

# 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.

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- 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.

(b) If a state educational institution obtains information that a foreign student has accepted direct or indirect financial support or funding from a foreign adversary, the state educational institution must immediately unenroll the foreign student.

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

(1) Any changes to the information regarding the foreign student provided in section 7(b)(5), 7(b)(6), and 7(b)(7) of this chapter.

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

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

(b) The commissioner for higher education must provide the board of trustees of each state educational institution with notice of the designation of a field of study as a qualifying program under subsection (a) not later than six (6) months prior to the start of the next academic term."

Page 4, delete lines 1 through 21.

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

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

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

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

(b) The term does not include the ownership or operation of a business entity that engages solely in ordinary commercial activities for profit and that is not subject to the direction, control, or material influence of the foreign adversary with respect to the conduct at issue.

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

(1) who either:

- 1 (A) is an agent, representative, employee, or servant; or  
 2 (B) acts in any capacity at the order, request, or under the  
 3 direction or control;  
 4 of the government of a foreign adversary; and  
 5 (2) whose activities are directly or indirectly financed in whole  
 6 or in part by the government of a foreign adversary.
- 7 **Sec. 3. As used in this chapter, "business entity" means:**  
 8 (1) a corporation, professional corporation, nonprofit  
 9 corporation, limited liability company, partnership, or limited  
 10 partnership; or  
 11 (2) the equivalent of any entity described in subdivision (1).
- 12 **Sec. 4. As used in this chapter, "controlling person" means:**  
 13 (1) a beneficial owner (as defined in IC 23-1-20-3.5) of at least  
 14 fifty-one percent (51%) of the shares of a business entity;  
 15 (2) an officer, director, or other individual who possesses  
 16 inside information about a business entity because of the  
 17 officer, director, or other individual's relationship with the  
 18 business entity; or  
 19 (3) a person, individually or as a member of a group, who has  
 20 the ability to directly or indirectly affect a business entity's  
 21 management or policies.
- 22 **Sec. 5. As used in this chapter, "foreign adversary" includes the**  
 23 **following:**  
 24 (1) The People's Republic of China.  
 25 (2) Iran.  
 26 (3) North Korea.  
 27 (4) Russia.  
 28 (5) A foreign government listed in 15 CFR 791.4.  
 29 (6) A country designated as a threat to critical infrastructure  
 30 by the governor under IC 1-1-16-8.
- 31 **Sec. 6. (a) As used in this chapter, "prohibited person" includes**  
 32 **the following:**  
 33 (1) An individual who is a citizen of a foreign adversary.  
 34 (2) An individual who is domiciled in a foreign adversary.  
 35 (3) A business entity organized under the laws of a foreign  
 36 adversary.  
 37 (4) A business entity headquartered in a foreign adversary.  
 38 (5) A business entity with a controlling person that is one (1)  
 39 of the following:  
 40 (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.

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

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

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

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

(2) Acquire by grant, purchase, devise, descent, or otherwise any mineral right or water or riparian right on any real property located in Indiana.

(3) Enter into a new lease agreement as a lessee for any real property located in Indiana. This subdivision does not apply to a lease agreement to which the following apply:

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

(B) The lease agreement is for a term of not more than twenty-four (24) months.

(4) Enter into a new lease agreement for any mineral right or riparian right on any real property located in Indiana.

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

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

(c) The attorney general may bring an action under section 9 of this chapter to require divestiture of a prohibited person's real property interest only if the attorney general establishes, by clear and convincing evidence, that the prohibited person is acting as an agent of a foreign adversary.

(d) If the attorney general makes a prima facie showing under subsection (c), the burden of proof shifts to the prohibited person

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



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

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

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

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

- (1) listed as the closing or settlement agent on the closing or settlement statement for a real estate transfer;
- (2) if no person described in subdivision (1) is involved in a transfer of real property, the person that prepares the closing or settlement statement for the transfer;
- (3) if no person described in subdivisions (1) or (2) is involved in a transfer of real property, the person that files with the recorder's office the deed or other instrument that transfers ownership of the real property;
- (4) if no person described in subdivisions (1) through (3) is involved in a transfer of real property, the person that underwrites an owner's title insurance policy for the transferee with respect to the transferred real property, such as a title insurance company;
- (5) if no person described in subdivisions (1) through (4) is involved in a transfer of real property, the person that 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.)