

PROPOSED AMENDMENT

HB 1099 # 1

DIGEST

Various changes. Provides that, if a contractor or a subcontractor working under the contractor for the provision of a technological product or service is a prohibited person, a qualified entity may enter into the contract if the contractor affirms the contractor and its subcontractors are not acting as agents of a foreign adversary. Amends provisions regarding the admission and enrollment of a foreign student into qualifying programs at state educational institutions. Amends the provisions regarding a prohibited person entering into a lease agreement for real property or a mineral right or water or riparian right. Amends the process for requiring a prohibited person to divest an interest in real property owned by the prohibited person before July 1, 2026.

1 Page 1, between lines 5 and 6, begin a new paragraph and insert:
2 **"Sec. 1. As used in this chapter, "agent of a foreign adversary"**
3 means a person:
4 (1) who either:
5 (A) is an agent, representative, employee, or servant; or
6 (B) acts in any capacity at the order, request, or under the
7 direction or control;
8 of the government of a foreign adversary; and
9 (2) whose activities are directly or indirectly financed in whole
10 or in part by the government of a foreign adversary.".
11 Page 1, line 6, delete "1." and insert "2.".
12 Page 1, line 11, delete "2." and insert "3.".
13 Page 2, line 4, delete "3." and insert "4.".
14 Page 2, line 13, delete "4." and insert "5.".
15 Page 2, line 34, delete "5." and insert "6.".
16 Page 2, line 39, delete "6." and insert "7.".
17 Page 3, delete lines 1 through 10, begin a new paragraph and insert:
18 **"Sec. 8. (a) This section applies to:**
19 **(1) a new contract entered into after June 30, 2026; and**
20 **(2) an existing contract amended or renewed after June 30,**
21 **2027;**
22 **by a qualified entity for the provision of a technological product or**
23 **service.**

(b) A contract to which this section applies must contain:

- (1) a provision requiring the contractor to confirm under the penalties of perjury that the contractor and any subcontractors working under the contractor for the contract are not prohibited persons; or
- (2) if the contractor or a subcontractor working under the contractor for the contract is a prohibited person, a provision requiring the contractor to confirm that the contractor and any subcontractors working on the contract are not acting as agents of a foreign adversary.

(c) A breach of the provision under subsection (b) may be regarded as a material breach of the contract.".

Page 3, delete lines 11 through 42, begin a new paragraph and insert:

"SECTION 2. IC 21-49-7 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 7. Admission and Enrollment of Certain Foreign Students in Qualifying Programs

Sec. 1. This chapter does not apply to a foreign student who is admitted to or enrolled in a qualifying program at a state educational institution as of August 14, 2026.

Sec. 2. As used in this chapter, "agent of a foreign adversary"
means a person:

(1) who either:

- (A) is an agent, representative, employee, or servant; or**
- (B) acts in any capacity at the order, request, or under the direction or control;**

of the government of a foreign adversary; and

(2) whose activities are directly or indirectly financed in whole or in part by the government of a foreign adversary.

Sec. 3. As used in this chapter, "foreign adversary" includes the following:

(1) The People's Republic of China.

(2) Iran.

(3) North Korea.

(4) Russia.

(5) A foreign government listed in 15 CFR 791.4.

(6) A country designated as a threat to critical infrastructure by the governor under IC 1-1-16-8.

1 **Sec. 4. As used in this chapter, "foreign student" means an**
2 **individual who is:**

3 **(1) a citizen of a foreign adversary; and**
4 **(2) not a United States citizen or an alien who is admitted into**
5 **the United States for lawful, permanent residence or has been**
6 **granted asylum in the United States.**

7 **Sec. 5. As used in this chapter, "qualifying program" refers to**
8 **one (1) of the following fields of study at the undergraduate,**
9 **graduate, doctoral, or postdoctoral level:**

10 **(1) Chemical engineering.**
11 **(2) Electrical engineering.**
12 **(3) Industrial engineering.**
13 **(4) Mechanical engineering.**
14 **(5) Artificial intelligence.**
15 **(6) Computer science.**
16 **(7) Microbiology.**
17 **(8) Virology.**
18 **(9) A field of study designated by the commissioner for higher**
19 **education under section 10 of this chapter.**

20 **Sec. 6. As used in this chapter, "state educational institution"**
21 **has the definition set forth in IC 21-7-13-32.**

