

## **BILL ANALYSIS**

Senate Research Center

S.B. 2312  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

A global conflict would disrupt the U.S. economy and have the potential to sever Texas supply chains on multiple fronts. While the desire to avoid this is a priority, the need to prepare for this is crucial.

Foreign adversaries are probing state and local infrastructure for weaknesses. Federal cybersecurity leaders warn that adversaries aim to cripple U.S. infrastructure to undermine America's ability to respond to a conflict. A global conflict would also sever key supply chains, including pharmaceuticals, hospital equipment, power transformers, and semiconductors, leading to direct attacks on critical infrastructure.

S.B. 2312 establishes the Texas Advisory Committee on Geopolitical Conflict to assess and mitigate risks to the state's critical infrastructure and supply chains. This legislation aims to protect Texas's citizens and assets and contribute to the broader defensive posture of the United States by reducing security vulnerabilities within the state.

As proposed, S.B. 2312 amends current law relating to the establishment and powers and duties of the Texas Advisory Committee on Geopolitical Conflict.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subtitle C, Title 4, Government Code, by adding Chapter 438, as follows:

#### **CHAPTER 438. TEXAS ADVISORY COMMITTEE ON GEOPOLITICAL CONFLICT SUBCHAPTER A. GENERAL PROVISIONS**

Sec. 438.001. SHORT TITLE. Authorizes this chapter to be cited as the Texas Geopolitical Conflict Stress Test Act.

Sec. 438.002. POLICY STATEMENT. (a) Provides that it is the policy of this state to support the civilian and military command of the United States and its efforts to promote and maintain prosperity, peace, and security for the United States and its allies. Provides that it is the policy of this state to enhance the defensive posture of this state, to protect the citizens and assets of this state, and to contribute to the broader defensive posture of the United States by reducing security vulnerabilities within this state.

(b) Provides that it is the policy of this state to exercise foresight and make reasonable preparations for a potential geopolitical conflict that involves attacks on the United States and its allies, involves asymmetrical attacks on the United States homeland, and causes the disruption or complete severing of supply chains between this state and international trade partners.

Sec. 438.003. DEFINITIONS. Defines "advisory committee," "critical infrastructure," "critical procurement," "drug supply chain," "geopolitical conflict," "state supply chain," and "Texas National Guard."

#### SUBCHAPTER B. ADVISORY COMMITTEE

Sec. 438.101. ESTABLISHMENT OF TEXAS ADVISORY COMMITTEE ON GEOPOLITICAL CONFLICT. Provides that the Texas Advisory Committee on Geopolitical Conflict (advisory committee) is established to:

- (1) develop state security strategies and policies before a geopolitical conflict occurs; and
- (2) collect and prepare information to assist in enhancing this state's command-and-control functions in the event of a conflict described by Subdivision (1).

Sec. 438.102. ADVISORY COMMITTEE COMPOSITION AND ADMINISTRATION.

(a) Provides that the advisory committee consists of the following nine members:

- (1) one member appointed by the governor;
- (2) a representative of the Texas National Guard (TNG), appointed by the governor;
- (3) two members appointed by the lieutenant governor;
- (4) two members appointed by the speaker of the house of representatives;
- (5) the adjutant general or the adjutant general's designee;
- (6) the public safety director or the public safety director's designee; and
- (7) the chief of the Texas Division of Emergency Management or the chief's designee.

(b) Requires the governor, lieutenant governor, and speaker of the house of representatives, in making appointments to the advisory committee, to appoint individuals who have applicable knowledge of the threats posed to this state in the event of a geopolitical conflict.

Sec. 438.103. TERMS; VACANCY. (a) Requires the appointed advisory committee members, except as provided by Subsection (b), to serve for a term of two years.

(b) Provides that Subsection (a) does not apply to the advisory committee members described by Sections 438.102(a)(5), (6), and (7).

(c) Requires the appropriate appointing authority, if a vacancy occurs on the advisory committee, to appoint a successor in the same manner as the original appointment.

