

By: Johnson

S.B. No. 2373

A BILL TO BE ENTITLED

AN ACT

relating to the financial exploitation or abuse of persons 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 OF PERSONS

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

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

(2) "Artificially generated media" means an image, an audio recording, a video recording, a radio broadcast, or written text 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 dissemination of artificially  
3 generated media or a phishing communication for the purpose of  
4 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) It is a defense to liability under this section that:

19 (1) the dissemination occurred as part of a lawful  
20 criminal investigation; or

21 (2) the artificially generated media contains a  
22 disclosure that:

23 (A) states that the media has been altered using  
24 artificial intelligence or other computer software;

25 (B) for a recording or broadcast, occurs at the  
26 beginning of or reasonably within the recording or broadcast; and

27 (C) for an image or written text, is clearly

1 legible.

2 Sec. 100B.003. CIVIL PENALTY FOR DISSEMINATION OF CERTAIN  
3 COMMUNICATIONS FOR FINANCIAL EXPLOITATION. (a) A person who  
4 knowingly disseminates artificially generated media or a phishing  
5 communication for purposes of financial exploitation is subject to  
6 a civil penalty not to exceed \$1,000 per day the media or  
7 communication is disseminated. The attorney general may bring an  
8 action to collect the civil penalty.

9 (b) It is a defense to liability for a civil penalty imposed  
10 under this section that:

11 (1) the dissemination occurred as part of a lawful  
12 criminal investigation; or

13 (2) the artificially generated media contains a  
14 disclosure that:

15 (A) states that the media has been altered using  
16 artificial intelligence or other computer software;

17 (B) for a recording or broadcast, occurs at the  
18 beginning of or reasonably within the recording or broadcast; and

19 (C) for an image or written text, is clearly  
20 legible.

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

24 (1) the use of a pseudonym; and

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

27 (b) In an action brought under Section 100B.002 or 100B.003,

1 the court shall:

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

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

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

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

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

17 (1) the court;

18 (2) a party to the action;

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

20 and

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

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

27 (e) Notwithstanding Section 22.004, Government Code, the

1 supreme court may not amend or adopt rules in conflict with this  
2 section.

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

5 SECTION 2. Section 32.55(e), Penal Code, is amended to read  
6 as follows:

7 (e) A person who is subject to prosecution under both this  
8 section and another section of this code may be prosecuted under  
9 either section or both sections, except that the actor may not be  
10 prosecuted under both this section and Section 32.56.

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

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

15 (1) "Artificially generated media" and "artificial  
16 intelligence" have the meanings assigned by Section 100B.001, Civil  
17 Practice and Remedies Code.

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

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

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

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

27 (c) It is a defense to prosecution under this section that:

1           (1) the conduct was performed by an officer or  
2 employee of a law enforcement agency in the course and scope of a  
3 criminal investigation; or

4           (2) the artificially generated media contains a  
5 disclosure that:

6                   (A) states that the media has been altered using  
7 artificial intelligence or other computer software;

8                   (B) for a video or audio recording, occurs at the  
9 beginning of the recording; and

10                   (C) for an image or written text, appears in an  
11 easily readable font size.

12           (d) An offense under this section is:

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

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

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

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

24                   (5) a felony of the second degree if the value of the  
25 property taken, appropriated, obtained, retained, or used is  
26 \$30,000 or more but less than \$150,000; and

27                   (6) a felony of the first degree if the value of the

1 property taken, appropriated, obtained, retained, or used is  
2 \$150,000 or more.

3 (e) If conduct constituting an offense under this section  
4 also constitutes an offense under another section of this code, the  
5 actor may be prosecuted under either section or under both  
6 sections, except that the actor may not be prosecuted under both  
7 this section and Section [32.55](#).

8 SECTION 4. Section 100B.002, Civil Practice and Remedies  
9 Code, as added by this Act, applies only to a cause of action that  
10 accrues on or after the effective date of this Act.

11 SECTION 5. This Act takes effect September 1, 2025.