22 **Sec. 7. (a) Beginning August 15, 2026, a state educational**
23 **institution may not admit a foreign student into a qualifying**
24 **program until the state educational institution has completed a**
25 **foreign influence and research security review for the foreign**
26 **student.**

27 **(b) A foreign influence and research security review required**
28 **under subsection (a) must include, at a minimum, a review of the**
29 **following information concerning the foreign student:**

30 **(1) All current and past affiliations, paid or unpaid, including**
31 **academic, research, government, and commercial affiliations.**
32 **(2) All outside support related to the foreign student's**
33 **education, training, or research activities, including foreign**
34 **funding sources such as tuition aid, travel aid, complimentary**
35 **travel, scholarships, or stipends.**
36 **(3) Any agreements, including intellectual property**
37 **agreements, employment agreements, consulting agreements,**
38 **or other obligations that relate to the foreign student's**
39 **research, education, or training.**
40 **(4) Any planned external collaboration, supervision, or**

1 **research reporting relationship or requirement with a person**
2 **outside of the state educational institution.**

3 **(5) Whether the foreign student or the foreign student's**
4 **parent, sibling, spouse, grandparent, aunt, or uncle, including**
5 **those related by blood or marriage, are any of the following:**

6 **(A) An employee of the government of a foreign adversary.**
7 **(B) A member of a political party of a foreign adversary.**
8 **(C) A member of a united front organization or a similar**
9 **association or organization that is sponsored or supported**
10 **by the government of a foreign adversary and exists to**
11 **encourage support of the government of the foreign**
12 **adversary.**

13 **(6) Whether the foreign student was previously employed by**
14 **the government of a foreign adversary or served in the**
15 **military or security services for the government of a foreign**
16 **adversary.**

17 **(7) Whether the foreign student has any ties to a malign**
18 **foreign talent recruitment program or another foreign talent**
19 **recruitment program sponsored by, affiliated with, or based**
20 **in a foreign adversary that requires the foreign student to**
21 **engage in activities that violate the foreign student's**
22 **obligations to the state of Indiana, the United States, or to the**
23 **state educational institution.**

24 **(c) If a state educational institution obtains information while**
25 **conducting a foreign influence and security review on a foreign**
26 **student that indicates the foreign student is an agent of a foreign**
27 **adversary, the state educational institution may not enroll the**
28 **foreign student.**

29 **(d) A state educational institution may not admit a foreign**
30 **student who refuses or fails to provide the state educational**
31 **institution with any information necessary to complete a foreign**
32 **influence and research security review under this section.**

33 **Sec. 8. (a) A foreign student who is admitted into a state**
34 **educational institution after a foreign influence and research**
35 **security review is completed under section 7 of this chapter must**
36 **sign an attestation stating that the foreign student has not accepted**
37 **and will not accept any direct or indirect financial support or**
38 **funding from a foreign adversary before the state educational**
39 **institution may enroll the foreign student in the qualifying**
40 **program.**

5 **Sec. 9. A foreign student who is enrolled in a qualifying program**
6 **at a state educational institution must immediately disclose the**
7 **following to the state educational institution:**

11 (2) Any contact with an agent of a foreign adversary.

12 **Sec. 10. (a) Subject to subsection (b), the commissioner for**
13 **higher education may designate a field of study as a qualifying**
14 **program.**

20 Page 4, delete lines 1 through 21.

21 Page 4, delete lines 25 through 42, begin a new paragraph and
22 insert:

23 "SECTION 4. IC 32-22-3.5 IS ADDED TO THE INDIANA CODE
24 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
25 JULY 1, 2026]:

26 **Chapter 3.5. Prohibition on Ownership of Land by Certain** 27 **Foreign Owned Companies and Foreign Individuals**

28 Sec. 1. (a) As used in this chapter, "acting as an agent of a
29 foreign adversary" means to knowingly engage in conduct at the
30 direction of or under the control of a foreign adversary that
31 materially advances the foreign adversary's strategic, intelligence,
32 or military objectives.

38 **Sec. 2. As used in this chapter, "agent of a foreign adversary"**
39 means a person:

40 (1) who either:

(A) is an agent, representative, employee, or servant; or
(B) acts in any capacity at the order, request, or under the
direction or control;
of the government of a foreign adversary; and
(2) whose activities are directly or indirectly financed in whole
or in part by the government of a foreign adversary.

