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SUPPLEMENT

FIFTY-NINTH DAY — THURSDAY, MAY 8, 2025

CSSB 17 DEBATE - SECOND READING

(Hefner, Metcalf, Patterson, McQueeney, Spiller, et al. - House Sponsors)

CSSB 17, A bill to be entitled An Act relating to the purchase or acquisition of an interest in real property by certain aliens or foreign entities.

REPRESENTATIVE HEFNER: Members, **CSSB 17** is the strongest, most comprehensive, and broad law in the nation that protects us from hostile foreign ownership of our land. We have an obligation to protect our people, our food supply, and our supply chain. Members, **CSSB 17** is about securing Texas' land and natural resources and making sure that this precious resource does not fall prey to adversarial nations and oppressive regimes that wish to do us harm. Our adversaries speak loudly and often about their ambitions and motivations to break our country and its citizens and the many strategies they will employ in an effort to do so. My constituents, your constituents, and the State of Texas will not allow this to happen. My primary motivation for bringing this bill forward is my constituents. Like many of you, I have had numerous conversations with the folks from my district and heard their rightful concerns about hostile adversaries controlling our land, our food supply, and our supply chains. Ceding control of Texas' land, crops, energy deposits, rare earth materials, and water to our adversaries would bring about grave consequences for America's national security.

CSSB 17 provides thoughtful and commonsense protections that will preserve and protect these resources. **CSSB 17** enacts a prohibition on purchasing or acquiring interest in real property for entities or individuals affiliated with countries designated as hostile adversarial nations. "Designated countries" are those countries that appear in at least one of the three most recent annual threat assessment lists that are produced by the United States director of national intelligence. Countries on this list have demonstrated their desire to harm this country and present a significant national security risk. In the 2025 Annual Threat Assessment, only four state actors are named as threats: Russia, North Korea, China, and Iran. It is important to note that in North Korea and China, all land is owned by the state or communist collectives. In Russia and Iran, private property rights are curtailed and subject to seizure by the state. In all four named countries, Americans cannot buy land, and only in Russia can Americans buy residences in specific regions. United States citizens, legal permanent residents, and companies or organizations under the control of United States citizens are not subject to the prohibition articulated in this bill.

CSSB 17 prohibits governments of designated countries—and companies with direct ties to these countries—from purchasing or acquiring property in our state. It also prohibits individuals who ally themselves with these hostile countries from purchasing property. Under this bill, an individual will be prohibited from purchasing property in our state if they continue to associate themselves with a country that is hostile to our interests. **CSSB 17** gives the attorney general the authority to conduct investigations into prohibited purchases and, if the office finds that a violation has occurred, to take those findings to district court. If the court finds that a prohibited purchase has occurred, the ownership interest of the prohibited party will be divested.

I want to take a moment to make something very clear. **CSSB 17** does not base a property acquisition prohibition on any immutable characteristics but rather on an entity's or individual's action or inaction to sever ties with oppressive regimes or their affiliations to those who wish to do us harm. This bill is carefully crafted to ensure that the rights of Texans and lawful permanent residents of the United States are not infringed. The legislative effort of this nature must be made in good faith, and I am proud of the work that we have done to ensure that in this case. Private property rights are a foundational cornerstone of the American dream. We have to be careful how we craft legislation when limiting those rights. **CSSB 17** thoughtfully strikes a balance by exercising appropriate police powers reserved for the state within the bounds of the Texas and United States Constitutions. It prevents entities and individuals with a direct line to governments that are hostile to the United States from purchasing property in this state. There should be no questions about the due process provided to persons subject to this bill, whether civil or criminal. The bill provides for notice and a neutral hearing before a judge. Due process is crucial to our constitutional republic and must be part of this solution.

Members, the safety of our fellow Texans and the sovereignty of our state are the foundation of what we do. We must not allow oppressive regimes—who actively seek to do us harm—to seize control and dictate their terms over our economy, supply chain, and over our daily lives. I believe that this should not be an issue that divides us politically but instead unites us as Texans. I appreciate your consideration.

REPRESENTATIVE WU: Mr. Hefner, I appreciate your intent in this bill in dealing with national security and dealing with the actions of hostile foreign governments. That is your intent—to deal with the hostile foreign governments, correct?

HEFNER: It is the hostile foreign governments and those that affiliate themselves with those hostile foreign governments.

WU: What does "affiliate" mean? What is your definition of that in this bill?

HEFNER: Well, those that would—

WU: Is "affiliate" defined in your bill?

HEFNER: Yes.

WU: Can you tell me where? Your definitions start on page 2. Is there a term that is defined in your bill that is "affiliate" or "affiliated"?

HEFNER: Well, it would be—I am looking for it—where are my questions? So it would be—where is that thing?

WU: Take your time.

HEFNER: Affiliation is defined in the prohibitions: persons who are agents of hostile governments or affiliated.

WU: Okay. Again, what does "affiliated" mean?

HEFNER: I do not have the dictionary for the definition of "affiliated" in front of me.

WU: No, in your bill. I'm sorry this is—we are writing law here that is going to be enforced by the attorney general, and you are saying that these people are affiliated with this country. I understand what agent means. Registered agents are defined in federal statute and in state statute. What is affiliated?

HEFNER: Well, the bill applies to an individual who: "is domiciled in a designated country . . . a citizen of a designated country who is domiciled outside of the United States in a country"—

WU: Is that what affiliated means?

HEFNER: I do not know that affiliated is specifically defined in the bill, but I think it would be the general definition of affiliated. So the undefined terms that are unambiguous will be given their plain and ordinary meaning.

WU: Well, that is kind of the problem. Affiliated could be anything.

HEFNER: Well, what we have done is we have given the attorney general pretty broad authority and freedom to investigate these possible—

WU: Before we even get to the attorney general, there is a restriction, right? This bill creates a restriction of people's rights that they can exercise, is that correct?

HEFNER: If the bill applies to them, yes.

WU: That is what we are trying to get to. So this bill has a restriction on their rights before it even gets to the attorney general. They are restrained from exercising their rights.

HEFNER: No. No, it would be determined after a purchase has been made. If it is suspected that that purchase is not a legal purchase, then there would be a process by which a complaint would be brought, an investigation would ensue, and then they would take it from there. How far depends on the facts of the case and where that would lead them.

WU: And so your intent is that people should be encouraged to purchase whatever property they want, then the attorney general investigates them, and then if the attorney general decides that they cannot have it, the state is going to

take the land from them? Or would you believe that your bill should say, "If you fall into this class, you are prohibited from buying land. Because if you do buy land, we will take it from you"?

HEFNER: If you are subject to this bill—and it is spelled out on page 4, the individuals and the companies who are subject to this bill—and you purchase land in this state under these provisions, then you have made an illegal purchase, and there will be a process that will begin with an intake portal, an investigation, a hearing in district court, an appointment of a receiver, and a divestiture process.

WU: So just as a thought exercise, if you have something that is illegal in your pocket, is that illegal when you have it, or is it only illegal after you are prosecuted?

HEFNER: I do not know how that has anything to do with this bill.

WU: Well, see the problem is your bill says that these people that fall under this class are restrained from exercising a right that they currently have. If you exercise that right anyway, then the attorney general will come take it back from you. Fair?

HEFNER: If you are prohibited under this bill, yes.

WU: Correct. So this is a prohibition? Before the attorney general even gets involved, it is a prohibition, correct?

HEFNER: No.

WU: So are you saying right now that this bill—if people go purchase property that falls into that class, they are perfectly fine, even if the attorney general does not investigate them?

HEFNER: The whole way the bill works, Representative Wu, is that a complaint has to be brought to the attorney general, and then the process is followed from there. So there would have to be a complaint, there would have to be probable cause, there would have to be evidence, and the whole due process system would play out.

WU: I think you are splitting hairs a little bit here, but this bill says point blank: If you fall into this class, then you are prohibited from purchasing land or any property that is listed. It is not just land. It is also mineral rights, water rights, and timber rights. You are prohibited from doing those things, and if you take a prohibited action—such as purchasing these things—the attorney general will act or go under investigation or somebody will report it.

HEFNER: If you are subject to this bill—as I have outlined in the bill—and you make an illegal purchase under this bill, the purchase will be illegal. Then, yes, there will be an investigation, a complaint, a divestiture process, and the land will be divested.

WU: Now, you said you used the DNI list—the director of national intelligence's Annual Threat Assessment. Why that list?

HEFNER: Well, it's just a common list that is referred to by the federal government as countries that have been designated as hostile to the United States and the well-being of our citizens. I mean, it is just well established.

WU: Now, of the 16 states that have passed a law similar to Texas, there are only two other states that use this list. Most other states use the ITAR list, the International Traffic in Arms Regulations list, that the federal government carries, which would include countries like Belarus, Burma, Cuba, Syria, and Venezuela. Why not that list? That is the actual sanctions list.

HEFNER: We felt that this was the best, most accurate list to refer to.

WU: Why not a list that is used by Wisconsin, Oklahoma, North Dakota, Iowa, Idaho—

HEFNER: Because Texas is better. We are going to do it our way.

WU: I'm sorry, let me finish my question. Why not prohibit all foreign entities from purchasing land in our state like in those states?

HEFNER: Well, no country or countries are singled out in the bill—

WU: The bill does not single out, but you understand the application of the DNI-listed countries, right? Just like when this legislature passed these same laws 100 years ago, they did not list out Japanese Americans and Chinese Americans. They just said people who are ineligible for citizenship, because the United States government only passed one law that banned two groups of people from becoming citizens: Chinese people and Japanese people. This bill is doing the same thing, is it not?

HEFNER: No, it has nothing to do with your immutable characteristics.

WU: Is your place of birth an immutable characteristic?

HEFNER: This has—this bill is based on people's actions or inactions and their affiliations, not their national origin.

WU: And where they were born, where they live, or where they are a citizen of has nothing—

HEFNER: Where they are a citizen of and where they may be domiciled, yes, but that has nothing to do with their nationality or their immutable characteristics. It has to do with whether or not they have severed ties with these hostile regimes.

WU: If someone is born in a country, do they have a choice about whether they are a citizen of that country?

HEFNER: Yes, once they are an adult, they can start the process to become a citizen of another country—become a naturalized citizen. It happens all the time.

WU: Most people would come to the United States to start that process, right?

HEFNER: Correct.

WU: Except that those people now would be banned from buying land under your bill.

HEFNER: Not if they come here the right way, and they have severed ties with a hostile foreign government.

WU: How do they sever ties?

HEFNER: By beginning the citizenship process.

WU: But you understand that they cannot—

HEFNER: Or a work visa or a way to come here legally—a way to show that they are disassociating with a hostile government.

WU: Your bill affects the rights of lawful immigrants. Not undocumented, not illegal, but lawful immigrants approved by the United States government to be here. In fact, invited here to the United States often.

HEFNER: No, I do not believe that is correct, Representative Wu.

WU: Mr. Hefner, I am not sure if you understand your own bill, but you understand that the way this bill is written—while you have carved out green card holders and citizens—you have left the entire class of visa holders?

HEFNER: This bill does not apply to lawful permanent residents.

WU: It does not; I just said that. But it does apply to visa holders, including people here who are studying, people here who are coming for work and have been here for decades, including people who were invited here under the EB-5 visa program to invest in our state. You understand that, right?

HEFNER: To my understanding, if they are here lawfully, then this bill would not apply.

WU: You understand that your bill does not do that, right? Do you understand what your bill does?

HEFNER: Yes.

WU: You understand that lawyer after lawyer has looked at this and said it most—absolutely, 100 percent—affects visa holders?

HEFNER: I do not believe it does.

WU: If you are not open to these other assortments—Montana and Tennessee, they use the active sanctions list kept by the Office of Foreign Assets Control in the federal government—literally the list of countries that we are currently sanctioning for being hostile to us. Why not use that list?

HEFNER: I am not really concerned with what Tennessee and other states do. I am concerned with what Texas is going to do.

WU: This is what the federal government is doing. The list called the federal active sanctions list is held and maintained by the United States government in relation to other countries—dealing with other countries that are actively hostile to us and that the United States feels the need to actively sanction them.

HEFNER: Representative Wu, we felt that the national threat assessment list established by the director of national intelligence was the appropriate list of countries that we needed to refer to.

WU: So is there any specific reason why that list and not any of these other lists?

HEFNER: I just answered the question.

WU: Okay. If a person is prohibited from buying land, then they are afraid the attorney general is going to come get them because they have purchased it against this bill, against this law that you are trying to pass. Do they have to do anything before that? Do they have to commit any crime? Do they have to commit any violations? Do they have to be convicted of anything?

HEFNER: If they purchase land in violation of this bill, then there is a process by which an investigation will take place. If the facts so prove, divestiture will take place.

WU: And the basis of that divestiture is that A, they are a citizen of one of the countries that you have listed. I think that is it, right? They are a citizen of that country, they are domiciled in that country, and that is the reason why their land is being taken from them. Is that correct?

HEFNER: Their land is being taken from them because they have not disassociated or unaffiliated with a hostile foreign government, and they have bought property in this state in violation of this law.

WU: Do you understand that one of the key markers of whether or not you are granted a green card to be allowed to be a permanent resident—which you need to be in order to become a citizen—In your bill, the requirements to have the attorney general come and take land away—the requirement is that this person purchased it against this law, and this law says you could not have purchased land because you are domiciled in one of these countries, correct?

HEFNER: Correct.

WU: That is the entirety of it.

HEFNER: No, that is not the entirety of it. There is a whole section here, Representative Wu: "An individual who: is domiciled in a designated country; is a citizen of a designated country who is domiciled outside of the United States in a country other than a designated country and for which the individual has not completed the naturalization process for becoming a citizen of that country." It applies to a person who "is a citizen of a designated country who is unlawfully present in the United States."

WU: Do you understand that that definition, that very definition that you just read, would include every single visa holder in the United States?

HEFNER: Are visa holders in the United States lawfully or unlawfully here?

WU: Lawfully. That is what a visa is.

HEFNER: This says unlawfully present in the United States.

WU: That is what a visa is. It is lawful permission to be here.

HEFNER: It does not apply to them if they are a lawful, legal permanent resident.

WU: In the definition you just read, an individual who is domiciled—who is a citizen of a designated country who is domiciled outside the United States—where does the word "lawfully present" appear in there?

HEFNER: In the exceptions section of the bill. It says an "individual who is a citizen or lawful permanent resident of the United States." There are exceptions—

WU: Yes, visa holders are neither permanent residents—

HEFNER: I believe they are.

WU: I'm sorry? Visa holders are permanent residents, is that correct?

HEFNER: This bill exempts lawful permanent residents.

WU: Explain to me visa holders.

HEFNER: Visa holders? I do not have that term in the bill.

WU: And I am telling you right now, your definition—I understand you are not an attorney, okay? I am telling you that an individual who is domiciled in a designated country, who is domiciled somewhere else—that is every single visa holder. People who have been here, people who were invited here to come work for UT, to be in the labs, to be teaching, to do all these different things—all of them are F1 visa holders. Many of them have been here for decades. They are domiciled legally in another country because, as a visa holder, you are not allowed to legally say you are domiciled in the United States.

HEFNER: Are they not a legal permanent resident if they have been here for decades?

WU: Those are not permanent residents. You have to apply for permanent residency. In fact, that is the problem, because in order to apply for permanent residency, you have to buy a house. You have to have a permanent home. And you are saying to the people, "We want you to become a citizen, but you cannot even get on the pathway to become a citizen because we are banning you from the thing that is going to allow you to get on the pathway." Do you understand that?

HEFNER: Look I—

WU: Do you want to pull your bill down and let me explain all of this stuff?

HEFNER: No, sir, I do not.

WU: Okay, I just assumed you knew it because you never came to talk to me or anything. Let me ask you, do you believe that just because someone is domiciled in that other country—in one of the listed countries—the fact that their domicile is listed there and that is where their original home is, does that make them—

HEFNER: Mr. Wu, we have a whole stack of amendments that are going to be considered here today, so why don't we have those conversations and see how these amendments work out?

WU: Can I finish my question? Because I would like to ask you these questions right now.

HEFNER: Fire away.

WU: Does the fact that someone is domiciled—they were born in that country, they have a home in that country, then they came to the United States—does the very fact that they are domiciled in that country make them a hostile foreign actor?

HEFNER: The way things work in these hostile foreign countries is they have a way of controlling their citizens. They do not live in a free society like we do here. The people who suffer the most under the heavy boot of the evil communist dictators are the people in those countries.

WU: Absolutely.

HEFNER: And they use tactics to control those people. They hold their families for ransom and hostage back home so that those people that are here will perform certain duties, collect evidence or information—espionage and other things—and go back to them.

WU: Absolutely, just like my family and just like Hubert Vo's family. We fled those places and came here—often as refugees, often as visa holders. We had to earn our way into a green card, and then we had to earn our way into citizenship. The people—

HEFNER: And what we want to do here, Representative—my heart, my goal in this bill—and hopefully by the end of the day we will have a good bill that works for everybody, and we have amendments and things to discuss. That is how this process works. We want people who want to escape the heavy boot of a communist—these evil dictators—and we want them to be able to come here the right way, through the front door, through the legal process, and live the American dream. We absolutely do.

WU: So let me ask you one more time. Given that there are refugees like me and many other people who came here to escape those conditions, do you believe that everyone—every immigrant who has a domicile back in that home country—do you believe that everyone who is coming over is a hostile foreign actor?

HEFNER: No.

WU: No, okay. That is what I want. That is all I want. That is all I wanted to say—is that not every single person is a hostile foreign actor. There are good people who come here, right?

HEFNER: Sure. You could have asked that question at the beginning and saved a lot of time.

WU: But—

HEFNER: Go ahead. I do not mean to be disrespectful. Please, go ahead.

WU: But your bill, because they are arriving as visa holders—whether they have temporary protective status, whether they are granted immigration visas—they are all visa holders until they become permanent residents.

HEFNER: I believe there may be an amendment to address that issue.

WU: Now, as visa holders, they are now prohibited under your bill—let's go moving time forward—they are prohibited under your bill from purchasing land.

HEFNER: I am not sure that they are, but we do have amendments that will clarify that.

WU: Would you take my word that they are, please? Like in your bill, it is point blank, right? This law would restrict them from purchasing land because they are domiciled in another country. And they have not had the time and opportunity to undo that domicile because they have not had the chance to become a permanent resident because they have not had the chance to become a citizen yet. They are now restricted from buying a home, a commercial property, a business, farmland, or even owning mineral or water interests.

