

By: McLaughlin

H.B. No. 3075

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a prohibition on the provision of state money to  
3 entities that promote certain ideological programs and the  
4 establishment of a division in the Legislative Budget Board to  
5 ensure such entities do not receive state money; authorizing the  
6 imposition of a civil penalty.

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

8 SECTION 1. Subtitle F, Title 10, Government Code, is  
9 amended by adding Chapter 2279 to read as follows:

10 CHAPTER 2279. PROHIBITION ON AWARD OF STATE MONEY TO ORGANIZATIONS

11 SUPPORTING RESTRICTED IDEOLOGICAL PROGRAMS

12 Sec. 2279.001. DEFINITIONS. In this chapter:

13 (1) "Organization" means any entity, including a  
14 public or private institution, nonprofit organization,  
15 corporation, or association, that directly or indirectly receives  
16 state money.

17 (2) "Restricted ideological program" means a program  
18 that supports, promotes, or is aligned with:

19 (A) initiatives, theories, or policies that seek  
20 to alter social institutions through identity-based conflict;

21 (B) advocacy that prioritizes the redistribution  
22 of resources based on perceived societal inequalities;

23 (C) an equity initiative that seeks equal  
24 outcomes rather than equal opportunities based on demographic

1 factors;

2 (D) advocacy for a nonbiological definition of  
3 gender and policies supporting gender transition;

4 (E) a doctrine asserting that gender identity is  
5 independent of biological sex;

6 (F) a theory that assigns privilege, oppression,  
7 or identity based primarily on racial categorization; or

8 (G) an institutional policy that prioritizes  
9 demographic representation over merit-based evaluation.

10 (3) "State money" means money appropriated by the  
11 legislature through the General Appropriations Act or other state  
12 law and includes money awarded by a state agency under a grant  
13 program.

14 Sec. 2279.002. PROHIBITION ON AWARD OF STATE MONEY TO  
15 ORGANIZATIONS SUPPORTING RESTRICTED IDEOLOGICAL PROGRAMS. A state  
16 agency or organization may not provide state money to an entity that  
17 promotes, teaches, advocates for, or is ideologically aligned with  
18 a restricted ideological program.

19 Sec. 2279.003. CIVIL PENALTY. (a) An entity that knowingly  
20 misrepresents the entity's activities to receive state money in  
21 violation of Section 2279.002 is liable for a civil penalty not to  
22 exceed the amount of state money that the entity has received in  
23 violation of that section.

24 (b) The attorney general may sue to collect a civil penalty  
25 under this section.

26 SECTION 2. Chapter 322, Government Code, is amended by  
27 adding Section 322.025 to read as follows:

1        Sec. 322.025. STATE FUNDING INTEGRITY REVIEW DIVISION. (a)

2        In this section:

3                (1) "Division" refers to the state funding integrity  
4 review division of the board.

5                (2) "Organization" and "restricted ideological  
6 program" have the meanings assigned by Section 2279.001.

7                (b) The board shall establish the state funding integrity  
8 review division as a division of the board.

9                (c) The division shall:

10                (1) conduct an initial and ongoing review of all  
11 state-funded grants, contracts, and other awards to identify  
12 organizations engaged in restricted ideological programs in  
13 violation of Section 2279.002;

14                (2) develop a vetting process for entities applying  
15 for or organizations receiving state money to ensure compliance  
16 with Section 2279.002;

17                (3) provide an annual report to the governor, the  
18 lieutenant governor, and the speaker of the house of  
19 representatives detailing the division's findings during the  
20 preceding year and any recommendations or referrals made under  
21 Subsection (d), (e), or (f) during that period; and

22                (4) recommend corrective actions and funding  
23 reallocations for organizations receiving state money in violation  
24 of Section 2279.002.

25                (d) If the division determines that a state agency spent  
26 money in violation of Section 2279.002, the division shall  
27 recommend to:

1           (1) the legislature that the agency be subject to  
2 budgetary restrictions during the next state fiscal biennium; and

3           (2) the agency that disciplinary action be taken  
4 against personnel responsible for oversight of the allocation of  
5 state money, including removal from that oversight role.

6           (e) If the division determines that an organization has  
7 received state money in violation of Section 2279.002:

8           (1) the division shall promptly notify the comptroller  
9 of that determination; and

10           (2) on receipt of notice under Subdivision (1), the  
11 comptroller may not issue warrants to the organization until the  
12 fifth anniversary of the date of the determination.

13           (f) The division shall refer each instance of an entity  
14 knowingly misrepresenting the entity's activities to receive state  
15 money in violation of Section 2279.002 to the attorney general for  
16 appropriate action under Chapter 2279.

17           SECTION 3. The changes in law made by this Act apply only to  
18 a contract entered into or renewed on or after the effective date of  
19 this Act. A contract entered into or renewed before the effective  
20 date of this Act is governed by the law in effect when the contract  
21 was entered into or renewed, and the former law is continued in  
22 effect for that purpose.

23           SECTION 4. Not later than the 90th day after the effective  
24 date of this Act, a state agency shall terminate a grant or other  
25 award of state money made to a person in violation of Section  
26 2279.002, Government Code, as added by this Act.

27           SECTION 5. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as  
2 provided by Section 39, Article III, Texas Constitution. If this  
3 Act does not receive the vote necessary for immediate effect, this  
4 Act takes effect September 1, 2025.