

By: Cain

H.B. No. 2912

A BILL TO BE ENTITLED

AN ACT

relating to a prohibition on engaging in lobbying activities on behalf of a foreign adversary; providing a civil penalty.

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

SECTION 1. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.030 to read as follows:

Sec. 305.030. LOBBYING ON BEHALF OF FOREIGN ADVERSARY AND RELATED PERSONS PROHIBITED; CIVIL ENFORCEMENT. (a) In this section:

(1) "Control" means the direct or indirect power to determine, direct, dictate, or decide important matters affecting an entity, including through:

(A) the ownership of at least 20 percent of the total outstanding voting interest in an entity;

(B) board representation;

(C) the ability to appoint or discharge a board member, officer, director, employee, or contractor;

(D) proxy voting, a special share, a contractual arrangement, a legal obligation, or a formal or informal arrangement to act in concert; or

(E) another means of exercising power.

(2) "Foreign adversary" means:

(A) the People's Republic of China;

(B) the Russian Federation;

- 1                   (C) the Islamic Republic of Iran;  
2                   (D) the Democratic People's Republic of Korea;  
3                   (E) the Republic of Cuba;  
4                   (F) the Venezuelan regime under Nicolás Maduro;  
5                   (G) the Syrian Arab Republic;  
6                   (H) an agency or entity under the control of a  
7 country described by Paragraphs (A) through (G);  
8                   (I) a person wholly or partly owned or operated  
9 by or subject to the control of a country described by Paragraphs  
10 (A) through (G);  
11                   (J) a subsidiary or parent of a person described  
12 by Paragraph (I);  
13                   (K) a person organized under the laws of or that  
14 has its principal place of business in a country described by  
15 Paragraphs (A) through (G); and  
16                   (L) a subsidiary of a person described by  
17 Paragraph (K).  
18                   (3) "Foreign adversary client" means:  
19                   (A) a current or former:  
20                               (i) official in the executive, legislative,  
21 administrative, military, or judicial branch of a foreign  
22 adversary;  
23                               (ii) official of a foreign adversary  
24 political party; or  
25                               (iii) executive or officer of a foreign  
26 adversary;  
27                   (B) a corporation, business, or other entity that

1 has been formed by, or for the benefit of, a person described by  
2 Paragraph (A); and

3 (C) an immediate family member of a person  
4 described by Paragraph (A), including the person's spouse, parent,  
5 sibling, and child and a parent or sibling of the person's spouse.

6 (4) "Foreign adversary political party" means an  
7 organization or a combination of individuals in the jurisdictional  
8 limits of a foreign adversary, including a unit or branch of a  
9 foreign adversary's government, that is engaged in an activity  
10 wholly or partly devoted to or whose aim or purpose is to:

11 (A) establish, administer, control, or acquire  
12 the administration or control of a foreign adversary or a  
13 subdivision of a foreign adversary; or

14 (B) further or influence the political or public  
15 interests, policies, or relations of a foreign adversary or a  
16 subdivision of a foreign adversary.

17 (5) "Wholly or partly owned or operated" means:

18 (A) for a person that is a publicly traded  
19 company, that a foreign adversary has:

20 (i) the ability to exercise control over  
21 the company;

22 (ii) access to any material, nonpublic, and  
23 technical information in the company's possession; or

24 (iii) other rights or involvement in  
25 controlling or participating in the decision-making of the company  
26 beyond those available to a retail investor holding an equivalent  
27 share of ownership; and

1           (B) for a person that is a privately held  
2 company, that a foreign adversary has any share of ownership of the  
3 company.

4           (b) A registrant may not communicate directly with one or  
5 more members of the legislative or executive branch to influence  
6 legislation or administrative action on behalf of a foreign  
7 adversary, a foreign adversary client, or a foreign adversary  
8 political party.

9           (c) The attorney general may bring an action for injunctive  
10 relief against a registrant who violates this section or is  
11 threatening to violate this section. In an injunction issued under  
12 this section, a court may include reasonable requirements to  
13 prevent further violations of this section.

14           (d) In addition to injunctive relief under Subsection (c),  
15 the attorney general may bring an action for civil penalties  
16 against a registrant who violates this section. A civil penalty  
17 assessed under this section must be in an amount not to exceed  
18 \$50,000 for each violation.

19           (e) The attorney general may recover reasonable expenses  
20 incurred in bringing an action under this section, including court  
21 costs, reasonable attorney's fees, investigative costs, witness  
22 fees, and deposition costs.

23           SECTION 2. This Act takes effect September 1, 2025.