HEFNER: Again, we have some amendments to consider that may address some of your concerns.

WU: Those restrictions—do they happen with any evidence that they have done something wrong or that you think they are a spy or a traitor? Does your bill require that?

HEFNER: This bill states plainly how this bill would apply to someone and what happens if it applies to them.

WU: So just take the four corners of the bill as evidence? The bill spells out everything we need, right?

HEFNER: We are not finished with the bill, Mr. Wu. We have amendments to consider.

WU: Does your bill talk about CFIUS at all? CFIUS.

HEFNER: I do not believe so.

WU: Do you know that CFIUS is the federal Committee on Foreign Investments in the United States? It's literally the group and agency that is tasked with figuring out whether land purchases by foreign actors are appropriate or not.

HEFNER: I am fully aware of CFIUS, and I am also aware that it is largely a volunteer process. It lacks teeth, and it does not work. It is very slow, it is very tedious, and there are holes in it. There are folks that have gotten by that process, and so instead of waiting on the federal government to fix anything, Texas is going to do it.

[Representative Wu raised a point of order against further consideration of **CSSB 17** under Rule 4, Section 32(c)(2), of the House Rules on the grounds that the bill analysis is substantially or materially misleading. The point of order was withdrawn.]

[Amendment No. 1 by Little was laid before the house.]

REPRESENTATIVE LITTLE: This is an amendment that is designed to communicate in the bill what Texas is doing in exercising its police powers and to lay out the rational basis for legislative findings concerning China, Iran, Russia, and North Korea.

REPRESENTATIVE MANUEL: Can you explain that one more time? I couldn't really hear. You said it's doing what with these countries?

LITTLE: Happy to articulate this. The purpose for this amendment is to yield legislative findings to articulate the rational basis for the inclusion of China, Russia, Iran, and North Korea in this bill. And there are a series of findings by the legislature that are being articulated in pages 1 through 3.

MANUEL: So this is just clarifying why these countries are the ones that are technically on the list of who we are saying are foreign adversaries?

LITTLE: Yes, Representative Manuel.

REPRESENTATIVE TURNER: You gave a pretty brief description of your amendment. Looking at it, it's a three-page amendment.

LITTLE: It is.

TURNER: So it's pretty detailed. I'd like to kind of walk through—it seems like you're laying out several findings, country by country, as a rationale for the bill. Is that right?

LITTLE: Correct.

TURNER: Do you feel like the rationale for the bill, as it comes to the floor, is inadequate?

LITTLE: I don't think I would put it that way, Representative Turner.

TURNER: Then what is the purpose of the amendment?

LITTLE: The purpose of the amendment is to articulate the basis for the exercise of police power by the State of Texas.

TURNER: Okay. So you feel like the bill, as it comes to the floor, doesn't have that rationale?

LITTLE: No, I don't think that's accurate. I think this is providing some clarity and additional information.

TURNER: So these are—I won't go through all of them. There's a lot here. But you have a lot of different findings: Russia's advanced cyber capabilities. Russia intentionally stokes political discord in the West—which I completely agree. That is the case. We've seen that in the interference in our elections. But you have a lot of findings here. Did you consult with officials at the State Department or other foreign policy experts in our country to put this together?

LITTLE: The United States State Department, the Department of State?

TURNER: Yes, the U.S. Department of State.

LITTLE: Certainly not. This is an exercise of police power by the State of Texas.

TURNER: I understand that, but you are drawing conclusions related to foreign policy and—

LITTLE: No.

TURNER: Respectfully, I think you are. You are talking about other countries, and you are making statements of fact in this amendment with respect to other countries. And so I think when we pass something that says, "this is the finding of the Texas Legislature," I just want to make sure it's accurate. Like I said, just glancing at this—I haven't been able to read the whole thing, but glancing at it—I think there are certainly some things in here I agree with, and there may be some things that I don't necessarily agree with.

LITTLE: Well, take your time.

TURNER: My question is: I'd like to know what foreign policy experts informed the composition of this amendment?

LITTLE: What foreign policy expert? This did not come from the United States Department of State. I think these are a series of indisputable facts. Or perhaps, Representative Turner, you feel that you can dispute them. But these findings are based upon, primarily, threat assessments from the United States Intelligence Community but not the Department of State. I think most of them are relatively uncontroversial. If you want to take issue with any of them, I'm happy to discuss them with you.

TURNER: For the third time, I'm not taking issue with any of them individually. But I am trying to understand how you settled on these. You mentioned the threat assessment from—I didn't catch the agency.

LITTLE: Sure. If you take a look at Section (a) at the top of the amendment, it kind of gives you the point of origin: "The legislature finds the following as informed by the determination of the United States director of national intelligence in the 2025 Annual Threat Assessment of the U.S. Intelligence Community."

TURNER: That helps answer my question, thank you.

LITTLE: I hope so.

TURNER: So all of these facts with respect to each country—those are contained in the 2025 Annual Threat Assessment?

LITTLE: I wouldn't say facts. These are the findings that were issued by the U.S. director of national intelligence.

TURNER: But they were all included in that annual threat assessment?

LITTLE: It's my understanding.

TURNER: But you haven't read the threat assessment?

LITTLE: I don't have it in front of me, but this is the point of origin.

TURNER: Okay.

LITTLE: I don't have the complete assessment. An annual threat assessment produced by the director of national intelligence is going to be far more detailed and voluminous than just related to these countries.

REPRESENTATIVE MARTINEZ FISCHER: A couple of things. I know that you've referenced the DNI threat assessment. You also mentioned that this was an exercise of state power. So for the purposes of legislative intent—you and I are both lawyers. Findings are very critical parts of our record. Did you, in your exercise of state power, consult with any other member of the house when you composed these findings by way of this amendment?

LITTLE: I'm not sure I understand the question. I certainly haven't exercised any state power. I'm one representative here in the chamber. But I did not confer with any particular member in the house.

MARTINEZ FISCHER: I'll clarify. I think in your exchange with Chair Turner, Chair Turner asked you if you had relied on anything from the State Department. I believe your answer was: Absolutely not. This is an exercise of our state power or state authority. I thought you said that. Did I mishear you?

LITTLE: I did say that. But the origin of the threat assessment is not the United States Department of State.

MARTINEZ FISCHER: I understand. But I think it's your response that was curious. I mean, if this is a state-derived finding—which you've now clarified are findings from the DNI that I can read on page 1. But I want to know, since these are being purported to be findings of our legislature and you're conferring with other members of this body—either those standing with you or those sitting in their chairs—I just want to know that you ran these findings by somebody to get their opinion as to whether they needed to be supplemented. Are they right, or did you just file them?

LITTLE: I just filed them.

MARTINEZ FISCHER: And you recognize that when you do that arbitrarily, these findings—if adopted by the body—I guess would become findings of this house. But as they've been introduced, these are findings as it relates to your crafting, filing, and submitting this amendment. So these are your findings?

LITTLE: No, I would disagree with you.

MARTINEZ FISCHER: Whose are they?

LITTLE: Well, as is explained at the top of page 1 of the bill—

MARTINEZ FISCHER: Yes, sir.

LITTLE: —"The legislature finds the following as informed by the determination of the United States director of national intelligence in the 2025 Annual Threat Assessment." The annual threat assessment is approximately 30 single-spaced pages, and it relates to a number of other things besides these individual countries. The findings that are indicated in the amendment are severely truncated compared to that voluminous document.

MARTINEZ FISCHER: I guess the magic word for me is on page 1, line 5, where the word "informed" is there, which means they helped shape these findings. Are these verbatim extractions from the threat assessment report?

LITTLE: Thank you, Representative Martinez Fischer. There may be some portions of them that are verbatim, but I think they are more done in summary than verbatim.

MARTINEZ FISCHER: So it's a summation. Is it your summation? Is it the Legislative Council's summation? Who summarized these findings?

LITTLE: I would say it has several authors, and I couldn't tell you all of them.

MARTINEZ FISCHER: And I asked you if you conferred with anybody, and you said you hadn't, so—

LITTLE: You asked me if I conferred with anyone in the house, and I have not.

MARTINEZ FISCHER: Well then, as to those authors, who are those authors?

LITTLE: My understanding is this is informed by at least me, the Legislative Council, and there may have been representatives in the senate that are legal counsel as well. It's really the product of a number of people coming together.

MARTINEZ FISCHER: And I guess because we are presenting them now, it is an amendment that will, if adopted, become findings of the house on the senate bill. And you're going to represent to this body the fact that this was informed and shaped by the DNI-authored assessment report? I just want to make sure that I heard you correctly. The folks that helped shape this and summarize this were either members of the senate or the Legislative Council, but not any one of the 150 members of this house?

LITTLE: Other than me?

MARTINEZ FISCHER: Other than you.

LITTLE: No.

WU: Members, this is a performative amendment on a performative bill. Adding this amendment onto this bill does nothing. It changes no law and has no effect on this bill. It's just for people to feel good. I would ask all of you, if you're following me, to vote three. Vote present, not voting.

LITTLE: Members, I'll just communicate to you that there's nothing performative about this amendment. I think this will be useful to the State of Texas should this bill ever be challenged for any reason. And I ask you to vote in favor of the amendment.

[Amendment No. 1 was adopted by Record No. 1845.]

[Amendment No. 2 by Turner was laid before the house.]

TURNER: Members, the federal Fair Housing Act explicitly prohibits discrimination in the sale or rental of housing based on several factors, including national origin. But this bill, as written currently, conflicts with that federal law by broadly including residential property in its ban on landownership for

individuals from designated countries. So this amendment is simple. It states that this bill cannot be interpreted or applied in a way that violates the federal Fair Housing Act. Not only does this protect the rights of lawful residents, students, and families to purchase a home in Texas, it will also protect against future litigation about this bill—future litigation against this state—which, as currently written, undermines federal antidiscrimination protections for something as simple as putting a roof over your family's head. Members, a vote for this amendment is a vote to uphold federal civil rights law, and it is a vote to ensure our housing market is never used as a tool for discrimination. I urge you to join me in supporting this necessary protection for all Texans.

REPRESENTATIVE WALLE: Chairman Turner, many of the federal fair housing pieces of legislation were passed because we had a history of denying people access—particularly based on religion, based on national origin, based on many other factors—to financing the purchase of new homes. Is that correct?

TURNER: That's absolutely right. Including, importantly, discrimination based on race, which—all those factors led to the Fair Housing Act, which was known as the Civil Rights Act of 1968.

WALLE: Correct. And it was those civil rights acts that tried to stem the tide of racial discrimination in housing so that folks that look like me—that look like Mr. Wu, look like Ms. T—had the ability to purchase a home. Because they were being denied the ability to purchase that home, these laws were passed. Is that correct?

TURNER: That's absolutely right.

WALLE: Unfortunately, we had redlining, because we also had certain communities that were prohibited from buying in certain communities—particularly in Houston. We have a history—unfortunately a sad history, like many urban communities that were redlined—where there were certain zip codes where folks of color could not buy homes. Is that correct?

TURNER: That's absolutely correct. And as you know, I grew up in Dallas, and Dallas has the same history. A hundred years ago, only certain neighborhoods for certain people.

WALLE: As a matter of fact, they had certain specific—overt—documented prohibitions of people of color being able to purchase—be it either an HOA or particular local ordinances that did this as well. Is that correct?

TURNER: That's absolutely correct.

WALLE: Because this type of practice, this type of discrimination based on race, was rampant all over the country, the federal government stepped in and said, "Yes, we need to stop doing that. We need to open the doors of opportunity to all Americans." Is that correct?

TURNER: That's absolutely right, and they said housing discrimination based on race, as well as national origin, is going to be illegal in this country. And they said that in 1968. All this amendment does—we don't strike any section of the bill in this amendment. We simply add three lines to the bill that say, "Nothing in

this subchapter may be construed or applied in a manner inconsistent with the Fair Housing Act" and the citation. So that's all this amendment does, and we just want to make sure our state laws align with long-standing federal law that protects all people, irrespective of national origin and other factors.

WALLE: And we want to preserve that protection with this amendment so that, whether this bill passes or not, we're not overstepping—preempting—federal law when it comes to passing legislation at the state level. Is that correct?

TURNER: Well, that's exactly right. And of course, the state doesn't have the—because of the Supremacy Clause of the U.S. Constitution, federal law trumps state law when there is a conflict. We just want to avoid that conflict. Let's avoid costly litigation that will cost the taxpayers of Texas money by inserting this language, so it's clear we're being consistent with federal law. I hope this amendment is acceptable to the author.

HEFNER: Members, no provision of **CSSB 17** is inconsistent with the Fair Housing Act. The prohibitions articulated in **CSSB 17** are based on actions or affiliations, not characteristics, so this amendment is unnecessary. I will be moving to table. Please vote yes to table.

WU: In your bill currently, there is no provision that says that the State of Texas will follow federal law, correct?

HEFNER: The bill says what it says, Mr. Wu. It doesn't affect people based on their immutable characteristics—just their actions or affiliations, plain and simple.

WU: I'm sorry, I must have asked that improperly. In your bill—anywhere in your bill—does it say this law will comport with federal law?

HEFNER: Not to my knowledge. It doesn't say that we won't.

WU: Do you want to check? Are you sure? Are you not sure?

HEFNER: Look, just because we won't accept this amendment doesn't mean we're not following the law—federal law.

WU: I'm sorry. My question is: Does your bill say that we will follow federal law that's on the books?

HEFNER: To my understanding, federal law currently does not restrict ownership, and we are restricting ownership based on certain provisions in the bill.

WU: I'm sorry. My English is not that great. Let me ask it one more time. Does your bill—anywhere inside of the bill—if there are errors in this that conflict with federal law—that we will follow valid federal law? Does it say that in your bill?

HEFNER: I don't know that the bill refers to federal law.

WU: Okay, thank you. You understand that this amendment—all it says is that, "Hey, we are going to pass this law, but if it conflicts with federal law, then federal law, we recognize, wins."

HEFNER: This bill does not conflict with the federal Fair Housing Act.

WU: I'm sorry, my mouth is really dry. Maybe I didn't say that right.

HEFNER: Yes, I heard you. But this bill doesn't conflict, and so I'm going to move to table it because it's unnecessary.

WU: Do you understand that the amendment says—

HEFNER: I understand. I can read.

WU: —that if this bill conflicts with federal law, that we recognize that the United States law says that federal law trumps.

HEFNER: I understand. I can read the amendment.

WU: And you are saying that this amendment is not proper for your bill?

HEFNER: That is correct.

WU: Okay. So you're saying that the State of Texas, in passing this law, does not need to comport itself with federal law?

HEFNER: I'm not saying that or not saying that.

[Representative Hefner moved to table Amendment No. 2.]

TURNER: Members, I'm going to ask you to vote no on this motion to table. I want to repeat what this amendment does and what it does not do. This amendment does not strike a single word from Mr. Hefner's bill. It adds three lines: "Nothing in this subchapter may be construed or applied in a manner inconsistent with the Fair Housing Act." That's all it does. So all I'm asking the legislature to do—all I'm asking the Texas House to do—is affirm that if we do, in fact, pass this bill into law, that nothing in it can be construed to violate long-standing federal law.

If you go a mile north of here, you can go visit the LBJ Library. In that library museum, you can see the incredible legislative accomplishments by our fellow Texan, President Johnson. One of those was the Fair Housing Act. It was a Texan who signed this act into law in 1968—one week, I would add, after the assassination of Dr. Martin Luther King. Dr. King fought hard to end housing discrimination in this country. Yes, on the basis of race and, yes, also on the basis of national origin. And that is what is threatened by this bill. That is why this amendment is so important—so that we do not undo these long-standing protections that we have enshrined in this country in 1968 by a fellow Texan. So I would ask that you vote no on the motion to table.

[The motion to table prevailed by Record No. 1846.]

[Amendment No. 3 by Anchía was laid before the house.]

REPRESENTATIVE ANCHÍA: I wanted to draw your attention in this bill to a provision that could be damaging. In the discussion that you heard earlier between the front mic and the back mic, the author said that it was not his intent to deal with visa holders—or to cover, under his bill, visa holders who may be required to be domiciled in their home country by U.S. immigration law but nonetheless live in the United States.

I just want to point out the importance of this amendment. As many of you may not know, I represent—along with Venton Jones—the medical district in Dallas. I'm not going to single out the hospital, but they contacted me, and they were very, very concerned because 1,300 students and faculty are on a number of different visas. In U.S. immigration law, when you are under a visa—like a J-1, an H-1B, an F-1, an FN—it says you can't say you're domiciled in the United States. You have to say you're domiciled in your own country, and instead you're legally authorized. So if you look at this amendment closely, we're adding the criteria: "For purposes of determining domicile, an individual is considered domiciled in the United States if the individual (1) holds a valid visa issued by the federal government and (2) has been legally present and continuously residing in Texas for one year." We wanted to have an element of permanence.

I raise this because we have researchers, doctors, and PhD students in the Dallas medical district who are subject to all of these visas. It is impossible for them to comply with this bill because they are domiciled in their country. If it is a covered country, then they're domiciled there, but they're living here. Because this bill covers single-family homes, representatives, they are unable to buy homes in the United States. This is very straightforward. It says, for all those people who are here under lawful visa categories, that they are able to buy these single-family homes, and their domicile is not considered their foreign country for purposes of this bill, even though it is considered that under federal immigration law. It is very straightforward. And this, ladies and gentlemen, will deal with the concerns of the Dallas medical district with respect to this bill.

I just want to give you some data. There are 1,300 students and faculty in the Dallas medical district. Thirty-one percent of them are under J-1s, 30 percent of them are under H-1Bs, 13 percent of them are under F-1s, and 9 percent of them are under FNs. You know, for those of you who consider yourselves MAGA, it is this administration's stated priority for the United States to be a global leader in biotech and biomedical innovation, which is exactly what's happening in the Dallas medical district. If we are unable, and they are unable, to recruit the best and brightest to the Houston medical district, to the Dallas medical district, or to any of the top-tier medical districts throughout this state, then the opportunity and dream for American preeminence in biotech and biomedical innovation will be lost. This is a simple fix in the bill that deals with people on these visas. I would ask that the author give it favorable consideration and that it be acceptable.

