

By: Johnson, et al.
(Capriglione)

S.B. No. 2373

Substitute the following for S.B. No. 2373:

By: Capriglione

C.S.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) "Financial exploitation" has the meaning 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,
19 for content provided by another person, on:

20 (1) the provider of an interactive computer service,
21 as defined by 47 U.S.C. Section 230(f);

22 (2) a telecommunications service, as defined by 47
23 U.S.C. Section 153; or

24 (3) a radio or television station licensed by the
25 Federal Communications Commission.

26 Sec. 100B.003. CIVIL PENALTY FOR DISSEMINATION OF CERTAIN
27 COMMUNICATIONS FOR FINANCIAL EXPLOITATION. (a) A person who

1 knowingly or intentionally disseminates artificially generated
2 media or a phishing communication for purposes of financial
3 exploitation is subject to a civil penalty not to exceed \$1,000 per
4 day the media or communication is disseminated. The attorney
5 general may bring an action to collect the civil penalty.

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

8 (1) in Travis County; or

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

11 (c) This section may not be construed to impose liability,
12 for content provided by another person, on:

13 (1) the provider of an interactive computer service,
14 as defined by 47 U.S.C. Section 230(f);

15 (2) a telecommunications service, as defined by 47
16 U.S.C. Section 153; or

17 (3) a radio or television station licensed by the
18 Federal Communications Commission.

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

22 (1) the use of a pseudonym; and

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

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

27 (1) notify the person who is the subject of the action

1 as early as possible in the action that the person may use a
2 confidential identity in relation to the action;

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

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

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

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

15 (1) the court;

16 (2) a party to the action;

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

18 and

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

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

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

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

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

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

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

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

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

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

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

18 (c) An offense under this section is:

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

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

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

27 (4) a felony of the third degree if the value of the

1 property taken, appropriated, obtained, retained, or used is \$2,500
2 or more but less than \$30,000;

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

6 (6) a felony of the first degree if the value of the
7 property taken, appropriated, obtained, retained, or used is
8 \$150,000 or more.

9 (d) This section does not apply, for content provided by
10 another person, to:

11 (1) the provider of an interactive computer service,
12 as defined by 47 U.S.C. Section 230(f);

13 (2) a telecommunications service, as defined by 47
14 U.S.C. Section 153; or

15 (3) a radio or television station licensed by the
16 Federal Communications Commission.

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

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