Sec. 3. As used in this chapter, "business entity" means:

(1) a corporation, professional corporation, nonprofit corporation, limited liability company, partnership, or limited partnership; or

(2) the equivalent of any entity described in subdivision (1).

Sec. 4. As used in this chapter, "controlling person" means:

(1) a beneficial owner (as defined in IC 23-1-20-3.5) of at least fifty-one percent (51%) of the shares of a business entity;

(2) an officer, director, or other individual who possesses inside information about a business entity because of the officer, director, or other individual's relationship with the business entity; or

(3) a person, individually or as a member of a group, who has the ability to directly or indirectly affect a business entity's management or policies.

Sec. 5. As used in this chapter, "foreign adversary" includes the following:

(1) The People's Republic of China.

(2) Iran.

(3) North Korea.

(4) Russia.

(5) A foreign government listed in 15 CFR 791.4.

(6) A country designated as a threat to critical infrastructure by the governor under IC 1-1-16-8.

Sec. 6. (a) As used in this chapter, "prohibited person" includes the following:

(1) An individual who is a citizen of a foreign adversary.

(2) An individual who is domiciled in a foreign adversary.

(3) A business entity organized under the laws of a foreign adversary.

(4) A business entity headquartered in a foreign adversary.

(5) A business entity with a controlling person that is one (1) of the following:

(A) An individual who is a citizen of a foreign adversary.

- (B) An individual who is domiciled in a foreign adversary.
- (C) A business entity or other entity, including a governmental entity, that is owned or controlled by an individual described in subdivision (1) or (2), or is directly controlled by the government of a foreign adversary.

6 **The term, as used in subdivisions (1), (2), (5)(A), and (5)(B), does**
7 **not include an individual who holds dual citizenship with a foreign**
8 **adversary and the United States, an individual who is a citizen or**
9 **lawful permanent resident of the United States, or an individual**
10 **who has been granted asylum in the United States.**

11 **(b) The term includes an agent, trustee, or fiduciary acting on**
12 **behalf of a prohibited person.**

13 **Sec. 7. After June 30, 2026, a prohibited person may not do any**
14 **of the following:**

15 (1) Acquire by grant, purchase, devise, descent, or otherwise
16 any real property located in Indiana.

23 (A) The real property that is the subject of the lease
24 agreement will be used only for residential purposes.

29 Sec. 8. (a) This section applies to a prohibited person that owns
30 an interest in real property located in Indiana on July 1, 2026.

31 **(b) A prohibited person that owns an interest in real property**
32 **located in Indiana on July 1, 2026, shall not act as an agent of a**
33 **foreign adversary.**

1 to demonstrate, by a preponderance of the evidence, that the
2 ownership or control of the real property does not present a risk of
3 the prohibited person acting as an agent of a foreign adversary.

4 (e) A court may not order divestiture under section 9 of this
5 chapter unless the court enters written findings of fact and
6 conclusions of law establishing that the attorney general has
7 satisfied the burden required under subsection (c) and that
8 divestiture is permitted under this section.

9 Sec. 9. (a) Upon receipt of information that leads the attorney
10 general to believe a prohibited person has violated section 7 or 8 of
11 this chapter, the attorney general shall investigate the alleged
12 violation and may issue subpoenas requiring the:

- 13 (1) appearance of witnesses;
- 14 (2) production of relevant records; and
- 15 (3) giving of relevant testimony.

16 (b) The attorney general shall enforce a violation of section 7 or
17 8 of this chapter by commencing a receivership proceeding under
18 IC 32-30-5-1 and selling the real property or the interest in real
19 property through the receivership. The following apply to a
20 receivership proceeding under this section:

21 (1) Proceeds of the sale shall be paid as follows:

22 (A) To lienholders, in their order of priority, except for
23 liens which under the terms of the sale are to remain on the
24 property.

25 (B) The costs of the receivership and sale, including
26 reasonable attorney's fees and expert fees.

27 (C) No proceeds shall be distributed from the receivership
28 sale to the prohibited person. Any excess proceeds are
29 forfeited and shall be transferred to the state general fund
30 by the receiver.

31 (2) If a receivership proceeding is initiated under this section,
32 the prohibited person is personally liable for a civil penalty in
33 the amount of ten percent (10%) of the market value of the
34 real property, payable to the state general fund.