WU: I just want to touch on a couple points. Visa holders—if someone has a visa, are they here legally?

ANCHÍA: Yes.

WU: In fact, a visa is official permission from the United States to be here, correct?

ANCHÍA: Correct.

WU: And visas can be short. A visitor visa may only be a few months, right?

ANCHÍA: Correct.

WU: But there are work visas and student visas where people could be here for years, if not decades?

ANCHÍA: Correct. And let me put a fine point on that. My amendment says you have to be under a valid visa because we don't want people buying homes on a tourist visa, right? The second plank of my amendment covers that latter situation. It says you must have been legally present and continuously residing in this state for one year. Okay, so that deals with people who are here on a tourist visa.

WU: You heard Mr. Hefner say earlier that he's not after people who are here lawfully, right?

ANCHÍA: What I heard from the author of this bill—which I agree with—is if people come through the front door, they're not subject to this bill.

WU: And visa holders would be coming through the front door?

ANCHÍA: Visa holders are under, as my amendment says, valid visas issued by the federal government. So we have both the requirement that you're here under a valid visa issued by the federal government, and you've been here at least for a year. Then you are not covered by this bill. Because "domicile" is an important term in this bill. And we want to make sure that the author is true to his word that people who are here legally—contributing to biomedical research and our preeminence in biotech and biomedical innovation—are not penalized but rather rewarded so that we can recruit them to Texas, which is the eighth largest economy in the world and a center for biomedical innovations.

WU: Not to put too fine a point on it—it's not just biomedical or medical, right? It's also engineering firms. It's also aerospace. It's also computing. It's also the oil and gas industry.

ANCHÍA: We could be having this discussion about a number of different sectors in this state, Mr. Wu. Because Representative Jones and I share the medical district in Dallas—it is a world-class medical district with world-class researchers and physicians who are doing cutting-edge work—we do not want this bill to be a barrier to recruiting these people. We want places like UT Southwestern and places like Parkland to be able to recruit the best and brightest from all over the world to come to Texas and make us preeminent leaders in this area. But to your point, Mr. Wu, it could be any sector in the United States.

WU: Do you believe that your amendment addresses some of the issues Mr. Hefner and I discussed between the mics?

ANCHÍA: It certainly deals with the visa holders in this bill. I think it makes it perfectly clear that those visa holders are considered domiciled in the United States and not caught up by the vagaries of the bill.

REPRESENTATIVE RAYMOND: Chairman, so I guess your amendment is that you want these folks that you're talking about to be able to purchase land, et cetera, in Texas. Is that why you want this amendment?

ANCHÍA: Candidly, I just want them to be able to purchase a single-family home, Mr. Raymond, because the bill doesn't just deal with land. It even deals with buying a single-family home. And, candidly, that's a big inhibitor to recruiting people. Because you're telling them if they're coming from one of the covered countries and they're going to be a big-time researcher at UT Southwestern, you say, "No, you really can't be here. You can't buy a home with your wife and kids in Dallas." Where are they going to go? They're going to go somewhere else. They're going to go to Carnegie Mellon. They're going to go to one of the other preeminent research institutions throughout the United States. That's what I'm trying to get at here.

RAYMOND: Okay. That's what I wanted to clarify—that you want them to be able to purchase, I guess, something—land or—

ANCHÍA: Real estate, yes.

RAYMOND: Real estate, right. So that's what you're trying to do—is let them be able to purchase, not rent, something. You don't want them to rent condos or whatever. You want them to be able to buy a condo or a house. Is that right?

ANCHÍA: Yes, that's exactly right.

RAYMOND: Would you accept an amendment to your amendment that limits it to them buying a residence or a home that they can live in? Just so it's clear that that's what you're trying to do?

ANCHÍA: Absolutely. Absolutely. I'd be happy to do that.

RAYMOND: I'll leave that to the author of the bill. Is he—Mr. Hefner—listening?

ANCHÍA: If the author wants to bring an amendment to limit this to single-family homes, to a condo, or even to buy just a small business where they're acquiring the real estate. Yes, let's let them do that.

RAYMOND: Then you could do an amendment to your own amendment. Just a suggestion.

ANCHÍA: Yeah, sure.

RAYMOND: You can do it.

REPRESENTATIVE ROMERO: Thank you for this amendment, and I really hope that people are thinking about the predicament that we're putting our universities and our hospitals in. Many times these—

ANCHÍA: And our businesses and our oil and gas sector. I mean, every sector depends on people who are—our tech industry—who are on these visas, yes.

ROMERO: Just for my own understanding—right now is there an opportunity for someone from these countries to rent? And rent would be the only option?

ANCHÍA: Yes, I imagine that's right.

RAYMOND: Many times, someone that comes as a researcher and becomes a valuable asset to the business or the hospital or the teaching institution—it's actually more affordable for them to buy a single-family home than to even rent in certain markets.

ANCHÍA: Certainly.

ROMERO: So I think that's the position that your amendment is taking—to allow them some flexibility so that they can be closer and not be restricted. So then we don't have some of the best people in the world. Is that right?

ANCHÍA: Look, I'm being selfish here. I want Texas to have the best and the brightest the world has to offer. And when we recruit them, vis-à-vis another state, they should be able to buy a home here. They should be able to buy a home here. And guess what? They can go to California, to Ohio, or to anywhere else where they're rolling out the red carpet. But instead they're wanting to come to the medical district in Houston or in Dallas, and they're going to be here on a visa—a J-1, an H-1B, an F-1, an FN, DAC, an AOS, an O-1, a J-2, a TN—none of that's covered by the bill.

ROMERO: Understood.

ANCHÍA: And so this would allow for that to occur.

ROMERO: Well, I hope that the author's really paying attention to your amendment. I think this is a great amendment, Chairman Anchía.

ANCHÍA: I'm not surprising him with it. We discussed this concept yesterday and today. This is something that he knows I'm concerned about.

MANUEL: I have a question, looking at your amendment. It says if someone has been here, legally present, and continuously residing in the state for one year. So for instance, if we have accepted in our country a refugee from Ukraine—which we have, and that war has been going on for over three years—and they've been here, would this give them the ability to be able to own land? Especially if they're in that part where the current president of Russia has said he will take that land, and that's the only thing that he's going to accept? Which means it would make them where they could, currently, either lose their homes or they would be able to stay here legally, work, have a family. Is that correct? Under your amendment, it would allow them to do that?

ANCHÍA: Precisely. And that's a really interesting point. You can have—apparently, they're in negotiations where part of Ukraine may be ceded to Russia, right? If you have a Ukrainian refugee here who is actually born in one of the regions that is ceded to Russia, that would be their country of origin. They may be here on refugee status. If we do not do this, they will be covered—they will be covered by the bill.

MANUEL: And lastly, do you know if all refugees are considered to be stateless or if they still have their nationality with them when they come here?

ANCHÍA: Under U.S. immigration law, you cannot say that your domicile is the United States if you're under one of these visa categories. You are prohibited. It is impossible for you to declare the United States as your domicile. Instead, you must say that your domicile is your country of origin or the country that you most immediately have come from.

MANUEL: So without your amendment, we would be telling refugees that we legally allowed in here with our immigration laws that they could no longer own any property in the State of Texas? And if they did currently own land or a business in this state, then the state can legally take that from them. Is that correct?

ANCHÍA: If you are a Christian refugee that has experienced Iranian persecution and you are here on a temporary protective status or some other visa category, you are covered by this bill, and you should not be. That's what my amendment tries to do.

HEFNER: I appreciate Mr. Anchía. He always does things here and goes about it the right way. I understand and appreciate the intent, but I do believe there may be another amendment in the queue that is more carefully crafted and could—more tailored to achieve the best outcome.

ANCHÍA: Since you used those words, I'm going to ask you, Cole—Chairman Hefner. I'm sorry.

HEFNER: You're fine. My daddy gave me that name, and I like it just fine.

ANCHÍA: What about this is not carefully crafted?

HEFNER: Well, I'd like to see the other amendment and have it laid out. I do appreciate your concerns, and I do believe you bring a valid concern. But I also believe there's another amendment that may more adequately address it.

ANCHÍA: So you see where this amendment appears, right, in the bill? This is very, very clear. And it speaks to the issue of domicile. It speaks to the subchapter on domicile and only that subchapter. Because that subchapter lays out criteria for determining domicile, right?

HEFNER: Right.

ANCHÍA: And one of those criteria is if your domicile is in one of the covered countries, correct?

HEFNER: Yes.

ANCHÍA: Right. And so if your domicile is in one of the covered countries, you are covered by the bill, and you're otherwise not validly here, right?

HEFNER: Correct.

ANCHÍA: You also would acknowledge that federal law, if you're here on a visa, requires you to list your domicile as that country of origin, right? You are unable to list the United States, correct?

HEFNER: That is correct.

ANCHÍA: So you would acknowledge that would be problematic for someone who is on a visa category here? What this amendment tries to do is very directly and clearly say, "Hey, if you're here on a valid visa issued by the United States"—and then I even included something for belt and suspenders—"we want you to be here for at least a year." So you can't be here validly under a tourist visa, right? That's not going to work. You have to be here for a year, continuously residing. Then, for purposes of the bill, your domicile is not your covered country, but instead, your domicile is here. To me, that's a very direct way to deal with the issue. Would you not agree?

HEFNER: Well, I guess there's more than one way to skin a cat. But respectfully, I'm going to go with the other amendment and see what it looks like when we get there.

ANCHÍA: Okay, but you would agree that this speaks to your desire to have people who have come through the front door not be covered by the bill? You would acknowledge that?

HEFNER: To a degree, yes.

[Representative Hefner moved to table Amendment No. 3.]

ANCHÍA: I appreciated the dialogue with Chairman Hefner. This is the most direct way we can deal with this issue, which he has acknowledged is an issue in his own bill. We can pass any other amendment he wants to pass, and then they'll be read together. But this makes it very, very clear that if you are a legal visa holder in the United States—even if you're from one of the covered countries—and you've lived here for a year, you are not prohibited from purchasing real estate. This is common sense. I did not try to sneak this on. This was discussed with him yesterday and today. And even on the mic, I believe that Representative Hefner has acknowledged this is an issue in the bill. So for those of you who are very, very proud of the Dallas medical district, of the Houston medical district, of the technology corridor in North Dallas, Texas Instruments, and all our tech companies—all our tech companies that we were very excited about and that have J-1 visa holders, H-1B visa holders, F-1 visa holders, FN visa holders, DAC, H-4, O-1, J-2, TN-1, ASY, OTH, L-2, TPS—those people will be permitted to pursue the American dream here in this state so that we can continue to be competitive in all of those sectors we mentioned. And with that, I ask you please, please, please adopt this amendment. Make it clear for all where you stand on this issue.

[The motion to table prevailed by Record No. 1847.]

[Amendment No. 4 by Shaheen and Button was laid before the house.]

REPRESENTATIVE SHAHEEN: This amendment makes it clear that an individual not lawfully present in the United States and is still domiciled in a designated country hostile to the United States cannot purchase property.

MANUEL: Can you explain that amendment? I couldn't hear you as you were laying it out. Please.

SHAHEEN: On page 4, line 24, it inserts the words after—

MANUEL: I'm sorry. You said page 4?

SHAHEEN: Page 4.

MANUEL: Of your current amendment?

SHAHEEN: Yes, sir.

MANUEL: It's not currently loaded up.

SHAHEEN: Okay. Let me explain it to you while you're pulling it up. So the construct of this section of the bill lists the individuals that are not permitted to purchase property. The way you would read the amendment in context of the bill is: The following may not purchase land if it's an individual who is domiciled in a designated country. So if they're designated in the list of countries that are hostile to the United States, are not lawfully present, and residing in the United States at the time the individual purchases, acquires, or holds the interest.

MANUEL: Okay. And it's only in these countries—with the former amendment and within the bill—that we're saying are our adversarial countries? Which are Russia, Iran, North Korea, and China. Is that correct?

SHAHEEN: It's referencing the definition on page 2, row 24, where it describes "designated country," and it references the United States director of national intelligence as a country that poses a risk.

LITTLE: Chairman Shaheen, I think there may be a little bit of confusion about the impact of your bill, and I just want to resolve something for the members of this chamber. If someone is properly here in the country but not a citizen of the United States—so someone who's on a visa and is properly in the United States, but they are found to be an agent of a hostile foreign government, like China, Russia, Iran, and North Korea—they will still fall within the scope of this bill, won't they?

SHAHEEN: You're exactly right, sir.

REPRESENTATIVE ZWIENER: I'm sorry, Representative Shaheen. I know you're trying to get through your amendment, but we're all trying to make sure we fully get what it does—

SHAHEEN: No problem.

ZWIENER: —before we vote on it. So if I'm understanding correctly, the underlying bill contains certain classes around who is impacted, i.e., folks associated with certain nations who are not lawful permanent residents. So you're effectively tightening this a little bit. Am I reading that accurately?

SHAHEEN: Specifically, what it's doing is it says if an individual is domiciled or, let's say, they have a home in one of the designated countries—so again, that's a country that we've identified poses a risk to the United States—and they're here in the United States unlawfully, they can't purchase land. If you want to characterize that as tightening, I guess.

REPRESENTATIVE TINDERHOLT: Are any of these people that hold a visa—could they be Chinese citizens?

SHAHEEN: If they are here legally and their visa is up to date, it would apply.

TINDERHOLT: So if they're citizens of China—are all Chinese citizens—and I believe the answer is yes—members of the CCP?

SHAHEEN: No, that's an incorrect statement. Not all citizens of China are members of the CCP because the CCP is guilty of horrific human rights violations. I actually have constituents of mine that have suffered under communist China, and they would not associate themselves with the government.

TINDERHOLT: My concern is we're creating an exception for Chinese citizens that are here on, probably, short-term visas to be able to buy this property. I think the potential for people that spy on America and come here under false pretenses—this exception will allow them to buy property. That's my concern.

SHAHEEN: No, so your statement said if they're here on a visa, right? So even though they might be domiciled in a country labeled as a designated country, if they're here on a visa, they're here legally. What this is saying is they're here unlawfully. But I think it's important—I think the scenario that you're worried about is covered under page 5—(D)(ii)—where it talks about if they're acting as an agent or on behalf of a designated country. It's the item that Representative Little pointed out.

TINDERHOLT: I understand that, but we don't ever know—look, they're very good at what they do. I did intelligence in the military for a long time. We never know who those people are. They come here on legal visas, they collect intelligence, and they're spies for China. So that's my concern with this. We may not know—the paragraph you're mentioning, I just saw that a couple of minutes ago as well. But we don't know that they're spies. We don't know that they're bad actors. So this exception could allow or will allow some of these people to buy or lease property. Is that correct?

SHAHEEN: No, sir. It's not accurate. So again, with the amendment, the statute is very clear. If you're domiciled from one of the countries that are designated in the bill and you're here unlawfully, you cannot purchase land. In the other scenario, if you're here lawfully but you're acting as an agent—which I think is the point you're trying to point out—they still can't buy land. So I think both of your scenarios—

TINDERHOLT: The problem is we don't know that they're an agent, and we're creating an exception that could create that situation.

SHAHEEN: But, sir, that's why we have law enforcement. Right? At the end of the day, law enforcement has the responsibility to find these individuals and then go through the prosecutorial process with the district attorney—or attorney general or what have you.

TINDERHOLT: Well, thank you for answering my questions. I respectfully disagree, but thank you for having this dialogue. I appreciate you.

REPRESENTATIVE MONEY: Mr. Shaheen, your amendment would cover any person who's here on a temporary work visa or student visa, wouldn't it?

SHAHEEN: It actually calls out somebody that's not lawfully here. So if they have a student visa, it actually doesn't apply.

MONEY: But your amendment is calling out anybody—your amendment is creating a class of people who are here lawfully—if they're here lawfully in the country?

SHAHEEN: Let me read the amendment to you. It might help things. In the context of the legislation, the way to read the amendment is that the following may not purchase or acquire interest in real property: an individual who is domiciled in a designated country—here's where the amendment comes in—and is not lawfully present. So when you're giving me scenarios and saying they're on a student visa or they're on a temporary visa or whatever—this would be an individual that maybe they were under a visa, and now the visa's expired. Now this applies because they're not here lawfully any longer.

MONEY: A person who is not lawfully present and residing in the United States is not allowed to purchase, acquire, or hold the interest in the property. So that would also mean that a person that is lawfully present and residing in the United States, and is able to purchase, acquire, and hold the interest, correct?

SHAHEEN: Yes. I have a constituent that was at Tiananmen Square. And if you remember what happened there—there was an uprising in China against the communist government because of human rights violations or what have you. And she came to the United States legally, didn't speak any English, and she became a United States citizen. We want those individuals to be able to purchase land. And by the way, she not only became a United States citizen, but she became a member of the local school board. That's what we want.

MONEY: Sure. And U.S. citizens are going to be able to purchase property under this, or any other law, that we would pass whether we have your amendment or not. What I'm concerned about is someone that is here on a temporary work visa, student visa—I just asked a brilliant question. I don't remember exactly what it was.

SHAHEEN: It really was, but I can't remember it either. But it really was brilliant.

MONEY: But the point is we would be allowing, under your amendment, people who are here on a temporary work visa, temporary student visa, and even a tourist visa. Is that correct? Because they would be here legally.

SHAHEEN: The bill already—I'm sorry. I think I interrupted you.

MONEY: They would be here legally. And if they are here legally, under your amendment, they would be lawfully present and residing in the United States. They would be able to purchase, acquire, or hold the interest?

SHAHEEN: I don't think the amendment is coming across. I think if I read it—what it talks about is individuals that are not lawfully in the United States. The examples you're giving me—they're actually here legally. So what this

amendment is saying is that if you're from a country that's hostile to the United States and you're here illegally or unlawfully, you cannot purchase land. This is what we want.

MONEY: But it's a double negative. So if you flip it around, it also means that if you are from a hostile country and you are here lawfully, you are lawfully present and residing. Then you may purchase, acquire, and hold the interest?

SHAHEEN: If you're here lawfully.

MONEY: Correct. Under your amendment, if a person is here lawfully.

SHAHEEN: If somebody's here lawfully, yes. But you have to remember on page 5, line 9, it talks about if you're acting as an agent on behalf of one of the designated countries, then you can't buy the land.

