution of higher education and
24 research data or activities or other sensitive data of the
25 institution. The council may establish a risk-based framework for
26 the screening of a person under this subchapter, which may
27 prescribe low-risk circumstances under which the screening may be

1 waived.

2 (c) If an institution of higher education procures a third
3 party to conduct a background check under Subsection (b), the
4 institution may consult with the Department of Public Safety and
5 the council in determining whether the third party is qualified to
6 conduct a background check that meets the requirements of that
7 subsection.

8 (d) An institution of higher education may screen
9 additional persons as provided by this subchapter for a position
10 described by Subsection (a) at the institution's discretion.

11 (e) An institution of higher education may waive the
12 screening requirement under Subsection (a) for a person who
13 possesses an active United States government security clearance
14 issued by a federal agency.

15 Sec. 51B.152. EMPLOYMENT: REQUIRED MATERIALS. (a) An
16 institution of higher education must require a person subject to
17 screening under Section 51B.151 to submit to the institution:

18 (1) if the person is a citizen of a foreign country, a
19 copy of the person's passport and nonimmigrant visa application
20 most recently submitted to the United States Department of State;
21 and

22 (2) any additional information as determined by the
23 council.

24 (b) An institution of higher education may destroy or return
25 to a person subject to screening under Section 51B.151 the copy of
26 the person's nonimmigrant visa application submitted under
27 Subsection (a)(1) after extracting all information relevant to the

1 requirements of this subchapter.

2 Sec. 51B.153. RESEARCH SECURITY OFFICE. (a) The chief
3 administrative officer of an institution of higher education shall
4 establish a research security office to:

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

7 (2) take reasonable steps to verify the information in
8 the submission; and

9 (3) take any other action the office considers
10 appropriate.

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

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

17 (d) An institution of higher education must complete the
18 requirements of this subchapter before:

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

21 (2) granting the person access to research data or
22 activities or other sensitive data.

23 (e) An institution of higher education may not employ a
24 person subject to screening under Section 51B.151 in a research or
25 research-related support position if the person fails to disclose
26 in the submission a substantial educational, employment, or
27 research-related activity, publication, or presentation unless the

applicable department head or the department head's designee certifies in writing the substance of the failure to disclose and the reasons for disregarding that failure. A copy of the certification must be kept in the investigative file of the research security office.

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

SUBCHAPTER E. FOREIGN TRAVEL

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

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

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

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

Sec. 51B.202. MAINTENANCE OF RECORDS AND REPORT. (a) An

institution of higher education shall maintain for at least three years, or any longer period of time required by applicable federal or state law, records relating to employment-related foreign travel to and activities involving a foreign adversary by a faculty member, researcher, or research department staff member of the institution, including:

(1) each foreign travel request and approval;

(2) expenses reimbursed by the institution for foreign travel, including for travel, food, and lodging;

(3) payments and honoraria received during foreign travel and activities, including for travel, food, and lodging;

(4) a statement of the purpose of each foreign travel;
and

(5) any record related to the foreign activity review.

(b) An institution of higher education shall annually submit to the institution's governing board a report on employment-related foreign travel by a faculty member, researcher, or research department staff member of the institution to a foreign adversary. The report must list each traveler, foreign location visited, and foreign institution visited.

SUBCHAPTER F. FOREIGN ADVERSARY EDUCATION SOFTWARE

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

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

1 (2) publish a list of prohibited software on the
2 coordinating board's Internet website.

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

6 SUBCHAPTER G. ENFORCEMENT

7 Sec. 51B.301. ENFORCEMENT. (a) An institution of higher
8 education may not spend money appropriated to the institution for a
9 state fiscal year until the governing board of the institution
10 submits to the governor, the legislature, the coordinating board,
11 and the council a report certifying the governing board's
12 compliance with this chapter during the preceding state fiscal
13 year.

14 (b) In the interim between each regular session of the
15 legislature, the governing board of each institution of higher
16 education, or the board's designee, shall testify before the
17 standing legislative committees with primary jurisdiction over
18 higher education at a public hearing of the committee regarding the
19 board's compliance with this chapter.

20 (c) The state auditor shall periodically conduct a
21 compliance audit of each institution of higher education to
22 determine whether the institution has spent state money in
23 violation of this section. The state auditor shall adopt a schedule
24 by which the state auditor will conduct compliance audits under
25 this subsection. The schedule must ensure that each institution of
26 higher education is audited at least once every four years.

27 (d) If the state auditor determines pursuant to a compliance

1 audit conducted under Subsection (c) that an institution of higher
2 education has spent state money in violation of this section, the
3 institution:

4 (1) must cure the violation not later than the 180th
5 day after the date on which the determination is made; and

6 (2) if the institution fails to cure the violation
7 during the period described by Subdivision (1), is ineligible to
8 receive formula funding increases, institutional enhancements, or
9 exceptional items during the state fiscal biennium immediately
10 following the state fiscal biennium in which the determination is
11 made.

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

14 (2-a) "Foreign agent" means an officer, employee,
15 proxy, servant, delegate, or representative of a foreign
16 government.

17 (2-b) "Foreign government" has the meaning assigned by
18 Section 51B.001, Education Code.

19 (2-c) "Foreign instrumentality" means an agency,
20 bureau, ministry, component, institution, association, or legal,
21 commercial, or business organization, corporation, firm, or entity
22 that is substantially owned, controlled, sponsored, commanded,
23 managed, or dominated by a foreign government.

24 SECTION 4. Section 31.05(c), Penal Code, is amended to read
25 as follows:

26 (c) An offense under this section is a felony of the third
27 degree, except that the offense is a felony of the second degree if

1 it is shown on the trial of the offense that the person who
2 committed the offense intended to benefit a foreign agent, foreign
3 government, or foreign instrumentality.

4 SECTION 5. (a) Not later than October 1, 2025, the
5 appropriate entities shall designate the members of the Higher
6 Education Research Security Council established under Section
7 51.957, Education Code, as added by this Act.

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

12 SECTION 6. The changes in law made by this Act to Section
13 31.05, Penal Code, apply only to an offense committed on or after
14 the effective date of this Act. An offense committed before the
15 effective date of this Act is governed by the law in effect on the
16 date the offense was committed, and the former law is continued in
17 effect for that purpose. For purposes of this section, an offense
18 was committed before the effective date of this Act if any element
19 of the offense occurred before that date.

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

22 SECTION 8. Sections 51B.051, 51B.102(b), 51B.151, and
23 51B.152, Education Code, as added by this Act, apply beginning with
24 the academic year immediately following the adoption of standards
25 relating to those sections by the Higher Education Research
26 Security Council established under Section 51.957, Education Code,
27 as added by this Act.

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

5 SECTION 10. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I certify that H.B. No. 127 was passed by the House on May 15, 2025, by the following vote: Yeas 131, Nays 8, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 127 on May 30, 2025, by the following vote: Yeas 130, Nays 4, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 127 was passed by the Senate, with amendments, on May 29, 2025, by the following vote: Yeas 29, Nays 2.

Secretary of the Senate

APPROVED: _____

Date

Governor