35 (3) At the receivership sale, lienholders shall be able to have
36 a credit bid in an amount that is not more than the amount
37 owed to the lienholder on the date of the sale, as established in
38 the court order for the sale of the property.

39 (4) Upon commencement of an action under this section, the
40 attorney general shall promptly file a notice of lis pendens

1 **with the clerk of court. Upon the entry of an order for the sale**
2 **of the real property under this section, the attorney general**
3 **shall promptly record a copy of the order in the office of the**
4 **recorder of the county where the property is located.**

5 **(c) Notwithstanding section 10 of this chapter, the responsibility**
6 **for determining whether an individual or other entity is subject to**
7 **section 7 or 8 of this chapter rests solely with the prohibited person**
8 **and the attorney general and no other individual or entity. An**
9 **individual or other entity who is not a prohibited person shall bear**
10 **no civil or criminal liability for failing to determine or make**
11 **inquiry of whether an individual or other entity is a prohibited**
12 **person.**

13 **(d) Except for an interest created after the effective date of the**
14 **lis pendens notice filed under subsection (b)(4), divestiture of a**
15 **prohibited person's title under this section shall not be a basis to**
16 **void, invalidate, or otherwise extinguish any bona fide mortgage,**
17 **lien, or other interest granted by, through, or under the prohibited**
18 **person. An interest created after the effective date of the lis**
19 **pendens notice filed under subsection (b)(4) is void upon entry of**
20 **an order for the sale of the real property under this section.**

21 **Sec. 10. (a) As used in this section, "reporting person" means a**
22 **person in the business of providing real estate closing and**
23 **settlement services in Indiana that is:**

- 24 **(1) listed as the closing or settlement agent on the closing or**
25 **settlement statement for a real estate transfer;**
- 26 **(2) if no person described in subdivision (1) is involved in a**
27 **transfer of real property, the person that prepares the closing**
28 **or settlement statement for the transfer;**
- 29 **(3) if no person described in subdivisions (1) or (2) is involved**
30 **in a transfer of real property, the person that files with the**
31 **recorder's office the deed or other instrument that transfers**
32 **ownership of the real property;**
- 33 **(4) if no person described in subdivisions (1) through (3) is**
34 **involved in a transfer of real property, the person that**
35 **underwrites an owner's title insurance policy for the**
36 **transferee with respect to the transferred real property, such**
37 **as a title insurance company;**
- 38 **(5) if no person described in subdivisions (1) through (4) is**
39 **involved in a transfer of real property, the person that**
40 **disburses in any form, including from an escrow account or**

1 **trust account, the greatest amount of funds in connection with**
2 **the transfer of the real property;**

3 **(6) if no person described in subdivisions (1) through (5) is**
4 **involved in a transfer of real property, the person that**
5 **provides an evaluation of the status of the title; or**

6 **(7) if no person described in subdivisions (1) through (6) is**
7 **involved in a transfer of real property, then the person that**
8 **prepares the deed or, if no deed is involved, any other legal**
9 **instrument that transfers ownership of the real property.**

10 **If the reporting person is an employee, agent, or partner acting**
11 **within the scope of the individual's employment, agency, or**
12 **partnership, the individual's employer, principal, or partnership**
13 **is the reporting person.**

14 **(b) If a reporting person participates in a transfer of real**
15 **property that violates this chapter, the reporting person shall file**
16 **a report with the attorney general in the form and manner**
17 **prescribed by the attorney general.**

18 **(c) Upon receipt of information that leads the attorney general**
19 **to believe that a reporting person failed to file a report as required**
20 **under this section or intentionally provided inaccurate information**
21 **in a report filed under this section, the attorney general may**
22 **investigate the alleged violation and issue subpoenas requiring the:**

23 **(1) appearance of witnesses;**
24 **(2) production of relevant records; and**
25 **(3) giving of relevant testimony.**

26 **(d) If a reporting person fails to comply with subsection (b), the**
27 **attorney general may impose a civil penalty of ten thousand dollars**
28 **(\$10,000) per violation. A civil penalty collected under this section**
29 **shall be deposited in the state general fund."**

30 Delete pages 5 through 7.

31 Page 8, delete lines 1 through 24.

32 Page 8, line 33, delete "IC 32-22-3.5-7" and insert "**IC 32-22-3.5-9**".

33 Renumber all SECTIONS consecutively.

(Reference is to HB 1099 as introduced.)