MONEY: Certainly that needs to be the case. But the fact is—at least, my understanding of the reason why we wanted this legislation in the first place is because we don't always know who is acting on behalf of that foreign country. There's a presumption that if you're still a citizen of that country, that you have more loyalty to that country than you do to our country. If you—

SHAHEEN: Not necessarily, sir, if I may interrupt you. I gave you an example of a woman that has no love of China, for example. She was tortured by the Chinese.

MONEY: Right, and she came here—

SHAHEEN: So no, I would say she came to the United States, and she's an awesome citizen. No, I wouldn't agree with you. Now look, if there are bad actors, regardless—if I could answer your question? If there are bad actors in the United States, whether they're here lawfully or unlawfully, this legislation addresses that. Because, again, on page 5, it talks about if there's an individual acting as an agent or on behalf of the agent. Then I would draw you to the next section of the bill, Section 5.254, where it talks about investigation and enforcement by the attorney general. There's even a portion of the current statute that talks about law enforcement referrals. All that to say is, I think we're covered. And quite frankly, this amendment is something that we want. We don't want people here that are unlawfully present in the United States to buy land. To be a little transparent with you, I'm really confused why you're having an issue with this amendment.

MONEY: People who are unlawfully—

SHAHEEN: Do you want people that are here unlawfully to be able to buy land?

MONEY: No. There's already a prohibition for people who are—let me back up. The purpose of this—

SHAHEEN: I think it's important to understand—

MONEY: Let me ask my question.

SHAHEEN: —that we don't want people that are here in the United States unlawfully and that are from a country that is hostile to the United States to be able to buy land. That's what this amendment does. I'm puzzled over your question.

MONEY: Then let me make it very clear: My understanding of what we were trying to accomplish with this bill—what the Republican Party of Texas is trying to accomplish and the people who ran against me in my—

SHAHEEN: The Republican Party of Texas should love this.

MONEY: No.

SHAHEEN: There's a problem if they don't.

MONEY: There is a class of people that we are concerned about buying property in Texas.

SHAHEEN: A hundred percent.

MONEY: People from foreign countries that are hostile to us. You are limiting it to only people from foreign countries who are hostile to us who are here illegally. Anyone who is here legally who is from a country that is foreign and is hostile to us is now no longer included. And so my question is: We have limited this bill from anyone from these countries, unless they are coming here to be citizens? We have cut it all the way down to only people who are illegally here from those countries?

SHAHEEN: No.

MONEY: Yes. That's what your amendment would do.

SHAHEEN: So on page 5, you have "is a citizen of a designated country who is unlawfully present in the United States or is a citizen of a country other than the United States and acting as an agent or on behalf of a designated country." So again, with this amendment, what we're doing—I want to be crystal clear with you. If you're here unlawfully and you're from one of the hostile countries, you cannot buy land. If you're here lawfully but you're acting as an agent, you can't buy land. So again, I'm confused as to why you have an issue with this amendment. Because we do not—

MONEY: I'm having a hard time, too.

SHAHEEN: Hold on, sir. You asked me a question, and I'm not done answering. At the end of the day, it should be very clear: We don't want people from the hostile countries that are here breaking the law buying our land. I don't know why that's difficult.

MONEY: The bill currently says that those people cannot buy land. The way the bill currently is, people here illegally from foreign countries cannot buy land. And people who are here legally from foreign countries cannot buy land. Your amendment would allow anyone who is here legally to buy land. People who are here illegally, from any country, should be deported. People who are here from foreign hostile countries should be deported, and people who are here legally from countries that are hostile foreign countries should not be able to buy

land—regardless of whether they are here legally or illegally. Your amendment would gut this bill and leave it that only illegal aliens from those countries are not allowed to buy property, or people that we can prove—

SHAHEEN: Your statement's inaccurate.

MONEY: —or people that we can prove are acting as an agent or on behalf of a designated country. I want to limit everyone from those countries—that are a citizen of that country—from being able to buy land here. You want to only be able to limit illegal entrants and people that we can prove are acting as an agent of a foreign country. That's just a difference in what we're trying to accomplish. I think it is a big mistake to accept your amendment.

SHAHEEN: Respectfully, I don't think you understand, and I've repeated myself three times.

MONEY: I'm sure that I do.

SHAHEEN: If you think it guts the bill to make an individual from a hostile country that's here unlawfully be able to buy land, I'm not sure what else I can do. When it talks about—

MONEY: Let me ask you this: Under the bill currently—

SHAHEEN: Excuse me, sir. You asked me a question, so if you wouldn't interrupt me, it would be helpful. I've got that scenario, and then I've pointed to you—I don't know how many times—on page 5, if they're acting as an agent on behalf of a designated country, then they can't buy land. And then it talks about—

MONEY: I have one quick question.

SHAHEEN: Excuse me, sir. I'm going to answer your question, and you can try to interrupt me if you want.

MONEY: I haven't asked a question in a while.

SHAHEEN: But then I tried to explain to you, starting on row 11, about the law enforcement piece of it.

MONEY: The one question I have: Under Chairman Hefner's current bill—or **CSSB 17** as written, without your amendment—do you believe that a person who is here unlawfully from one of these designated countries is able to purchase property?

SHAHEEN: We're on the amendment.

MONEY: I know, but you're telling me that I don't understand your amendment.

SHAHEEN: You don't.

MONEY: I do understand your amendment because what you told me that your amendment says—

SHAHEEN: You just asked me a question about the bill, and we're on the amendment.

MONEY: If we do not pass your amendment—because I need to understand what your amendment does. If we do not pass your amendment, would an illegal—

SHAHEEN: Okay, let me just read it to you.

MONEY: No. I've read the amendment. If we do not pass your amendment, would an illegal alien from Iran be able to purchase property?

SHAHEEN: No, an illegal alien from Iran would not be able to purchase property.

HEFNER: Members, this amendment does not weaken the bill. On page 5, line 9, anyone acting as an agent or on behalf of a designated country is banned from owning land in this state. The next section spells out how the attorney general's investigatory process would play out in proving that these people are hostile foreign actors. That's going to have to happen with every case. So if you're proven through that investigation that you're acting as an agent or on behalf of a designated country, it doesn't matter what your visa status is, you will have your land divested.

REPRESENTATIVE HOPPER: Members, really simple. I ran on this issue. This was one of the most important issues door-to-door across my district. And people expected me—and I promised them—to make sure that folks from North Korea, that citizens of communist China, and citizens of Iran would not be able to buy land in Texas. Who would have thought in 1836, after we won our independence, that all that Santa Anna had to do was to come and buy Texas to get it back? It's actually ridiculous that we're debating this because this amendment does actually gut this bill. I'm not a lawyer, but that's my understanding.

TINDERHOLT: When we first looked at this, we were looking at it thinking, "Hey, maybe this is okay." But the more we looked, it brings a question to mind. No matter what the intent of a member of one of these visas is when they come here—and oftentimes we don't know the intent—will this amendment allow more CCP members to buy property in Texas?

MONEY: Unquestionably.

TINDERHOLT: Some may be good actors, and many may not.

MONEY: Absolutely.

TINDERHOLT: Because we never know who the intelligence collectors are, on purpose. I want to clarify this: This amendment will allow more CCP members to purchase Texas property.

MONEY: That is correct. Speaking against this amendment, very briefly. The bill that is before us here is a good bill. It's not perfect, but it's a good bill. And it limits any individual who is a citizen of one of these foreign countries from purchasing property here. This amendment says that anyone from one of those countries who is here legally can purchase a property. It guts what I think was the intent of the bill, and that's why I'm against it.

WU: People who are lawfully here and have been vetted by the United States government to be here—vetted for background and everything else, and they're granted a visa to be here—do you believe that even after the government vets them and gives them permission to be here, that they're still suspect?

MONEY: I still do not think that they should be able to purchase property in the State of Texas.

WU: Let's be honest. Let's apply this to my people, to Chinese people. You're saying that every single Chinese person is a potential threat and a potential spy?

MONEY: I need to know what you mean by that, so—

WU: It's what you said.

MONEY: I do not think that every single person who is of Chinese origin or Iranian origin or North Korean origin—or even people who were there recently—are. The people who maintain as a public policy—people that maintain their citizenship in that country, and they're here temporarily, should not be able to buy land in Texas.

WU: Do you know when someone can drop their citizenship of another country?

MONEY: I do not know the circumstances it requires renouncing citizenship legally.

WU: For my family, when we became United States citizens. It's the day that you are sworn in as a citizen. Do you understand that every immigrant in this country—every single one, until the day that they are sworn in as a United States citizen—they are a citizen of another country until that moment? Do you understand that?

MONEY: Yes, and some people maintain dual citizenship. I don't know if that's possible with these countries—

WU: Yes.

MONEY: —but I do know that that is possible as well.

WU: In fact, when this bill came up the first time, we talked about Iranian Americans. Most Iranians who are here are here as refugees of some kind. Most of them are fleeing Iran, right? They are considered dual citizens because Iran says, "We don't care what American law is. If you're Iranian by any amount of blood, you're our citizen." So America says you're dual citizens. And originally, as this bill was written, would have included that. Do you think that's fair to include people who are already American citizens?

MONEY: Of course not, no. Once you're a citizen—and this amendment would not mean that citizens of the United States could not purchase property here, regardless of where they're from originally.

WU: So when we first proposed this legislation, we also included green card holders and permanent residents. Do you think those should be included?

MONEY: I would be fine with a permanent resident. This is not about the amendment, but if you're just asking me, I'm fine with permanent residents that are probably working toward citizenship. Maybe they've married an American citizen, and they're here. That's fine.

WU: That's not how green cards work.

MONEY: It can be but—

WU: So you understand that this amendment will allow refugees and other people who are here lawfully—who came the right way, as we kept saying—to be given a chance? Because you can't become a permanent resident unless you can show the United States government that I have an ability to have a permanent home here. But if you say, "I don't have any money. I can't buy a house," they say, "We're not going to give you a green card. We're not going to let you be a resident." You understand that in order for those refugees who are fleeing China, fleeing Iran, fleeing North Korea, that they would be barred by this bill from purchasing land if not for this amendment?

MONEY: I'd like to stick to the amendment but—anyway, I'm against the amendment. Thank you.

SHAHEEN: Members, if you oppose an individual that is here from a hostile country and is also here illegally, you need to support this amendment.

REPRESENTATIVE PATTERSON: Mr. Shaheen, with your amendment on this bill—if you are here illegally from a hostile foreign nation, can you buy land?

SHAHEEN: No, sir. You cannot.

PATTERSON: Mr. Shaheen, if your amendment goes on this bill and if you're here legally from a hostile foreign nation but you're acting as an agent, can you legally buy land?

SHAHEEN: No, sir.

PATTERSON: Okay. Regardless of if your amendment goes on or not, does there have to be an investigation to know whether or not you're here from one of these nations? Does that go through a whole investigation, court process, and then divestiture regardless of if your amendment goes on or not?

SHAHEEN: That's right. This is a great amendment. It's going to make Texas a safer and better place. Vote yes.

LITTLE: Chairman Shaheen, I'm sorry. You almost got away. As someone who wrote a similar bill to the one being offered by Chairman Hefner here—mine was modeled on Arkansas' Act 636, which was signed into law by Sarah Huckabee Sanders, preventing foreign-controlled parties from owning real estate in this state, as well as agents and trustees of foreign governments. My understanding of your amendment is that in Texas we will still bar foreign-controlled business entities, individual agents, and trustees of hostile foreign governments, even with your amendment?

SHAHEEN: Yes, that's accurate.

LITTLE: You concur?

SHAHEEN: Yes, sir.

[Amendment No. 4 was adopted by Record No. 1848.]

[Amendment No. 5 by Gervin-Hawkins was laid before the house.]

REPRESENTATIVE GERVIN-HAWKINS: I had a conversation with one of the bill authors of this. My amendment simply does this: It makes sure that our professional athletes, performers, artists, and entertainers are protected and can come to this country. We know that specifically our professional athletes carry a P-1 visa. I had an opportunity to talk to one of the Spurs. My amendment protects professional athletes, artists, entertainers, or performers. One of the concerns in this bill—and I did speak with a Spurs executive—is concern about the professional athletes we have on these teams. There are 125 foreign nationals on NBA teams that are under a P-1 visa—that's a professional visa. None of them are guaranteed citizenship; they have to go through the normal process. These individuals spend tens of millions of dollars—be it on homes, be it in businesses, be it investments, developing programs in communities—all of that. I hope the author of this bill understands that all of these folks are in jeopardy with the bill in its current condition.

MANUEL: By any chance, Representative—first off, thank you so much. Do you know how much money a team would lose having to replace a player if they had to leave for financial constraints or any other reason?

GERVIN-HAWKINS: Hundreds of millions of dollars. You think of Wembanyama, who is a young man who is with the San Antonio Spurs. He wouldn't stay if he couldn't buy a home or couldn't invest his money in businesses. And we would be in jeopardy of losing him. Think of all the other athletes—Luka, who's in Dallas. Think about the amount of money that they invest. Also what I want to share is some of our existing players—high-profile players—get foreign players that are from different countries to invest in our communities.

MANUEL: So we're looking at, potentially, a loss of investment into our own communities from people who are here working in good faith and adding to the community. I'm asking this as a question: Do major league teams or minor league teams sometimes—do they put people up living in apartments or in houses? What would happen—well, sorry, do they do that?

GERVIN-HAWKINS: They do.

MANUEL: What would happen if a player were to leave? What would end up happening if that's on a lease?

GERVIN-HAWKINS: Well, first of all, if they don't have a place to live, they can't stay here, okay? And when you make hundreds of millions of dollars and you can't invest—we're talking tax dollars of more than 50 percent, you're talking about no write-offs, you're talking about no interest. But more importantly, Representative Manuel, it's saying you're not wanted here.

MANUEL: And lastly, what kind of goodwill, service, and tax dollars does having a major league team bring to a city like yours?

GERVIN-HAWKINS: It's major. It's major having a big-league team, as we all know. Not only that, those players bring apparel dollars, so they help businesses. Those players bring marketing dollars. Those players buy real estate. Those players do investments. The loss to Texas would be humongous, and they will go somewhere else.

MANUEL: Thank you so much. I appreciate you, and I think your amendment is wonderful.

REPRESENTATIVE J. JONES: Representative Gervin-Hawkins, it's not just professional athletes that this is going to affect, correct?

GERVIN-HAWKINS: Correct.

J. JONES: Colleges—like A&M, UT—recruit foreign athletes to compete there, don't they?

GERVIN-HAWKINS: That's correct. The student athletes will be impacted.

J. JONES: And I think we just passed a bill with NIL, so athletes are going to be making more money, correct?

GERVIN-HAWKINS: That's correct.

J. JONES: So athletes aren't living in the dorms all the time anymore, are they?

GERVIN-HAWKINS: That's correct.

J. JONES: They want to buy a house, correct?

GERVIN-HAWKINS: Correct.

J. JONES: They want a nice house?

GERVIN-HAWKINS: Correct.

J. JONES: If they're here and they're contributing to the success of these institutions of higher learning, do you think this will dissuade or encourage them to come to Texas—to college?

GERVIN-HAWKINS: It would dissuade them tremendously.

J. JONES: Also, you brought up star athletes. We're not just talking about star athletes, are we?

GERVIN-HAWKINS: Not just star athletes but athletes in general that are foreign nationals.

J. JONES: Right. I don't know if you know this, but my ex-husband was Colombian, and he came here. His teammate, Carl Herrera, who played for Venezuela—are you familiar with Carl?

GERVIN-HAWKINS: I'm not.

J. JONES: He played for the Rockets. He helped them win a world championship, and then he went to San Antonio. Are you familiar with San Antonio?

GERVIN-HAWKINS: Oh, yes. Quite familiar.

J. JONES: But you're just familiar with the Spurs of today, not the Spurs in the '90s?

GERVIN-HAWKINS: Yes.

J. JONES: When Tim Duncan was there?

GERVIN-HAWKINS: Correct.

J. JONES: The Spurs right now have foreign athletes, correct?

GERVIN-HAWKINS: No doubt about it. You've got an ex-player, Tony Parker, who I know is investing millions of dollars in San Antonio. When we think about the athletes, let's go back to Olajuwon, who's living in Houston, and the type of money that he invests in Houston. Yao Ming, who still has a home here in Houston. Luka Doncic—I mean, there's so many. And so many millions of dollars, or hundreds of millions of dollars, will go out of the state because of this bill.

J. JONES: I'd like to actually thank you for bringing this amendment because as much as we love athletics in Texas, we should make sure that we don't dissuade great athletes from coming here to compete for our teams, whether they're professional athletes or whether they're collegiate athletes. This country is great because of its diversity. This country is great because of its diversity, and we should be supportive.

GERVIN-HAWKINS: No doubt about it. And it's not just NBA. Think about soccer, think about hockey, and think about baseball. There are many sports that will be adversely impacted in Texas.

J. JONES: I know you're not from Dallas, but didn't the—we just had the Dallas team win the World Series, correct?

GERVIN-HAWKINS: Yes, we did.

J. JONES: And they have people who aren't United States citizens, right?

GERVIN-HAWKINS: That's correct.

J. JONES: You think they're living in apartments?

GERVIN-HAWKINS: I doubt it.

J. JONES: You think they probably have big houses?

GERVIN-HAWKINS: No doubt about it. Ten million dollars, \$20 million.

J. JONES: That's what I thought. Thank you for bringing the amendment. I'm proud to support it.

REPRESENTATIVE E. MORALES: Ms. Barb, are any of these players going to be subject to eminent domain?

GERVIN-HAWKINS: Yes, if this bill is passed. Because remember—remember, they can take your property.

HEFNER: I love and appreciate my classmate, but I respectfully move to table this amendment. It's not necessary under the provisions of the current bill, so please join me in moving to table.

[Representative Hefner moved to table Amendment No. 5.]

GERVIN-HAWKINS: I'm going to correct my wonderful classmate and let him know that without accepting this amendment, he's helping the State of Texas lose hundreds of millions of dollars through investments and through attracting high-level athletes from foreign countries. What I would like him to do at some point is explain to us why what he's doing will not hurt these athletes because I truly don't understand it. With that, I look for my colleagues out here to protect the resources for Texas.

[The motion to table prevailed by Record No. 1849.]

[Amendment No. 6 by Little was laid before the house.]

