

# SENATE BILL No. 477

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 1-1.

**Synopsis:** Threats to critical infrastructure. Amends the statute prohibiting the use of public funds to purchase equipment or services produced or provided by certain prohibited persons determined to be a national security threat to communications networks or supply chains to also prohibit the use of public funds to purchase communications equipment or service that is: (1) determined under specified federal regulations to pose an unacceptable risk to the national security of the United States or the security and safety of United States persons; and (2) included on the covered list published, maintained, and updated by the federal Public Safety and Homeland Security Bureau on the website of the Federal Communications Commission. Provides that the governor may, at any time, and in consultation with the executive director of the department of homeland security, designate a country as a threat to certain critical infrastructure located in Indiana. Provides that after June 30, 2023, a person (including a state agency or a political subdivision) may not enter into an agreement relating to critical infrastructure with a company if: (1) under the agreement, the company would be able to directly or remotely access or control critical infrastructure; and (2) the company is: (A) owned or controlled by citizens of (or a company or entity owned or controlled by citizens or the government of) China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor; or (B) headquartered in China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor. Provides that after June 30, 2023, a person may not sell, lease, or transfer a parcel of real property that is: (1) located in Indiana; and (2) directly adjacent to a military installation; to a citizen of, or company owned or controlled by, any of these countries.

**Effective:** July 1, 2023.

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January 19, 2023, read first time and referred to Committee on Homeland Security and Transportation.



First Regular Session of the 123rd General Assembly (2023)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2022 Regular Session of the General Assembly.

# SENATE BILL No. 477

A BILL FOR AN ACT to amend the Indiana Code concerning general provisions.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 1-1-15-0.1 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2023]: **Sec. 0.1. As used in this chapter, "covered**  
4 **communications equipment or service" means communications**  
5 **equipment or service (as defined in 47 CFR 1.50001(c)) that is:**  
6 **(1) determined under 47 CFR 1.50002 to pose an unacceptable**  
7 **risk to the national security of the United States or the**  
8 **security and safety of United States persons; and**  
9 **(2) included on the covered list (as defined in 47 CFR**  
10 **1.50001(f)) that is:**  
11 **(A) published;**  
12 **(B) maintained; and**  
13 **(C) updated;**  
14 **by the federal Public Safety and Homeland Security Bureau**  
15 **on the website of the Federal Communications Commission**  
16 **under 47 CFR 1.50002 and 47 CFR 1.50003.**  
17 SECTION 2. IC 1-1-15-4, AS ADDED BY P.L.8-2020, SECTION



1 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1,  
2 2023]: Sec. 4. Money appropriated by the general assembly or a  
3 political subdivision may not be granted to or used to purchase or  
4 obtain any:

5 (1) equipment or services produced or provided by a prohibited  
6 person; or

7 (2) covered communications equipment or service.

8 SECTION 3. IC 1-1-16 IS ADDED TO THE INDIANA CODE AS  
9 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY  
10 1, 2023]:

11 **Chapter 16. Critical Infrastructure: Prohibited Contracts and**  
12 **Land Sales to Certain Foreign Owned Companies and Foreign**  
13 **Individuals**

14 **Sec. 1. (a) As used in this chapter, "company" means any of the**  
15 **following that exists to make a profit:**

- 16 (1) A sole proprietorship.  
17 (2) An organization.  
18 (3) An association.  
19 (4) A corporation.  
20 (5) A partnership.  
21 (6) A joint venture.  
22 (7) A limited partnership.  
23 (8) A limited liability partnership.  
24 (9) A limited liability company.  
25 (10) A business association.

26 (b) The term includes:

- 27 (1) a wholly owned subsidiary;  
28 (2) a majority owned subsidiary;  
29 (3) a parent company; or  
30 (4) an affiliate;

31 of a person, entity, or association described in subsection (a)(1)  
32 through (a)(10).