Sec. 438.104. ADVISORY COMMITTEE OFFICERS. (a) Requires the member appointed by the governor under Section 438.102(a)(1) to serve as chair of the advisory committee and to have applicable knowledge of the threats posed to this state in the event of a geopolitical conflict and the research and leadership experience to competently and comprehensively perform the advisory committee's duties.

(b) Requires the lieutenant governor to designate one appointee to serve as vice chair of the advisory committee.

(c) Authorizes the advisory committee to elect additional officers from among its members.

(d) Requires the advisory committee to establish and approve duties and responsibilities for advisory committee officers.

Sec. 438.105. REIMBURSEMENT FOR EXPENSES. Provides that a member of the advisory committee is not entitled to compensation for service on the committee but is entitled to reimbursement for actual and necessary expenses incurred in performing committee duties as provided by the General Appropriations Act.

Sec. 438.106. MEETINGS. (a) Requires the advisory committee to meet at least once every three months, with additional meetings on the call of a majority of the members of the advisory committee or the governor.

(b) Provides that advisory committee meetings are not subject to Chapter 551 (Open Meetings).

Sec. 438.107. GIFTS AND GRANTS. Authorizes the advisory committee to accept gifts, grants, and donations to pay for the advisory committee's activities under this chapter.

#### SUBCHAPTER C. POWERS AND DUTIES OF ADVISORY COMMITTEE

Sec. 438.201. GENERAL POWERS. (a) Authorizes the advisory committee to consult with and retain external advisors to provide expertise and collaborative research support.

(b) Authorizes the advisory committee to conduct field investigations, hold hearings, receive testimony in any form, consult with federal and state officials, and otherwise take any lawful action to carry out the purposes of the advisory committee.

Sec. 438.202. TABLETOP EXERCISE; REPORT. (a) Requires the advisory committee, with assistance from TNG, to conduct a tabletop exercise centered on an invasion by an adversarial nation. Requires that the exercise explore the following scenarios:

(1) a scenario that would result in aggression against the armed forces of the United States; and

(2) a scenario that would involve intentional or incidental damage to a state supply chain, a critical infrastructure facility, or another asset.

(b) Requires the advisory committee to produce and submit to the governor a report describing how a geopolitical conflict would impact this state not later than May 29, 2026. Authorizes the advisory committee to request additional tabletop exercise reports following the initial report.

Sec. 438.203. SUPPLY CHAINS AND TECHNOLOGICAL SECURITY AUDIT. (a) Requires the advisory committee, with assistance from the adjutant general, to investigate critical procurements supplied through a state supply chain that would be disrupted in the event of a geopolitical conflict.

(b) Requires the advisory committee to produce and submit a report of the committee's findings to the governor not later than May 29, 2026.

(c) Requires that the initial report:

(1) identify all critical procurements produced in or by a foreign adversary, a state-owned enterprise of a foreign adversary, a company domiciled within the territory of a foreign adversary, or a company owned

by a company domiciled within the territory of a foreign adversary, or substantially sourced from an entity described by this subdivision;

(2) identify all critical procurements manufactured in countries, or by companies, at risk of disruption in the event of a geopolitical conflict;

(3) identify all critical procurements sourced from any country or company that relies on a supply chain at risk of disruption in the event of a geopolitical conflict;

(4) recommend alternative sourcing strategies for critical procurements, if available;

(5) highlight the difficulty in identifying potential alternative sourcing for critical procurements, if relevant; and

(6) specify the level of risk to this state associated with a disruption described by Subdivision (2) or (3) in supply chain sourcing for each critical procurement that is threatened in the event of the disruption.

(d) Authorizes the advisory committee to conduct additional investigations following the initial report.

Sec. 438.204. DRUG SUPPLY CHAIN AUDIT. (a) Requires the advisory committee, with assistance from the Health and Human Services Commission and Department of State Health Services, to investigate the drug supply chain of this state to identify prescription drugs, key starting materials (KSM), and active pharmaceutical ingredients (API) produced in or by a foreign adversary, a state-owned enterprise of a foreign adversary, a company domiciled within the territory of a foreign adversary, or a company owned by a company domiciled within the territory of a foreign adversary, or substantially sourced from an entity described by this subdivision that:

(1) are of low or questionable efficacy;

(2) are toxic or contain impurities known to the federal Food and Drug Administration, United States Department of Agriculture, or other agencies to pose a risk to human health by established standards; or

(3) would be disrupted in the event of a geopolitical conflict.