LITTLE: I'm going to let this amendment populate. Let's take our time and talk through this. So members, there's been a modification to this bill that would permit people who fall within the scope of this bill—all of the barred foreign actors—to engage in a lease of a hundred years or less. This is, to put it mildly, a loophole that you could drive a Mack Truck through. For those of you who are in real estate, or you may be real estate lawyers in the room, you may be familiar with the concept of a ground lease. Oftentimes in commercial real estate development, someone who wishes to develop a piece of commercial property will enter into a ground lease that may be 99 years long, where they own the improvements, but they never purchase the dirt. They lease it for a period of 99 years. What I would submit to you is we ought to limit leasehold interest, per this amendment, to no longer than two years.

[Amendment No. 7 by Toth and Schatzline was laid before the house.]

REPRESENTATIVE TOTH: Members, this moves it to one year.

WU: Members, it's interesting that Mr. Little added this amendment because this is actually—remember I said earlier that this bill is very similar to the bill that we passed 100 years ago? And now, with this amendment on, it's almost exactly the same. Back then, they also said you're not allowed to buy land. And if you live here, you can only live here for a little while. In fact, that was what was passed in Texas, and that's what was passed in the first state that passed this law, California. They said the maximum was three years, and then you can't be renewed, so you have to go live somewhere else after that. You say that the leases are only one year, and then later on, they're going to change it to say once the lease is up, don't bother staying. Please—I don't know how the bill author is going to do, but I would ask us to PNV.

MANUEL: You brought up a past law in California. I'm wanting to know, did you know that we brought—or invited—Chinese immigrants here to work on railroads?

WU: Yes, absolutely. In fact, when Chinese and Japanese people first came in the early 1800s, they were asked to come to do the worst jobs there were—to die on the railroad, to die in mines, and to do the dirtiest, nastiest jobs. And what was interesting was Asian Americans back then had a strange place in our society. In fact, in the late 1800s, they were actually even below everyone else. Because while African Americans could not live in the same neighborhoods as whites, Asian Americans were not allowed to live in a state at all. In fact, 16 states passed laws—some of them even into their own Constitution—that said Chinese people and Japanese people are not allowed to purchase anything in our state, not even lease.

MANUEL: Do you know where the largest lynching that ever happened in American history was and what group was affected by that?

WU: I don't know.

MANUEL: It was Chinese Americans in California. They were living there working on the railroad that we invited them to do, and then a group of European and American settlers went in and massacred over 100 Chinese immigrants who they had invited into that land. Lastly—because I'm bringing that up to show how this kind of law starts and creates negative connotations about other people and how it turns to violence. Do you know why, in America, opium is considered illegal—as in, why we wouldn't have opium dealers?

WU: No, tell me.

MANUEL: Because they said—after we had used Chinese immigrants to come here and work on the railroads and we massacred them, they started a propaganda tool that said Chinese men would smoke opium and get so horny that they had to rape white women. So we made opium illegal, which is the same reason we made cocaine illegal. Because they said Black men would get so horny that we would have to go out and rape white women. And the reason marijuana is illegal is because they said Mexicans would get too horny and thus rape white women. I appreciate you bringing up the history of this because that is what it turned into when we passed laws like this over 100 years ago.

WU: This bill originally—Mr. Hefner said that we want to have reciprocity and treat other countries like they treat us. China and many of those other countries—nobody owns property. Everyone has a 99-year lease. And in China, if an American wants to own property or have a 99-year lease, all they would have to do is be in the country for a year and be a resident.

GERVIN-HAWKINS: Representative Wu, when we talk about foreign nationals coming and making investments, is there anything in this bill that you're aware of that protects foreign nationals' property? We were just talking about Yao Ming over here, okay? Yao Ming brought a billion dollars to the NBA the first year he was here in Houston. Are we now talking about potentially—since that is considered an adversarial country—are we now talking about taking his property?

WU: Yes. It's not just that. And I think it's actually much, much worse than that. What I don't think people will talk about is that if you go up and down the Texas coast and you look at all the refineries, the petrochemical plants, many of them, if not almost all of them, have some kind of connection to this bill because most of those are international conglomerates. They're investment firms that work with multiple people. They have investors from all over the world. And this bill would touch most of them, touch many of them.

GERVIN-HAWKINS: Does that mean the attorney general could come in and say, "You're from an adversarial country" and take all of those people's property?

WU: Absolutely.

GERVIN-HAWKINS: And destroy those businesses?

WU: Yes, and sell it off.

GERVIN-HAWKINS: And sell it off from under them.

WU: And here's the other thing: These companies that are coming here, one of the first things they ask is, "How is life for our people who are going to come and work here, who are going to be expats here—who are going to come and work these jobs and help get this started?" If we tell them, you can't own a home, and you can only rent for one year, and that's it?

GERVIN-HAWKINS: Thank you, Representative Wu. I'm going to wait for the bill author because I need him to show me the page, the section, and the line that protects our foreign professional athletes.

WU: Now that this amendment has been amended more, this is now horrific and—

J. JONES: So I want to get back to this amendment and Houston since we both represent Houston. Are you familiar with the Alief area?

WU: Yes, that's part of my district.

J. JONES: Right. I don't know if you know this, but I went to Elsie. Do you remember a period when in Alief—it was dilapidated?

WU: Yes.

J. JONES: And no one wanted to invest in Alief?

WU: Absolutely.

J. JONES: And people who were homeowners were upset because there was high crime? The city didn't pay any attention to Alief?

WU: Yes.

J. JONES: Is it not true, Representative Wu, that the Southeast Asian community, including the Chinese community, came and invested in the Alief area? Is that not true?

WU: Absolutely. You come to southwest Houston right now, what you will see is one of the most vibrant areas in the entire state—nonstop growth. It generates incredible amounts of income for the city and for the county. Even when we were in recession, that area was still growing.

J. JONES: And let me be clear, as it relates to this amendment. It took more than a year to bring Alief back, correct?

WU: Oh, yes. It was a decade-long process.

J. JONES: So people weren't having one year, they were having multiyear leases. Is that accurate, Representative Wu?

WU: Yes.

J. JONES: And they also were buying property. Is that correct, Representative Wu? Property that nobody else would buy?

WU: Absolutely, and that's the point. Many of those people, they're buying their first homes. They're buying their very first businesses. They're buying a little doughnut shop or a little noodle shop or something. I understand people's concerns about foreign nations. But we're not talking about foreign nations. We're talking about individual people—like my family, like Representative Vo's family, like Angie Chen Button's family. We come here; we have no politics. We just want to escape the oppression and the hell of back home, of the country that we were born in. My parents—my family was thrown into the fields. My dad was thrown into the fields when he was 13 and left to die out there. When almost 55 million people died, our family tried to get out of there as fast as we could.

J. JONES: The fact that someone like your family or someone like Representative Vo's family can come to this country is because they can try to attain the American dream?

WU: That's it.

J. JONES: And even though you're born in a country, that does not make you hostile to the United States. Sometimes you are literally moving to this country in order to escape the oppression of those countries, correct?

WU: This amendment attacks the little person, the person at the bottom, the person who has to rent. They can't even buy a home. They have to rent. We're talking about students. We're talking about workers—bottom-level workers who are just trying to scrape by, and this is the way we treat them.

J. JONES: I'm curious about the limiting it to a year. Do you have to move from a different apartment, or do you have to leave the country after a year?

[Amendment No. 7 was adopted by Record No. 1850.]

[Amendment No. 6, as amended, was adopted by Record No. 1851.]

[Amendment No. 8 by Wu was laid before the house.]

WU: Earlier, Mr. Hefner and others talked about companies that were cozy with the Chinese government. I would say to you that those are not just Chinese companies. There are companies all over the world who are cozy with the

Chinese government and with many other of the governments that are hostile to our nation. What this amendment says is without worrying about where the company is from, if they are on—I'm going to just use an example—if they are one of China's preferred vendors or preferred companies, then they should fall under this too. Because if we're worried Chinese companies are too close to the Chinese government, we should worry about all companies from all over the world who are too close to them.

MANUEL: Do foreign adversarial countries—do they use proxy countries or proxy companies to actually do the things that people are saying they're trying to protect us from?

WU: I do not have firsthand knowledge of this, but I've heard many members in here say that. This is an amendment to address that concern.

MANUEL: That's another question: If the author of the bill and other people are saying it's adversarial countries and proxies, why are they not addressing proxies in this, and only you are? I appreciate your amendment. Thank you for actually standing up for the liberty this bill is saying and not just picking four people in a room.

WU: Absolutely. I just want to make it even. I just want to make it fair. We're saying we're concerned about companies that are too cozy to the listed countries, so it should include all companies that are too cozy with the listed countries.

HEFNER: Members, I want to oppose this amendment. It would actually reverse this bill and criminalize non-hostile actors.

[Representative Hefner moved to table Amendment No. 8.]

WU: I don't know what to say. I thought this was an amendment that would be acceptable. So if you read it, it just says "a company, an NGO, or other entity that is a direct vendor to the government of one of these nations." "A direct vendor to one of these nations." Not sells them a piece—one thing—but you are a listed direct vendor, and you hold a direct contract with that government or service agreement with that government. Then you should be included in that list. Why should it be limited to just companies that are headquartered there? Why could it not be companies that are headquartered in the U.K. but are a very close partner with one of these listed governments? Why not? Why should it not also be included? If you're saying we care about national security and we're worried about these companies and what they might do—because they're so cozy, because they have all these direct contracts, and because of economic pressures on them that they're going to do what they are told to do—why would you not have this in the bill? That's the whole point of the bill, isn't it? You're protecting the state because of companies and people that are too close and may be coerced into doing things they may not want to do. That's this group right here, regardless of where they're headquartered.

[The motion to table prevailed by Record No. 1852.]

[Amendment No. 9 by Little was laid before the house.]

LITTLE: This should be a very straightforward and uncontroversial amendment. This is to pull within the scope of the bill members of the ruling political party or any subdivision of the ruling political party in a designated country. And more pointedly, members of the Chinese Communist Party.

[Amendment No. 9 was adopted by Record No. 1853.]

[Amendment No. 10 by Anchía was laid before the house.]

ANCHÍA: I want to talk about a part of this bill that you might not be paying attention to. We have investments that come to the State of Texas. Texas is the number one state in the country for foreign direct investment, okay? We have more foreign direct investment than even California. It's really important to our business climate that there is regulatory predictability when people make investments in the State of Texas. There's a piece of this bill that empowers the attorney general to investigate when land is purchased. My amendment is very simple. It says that if you have gone through the very rigorous federal process at CFIUS, which is the Committee on Foreign Investment in the U.S., that you do not then get an attorney general investigation. It is a safe harbor that is designed to provide you and your investment predictability. Because what happens when you're putting together your loan agreement, when you're putting together your equity? You are representing, you are warranting, and then you're giving a covenant that you have done everything possible and you have checked every regulatory box possible. But what if you have this contingent liability, even after you've gone through CFIUS, that a politically elected attorney general can investigate you? It creates business risk, okay?

I'll just offer you a quick scenario that is not very far-fetched. CFIUS, of course, is composed of very serious people. It's the Department of the Treasury—that's where it's housed—and the chair is the chair of the Committee on Foreign Investment. You have the Department of Justice, Department of Homeland Security, Department of Commerce, Department of Defense, Department of State, Energy, USTR, the Office of Science and Technology, and then you're joined by members of the White House—which is OMB—the Council of Economic Advisers, the National Security Council, the National Economic Council, and the Homeland Security Council. That is who reviews the transaction. Once you go through that very rigorous process, you will be able to avoid the attorney general's re-review of that process. Why is this important? Because all of those are career and very serious people. They are looking at the transaction—they're reviewing the transaction from the perspective of science and technology, national security, et cetera. Imagine if you had a republican administration and you had a democratic attorney general here in Texas. That attorney general will be political in nature. Even if your investment will have gone through CFIUS, an attorney general from the opposite party of the administration—what is your incentive to sign off on that? You will have none. Political people will act politically, and they will, of course, open up an investigation. What does that do to regulatory certainty in the state? What does it do to your transaction? It blows up your deal, right?

We have a company in Texas that is facing this very issue. They are a world leader in general aviation. They're based in McKinney, Texas. All the American labor is 100 percent. The supply chain is 96 percent American and four percent European. They've invested \$10 million in Texas, and they're set to invest \$15 million more. They just went through the national security review at CFIUS with very serious people, and their transaction was approved. Why would we want to layer on top of that a political review? It makes no sense. And just put aside for a moment that the federal government has a lot more resources at the Homeland Security Council, at the National Economic Council, at the National Security Council, and at the Council of Economic Advisers to actually do the work of reviewing the transaction. Put that aside for a minute. Let's just think about what a political process would do injected into this situation. If the political winds are moving in one direction, guess what? I'm the elected attorney general here, and I may, in fact, act politically. We've had an attorney general that says their job was to wake up in the morning and sue the president. What if that shoe was on the other foot? That negatively impacts the business climate in this state, members. So I would please ask you to consider those factors: If a transaction has already been approved by CFIUS, then we are not going to subject it to a process by an elected official that might act politically in this state, because it hurts regulatory certainty.

REPRESENTATIVE BUCY: I think our colleagues need to understand that if we don't pass this amendment—as you just outlined for everyone here—that we could have political interference on the Texas economy. Can you explain the economic impact of foreign investment in the State of Texas, the eighth largest economy in the world?

ANCHÍA: Yes, we are the eighth largest economy in the world. We're one of the leading destinations—I think I misspoke earlier. I think we're number two in the United States for foreign direct investment. We're one of the leading destinations for foreign-owned companies. They employ nearly 700,000 workers across the state. According to the governor's office, we are number one.

BUCY: Yes, I think Governor Greg Abbott says we're number one.

ANCHÍA: The governor correctly points out that we are number one in foreign direct investment. And in the last 10 years, we've attracted almost 2,000—about 1,850—new foreign direct investment projects. That's expected to raise almost \$200 billion in economic activity.

BUCY: Representative, are you aware that in 2022 Governor Abbott's office said, "Thanks to trading and investment partners like China, Texas upholds its reputation as a leader in the global economy"?

ANCHÍA: Yes.

BUCY: The Committee on Foreign Investments in the United States is responsible for reviewing certain transactions to determine impacts on national security. Isn't that correct, as you—

ANCHÍA: That is absolutely correct.

BUCY: And you're trying to make sure that if that thorough process goes through, we don't allow—whatever political party we may have—the AG to interfere with an important project for our economy. And we can protect that by passing your amendment. Wouldn't that be correct?

ANCHÍA: Representative Bucy, I'll put even a finer point on it. The people at the NSC at the NSA have trained their entire careers to do this work, and we're going to let them get second-guessed here?

BUCY: I think our colleagues are tuning out, and I want them to understand this process. Because in the layout—not by you but of the bill author—we were led to believe that this was, maybe, not a thorough process. So I've written down the process, and I want to walk us through it.

As part of these reviews, they look at classified and unclassified intelligence reports, law enforcement databases, public records and financial disclosures, international sanctions, and export control databases. They go on to review ties to foreign governments, military, intelligence services, criminal records, sanctions, export control violations, and foreign investment history. CFIUS uses classified assessments from the Department of Defense, the Department of Homeland Security, and the intelligence community—including the Office of the Director of National Intelligence, the NSA, and the CIA. And they specifically evaluate things as they're going through that thorough process, such as whether the land is near a military base, ports, or a defense facility; if the transaction could allow espionage, surveillance, or disruption; and the risk of foreign control over critical infrastructure or technologies. In doing these evaluations, they also take into consideration the home country's relationship to the United States. So if we don't pass your amendment, we are to believe that that process is inadequate. Since this has to be a question from the back mic: Are we to believe, then, that if we don't pass your amendment, the people of this body are saying that that's an inadequate process, but the political whims of an attorney general would be more adequate?

ANCHÍA: Look, I'd like to think that attorneys general would act in nonpolitical ways, but we see examples every day of politicians acting politically. Let's not discuss a position. But if you have people in two different parties, what is it going to do to regulatory certainty in this state? Let's assume for a minute that this body said we're going to stand up that exact infrastructure—all that human capital, all that expertise—in the attorney general's office. You still have the problem of an elected official acting politically.

BUCY: If we want the Texas economy to thrive, we need to pass this amendment. Thank you for bringing it. Let's not give in to the whims of the political operatives of the attorney general.

ANCHÍA: Thank you, Representative Bucy, for those questions. Honestly, it's been a pretty discouraging process because even some very obvious things are not being adopted. This one should be very obvious to everybody.

HEFNER: I appreciate Representative Anchía. I don't want to have to depend on the federal government to decide who does business here safely and according to our law. The divestiture process is not a political process—there's an entire system of due process. You can very much have political influence from the CFIUS process because they're all appointed by politicians and elected officials.

ANCHÍA: I wanted to ask you about a statement you made during your layout where you said CFIUS has some holes in it. Those were your words; I wrote them down. Can you describe those holes for the body?

HEFNER: Look, CFIUS is something that was created a long time ago in the '50s. It's a federal process. I don't want the state to have to depend on or wait on or refer to the federal government. I want Texas to be able to take care of Texas.

ANCHÍA: Can you describe the holes in the process that you described?

HEFNER: I'm not an expert on the CFIUS process, on the step-by-step process.

ANCHÍA: You said, "Hey, it's federal, so we don't want to rely on them." But what are the holes in the existing process that would not catch things that you would want the attorney general to catch?

HEFNER: Well, it's a voluntary process. We've had some large land purchases in the country and in this state that went around the CFIUS process. Whatever the process looks like, I don't want us to have to depend on that process. It is going to be a political process no matter what because those people that are on the CFIUS committee are appointed by elected officials.

ANCHÍA: Okay. Are your concerns, or are the holes in the process that exist, before or after FIRRMA?

HEFNER: My concern with the CFIUS process is my sincere distrust of the federal government.

ANCHÍA: Are you familiar with FIRRMA?

HEFNER: No, sir. I'm not.

ANCHÍA: FIRRMA is the Foreign Investment Risk Review Modernization Act that was passed by Congress and signed in 2010 by President Trump.

HEFNER: In 2010 by President Trump?

ANCHÍA: Sorry, I apologize. I misread that—2018 by President Trump. It was the update to the CFIUS process, right? It expanded the scope of covered transactions. And then there's been quite a bit of rulemaking done as a result of that that places additional scrutiny—military bases—where real property is purchased. You don't want to depend on the federal government. Are you concerned that there are holes in this law that was signed by President Trump in 2018?

