BILL ANALYSIS

BACKGROUND AND PURPOSE

According to the July 2022 memo from the Office of the Director of National Intelligence titled "Protecting Government and Business Leaders at the U.S., State, and Local Level from People's Republic of China (PRC) Influence Operations," the Chinese People's Association for Friendship with Foreign Countries (CPAFFC) is entrusted with cultivating and overseeing "sister" relationships between China and localities in the United States, including localities in Texas. The U.S. State Department describes the CPAFFC, a part of China's united front bureaucratic structure which carries out espionage and political warfare on behalf of the Chinese Communist Party, as a "Beijing-based organization tasked with coopting subnational governments" that "has sought to directly and malignly influence state and local leaders to promote the PRC's global agenda." H.B. 128 seeks to address this issue by prohibiting sister-city agreements between state governmental entities and foreign adversary countries so that those entities do not unwittingly fall victim to the influence campaigns of the Chinese Communist Party and other foreign adversaries, while still encouraging such agreements with allies of the United States.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 128 amends the Government Code to establish that it is the policy of the state to encourage sister-city agreements between governmental entities and countries that are allies of the United States, including countries designated as major non-NATO allies under federal law and the Republic of China, commonly known as Taiwan, and communities located in those countries. The bill prohibits a governmental entity from establishing, maintaining, or renewing a sister-city agreement with a country that is a foreign adversary or a community located in such a country.

H.B. 128 requires a governmental entity that is a party to a prohibited sister-city agreement on September 1, 2025, to withdraw from the agreement not later than October 1, 2025. This provision expires January 1, 2027.

H.B. 128 defines the following terms:

- "foreign adversary" as:
 - China, Iran, North Korea, or Russia; or

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- a country that is a designated country for purposes of statutory provisions relating to the prohibition on contracts with certain foreign-owned companies in connection with critical infrastructure;
- "governmental entity" as a state agency or a political subdivision of the state;
- "sister-city agreement" as an agreement that:
 - is between a governmental entity and a country other than the United States or a community located in a country other than the United States;
 - is recognized by a 501(c)(3) tax-exempt organization that serves as the national membership organization for individual sister cities, counties, and states across the United States; and
 - reflects a commitment to foster and strengthen opportunities for cultural and educational exchange programs and tourism and to encourage other types of bilateral cooperation between the parties to the agreement; and
- "state agency" by reference as a state board, commission, department, institution, or officer having statewide jurisdiction, including a state college or university.

EFFECTIVE DATE

September 1, 2025.