33 **Sec. 2. As used in this chapter, "council" means the governor's**  
34 **security council established by IC 10-19-8.1-2.**

35 **Sec. 3. As used in this chapter, "critical infrastructure" means**  
36 **any part of:**

- 37 (1) a facility, structure, or station listed in IC 35-46-10-1(a);  
38 (2) a cybersecurity system; or  
39 (3) a military installation;

40 that is located in Indiana.

41 **Sec. 4. As used in this chapter, "cybersecurity" means measures**  
42 **taken to protect any:**



- 1           (1) computer;  
 2           (2) computer network;  
 3           (3) computer system; or  
 4           (4) other technology infrastructure;  
 5 against unauthorized use or access.

6           **Sec. 5. (a) As used in this chapter, "military installation" has the**  
 7 **meaning set forth in 10 U.S.C. 2801(c)(4).**

8           **(b) The term includes a military base described in IC 36-7-34-3.**

9           **Sec. 6. As used in this chapter, "person" means any of the**  
 10 **following:**

11           **(1) An individual, a business corporation, a nonprofit**  
 12 **corporation, a general partnership, a limited partnership, a**  
 13 **limited liability company, an estate, a trust, an association, a**  
 14 **joint venture, or any other legal or commercial entity.**

15           **(2) A state agency (as defined in IC 1-1-15-3).**

16           **(3) A political subdivision (as defined in IC 36-1-2-13).**

17           **Sec. 7. As used in this chapter, "prohibited person" means**  
 18 **either of the following:**

19           **(1) An individual who is a citizen of China, Iran, North Korea,**  
 20 **Russia, or a country designated as a threat to critical**  
 21 **infrastructure by the governor under section 8(b) of this**  
 22 **chapter.**

23           **(2) A company described in section 9(a)(2) of this chapter.**

24           **Sec. 8. (a) The governor may, at any time, consult with the**  
 25 **council to assess a threat to critical infrastructure.**

26           **(b) The governor may, at any time, and in consultation with the**  
 27 **executive director of the department of homeland security**  
 28 **appointed under IC 10-19-3-1, designate a country as a threat to**  
 29 **critical infrastructure.**

30           **Sec. 9. (a) After June 30, 2023, a person may not enter into an**  
 31 **agreement relating to critical infrastructure with a company if:**

32           **(1) under the agreement, the company would be able to**  
 33 **directly or remotely access or control critical infrastructure;**  
 34 **and**

35           **(2) the company is:**

36           **(A) owned by, or the majority of stock or other ownership**  
 37 **interest of the company is held or controlled by:**

38           **(i) individuals who are citizens of China, Iran, North**  
 39 **Korea, Russia, or a country designated as a threat to**  
 40 **critical infrastructure by the governor under section 8(b)**  
 41 **of this chapter; or**

42           **(ii) a company or other entity, including a governmental**



1                   entity, that is owned or controlled by citizens of, or is  
2                   directly controlled by the government of, China, Iran,  
3                   North Korea, Russia, or a country designated as a threat  
4                   to critical infrastructure by the governor under section  
5                   8(b) of this chapter; or  
6                   (B) headquartered in China, Iran, North Korea, Russia, or  
7                   a country designated as a threat to critical infrastructure  
8                   by the governor under section 8(b) of this chapter.  
9                   (b) The prohibition set forth in subsection (a) applies regardless  
10                  of whether:  
11                  (1) the securities of the company, or of the company's parent  
12                  company, are publicly traded; or  
13                  (2) the company or the company's parent company is listed as  
14                  a Chinese, Iranian, North Korean, or Russian company on a  
15                  public stock exchange;  
16                  as applicable.  
17                  Sec. 10. After June 30, 2023, a person may not sell, lease, or  
18                  transfer a parcel of real property that is:  
19                  (1) located in Indiana; and  
20                  (2) directly adjacent to a military installation;  
21                  to a prohibited person.