HEFNER: I'm concerned with my distrust and the dysfunction of the federal government. And Trump's not always going to be in office. Whether we like him or not, that's going to change in four years, and I want Texas to be able to take care of Texas and not have to depend on what happens in Washington.

ANCHÍA: So that includes, in 2018, when CFIUS was modernized by President Trump. You distrust that? You distrust the system currently in place? Is that correct?

HEFNER: I distrust the federal government. I'm not aware of—

ANCHÍA: Period. Period, okay.

HEFNER: Sure, of course. Don't you?

ANCHÍA: Let me ask you about how your bill deals with standing up the different components of the attorney general's office so that it can do this work. What additional FTEs are going to be required in the attorney general's office to do investigations?

HEFNER: We met—my staff met—with employees of the attorney general's office. They currently have systems for other types of reports, and they will just simply set up a portal for this. We were not advised of any additional FTEs being required.

ANCHÍA: Do you know how many investigators they have on foreign investment?

HEFNER: I'm not advised.

ANCHÍA: Do you know how many lawyers they have on foreign investment?

HEFNER: I'm not advised. This law is not complex, so they may not have any on this specific issue. But they have lawyers that are fully capable. I have full faith—

ANCHÍA: You believe that they have the capabilities—the same kind of capabilities—as the National Economic Council, the Homeland Security Council, or the Council of Economic Advisers? You're confident of that?

HEFNER: I do believe, and I'm confident, that we have lawyers and those in the attorney general's office that are fully capable of carrying out these investigations and enforcing this law.

WU: The point of this legislation is about national security and security of the state, correct?

HEFNER: Yes.

WU: And you recognize that there are many things involved in national security that are probably classified. Is that fair?

HEFNER: Yes.

WU: Intelligence reports—whether secret, top secret, or higher levels?

HEFNER: I would assume.

WU: And you have to have national security-level access to those?

HEFNER: If they're classified, yes.

WU: Does anything in your bill grant an employee of the State of Texas—whether it's the attorney general or one of his people—national security access?

HEFNER: What my bill does is it calls on the attorney general's office to set in place processes for investigation for these types of instances. It gives them pretty broad authority, and that's on purpose.

WU: I'm sorry. I worded that badly. Does anything in your bill give the attorney general access to national security or classified information?

HEFNER: We're not talking about the state accessing top-secret information or classified information. We're talking about us doing our own investigation and making our own determination based on the facts that the investigation spells out.

WU: Absolutely. Does your bill give access to the attorney general—give them access to national security intelligence?

HEFNER: My bill equips the attorney general's office to set up the practices and the processes that he sees fit to thoroughly investigate violations of this law.

WU: Is any of that accessing national security information?

HEFNER: Maybe. I don't know.

WU: You don't know if your bill says that you get national security access or not?

HEFNER: The bill gives him broad authority and broad permission to set up processes.

WU: That's what I'm asking about. Does that broad authority include national security access?

HEFNER: I'm not advised. I don't know.

WU: You don't know if your bill gives access?

HEFNER: This is the State of Texas. This isn't the federal government. We're talking about the State of Texas, the state's attorney general, and the Texas House of Representatives passing a bill to protect Texas. I'm not an expert on national security and classified information. I don't have to be.

WU: Absolutely. That's kind of the point, right?

HEFNER: Whose point?

WU: That people at the state level don't have access to national security unless they have a national security clearance.

HEFNER: Okay.

WU: Would you agree that much of the information about foreign adversaries, foreign nations, and people that we're concerned about—that kind of information is included in data, analysis, and intelligence that is at the national security level?

HEFNER: Sure, and there's also a lot of information that's going to be in property records, business records, business filings, LLCs, and LPs—all these things. The attorney general will have the authority and the permission to set up processes to fully investigate these instances. Plain and simple. It's not that complicated.

WU: Do you believe that county property records are more illustrative of national security risks than national security intelligence?

HEFNER: You said county who?

WU: The county property records that you just mentioned.

HEFNER: County property records, are they—

WU: Does that tell us more about a risk to our nation or our state than national intelligence?

HEFNER: I guess it would depend on the investigation and what we were looking at.

WU: What would the attorney general be looking at?

HEFNER: He will be looking for evidence that these people are acting on behalf of foreign adversaries if a complaint is filed, if an investigation is opened, and if the evidence leads to this process.

WU: Do you think the county property records would give information about what someone was doing in another country?

HEFNER: I think everything will be at their disposal that is appropriate to be investigated. That could be county property records or that could be state records, I don't know. That's not for me to decide. That's for the attorney general, who is an expert in investigations.

WU: You don't know if county property records will tell you about people's activities in other countries?

HEFNER: Representative, that could be a piece of the investigation. I don't know what you are trying—I don't know what this "gotcha"—what you're trying to do here.

WU: Mr. Hefner?

HEFNER: Yes, sir.

WU: On one hand, we have an organization made up of all of the concerned, national-level departments and agencies who have, in their prerogative, national security. They are looking at this information with access to national intelligence.

HEFNER: Okay.

WU: Do you believe that that is—

HEFNER: They can still do that, by the way.

WU: I'm sorry?

HEFNER: They can do everything they do. They can do all that. That doesn't mean we can't take care of Texas. And by God, that's what we're going to do.

WU: What you're saying is the attorney general, without access to national security data and without access to what people were doing in other countries, is going to make judgments about those people based on the records here—local records?

HEFNER: You keep getting hung up on local records. There are many other facets to an investigation.

WU: Please tell us.

HEFNER: I don't know what the attorney general is going to be looking at. He's going to be looking at whatever he can to make the case if there's a case. And if there's not, he'll move on.

WU: Will he look at state traffic records? Traffic tickets?

HEFNER: I don't know. Maybe.

WU: Does the attorney general have any access to investigate overseas?

HEFNER: He'll have broad authority to set up processes to investigate these instances to the fullest extent of the law.

WU: I understand you don't know if your bill grants access.

HEFNER: I'm not the attorney general, Mr. Wu. Maybe you should ask the attorney general's office.

WU: I'm sorry. Please allow me to finish my question. I understand that you don't know whether your bill grants national security access to the attorney general. Do you know or not know whether your bill grants authority to the Texas attorney general to act in another country?

HEFNER: My bill authorizes the attorney general to act within his constitutional duties for the State of Texas.

WU: Does that include activities in other nations?

HEFNER: I'm not advised. It's whatever his authorities are under the constitutions of this state and the United States. It's whatever that is.

WU: So you're saying that even though somebody has gone through a rigorous process involving our national government, involving agencies whose tasks and duties are national security—after they have been cleared by that group, you're saying Texas can still find something better with your property records?

HEFNER: Possibly, yes.

REPRESENTATIVE MORGAN: So we just heard a lot about the federal government. Isn't it true the federal government let 10 million illegal aliens into our state?

HEFNER: I'm not advised on the exact number. It could be higher than that.

MORGAN: It could be higher than that, right? So doesn't this bill help address that those people that entered this country illegally aren't buying land in our state? From hostile nations?

HEFNER: It could affect some of those people purchasing properties—the bill could.

[Representative Hefner moved to table Amendment No. 10.]

ANCHÍA: That was an enlightening exchange that we just had, and I just want to recap it for you. I appreciate the bill author pointing out that he is not an expert in CFIUS. I stipulate that I am not either, but I've spent a lot of time studying it. The Trump Administration updated CFIUS in 2018 because of concerns about threats. And they signed the Foreign Investment Risk Review Modernization Act, which expanded the jurisdiction of the Committee on Foreign Investment of the United States to address growing national security concerns over foreign exploitation of certain investment structures, which traditionally had fallen outside of CFIUS jurisdiction. So the covered transactions included proximity to sensitive government facilities, change in foreign investors' rights resulting in foreign control of a U.S. business or other business, et cetera—pretty thorough. And the people who are on CFIUS—and I think you heard the debate—are very serious.

So let me give you a hypothetical that I think is very relevant to all of us. Your chamber of commerce is working with a company to set up manufacturing in your community. They're going to spend tens of millions of dollars. That company has gone through the CFIUS process, has submitted the 800 to 1,000 pages worth of documents. It's been reviewed by the Department of the Treasury, Department of Justice, Homeland Security, Commerce, National Security Council, National Economic Council, and Homeland Security Council, among others. And you've got—the investors of this manufacturing plant have their equity together. They've put their debt financing together, and they're going to break ground. The attorney general says: "Under this bill, I am initiating an investigation." And the attorney general just needs a reason to believe whether this transaction is a problem. There's no time frame in here on when they need to finish the investigation. That investment is dead; it's not coming to your community. It's a ball game. And that's why states like North Dakota have provisions. North Dakota and Tennessee have both included provisions just like this to make sure that there's regulatory certainty for foreign investors in one's community.

REPRESENTATIVE MCLAUGHLIN: The question I want to ask is: You talk about our government doing a real good job. Not far from me, a Chinese national has bought 140,000 acres of land that surround Laughlin Air Force Base and is also trying to build an electrical system to get on our grid system. I don't think our federal government did a very—

ANCHÍA: Did that investment go through CFIUS? Do you know?

MCLAUGHLIN: I do not know.

ANCHÍA: Okay.

MCLAUGHLIN: But, I mean, our federal government let that slip through the cracks.

ANCHÍA: Conceivably, the example you just brought up had gone through a rigorous CFIUS review and was approved.

MCLAUGHLIN: Well, I know all of the federal government—Senators Cornyn, Cruz—all of them now don't want that project to go on.

ANCHÍA: You're making my point, I guess, that if they had gone through a very rigorous review and it was approved—by the NSA, by way of example, by Treasury, by Commerce, right?—political people will do political things if there's an outcry.

MCLAUGHLIN: But if you use shell companies to buy this, then you circumvent.

ANCHÍA: Are you familiar with FIRRMA?

MCLAUGHLIN: I'm not.

ANCHÍA: That is the—I was just discussing it—the Foreign Investment Risk Review Modernization Act of 2018. And the provisions—signed by President Trump—the provisions of FIRRMA deal with purchase, lease, and concessions. They deal with other investments, including investments in U.S. businesses. To your point, shell companies in proximity to sensitive government facilities that give you access to sensitive material—non-public technical information, like trade secrets. It also covers any change in a foreign investor's rights resulting from foreign control in a third-party company or U.S. company. And it also covers any other transfer, transaction, agreement, or arrangement that circumvents the jurisdiction of CFIUS, like a shell company. Okay, so that is covered by federal law that was signed by President Trump.

MCLAUGHLIN: I understand it may have been signed by President Trump, but under the last administration we didn't do anything to stop any of this. Whether we used this deal or not, we didn't.

ANCHÍA: That may be your opinion, but you also have acknowledged from the back microphone that you do not know whether this particular investment went through the CFIUS process.

MCLAUGHLIN: I don't.

ANCHÍA: I don't either. I don't either. Members, I will end it there, but I just ask you to vote for regulatory certainty, for a very rigorous process that already vets these investments, and really, for continued foreign direct investment in the State of Texas.

[The motion to table prevailed by Record No. 1854.]

[Amendment No. 11 by Reynolds was laid before the house.]

REPRESENTATIVE REYNOLDS: This bill will have an enormous impact on our economy if passed. It will hurt our real estate transactions, investments, and jobs, and it will have negative, adverse impacts that will harm our business environment that Texas has been proud to build. Yet as written, this bill makes no effort to track those consequences.

Members, this amendment is simple. It requires the comptroller to publish an annual detail of the economic impact of this law. It is a basic call for transparency and accountability. Every Texan deserves the right to know the price we will pay for these sweeping restrictions. We have a simple choice here. You can vote against this amendment—if you would rather remain ignorant and blind to the potential harm this bill could inflict upon our great Texas economy—or we can choose transparency and vote for this amendment to show your commitment to fiscal responsibility and understanding the real impact this law will have on our Texas economy.

REPRESENTATIVE GOODWIN: Thank you, Representative Reynolds. Did you know that Asian households in the United States have a median net worth of over half a million dollars—higher than any other racial group—yet also experience the greatest wealth inequality?

REYNOLDS: Yes, Representative Goodwin. I represent Fort Bend County. We have a large percentage of Asian Americans. I have a large number of Asian constituents, and yes, I was aware of that.

GOODWIN: Are you aware that Asian and Pacific Islander households in Texas contributed more than \$14.9 billion in federal taxes and \$5.7 billion in state and local taxes in 2023 alone?

REYNOLDS: No, but that sounds about right. Thank you for sharing that information.

GOODWIN: Did you know that AAPI households in Texas collectively held over \$226 billion in property value, making up 8.6 percent of all owner-occupied homes in the state?

REYNOLDS: I heard something similar to that. Thank you for sharing.

GOODWIN: Are you aware that Chinese-origin households in Texas alone paid over \$1.5 billion in combined federal and state taxes and held \$30.6 billion in property value in 2023?

REYNOLDS: No, I was not advised about that.

GOODWIN: Do you know how many Chinese-origin residents in Texas are U.S. citizens or naturalized immigrants, and how many are eligible voters and actively contributing to our democracy?

REYNOLDS: No, I would love to know that.

GOODWIN: There were 712,000 naturalized AAPI citizens and 1.1 million eligible voters in 2023. Did you know that nearly 90,000 AAPI immigrants in Texas were entrepreneurs, employing and generating local revenue across our state in 2023?

REYNOLDS: Representative Goodwin, I was aware that there are a large number of Asian Americans and Asians that are small business owners, which are the economic engines that drive our economy. Many of them are successful entrepreneurs greatly contributing to our robust Texas economy, but I was not aware of those statistics.

GOODWIN. Are you aware that in the Houston metro area alone, AAPI households held over \$76 billion in property value and paid more than \$1.2 billion in rent, representing over 11 percent of the entire region's property holdings?

REYNOLDS: I was not aware of those exact statistics, but I do know that the number is large. You just really brought it home as to why we should have an economic fiscal impact from our comptrollers, so those numbers do not surprise me.

GOODWIN: Are you aware that AAPI Texans earned over \$100 billion in 2023 and kept more than \$73 billion in spending power circulating through our local economies?

REYNOLDS: I was not, but that is very impressive.

GOODWIN: Are you concerned that this legislation will hinder AAPI Texans' abilities to support their families and contribute to our economy?

REYNOLDS: Absolutely. I am very concerned, and I am very disappointed that we are even debating **CSSB 17**. I think this is a solution in search of a problem.

GOODWIN: Do you believe AAPI immigrants demonstrate a commitment to and a strong connection with the State of Texas?

REYNOLDS: Absolutely. We are a nation of immigrants. These immigrants come here seeking the American dream. Many of them make significant contributions to our economy—to all facets. Many, like our colleague Representative Hubert Vo, have made significant economic contributions. So absolutely.

GOODWIN: How do we justify targeting foreign nationals in this bill when over 80 percent of AAPI immigrants in Texas have lived here for more than five years, and the majority are either U.S. citizens or are on legal immigration pathways?

REYNOLDS: Representative Goodwin, that begs the question. I think that this is unnecessary and unjustified. I don't think that this bill is something that we should be focusing our resources on in Texas. We should be embracing our diversity. Our diversity is our strength. Texas is among the most diverse states in the entire United States of America. Based on the 2020 census, 90 percent of the growth was based on minorities. Many of the fastest-growing populations were Asian Americans. So we should be embracing our Asian American brothers and sisters, and that is why I filed this amendment—so that our comptroller could track, and we could have accountability regarding fiscal responsibility and the potential negative economic impact this will have on our Texas economy.

We have already heard this before. Our economy is something we are proud of. We have one of the fastest-growing economies in the United States of America. We are the eighth largest economy in the world. What we are doing here—we are probably more than likely; I am no economist—but we are going to lose significant revenue from our state, as Representative Barbara Gervin-Hawkins stated earlier, based on athletes. We are going to lose on real estate transactions and so much more—jobs, you name it. This is going to have a negative fiscal economic impact. For all those fiscal conservatives, this is a bad bill for this state.

GOODWIN: I agree with you, Representative, and I appreciate your amendment, which would at least allow us some transparency and to understand the impact through the study that the comptroller would do. So I hope that the author of this bill will accept your amendment.

GERVIN-HAWKINS: So Representative Reynolds, when we talk about the economic impact—because I think that is so important. You know, right now Texas sits on—we will call it a reserve, a surplus. So when we combine all of the efforts we are doing, i.e., the tax exemption, okay? When we combine all of the things we are doing to help people, now we are saying we are going to destroy some of our economy through our foreign folks that are here making money. Would you agree that is happening?

REYNOLDS: Absolutely, that is happening.

GERVIN-HAWKINS: When we look at how we move forward and your amendment—talk to us a little about what your amendment does and how it can help and strengthen this bill.

REYNOLDS: Well, I do not know if the author of this bill—I accept the premise that they have a genuine concern they are trying to address. I do not think anyone in this chamber wants to have a negative fiscal impact on our economy, right? We can keep our Texas miracle growing. This amendment would allow the comptroller to give us an annual report and track how this amendment is impacting our state's economy. So then if there were unintended consequences, we could come back the next legislative session—we could look at it during the interim and make changes during the 90th Legislative Session. That is what this amendment does. This is about accountability and transparency so that we understand. Right now, we are speculating. We do not know what kind of fiscal impact this will have on our economy. This would allow the comptroller the ability to give us that data and crunch those numbers so that we can make informed decisions on how we want to maybe tweak this bill.

GERVIN-HAWKINS: This is such an important issue. We want to be serious about this. Think about it: When our economy is impacted, that is going to impact our educational system. Wouldn't you agree?

REYNOLDS: Absolutely, our economy impacts everything. The way that we protect, build roads and bridges, infrastructure, education, and health care. It impacts every facet of our day-to-day living in this state. I will add that when you are fiscally conservative, then you want to know the fiscal impact of a bill that could potentially harm our great Texas economy.

GERVIN-HAWKINS: If we do not have the money to put in our schools—think about it. One of the things that I think is so important that our colleagues need to understand is that everything that we do has an impact on generations to come. When we got rid of vocational training in schools, it hurt what? Our construction industry. Didn't it?

REYNOLDS: Absolutely, it did.

GERVIN-HAWKINS: Okay, somebody came up with an idea to say everybody is going to go to college, and we do not need blue-collar workers. And it destroyed our industry. Right?

