

By: Hefner, et al.

H.B. No. 118

Substitute the following for H.B. No. 118:

By: Hefner

C.S.H.B. No. 118

A BILL TO BE ENTITLED

AN ACT

relating to the establishment and powers and duties of the Texas  
Advisory Committee on Geopolitical Conflict.

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

SECTION 1. Subtitle C, Title 4, Government Code, is amended  
by adding Chapter 438 to read as follows:

CHAPTER 438. TEXAS ADVISORY COMMITTEE ON GEOPOLITICAL CONFLICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 438.001. SHORT TITLE. This chapter may be cited as the  
Texas Geopolitical Conflict Stress Test Act.

Sec. 438.002. POLICY STATEMENT. (a) 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. 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) It is the policy of this state to exercise foresight and  
make reasonable preparations for a potential geopolitical conflict  
that:

(1) involves attacks on the United States and its  
allies;

(2) involves asymmetrical attacks on the United States

1 homeland; and

2 (3) causes the disruption or complete severing of  
3 supply chains between this state and international trade partners.

4 Sec. 438.003. DEFINITIONS. In this chapter:

5 (1) "Advisory committee" means the Texas Advisory  
6 Committee on Geopolitical Conflict established under this chapter.

7 (2) "Critical infrastructure" means a publicly or  
8 privately owned system or asset, whether physical or virtual, so  
9 vital to this state or to the United States that the incapacity or  
10 destruction of the system or asset would have a debilitating impact  
11 on state or national security, state or national economic security,  
12 state or national public health, or any combination of these, and  
13 includes:

14 (A) an oil and gas production, storage, or  
15 delivery system;

16 (B) a water supply, refinement, storage, or  
17 delivery system;

18 (C) a communications network;

19 (D) an electrical power delivery system;

20 (E) an emergency service system;

21 (F) a transportation system or service;

22 (G) a personal data or classified information  
23 storage system, including a cybersecurity system; or

24 (H) a military installation.

25 (3) "Critical procurement" means a purchase made by a  
26 state agency, a political subdivision of this state, or a private  
27 nongovernmental organization that is critical to the proper

1 functioning of state services, state operations, or the operations  
2 of this state's critical infrastructure, or the health, safety, or  
3 security of this state's citizens.

4 (4) "Drug supply chain" means the end-to-end process  
5 for manufacturing, acquiring, shipping, and vending prescription  
6 drugs beginning at any point of origin and ending in this state,  
7 including acquiring and shipping any key starting materials and  
8 active pharmaceutical ingredients necessary to manufacture and  
9 distribute prescription drugs in this state.

10 (5) "Geopolitical conflict" means:

11 (A) a declared war or armed conflict between the  
12 United States or any of its allies and another nation that occurs in  
13 the land, air, or sea and threatens or could reasonably escalate to  
14 threaten the supply chains, critical infrastructure, safety, or  
15 security of this state or the United States; or

16 (B) a significant deterioration of diplomatic  
17 ties or economic engagement between the United States or its allies  
18 and another nation that threatens the status quo of trade, travel,  
19 and military operations or exercises.

20 (6) "State supply chain" means the end-to-end process  
21 for shipping goods purchased by a state agency or a political  
22 subdivision of this state to the state agency or political  
23 subdivision, beginning at the point of origin through any point of  
24 distribution, including through vendors, to the destination.

25 (7) "Texas National Guard" has the meaning assigned by  
26 Section [437.001](#).

SUBCHAPTER B. ADVISORY COMMITTEE

Sec. 438.101. ESTABLISHMENT OF TEXAS ADVISORY COMMITTEE ON  
GEOPOLITICAL CONFLICT. The Texas Advisory Committee on  
Geopolitical Conflict 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) The advisory committee consists of the  
following nine members:

- (1) one member appointed by the governor;
- (2) a representative of the Texas National Guard,  
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 of the Department of  
Public Safety or the public safety director's designee; and
- (7) the chief of the Texas Division of Emergency  
Management or the chief's designee.