(b) Requires the advisory committee to produce and submit a report of the committee's findings to the governor not later than May 29, 2026.

(c) Requires that the initial report contain certain information, determinations, and recommendations.

(d) Authorize the advisory committee to conduct additional investigations following the initial report.

Sec. 438.205. CRITICAL INFRASTRUCTURE PROTECTION. (a) Requires the advisory committee to investigate potential threats to critical infrastructure in this state in the event of a geopolitical conflict.

(b) Requires the advisory committee to produce and submit a report of the committee's findings to the governor not later than May 29, 2026.

(c) Requires that the initial report:

(1) identify all critical infrastructure and other assets within this state that could reasonably be targeted in a malicious act by a foreign adversary in

the event of a geopolitical conflict and would result in a significant negative impact on the public health, safety, economic security, or physical security of this state's citizens

(2) identify specific risks posed to each critical infrastructure facility or other asset identified under Subdivision (1) in the event of a geopolitical conflict, including known vectors of attack such as cyberattack and physical sabotage; and

(3) develop strategies to prevent and protect against threats posed to critical infrastructure and other assets identified under Subdivision (1) in the event of a geopolitical conflict and minimize the damage to this state if a malicious act described by Subdivision (1) succeeds in damaging critical infrastructure in this state.

(d) Authorizes the advisory committee to conduct additional investigations and produce additional reports as the committee determines necessary.

Sec. 438.206. OTHER INVESTIGATIONS. Authorizes the advisory committee to investigate additional matters at its own discretion on a majority vote of the committee.

Sec. 438.207. SUBPOENA. (a) Authorizes the advisory committee to compel by subpoena the attendance of a relevant witness at a hearing or the production for inspection or copying of a record that is relevant to the advisory committee's duties under this chapter.

(b) Authorizes the advisory committee, acting through the attorney general, to bring an action in a district court to enforce a subpoena issued under Subsection (a) against a person who fails to comply with the subpoena.

(c) Requires the court to order compliance with the subpoena if the court finds that good cause exists to issue the subpoena.

Sec. 438.208. CONFIDENTIALITY OF INFORMATION. (a) Provides that, except as provided by Subsection (b), any research, data, reports, findings, and other information produced by the advisory committee is confidential and excepted from the requirements of Section 552.021 (Availability of Public Information) and required to be maintained by the Office of the Governor.

(b) Authorizes the governor to disclose information described by Subsection (a). Provides that a disclosure by the governor is not considered a disclosure of confidential information or a disclosure to the public for purposes of Section 552.007 (Voluntary Disclosure of Certain Information when Disclosure Not Required) and does not waive the right to assert in the future that the information is confidential or excepted from required disclosure under this section or other law.

Sec. 438.209. PUBLIC REPORT AND POLICY RECOMMENDATIONS. (a) Requires the advisory committee, notwithstanding Section 438.207 and subject to Subsections (b) and (c), to make available an annual report with narrative and summary findings from the advisory committee's investigations for the purpose of educating the public.

(b) Authorizes the report to include policy recommendations for consideration by state and local government officials and recommendations to improve the resilience of this state's citizens and critical infrastructure. Prohibits the report from including any information the release of which would pose a risk to state security or national security.

(c) Prohibits the advisory committee from releasing the report required by Subsection (a) unless the release is approved by a majority vote of the advisory committee.

Sec. 438.210. EXPIRATION. Provides that the advisory committee is abolished and this chapter expires September 1, 2029.

SECTION 2. Requires the governor, the lieutenant governor, and the speaker of the house of representatives, not later than October 31, 2025, to appoint the members of the advisory committee under Sections 438.102(a)(1), (2), (3), and (4), Government Code, as added by this Act.

SECTION 3. Effective date: September 1, 2025.