

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6805

BILL NUMBER: HB 1179

NOTE PREPARED: Dec 29, 2023

BILL AMENDED:

SUBJECT: State Educational Institutions.

FIRST AUTHOR: Rep. King

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: This bill requires the board of trustees of a state educational institution (SEI) to adopt a policy prohibiting the transfer, licensing, or sublicensing of intellectual property developed using the state educational institution's resources to: (1) a business entity organized under the laws of China; (2) a business entity headquartered in China; or (3) a business entity or other entity, including a governmental entity, that is owned or controlled by citizens of, or is directly controlled by the government of, China.

The bill requires the board of trustees of each SEI to adopt a policy prohibiting an employee of the state educational institution from making a public statement in the employee's official capacity unless the statement: (1) relates to the operation of the state educational institution, or to a state educational institution sponsored event; or (2) has been approved by the board of trustees.

The bill prohibits a SEI from using state funds or resources to: (1) engage or contract with an individual associated with a foreign terrorist organization or a state sponsor of terror; or (2) support the activities of a foreign terrorist organization or a state sponsor of terror.

Effective Date: July 1, 2024.

Explanation of State Expenditures: This bill requires SEI boards to adopt a specified policy regarding intellectual property transfer or licensing to Chinese entities. Adopting the policy constitutes a minor workload increase for the board, but enforcing it will require additional scrutiny in partnerships, cooperative agreements, academic exchanges and other joint efforts. These requirements should be met within existing resources.*[SEIs receive state funding through General Fund appropriations.]*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: State educational institutions.

Local Agencies Affected:

Information Sources:

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