(b) In making appointments to the advisory committee, the  
governor, lieutenant governor, and speaker of the house of  
representatives shall appoint individuals who have applicable

1 knowledge of the threats posed to this state in the event of a  
2 geopolitical conflict.

3 Sec. 438.103. TERMS; VACANCY. (a) Except as provided by  
4 Subsection (b), the appointed advisory committee members shall  
5 serve for a term of two years.

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

8 (c) If a vacancy occurs on the advisory committee, the  
9 appropriate appointing authority shall appoint a successor in the  
10 same manner as the original appointment.

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

18 (b) The lieutenant governor shall designate one appointee  
19 to serve as vice chair of the advisory committee.

20 (c) The advisory committee may elect additional officers  
21 from among its members.

22 (d) The advisory committee shall establish and approve  
23 duties and responsibilities for advisory committee officers.

24 Sec. 438.105. REIMBURSEMENT FOR EXPENSES. A member of the  
25 advisory committee is not entitled to compensation for service on  
26 the committee but is entitled to reimbursement for actual and  
27 necessary expenses incurred in performing committee duties as

provided by the General Appropriations Act.

Sec. 438.106. MEETINGS. (a) The advisory committee shall meet at least once every three months, with additional meetings on the call of:

(1) a majority of the members of the advisory committee; or

(2) the governor.

(b) Advisory committee meetings are not subject to Chapter 551.

Sec. 438.107. GIFTS AND GRANTS. The advisory committee may 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) The advisory committee may consult with and retain external advisors to provide expertise and collaborative research support.

(b) The advisory committee may 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) The advisory committee, with assistance from the Texas National Guard, shall conduct a tabletop exercise centered on an invasion by a foreign adversary. The exercise must 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

1 incidental damage to a state supply chain, a critical  
2 infrastructure facility, or another asset.

3 (b) The advisory committee shall produce and submit to the  
4 governor a report describing how a geopolitical conflict would  
5 impact this state not later than May 29, 2026. The advisory  
6 committee may request additional tabletop exercise reports  
7 following the initial report.

8 (c) For the purpose of conducting a tabletop exercise under  
9 this section, an entity providing electric or gas utility services  
10 is not required to disclose the specific locations of the entity's  
11 critical infrastructure to the advisory committee.

12 Sec. 438.203. SUPPLY CHAINS AND CRITICAL PROCUREMENTS  
13 AUDIT; REPORT. (a) The advisory committee, with assistance from  
14 the adjutant general, shall investigate critical procurements  
15 supplied through a state supply chain that would be disrupted in the  
16 event of a geopolitical conflict.

17 (b) The advisory committee shall produce and submit a report  
18 of the committee's findings to the governor not later than May 29,  
19 2026.

20 (c) The initial report must:

21 (1) identify all critical procurements produced in or  
22 by a foreign adversary, a state-owned enterprise of a foreign  
23 adversary, a company domiciled within the territory of a foreign  
24 adversary, or a company owned by a company domiciled within the  
25 territory of a foreign adversary, or substantially sourced from an  
26 entity described by this subdivision;

27 (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) The advisory committee may conduct additional investigations following the initial report.

Sec. 438.204. DRUG SUPPLY CHAIN AUDIT; REPORT. (a) In this section, "company subject to the jurisdiction of a foreign adversary" includes a state-owned enterprise of a foreign adversary, a company domiciled or headquartered in the territory of a foreign adversary, or any wholly owned or majority-owned subsidiary of a company domiciled or headquartered in the territory of a foreign adversary.

(b) The advisory committee, in collaboration with the Health and Human Services Commission and the Department of State Health Services, shall investigate the drug supply chain of this state to identify prescription drugs, including active pharmaceutical ingredients and key starting materials, that are



1 produced in or by a foreign adversary or substantially sourced from  
2 a company subject to the jurisdiction of a foreign adversary.

