By:  Parker, et al. S.B. No. 1537

(In the Senate - Filed March 3, 2023; March 16, 2023, read first time and referred to Subcommittee on Higher Education; May 10, 2023, reported favorably from Committee on Education by the following vote: Yeas 11, Nays 0; May 10, 2023, sent to printer.)

COMMITTEE VOTE

                    Yea Nay Absent  PNV

Creighton         X

Campbell             X

Bettencourt          X

Birdwell             X

Flores               X

King                 X

LaMantia             X

Menéndez                       X

Middleton            X

Parker               X

Paxton               X

Springer             X

West                           X

A BILL TO BE ENTITLED

AN ACT

relating to measures to prevent espionage and intellectual property theft at public institutions of higher education.

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

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

SUBCHAPTER J. ESPIONAGE AND INTELLECTUAL PROPERTY THEFT PREVENTION

Sec. 51.501.  DEFINITIONS. In this subchapter:

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

(2)  "Institution of higher education" has the meaning assigned by Section 61.003.

Sec. 51.502.  DISCLOSURE OF FOREIGN FUNDING. Not later than September 1 of each year, each institution of higher education shall submit to the coordinating board a report on the funding received by the institution from a foreign entity during the preceding academic year.

Sec. 51.503.  PROHIBITION ON ACCEPTING GIFTS, GRANTS, OR DONATIONS FROM CERTAIN FOREIGN ENTITIES. An institution of higher education may not accept a gift, grant, or donation from the government of China or a company or other entity directly or indirectly controlled by the government of China.

Sec. 51.504.  TRAINING ON ESPIONAGE AND INTELLECTUAL PROPERTY THEFT PREVENTION. (a) Each institution of higher education shall require each researcher at the institution to complete training on the prevention of espionage and intellectual property theft.

(b)  The training must include instruction on:

(1)  an understanding of the current national security risks related to espionage and intellectual property theft;

(2)  the methods used in espionage and intellectual property theft;

(3)  the signs of espionage and intellectual property theft;

(4)  measures to protect sensitive information and intellectual property; and

(5)  procedures for reporting suspected incidents of espionage or intellectual property theft.

(c)  The training must be provided in conjunction with any other training required for researchers at the institution of higher education provided by the institution's information security office.

Sec. 51.505.  REPORTING SYSTEM. Each institution of higher education shall establish a reporting system for students, faculty, and staff to report to the institution suspicious activity that may be related to espionage or intellectual property theft.

Sec. 51.506.  RULES. The coordinating board shall adopt rules necessary to implement this subchapter.

SECTION 2.  Not later than September 1, 2024, each public institution of higher education shall:

(1)  submit the initial report required under Section 51.502, Education Code, as added by this Act; and

(2)  ensure that each researcher at the institution has completed the training required by Section 51.504, Education Code, as added by this Act.

SECTION 3.  This Act takes effect September 1, 2023.

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