REYNOLDS: Absolutely.

GERVIN-HAWKINS: This is a similar situation. We are looking at—and not knowing the numbers, the dollars that are impacted. We are now talking about not having enough money to continue giving to our schools for inflation and for other things they may need.

REYNOLDS: Absolutely, that is why this amendment is simply about transparency and accountability. How could we not want to know? We do not want to have willful ignorance. We do not want to be blind and say, "Well, I do not want to know." All of us should want to know so we can make informed, intelligent decisions to protect our great Texas economy. Obviously, this is going to have an economic impact on jobs. You are talking about real estate—real estate investment, commercial and residential. It will have a substantial potential impact, and I think that all of us should know that so we can make better-informed, prudent, economic, and fiscally sound decisions.

GERVIN-HAWKINS: Representative Reynolds, one of the things I think—as our colleagues understand—is that when we know the answers to some of these unanswerable questions right now, we can make the best decision possible. Would you agree with that?

REYNOLDS: Absolutely, we have a fiduciary duty as state representatives on behalf of our constituents to understand the fiscal impact that it will have on our Texas economy. We are not making decisions just for each and every one of us. We are making them for nearly 200,000 constituents that each one of us represents in our districts—businesses, small business owners, and entrepreneurs. We need to know, and we need to make the best decisions so we can continue to make great decisions for all stakeholders.

GERVIN-HAWKINS: You know, I am glad you say all stakeholders because our universities—which we shared earlier—are going to be majorly impacted when they do not have those research sciences. Your transparency amendment allows

us to understand that if we get rid of that talent and we get rid of those resources, and, potentially, if we get rid of those students, my God, it could be horrible. Wouldn't you agree?

REYNOLDS: Absolutely. And I would add that I believe that the comptroller is who has the resources internally to be able to do this data. This would be another function of their office. So why wouldn't we want to support this amendment to allow the comptroller to produce this data so that when we come back—hopefully, this bill does not pass, but assuming it is passed—we can then have the comptroller, as part of their annual reporting, give this data to us.

GERVIN-HAWKINS: Representative Reynolds, as you were saying that—knowledge is power. I am a big believer of that, right?

REYNOLDS: You are a small business owner; of course you understand.

GERVIN-HAWKINS: I do. Knowing the facts helps us today and into the future. When I brought up the fact that it hurts generations to come—we are talking about now, without having your amendment on there, that transparency amendment. It will impact almost every part of our society. Would you agree with that?

REYNOLDS: Absolutely.

GERVIN-HAWKINS: So when we talk about housing, when we talk about education, and when we talk about not having the small businesses that do exist that we enjoy, we are talking about a major impact that we have to be able to study first. Wouldn't you agree?

REYNOLDS: I agree, because not only will it impact those directly, but it is going to impact indirectly other small businesses. These people that we are going to be barring from making these investments, they are not going to purchase goods, services, and other commodities as well. That is why it is so important that we have our comptroller do this fiscal reporting so that we understand the total impact and the gravity of this proposed legislation.

GERVIN-HAWKINS: I think you have a great amendment. You know what I want to reference? My colleagues here gave us an extension of time so they could understand this amendment a little better and possibly this bill. Would you agree?

REYNOLDS: Absolutely, Representative.

GERVIN-HAWKINS: Do you think we have changed any hearts and minds at all?

REYNOLDS: I certainly hope so. We will know pretty soon when we have the record vote.

GERVIN-HAWKINS: When we are part of a commonsense caucus, it really helps us make those best decisions. Would you agree with that?

REYNOLDS: I would agree, Representative. You and I, based on conversation, are fiscally conservative. I know many of our colleagues in this room are very conservative. So if they are conservative—especially fiscally conservative—there is no reason they would not support this transparency amendment.

GERVIN-HAWKINS: Transparency, knowing the numbers, and planning for our future are key. Would you agree?

REYNOLDS: Absolutely.

GERVIN-HAWKINS: Thank you, Representative Reynolds. Let's vote yes on this amendment.

HEFNER: Thank you. I do not think we need to put a price on the safety of our Texans.

[Representative Hefner moved to table Amendment No. 10.]

REYNOLDS: Members, this is a simple amendment. Even if you are in favor of the bill, this amendment only enhances the bill. I ask you to vote against the motion to table.

[The motion to table prevailed by Record No. 1856.]

[Amendment No. 12 by Rosenthal was laid before the house.]

REPRESENTATIVE ROSENTHAL: This bill gives sweeping new powers for the attorney general to wield without any transparency or accountability to the public or even this legislature. How can Texans—or this body—understand the impacts of these new powers and the attorney general—and how the attorney general chooses to wield them—if there is not a reporting requirement or tracking of their use? This amendment corrects this gap in legislation by requiring the attorney general to provide this body with an annual detailed report noting every violation alleged and every enforcement action taken under the law. It would ensure that we could call the attorney general before this body to explain his action in implementing this law so we can fully understand its impact. This should not be controversial, members. It is basic oversight. The body must have tools to see who is being targeted and to ensure that it is being done justly and effectively. Vote in favor of this amendment and protect accountability, oversight, and transparency in how this bill is implemented.

WU: Is the purpose of this amendment to deal with the fact that the bill, as it is written, has very loose provisions about what the attorney general can or cannot do? It gives him very broad powers, correct?

ROSENTHAL: Very broad powers—no guardrails at all. And if you know me at all, you know that I am data driven. So having accountability and taking measurements so that we can understand where it is working and where it is not is vitally important to our ability to be effective.

WU: I am not sure if you knew this, but the original bill that was filed that came over from the senate—that bill said that the standard of proof in order for the attorney general to investigate was "reasonable suspicion." I am not sure if you knew that, but that is what the original bill said.

ROSENTHAL: I did know that, yes.

WU: Except now, the bill that is on the floor—the standard is nothing. There is no legal standard in this bill at all. Right?

ROSENTHAL: It seems unusual that we would want to pass legislation that has no way to measure it, no guardrails, and no standard for effectiveness or legality.

WU: And in fact, I know that while Mr. Hefner says there is due process, there is absolutely nothing in this bill that says someone has the right to a jury trial. That someone—I mean, what kind of standard does the court determine whether somebody actually did this or not when the attorney general brings it? Nothing in this bill says that it is a preponderance of the evidence, beyond a reasonable doubt, or clear and convincing evidence. I mean, what is it? There is nothing in this bill that says what they have to find and how well they have to find it. Did you know that?

ROSENTHAL: I do know that, and that is part of what makes this bill so dangerous. For the membership here, it is part of the reason that we are so adamant about opposing it and modifying it to make it less bad. This is truly egregious legislation.

WU: So if we were to pass a law that grants very broad powers and there are no legal standards to judge it by, should we not have some kind of accountability or some type of report of what actually took place?

ROSENTHAL: First, I agree with you. Second, I would point to the history around these types of issues when government bodies work unchecked. Bad things can happen, and there is nothing you can do about it. And I promise, your people and my people know that.

WU: Absolutely.

[Representative Hefner moved to table Amendment No. 12.]

ROSENTHAL: It is so important that we have accountability. It is so important that we measure what we're doing so that we know when it's working and when it's not. Please oppose the motion to table.

[The motion to table prevailed by Record No. 1857.]

[Amendment No. 13 by Rosenthal was laid before the house.]

ROSENTHAL: Members, while this bill is fundamentally flawed, it is also attacking the freedom and liberty we hold so dear in Texas. This is a prohibition on being able to own commercial property, which would strip one of being able to live the Texas dream to invest in their own community. This means that a talented entrepreneur on a work visa cannot open a restaurant; a family seeking asylum and working toward stability cannot buy the storefront where they sell their goods. The bill outright strikes the provision in the law where an immigrant family can move here, build their business on Main Street, and contribute to their community. If punishing small business owners simply because of where they are born is not un-American and un-Texan, I do not know what is. And members, I can tell you, in my district we have many, many immigrant-driven businesses—small businesses, privately owned—that enrich our communities. The restaurants, the shops, the stores—I would hate to see us erode that culture and community.

This amendment would protect those seeking the Texas dream by striking the inclusion of commercial property in the bill's definition of "real property." Let's protect the right to own a business, create jobs, and be a contributing member of our Texas communities and our Texas economy. We should not allow this bill to shut down the dreams of honest, hardworking people building a better life for themselves and for our state. It is particularly important for House District 135.

[Representative Hefner moved to table Amendment No. 13.]

ROSENTHAL: Vote for our local entrepreneurs and business owners. Please vote no on the motion to table.

[The motion to table prevailed by Record No. 1858.]

[Amendment No. 14 by Schatzline was laid before the house.]

REPRESENTATIVE SCHATZLINE: Members, this amendment allows the governor to designate additional countries and transnational criminal organizations to the DNI-designated country list.

WU: I am not sure whether people understand or not what this amendment does. This gives the governor unfettered power to add whatever country he wants to in this bill. This was originally in the bill and was taken out of the house bill because it is kind of dangerous to say that one person can decide what country he or she wants to add to this list without any oversight or without, really, any controls. This is the very definition of overreach. This is putting in an extremely large amount of power. So if the governor wants to add in Mexico tomorrow, depending on whatever President Trump's mood is—maybe we add Canada in there, you know? It is all possible. It does not have to go through this body, and you do not have to approve it. It is done. I would urge everyone to vote no to not give the governor unfettered power with no oversight.

TURNER: I am just now seeing your amendment because my device was not working correctly. But you, basically, are amending the bill to allow the governor to designate any country he sees fit to be subject to the provisions of this bill?

SCHATZLINE: Or transnational criminal organizations.

TURNER: Okay, but any country? We will just focus on that for the moment.

SCHATZLINE: I do trust our governor to make a good decision on these types of decisions.

TURNER: So my question, Representative, is that we have heard a lot today about specific countries as defined by the bill. We went through a discussion earlier on a lengthy amendment that Mr. Little offered with respect to reasons that those countries should be included in the bill. But it seems like your amendment is opening the bill up far beyond the scope of what the stated purpose of it is, to say any country in the world could now be included in this barrier to buying property in the State of Texas. I am just wondering: Why do you think that is a good idea?

SCHATZLINE: Well, what we are attempting to do here—and this is why we had it in the house bill as well—was to make sure when transnational criminal organizations, such as Tren de Aragua, or if a threat to Texas comes in, our governor can act swiftly rather than waiting for a year for that to be added into the DNI-designated country list. So that is our attempt—what we are doing right now.

TURNER: But your amendment does two things. You talk about transnational criminal organizations, which you just referenced in your last answer, but then you also say "a country designated by the governor." So it seems like you are—I will wait until you are done with your conversation.

SCHATZLINE: I'm sorry. Go ahead.

TURNER: You have two sweeping provisions in this amendment that I can see. One is that any country designated by the governor—as well as transnational criminal organizations, which is what you just referenced. But let's just focus on the country aspect for a second.

SCHATZLINE: Right, and it would not be any country. It is a country designated by the governor under Section 5.254.

TURNER: I do not have the bill in front of me; what is Section 5.254?

SCHATZLINE: That references state agencies—Homeland Security Council.

TURNER: Well, the text of the amendment reads, "a country designated by the governor under Section 5.254." So 5.254—

SCHATZLINE: Yes, that references the Homeland Security Council.

TURNER: Where do you see that in 5.254?

SCHATZLINE: So Section 5.255, "investigation and enforcement by attorney general, law enforcement referral"—yes, so it's my understanding—would you repeat your question so I can answer properly?

TURNER: My question focused on lines 9 and 10 in the amendment: "A country designated by the governor under Section 5.254." I am trying to understand what the parameters are—what the implications are of that language.

SCHATZLINE: Yes, it is the sole discretion of the governor in consultation with the Homeland Security Council.

TURNER: Okay, so there is no limitation on the countries that could be designated as such by the governor. Is that correct?

SCHATZLINE: It will be in consultation with the Homeland Security Council.

TURNER: With the Homeland Security Council at the federal level?

SCHATZLINE: The state level.

TURNER: Okay, remind me who the Homeland Security Council is at the state level.

SCHATZLINE: It is a multitude of state agencies that are involved.

TURNER: I am just not familiar with the entities. I think that is important to know for the amendment. So what are the state agencies that make up the Homeland Security Council?

SCHATZLINE: Let me gather all of them real quick—The Department of Agriculture, Office of the Attorney General, General Land Office, Public Utility Commission of Texas, Department of State Health Services, Department of Information Resources, Department of Public Safety of the State of Texas, Texas Division of Emergency Management, Texas Military Department, Texas Commission on Environmental Quality, Railroad Commission of Texas, Texas Military Preparedness Commission—do you want me to go through every one of them?

TURNER: So TCEQ and DSHS and the Railroad Commission are going to advise the governor on which countries pose a threat to Texas?

SCHATZLINE: I trust that our governor is going to advise with the correct state agencies that are going to be able to tell what that threat could be and assess it properly.

TURNER: Okay, so going to the second part of the amendment, starting on line 13, which you referenced earlier—transnational criminal organizations. How is the governor—if the governor designates such an organization to be subject to this legislation, how would that be enforced? Because unlike country of origin and unlike nationality, I presume there is not an official document that shows that someone is a member of such an organization. How would that be determined?

[Amendment No. 14 was adopted by Record No. 1859.]

[Amendment No. 15 by Money was laid before the house.]

MONEY: This amendment restores the criminal offense and civil financial penalty that was language supported by Chairman Hefner in the original bill. And the offense for intentionally or knowingly purchasing or acquiring real property by a prohibited entity will be a state jail felony. It also establishes a financial civil penalty.

[Amendment No. 15 was adopted by Record No. 1860.]

WU: Happy AAPI Heritage Month. I've been dreading this day for about three years now. I knew it would come one day. In the past 12 years in this body, we've fought against attacks on the Latino community, the Black community, the Muslim community, LGBTQ community, and I had told my community, "One day, it will be us." I just didn't think it would be this soon. And I told my community they needed to speak up, they had to get active, and they had to get loud. And I think they tried. They came to you all and told you that this stuff didn't make a whole lot of sense. If you're concerned about national security, what does somebody buying a first home have anything to do with it? If somebody is buying a little noodle shop as their first business, what does that have to do with national security? If somebody wants to buy a half acre of farmland so they can have a little ranch, how does that hurt anyone? Those are the same things that my family did when we came here. I wanted to show you the

picture of my house—my first house, the house my mom and dad bought for \$60,000. It was a junker then; it's still a junker now. But it was our house. It was a little house, but it was our house. And we got that before we became citizens. While we were in the process of becoming Americans, we built that home. If we had not been allowed to have that home, we probably wouldn't be here today. Our people from our community came and told you that this targets refugees, targets people who are lawfully here, and it would cover stuff that is already being done at the national level. Every visa holder that comes into this country is vetted. They are run through the process. Visas are denied all the time. They came and told you how this would hurt them personally. There were many, many people—people who were scientists, who were researchers, who were students, and who were people who were here to make our state better—who told you this would directly affect them and that this would take away their ability to settle in this state, make a home here, and start their pathway to citizenship. And they told you that again and again and again.

But I guess that was the point of this bill. Maybe that's the point of all the legislation like this that's being passed around the country. It is a loud and clear message that Asians don't belong in this country. What hurts us the most is that this has been done before. Why my community is so angry is that this exact thing has been done before and done for the same reasons, using the same rhetoric, passing the same laws, and against the exact same communities. Back when this was the first alien land law—because that's what they titled it, the alien land law—back when this was first passed, they didn't say it about the Chinese. They said it about the Japanese. They said, "Oh, everybody knows if you're Japanese—even a drop of blood—then you can only be loyal to the emperor. Everybody knew that; it's common sense." And they started saying—just like every community that has been under attack—stuff that is made-up. People are demonized, and confusion, or misunderstandings, about things are blown out of proportion. We start attributing characteristics that you believe about some people to the entire community. In World War II, while we rounded up about 10,000 German nationals and Italian nationals, we rounded up 120,000 Japanese Americans. And I say "Japanese Americans" because two-thirds of them were American-born citizens. It didn't matter then, and it won't matter now. Back then, General John DeWitt famously said, "A Jap is a Jap." It doesn't matter if he's a citizen or not, they're all suspect. They're all traitors and spies. That is the way that our community is being viewed. People like my family who fled here to escape oppression, to escape starvation, to seek the American dream. You would take those families—who want nothing to do with a home country—and say, "You're a spy for them." That's what this language says. That's what this legislation says. It says that every single person from one of these countries—just like Mr. Money said from the back—every single person is suspect no matter who they are. Every single person is a potential spy. Every single person is dangerous.

There's a word for that. There's a word we use when we attribute to an entire population with one characteristic, whether they actually have that characteristic or not. It's called racism. And some of you may be hearing people

from my community using that word because my community doesn't use that word very often. But they're using it now because now they see. In the past I told them that we should go support African Americans, support Latinos, support other communities who are under attack. And they say, "We don't understand racism. We don't get what the big deal is." They get it now. This bill, by the way—Mr. Money, you were asking me earlier why I was upset—this bill has no due process, either. Mr. Hefner says that it has due process, but when you blanketly say an entire group of people do not have the same rights as others simply because of where they're from, there is no due process. Okay. When you create an in rem jurisdiction for this bill, which I know you guys haven't read in the bill, it allows the attorney general to attack the property—not go after the person who bought the property, but the property itself. Property doesn't hire lawyers. You create a process where the attorney general can just simply state that they believe that they are working with the government. In this bill, there is no standard of proof. Normally, in most civil actions, there is something that says what the standard of proof is for the case. There's nothing in here. There's nothing that says how much you have to prove it up or how reliable the evidence has to be—nothing. It's just, as Mr. Hefner said, the word of the attorney general. The attorney general, in this case, has extremely, extremely broad discretion.

The fear isn't just about this legislation. For me, the fear is about the community as a whole. You notice I don't say Chinese American, I say Asian American, because this will affect us all. The Taiwanese people who are up here that you clapped for earlier—their community will be under attack by this bill, too. Because every time one of these bills passes, it says to the community that these people are a problem, these people are dangerous, and you should watch out for these people. The thing is, nobody around here knows the difference between Chinese and Taiwanese or Japanese and Vietnamese. When the attacks come, when the hate crimes start, it will be against all Asians—everybody with an Asian face—because we've seen that during COVID-19. When people are shouting anti-Chinese things, but they're beating up an old Vietnamese lady or they sucker punch a Korean man. I urge you to vote no and vote against racism and discrimination.

