

BILL ANALYSIS

Senate Research Center

S.B. 552
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State Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The 87th Texas Legislature unanimously passed the Lone Star Infrastructure Protection Act (S.B. 2116), banning businesses owned by individuals who are connected to the governments of China, Iran, North Korea, and Russia from connecting physically or remotely into Texas's critical infrastructure. S.B. 2116 defined critical infrastructure as communications infrastructure systems, cybersecurity systems, electrical grid systems, hazardous waste treatment systems, and water treatment facilities. S.B. 552 seeks to add agricultural land to the Texas critical infrastructure list to protect our food supply from hostile foreign governments.

The protection of critical infrastructure is vital to our military readiness, United States national security, the safety of Texans, local and global food supply chains, and the overall operation of the Texas economy. Due to their hostile acts and nefarious intentions against our society, China, Iran, North Korea, and Russia must be banned from all aspects of Texas' critical infrastructure, which must also include agricultural land. The acts against our society include rampant human rights abuses, illegal intelligence gathering, intellectual property theft, critical infrastructure attacks, and cyber system attacks. Since the passage of the Lone Star Infrastructure Protection Act, Russia has unjustifiably invaded Ukraine, and China has continuously threatened the sovereignty of Taiwan, both of which threaten global security.

The Texas agricultural industry is vital to the economy, rural development, and food security of Texas and the nation. According to the Texas Department of Agriculture, Texas agriculture supplies billions of dollars in cattle, cotton, milk, corn, and broilers to the food supply chain within the United States. Any disruption, shut down, or misuse within this vital supply chain will have long-lasting impacts on food supply in Texas and around the world. For these reasons, the State of Texas must take every preventive measure we can to protect Texans, Americans, and those around the globe who depend on Texas agriculture.

S.B. 552 will further protect critical Texas systems by banning companies and citizens of China, Iran, North Korea, Russia, and any other country the governor deems hostile to Texas from purchasing or leasing agricultural land (defined under Subchapter C or D, Chapter 23, Tax Code) within the State of Texas.

As proposed, S.B. 552 amends current law relating to prohibiting contracts or other agreements with certain foreign-owned companies in connection with agricultural land.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 113, Business and Commerce Code, as added by Chapter 975 (S.B. 2116), Acts of the 87th Legislature, Regular Session, 2021, as follows:

New heading: CHAPTER 113. PROHIBITION ON AGREEMENTS WITH CERTAIN
FOREIGN-OWNED COMPANIES IN CONNECTION WITH CRITICAL

INFRASTRUCTURE AND AGRICULTURAL LAND

Sec. 113.001. DEFINITIONS. Defines "agricultural land," redefines "designated country," and makes nonsubstantive changes.

Sec. 113.002. New heading: PROHIBITED ACCESS TO CRITICAL INFRASTRUCTURE AND AGRICULTURAL LAND. (a) Prohibits a business entity or individual from entering into an agreement relating to agricultural land in this state with individuals who are citizens of China, Iran, North Korea, Russia, or a designated country.

(b) Makes conforming changes to this subsection.

Sec. 113.003. New heading: DESIGNATION OF COUNTRY AS THREAT TO CRITICAL INFRASTRUCTURE OR AGRICULTURAL LAND. (a) Makes a conforming change to this subsection.

(b) Makes a conforming change to this subsection.

SECTION 2. Effective date: September 1, 2023.