

By: Johnson, et al.

S.B. No. 2373

A BILL TO BE ENTITLED

AN ACT

relating to financial exploitation or financial abuse using
artificially generated media or phishing communications; providing
a civil penalty; creating a criminal offense.

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

SECTION 1. Title 4, Civil Practice and Remedies Code, is
amended by adding Chapter 100B to read as follows:

CHAPTER 100B. LIABILITY FOR FINANCIAL EXPLOITATION

Sec. 100B.001. DEFINITIONS. In this chapter:

(1) "Artificial intelligence" means a machine-based
system that can, for a given set of explicit or implicit objectives,
make predictions, recommendations, or decisions that influence
real or virtual environments.

(2) "Artificially generated media" means an image, an
audio file, a video file, a radio broadcast, written text, or other
media created or modified using artificial intelligence or other
computer software with the intent to deceive.

(3) "Exploitation" and "financial exploitation" have
the meanings assigned by Section 281.001, Finance Code.

(4) "Phishing communication" means an attempt to
deceive or manipulate a person into providing personal, financial,
or identifying information through e-mail, electronic
communication, or other digital means.

Sec. 100B.002. CAUSE OF ACTION FOR DISSEMINATION OF CERTAIN

1 COMMUNICATIONS FOR FINANCIAL EXPLOITATION. (a) A person is liable
2 for damages resulting from a knowing or intentional dissemination
3 of artificially generated media or a phishing communication for the
4 purpose of financial exploitation.

5 (b) A court shall award a claimant who prevails in an action
6 brought under this section:

7 (1) actual damages, including damages for mental
8 anguish and the defendant's profits attributable to the
9 dissemination of the artificially generated media or phishing
10 communication; and

11 (2) court costs and reasonable attorney's fees
12 incurred in bringing the action.

13 (c) A court in which an action is brought under this
14 section, on a motion of a claimant, may issue a temporary
15 restraining order or a temporary or permanent injunction to
16 restrain and prevent the further dissemination of artificially
17 generated media or a phishing communication to the claimant.

18 (d) This section may not be construed to impose liability on
19 the provider of an interactive computer service, as defined by 47
20 U.S.C. Section 230(f), or a telecommunications service, as defined
21 by 47 U.S.C. Section 153, for content provided by another person.

22 Sec. 100B.003. CIVIL PENALTY FOR DISSEMINATION OF CERTAIN
23 COMMUNICATIONS FOR FINANCIAL EXPLOITATION. (a) A person who
24 knowingly or intentionally disseminates artificially generated
25 media or a phishing communication for purposes of financial
26 exploitation is subject to a civil penalty not to exceed \$1,000 per
27 day the media or communication is disseminated. The attorney

1 general may bring an action to collect the civil penalty.

2 (b) An action brought by the attorney general under this
3 section shall be filed in a district court:

4 (1) in Travis County; or

5 (2) in any county in which all or part of the events or
6 omissions giving rise to the action occurred.

7 (c) This section may not be construed to impose liability on
8 the provider of an interactive computer service, as defined by 47
9 U.S.C. Section 230(f), or a telecommunications service, as defined
10 by 47 U.S.C. Section 153, for content provided by another person.

11 Sec. 100B.004. CONFIDENTIAL IDENTITY IN ACTION FOR
12 DISSEMINATION OF CERTAIN COMMUNICATIONS. (a) In this section,
13 "confidential identity" means:

14 (1) the use of a pseudonym; and

15 (2) the absence of any other identifying information,
16 including address, telephone number, and social security number.

17 (b) In an action brought under Section 100B.002 or 100B.003,
18 the court shall:

19 (1) notify the person who is the subject of the action
20 as early as possible in the action that the person may use a
21 confidential identity in relation to the action;

22 (2) allow a person who is the subject of the action to
23 use a confidential identity in all petitions, filings, and other
24 documents presented to the court;

25 (3) use the person's confidential identity in all of
26 the court's proceedings and records relating to the action,
27 including any appellate proceedings; and

1 (4) maintain the records relating to the action in a
2 manner that protects the person's confidentiality.

3 (c) In an action brought under Section 100B.002 or 100B.003,
4 only the following persons are entitled to know the true
5 identifying information about the person who is the subject of the
6 action:

7 (1) the court;

8 (2) a party to the action;

9 (3) an attorney representing a party to the action;

10 and

11 (4) a person authorized by a written order of the court
12 specific to that person.

13 (d) The court shall order that a person entitled to know the
14 true identifying information under Subsection (c) may not divulge
15 that information to anyone without a written order of the court.
16 The court shall hold a person who violates the order in contempt.

17 (e) Notwithstanding Section 22.004, Government Code, the
18 supreme court may not amend or adopt rules in conflict with this
19 section.

20 (f) A person is not required to use a confidential identity
21 as provided by this section.

22 SECTION 2. Subchapter D, Chapter 32, Penal Code, is amended
23 by adding Section 32.56 to read as follows:

24 Sec. 32.56. FINANCIAL ABUSE USING ARTIFICIALLY GENERATED
25 MEDIA OR PHISHING. (a) In this section:

26 (1) "Artificially generated media" has the meaning
27 assigned by Section 100B.001, Civil Practice and Remedies Code.

1 (2) "Financial abuse" has the meaning assigned by
2 Section 32.55.

3 (b) A person commits an offense if the person knowingly
4 engages in financial abuse:

5 (1) through the use of artificially generated media
6 disseminated to another person; or

7 (2) by deceiving or manipulating another person into
8 providing personal, financial, or identifying information through
9 e-mail, electronic communication, or other digital means.

10 (c) An offense under this section is:

11 (1) a Class B misdemeanor if the value of the property
12 taken, appropriated, obtained, retained, or used is less than \$100;

13 (2) a Class A misdemeanor if the value of the property
14 taken, appropriated, obtained, retained, or used is \$100 or more
15 but less than \$750;

16 (3) a state jail felony if the value of the property
17 taken, appropriated, obtained, retained, or used is \$750 or more
18 but less than \$2,500;

19 (4) a felony of the third degree if the value of the
20 property taken, appropriated, obtained, retained, or used is \$2,500
21 or more but less than \$30,000;

22 (5) a felony of the second degree if the value of the
23 property taken, appropriated, obtained, retained, or used is
24 \$30,000 or more but less than \$150,000; and

25 (6) a felony of the first degree if the value of the
26 property taken, appropriated, obtained, retained, or used is
27 \$150,000 or more.

1 (d) This section does not apply to the provider of an
2 interactive computer service, as defined by 47 U.S.C. Section
3 230(f), or a telecommunications service, as defined by 47 U.S.C.
4 Section 153, for content provided by another person.

5 SECTION 3. Section 100B.002, Civil Practice and Remedies
6 Code, as added by this Act, applies only to a cause of action that
7 accrues on or after the effective date of this Act.

8 SECTION 4. This Act takes effect September 1, 2025.