REPRESENTATIVE PLESA: I rise this evening to express my deep opposition to **CSSB 17**. As a representative of one of the most diverse districts in Texas, a district that includes one of the largest and fastest growing Asian communities in the state, I must tell you plainly: This bill sends the wrong message. It carries dangerous and unintended consequences. It undermines the values that have made Texas the economic engine of this nation and the friendly state. **CSSB 17** claims to address concerns about foreign landownership and national security, but in its broad sweep, it fails to distinguish between foreign governments and the countless individuals and families—many from Asia—who have chosen Texas as their home, who have invested in our communities, who have opened businesses, created jobs, paid taxes, and raised their families here. Collin County is thriving today not in spite of but because of these families. Whether they come from India, China, Korea, Vietnam, Pakistan, Romania, or beyond, they came to Texas because we offered opportunity and freedom. Today, they are our doctors—right,

Representative Shelley Luther?—our engineers, our teachers, our small business owners, and our neighbors. Yet this bill risks casting a shadow over their presence, their investments, and their very belongings.

Make no mistake, the language of **CSSB 17** will not just be read in the pages of law books, it will echo across immigrant communities like mine. And what will they hear? "You are not fully welcome here. You are not fully trusted here." We should be clear-eyed about what it means for Texas. It means a chilling effect on international investments, particularly from our allies in Asia—the allies we honored just this morning on this dais. It means families questioning whether their hard-earned dollars are safe here. It means young people wondering if Texas still values their dreams and contributions. I want to remind this body that our strength as Texans has always come from our ability to open doors, not slam them shut. If there are legitimate national security concerns, let's address them surgically. Let's focus on hostile foreign governments or strategic assets, but let's not paint with such a broad brush that we harm the very communities who have helped build the Texas miracle.

Members, my constituents are watching. Asian American Texans across the state are watching, and they are hoping that we, their elected leaders, will stand up—not for fear and suspicion, but for fairness, inclusion, and for the promise of Texas—the Texas miracle. Colleagues, I urge you to vote no on **CSSB 17**.

HOPPER: For the second session in a row, this body was charged by our voters to do one simple thing: Don't allow the enemies of our country to systematically buy up our most precious natural resource—the land under our feet that was bought by the blood of Texas patriots. I'm going to vote for this bill because it gets us closer to that goal than what we had when we walked into this room this morning. What I am not going to do is go back to my district and tell my constituents that we have stopped Chinese, Iranian, or North Korean nationals from buying up land in Texas because that would not be true.

The intent of this house version of the senate bill that we took up today kept persons from enemy countries from buying land here. With this bill, if you're from China, North Korea, or Iran and move to Texas, you would not be able to buy land here. In contrast, the amended bill only keeps persons from enemy nations who are here in the U.S. illegally or who are foreign agents from buying land in Texas. That's not what the Republican Party and our voters charged us with. They asked us to keep our enemies from those countries—who have not attained U.S. citizenship or permanent legal status—from buying land in Texas. That is a very different thing from what this bill will achieve. We were told that this isn't a real issue because foreign agents would still be covered specifically by the bill. However, unless you are a really incompetent foreign agent, we probably don't know that you are one. The State of Texas has no real apparatus to determine if you are a foreign agent at all. We would have to rely on the federal intelligence apparatus to make that determination. And I don't know if you all are aware, the federal intelligence apparatus doesn't care much about developing a good working relationship with state governments.

I'm going to vote for this bill because it's a step in the right direction. But once again, this body has had a golden opportunity to pass exactly what our voters wanted, and once again, we passed something slightly less. Many of y'all will go back to your districts and tell your voters that you checked off this legislative priority, but I strongly suggest you do not because many of us will also go back and tell the truth about this bill to the good people of Texas.

REPRESENTATIVE HARRISON: I just want to make sure I understood something I heard in your statement, Representative Hopper. Does this bill, as amended/gutted—does this bill fully satisfy the directions of the Republican Party of Texas as detailed in their legislative priorities for us to do this session?

HOPPER: It does not.

J. JONES: I rise today to stand boldly, unapologetically, and unwaveringly against **CSSB 17** with all the republican-only amendments—a xenophobic, fear-fueled, freedom-crunching piece of legislation disguised as protection. Let's stop pretending. This isn't about national security. This is about scapegoating, silencing, and shutting out people who weren't born here, no matter how much they sacrificed to be here. This bill is a "foreigners forbidden," freedom-fearing, fact-free fantasy. It's nothing more than a red-meat, right-wing, restriction-wrapped rejection of what this country actually stands for. Let me remind you, this country was founded on immigration. Immigrants didn't just build America, they are America. We're a nation of newcomers, and now we want to act brand new. Let's not rewrite history because it's convenient. The first settlers—many would argue—were hostile occupiers, not heroes. They didn't buy the land; they stole it. They didn't flee persecution; they brought it with them. So let's not get holier-than-thou about who's allowed to own that and who's allowed to own what. Now here we are, centuries later, passing bills that would let the government take land from someone who legally bought it just because of their immigration paperwork. That's not bold; that's bigoted. That's not strong; that's shameful. That's not Texas; that's tyranny.

This bill creates a bureaucratic border wall around property ownership. It weaponizes where you're born. It punishes people for their passport. It targets them for their time zone. It makes your birthplace more important than your behavior. Let me break it down for you. If you're from a so-called "hostile nation," even if you came here legally, even if you fled tyranny, even if you're teaching medical students, curing cancer, launching small businesses, or playing college athletics, you could still be banned from buying a home. That's madness. That's cruelty in committee substitute and republican amendment clothing.

Let's talk about home: Houston. Southwest Houston was saved by immigrants. Saved. When nobody else wanted to invest, immigrants stepped in. They opened stores. They cleaned up blight. They created jobs. They gave loans when banks slammed the door. Now it's a vibrant, vital, tax-generating treasure trove of culture, commerce, and community. We're going to slap those same people in the face? We're going to say, "Thanks for saving our city, but you can't stay? We're going to say, "Thanks for paying taxes, but we'll take your land now"? And now, I find out this isn't just any bill. This is the governor's number

one priority. And wouldn't you know it, only republican amendments are being accepted. This isn't a coincidence. This is coordinated. This is "the end justifies the means." This is silencing the opposition. This is tyranny dressed up in legislative language. This is not the kind of government America was founded for. This is the exact kind of government that the people on the Mayflower were trying to escape, and now we've become it. History is repeating itself.

It gets worse. This bill says if you're from the wrong country, you can't even own property. At most, you can lease for one year—one year, then what? Where are they supposed to go? Do they have to move to another apartment, another condo? Do they have to leave the state or the country? What happens when that lease runs out? You're leaving people in legal limbo. That's not order; that's chaos in policy form. This bill is a homeowner-hating, Houston-hurting, humanity-hollowing policy disaster.

And while we're at it, let's talk about athletes. Let's talk about the college stars on NIL deals who came here from other countries to compete. Let's talk about international pros—tennis players, soccer players, and Olympic hopefuls who train and live right here in Texas. Are we really going to tell them, "You can play for our teams, make us money, win us championships, but you can't buy a home here"? That's moronic. Because when it comes to sports, Texas loves diversity. Texas accepts foreign talent. Texas profits from international excellence. Sports is the one place where y'all celebrate DEI. But now you want to pass a bill that blocks the very athletes who boost your brand. We're going to get left behind. The best won't come here. They'll go elsewhere where they're welcome, not where they were walled out.

It's not just about who buys the land. It's about what kind of state we want to be. Do we want to be a state that says, "Show me your spirit, your sweat, your sacrifice, and we'll welcome you"? Or do we want to say, "Show me your birthplace or else"? This is the United States of America, not the segregated states of suspicion. We cannot claim to be the land of the free while legislating freedom away. We are not protecting Texas; we are persecuting immigrants and prosecuting them. We are not securing land; we are seeding lawsuits. We are not being patriotic; we are being petty. We've seen this movie before. We've heard these dog whistles before, and I, for one, am not going to sit quietly and go back to the days of coded exclusion and legalized discrimination and redlining. You can't get Texas tough and then crumble under the pressure of xenophobic fear. You can't brag about being pro-business while blocking property rights for law-abiding people. And you definitely can't wrap your bigotry in the flag and call it patriotism. Let me make this plain: You can't spell "land of the free" with laws that lock people out. You can't say, "We welcome innovation" while turning away innovators. We can't say, "We stand for families" while making them homeless.

This bill is not just policy; it's personal. It tells people that no matter how hard they work, how much they contribute, or how much they love this country, they'll never be good enough—not because of what they've done but because of where they came from. Well, let me tell you where I come from. I come from a city that thrives because of immigrants. I come from a district that was built by

the hands of people who spoke 10 different languages—and more than that—but dreamed the same American dream. I will not vote for a bill that tells people they don't belong. So to every scientist, every student, every survivor, every athlete—collegiate or professional—and every soul who came here looking for freedom, I see you. I fight for you, and I will vote no for you on this bill. I proudly oppose this bill. Please, please, please vote against **CSSB 17** and all those republican amendments. Please. It's just the fair and American thing to do. Let's stop this bill. Let's stop this madness. Let's stop this hypocrisy before history repeats itself again.

REPRESENTATIVE VO: This bill will harm innocent individuals who come to Texas seeking opportunity and safety. Those who come here to work or go to school and those who are here and granted refuge are caught in the crossfire of this bill. Let's be clear: These people are not enemies of the state. They came to Texas seeking the freedom and liberty this bill supposedly tries to protect. In fact, refugees and athletes have literally fled the oppressive regimes this bill supposedly combats. I know because I was one of them. It was only a week ago when all of you stood behind me as I spoke about how my family escaped a tyrannical regime in Vietnam—one that was no doubt considered a threat to America at the time. If **CSSB 17** was law when I came to these shores, I fear that I would not have been able to buy the home that I raised my kids in. I would not have been able to buy the building where I started my first business. I would not have been able to live my American dream.

Members, Texas should proudly welcome those who play by the rules, not brand them as traitors. That is why I urge you to vote against **CSSB 17**. Thank you.

REPRESENTATIVE BUTTON: I wasn't planning on coming up to speak. That's why I don't have a printed script. I just scribbled down some thoughts I want to share with you. I am for the bill. Whenever I hear somebody say that they are fifth-generation Texan, I always remind myself that I wasn't that lucky. America—Texas—is not my motherland. I'm an immigrant, but America—Texas—this is my chosen land. So I do understand why it is so important that we have national security and other things to protect our freedom and democracy.

This morning, Chairman Charlie Geren said to me, "Angie, you are probably the most diligent state representative." I was laughing. I said, "Well, I bet there's somebody else working harder than I am." I have to take this pride. I usually come here early to prepare myself because I know in this country you have given me so much, and I have to work harder than everybody else to prove—well, not really to prove, but to demonstrate I am a proud American and a proud Texan. But I do have to warn everybody and share this thought with everyone: Sixteen years ago, when I first started to run for the seat because Senator Florence Shapiro called me up, she shared with me her experience of being Jewish. Her parents are Holocaust survivors, and they have those tattoos on their hands. She said, "Angie, no matter how far you're going to go, how high you're going to climb, if you don't have a political interest, you are nothing. The freedom, liberty, everything can be taken away from you." But I said, "Not in this country. This

country is made of good people." This country is not perfect, but it would be kind of boring if everything was perfect. But I tell you, every day I am just full of appreciation to serve and to be here, but I'm not going to be blindfolded and tell you everything is perfect. Sixteen years ago, when I first knocked upon the doors doing block walking, I had people shut the doors and say, "I don't want to talk to a communist Chinese." That was sixteen years ago. But you know what? Even the last campaign, at early voting time, somebody drove to me where I stood in front of the church, and the back of the car rolled down the window. I said, "Sir, do you have a question for me?" And he says, "Angie Chen Button, Chinese communist ____." And I'm a lady, so I don't say that word, but it starts with a "b." Okay? "Go back home!" I just smiled because we had several other people over there doing the early voting campaign. And I said, "I guess he didn't vote for me." Everybody laughed.

But you know what? This bill—our community, our Asian American community—does have a lot of concerns of unintended consequences. That's why my dear colleague—I call him my cousin, Representative Matt Shaheen, because a lot of Asian Americans in my district made a move, and they all moved to his district—and that's why he and I were standing here working on the amendment. I know not everybody has supported it, but the majority of republicans along with the democrats all supported it. I am so, so appreciative. Some people say they still have some concerns. Actually earlier, my dear friend Chairman James Frank dropped by my desk. I said, "I'm still worried about the unintended consequences." He said, "Don't worry about that. As long as you're American, don't worry." And I looked at him, and I said, "Well many Americans might look like you, but a Taiwanese American, a Chinese American? I don't look like you." Isn't that true? So I am supporting this bill because it is to protect our country's freedom, liberty, and national security. But I do have to say, please bear in mind that a lot of people still have that fear in their heart. This morning when I introduced the delegates from Taiwan, I was so happy and so proud of many of the colleagues from both sides who came to shake their hands and those who have visited Taiwan before. That is all wonderful, but is this world perfect? No. We have to make a choice once again. This is not my motherland, but this is my chosen land, and I'm here to protect the liberty and freedom of my chosen land. I'm for this bill.

REPRESENTATIVE MOODY: I'm moved today to speak because this bill isn't just about today. What we're doing—and what we're authorizing in the future—has the potential to be very dangerous.

I recall when a committee was created during the interim. Chairman Hefner was assigned to chair that—to look into this issue—and I watched it. There was a great discussion about this last session. We had more discussion over the interim, so I kept an eye on it because the core principle of it—security, making sure foreign enemies don't take root in our state—that principle is something we can all agree on. So I watched and heard the dialogue. Then this session, I watched the bill get filed, committees get formed, and I watched the hearing in full—a very long hearing. I remember looking at one provision of the bill, the one that gave untethered permission to add any country to this list. I didn't make note of

it, other than to my staff in my office. I said, "That's probably the most dangerous provision in there. I hope that comes out." I just thought about where I come from.

I live in the largest binational community in the world, El Paso and its sister city, Ciudad Juárez. Sister city, all right? We call it that for a reason. I've heard it described by a poet as "the two cities are lungs breathing in the same body." They rise and they fall together. There are 80,000 to 90,000 people that live in El Paso that go across and work in Juárez every day and vice versa. There are Mexicans that own property in El Paso—they are business partners of the people in El Paso. They make our community thrive. Two hundred and seventy-three billion dollars of Texas trades with Mexico every year—our number one trading partner. But I also know the rhetoric about Mexico that is spread across this state and this nation. It is dangerous, and it encapsulates the entire country, our sister city, our friends, our neighbors, and our families. I said that's the most dangerous provision because I can see a political world where Mexico gets added to this list because of the rhetoric that we've seen. And I was really glad that that provision wasn't in the bill as it came to the floor today, but not too long ago, it went back in. Maybe in Fort Worth they don't see the neighbors that I see. They don't see the business partners that I see. They don't see the lifeblood of these communities working together. Maybe that's a foreign thing to people in Fort Worth, but it's not to me. That's my family, and that's my home. I believe in security, and I believe that foreign enemies shouldn't be able to buy Texas land. That's real, and that's very fair. But when you make that distinction, you need to be laser focused. Because the second you cross that line, you're not dealing with foreign enemies anymore. You're dealing with your neighbors, and that shouldn't be acceptable.

REPRESENTATIVE LALANI: I will not make a big speech because you have heard both sides talk about for and against. When I got elected last session, I was told by one of our senior members that whenever you vote, be very clear in your mind who it is going to be helping, but also think about if anybody is going to get hurt by this. So I am going to ask people—this bill may have been written with a good intent, but it is not going to help people. It is going to hurt many people. So please vote your conscience and vote no.

REPRESENTATIVE DEAYALA: A couple of things I like about this bill: I love the debate we have had today and in the weeks and months prior. I love all it took and all the input to get the bill to where it is right now. We have the blessing to live in a free society. When you live in a free society, it makes it easier for your enemies to do things. This bill is trying to do something meaningful—substitute something with a net to catch these bad fish. And we worked hard to make sure that we do not catch any good fish in this net.

A little story. As I looked at this bill, I looked at my family. I am the youngest of five boys. My parents and my two older brothers fled communist Cuba in 1960. My dad connected with the CIA, fought in the Bay of Pigs invasion—that did not turn out so good. He finally made it home six months later and realized this is not a temporary place, this is a permanent place. This is our home. Within two years, Russia had Cuba—remember—point missiles at the U.S. In that time, Cuba would have been on this designated list. In that time, if

this bill was written earlier on, my parents likely would not have been able to own a home in this country, because it took them until 1972 to obtain their citizenship. The fact that we took the steps in this body to make sure that this net did not catch those people—I tip my hat off to each of you for doing that. This is a good bill, probably the strongest in the country. I ask that you vote for it, and thank you for your time.

HEFNER: Members, I know it has been a long day. I am reminded of how blessed we are and how grateful I am to live in a place where we can all participate in this process. We can all have our voices heard, and we can have the voices of our constituents heard. People do not get to do this in most of the world. They do not get to choose their elected representatives. They do not have this debate. I know it is messy, it is hard, it is long nights, and it is a messed-up system a lot of times. But it is the best one in the world; I truly believe that.

Members, this bill is not about the immutable characteristics of individuals. This bill is about the actions and the affiliations of individuals. Texas has always been a land of opportunity—welcoming those who want to contribute to our state, who want to build a future, and who want to call this place home. **CSSB 17** upholds that legacy while ensuring our land remains secure in the hands of those who share our values and commitment to this great state. Members, this is the strongest bill in the country to protect our Texas people from hostile foreign adversaries.

REPRESENTATIVE C. BELL: Homebuilders and other entities have expressed some concern that this bill could be interpreted to prevent Texas businesses from doing business with passive partners and joint ventures who have no control or ability to be involved in planning, design, or physical construction of projects and who lack the ability to possess or control the property. My question to you is: Is it the intent of this bill to prevent passive partners and joint ventures where those partners have no ability to purchase, acquire, or control the property?

HEFNER: No, this bill is only focused on those folks who maybe have a controlling interest in or full ownership of an entity that may be controlled by a hostile adversary.

[**CSSB 17**, as amended, was passed to third reading by Record No. 1861.]