3 (c) The advisory committee shall investigate whether the  
4 prescription drugs identified under Subsection (b):

5 (1) are of low or questionable efficacy; or

6 (2) are toxic or contain impurities known to the  
7 United States Food and Drug Administration, the United States  
8 Department of Agriculture, or any other governmental agencies to  
9 pose a risk to human health.

10 (d) The advisory committee shall study whether the drug  
11 supply chain of the prescription drugs identified under Subsection  
12 (b) would be disrupted in the event of a geopolitical conflict.

13 (e) The advisory committee shall produce an initial report  
14 on the prescription drugs identified under Subsection (b). The  
15 initial report must:

16 (1) list the prescription drugs;

17 (2) identify the classes and common uses of the  
18 prescription drugs;

19 (3) assess the risk posed by the prescription drugs,  
20 including concerns related to quality, efficacy, toxicity, or  
21 impurity;

22 (4) determine the impact of a geopolitical conflict on  
23 the drug supply chain of the prescription drugs;

24 (5) recommend alternative sourcing strategies for the  
25 prescription drugs in the event of a geopolitical conflict;

26 (6) describe any difficulty in identifying or using  
27 alternative sourcing strategies under Subdivision (5) for

1 prescription drugs, as necessary; and

2 (7) determine the feasibility and cost of creating and  
3 maintaining a strategic supply of prescription drugs in the event  
4 of a geopolitical conflict.

5 (f) The advisory committee shall submit the initial report  
6 of prescription drugs identified under this section to the governor  
7 not later than May 29, 2026.

8 (g) The advisory committee may conduct additional  
9 investigations and produce additional reports on the prescription  
10 drugs identified under Subsection (b) as the committee determines  
11 necessary.

12 Sec. 438.205. CRITICAL INFRASTRUCTURE PROTECTION AUDIT;  
13 REPORT. (a) The advisory committee shall investigate potential  
14 threats to critical infrastructure in this state in the event of a  
15 geopolitical conflict.

16 (b) The advisory committee shall produce and submit to the  
17 governor a report of the committee's findings not later than May 29,  
18 2026.

19 (c) The initial report must:

20 (1) identify all critical infrastructure and other  
21 assets within this state that could reasonably be targeted in a  
22 malicious act by a foreign adversary in the event of a geopolitical  
23 conflict and would result in a significant negative impact on the  
24 public health, safety, economic security, or physical security of  
25 this state's citizens;

26 (2) identify specific risks posed to each critical  
27 infrastructure 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:

(A) prevent and protect against threats posed to critical infrastructure and other assets identified under Subdivision (1) in the event of a geopolitical conflict; and

(B) minimize the damage to this state if a malicious act described by Subdivision (1) succeeds in damaging critical infrastructure and other assets in this state.

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

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

Sec. 438.207. SUBPOENA. (a) The advisory committee may 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) The advisory committee, acting through the attorney general, may 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) The court shall order compliance with the subpoena if the court finds that good cause exists to issue the subpoena.

Sec. 438.208. CONFIDENTIALITY OF INFORMATION. (a) Except as provided by Subsection (b), any research, data, reports,

findings, and other information provided to or produced by the advisory committee:

(1) is confidential and excepted from the requirements of Section 552.021; and

(2) shall be maintained by the office of the governor.

(b) The governor may disclose information described by Subsection (a). 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 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) Notwithstanding Section 438.208 and subject to Subsections (b) and (c), the advisory committee shall make available an annual report with narrative and summary findings from the advisory committee's investigations for the purpose of educating the public.

(b) The report may 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. The report may not include any information the release of which would pose a risk to state security or national security.

(c) The advisory committee may not release the report required by Subsection (a) unless the release is approved by a majority vote of the advisory committee.

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

1       SECTION 2. Not later than October 31, 2025, the governor,  
2 the lieutenant governor, and the speaker of the house of  
3 representatives shall appoint the members of the Texas Advisory  
4 Committee on Geopolitical Conflict under Sections 438.102(a)(1),  
5 (2), (3), and (4), Government Code, as added by this Act.

6       SECTION 3. This Act takes effect September 1, 2025.