

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS  
FISCAL IMPACT STATEMENT**

**LS 6496**

**BILL NUMBER:** HB 1099

**NOTE PREPARED:** Dec 9, 2025

**BILL AMENDED:**

**SUBJECT:** Foreign Adversaries.

**FIRST AUTHOR:** Rep. Commons

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires a contract between the state, a state agency, and a political subdivision and a contractor for the provision of certain technological products or services to include a provision requiring the contractor to confirm under penalties of perjury that the contractor and the contractor's subcontractors are not prohibited persons. It prohibits a state educational institution (SEI) from admitting or enrolling certain foreign students in a qualifying program offered by the state educational institution. It also prohibits certain individuals and business entities from acquiring real property located in Indiana.

The bill also repeals existing statutes regarding foreign ownership of agricultural land.

**Effective Date:** Upon passage; July 1, 2026.

**Explanation of State Expenditures:** *Summary* - This bill could impact state contracting expenses; however any impact is expected to be small. The bill could also impact the workload of the Attorney General and the Commission for Higher Education, but increases in workload are expected to be minimal and within current funding and resource levels.

**Additional Information - Contracting Expenditures:** The bill expands certain contracting prohibitions related to critical infrastructure that were made in SEA 477 - 2023. To the extent this bill impacts the number of bids and/or bid amounts received by state agencies during the request for proposal process, state expenditures could be impacted. The bill's actual impact on state contracting expenditures is indeterminable but expected to be minimal. Both the Indiana Department of Administration and the Indiana Office of Technology report the provisions of the bill are expected to have a minimal impact on state procurement.

**Commission for Higher Education:** The bill grants the Commissioner of the CHE the ability to designate additional programs of study as qualifying programs that certain foreign students are prohibited from enrolling in and requires CHE notify the board of trustees of each SEI of these changes. It also requires CHE to annually receive federal Student and Exchange Visitor Information System information from each SEI. These changes are expected to be implemented with existing staff and resources.

*State Educational Institutions:* The bill will increase workload for SEIs to establish, update, and enforce policies prohibiting certain foreign students from enrolling in qualifying programs, and to report information annually to CHE as prescribed in the bill. Increases in workload are expected to be accomplished with existing resources. [SEIs receive state funding through General Fund appropriations.]

*Attorney General:* The bill prohibits state and local units of government from contracting with foreign adversaries for technology products or services. The bill is silent as to penalties or which state agency is authorized to receive and investigate complaints violation of these prohibitions. It is assumed that any violation would be investigated by the Attorney General.

The bill also specifies that the Attorney General shall enforce prohibitions of real estate sale to foreign adversaries. Increases in workload and potential expenditures could be offset with amounts collected from receivership proceedings.

**Explanation of State Revenues:** *Property Ownership:* The bill expands the prohibition on the sale of property to foreign entities included in both SEA 477 - 2023 and SEA 388 - 2022. If a property is found to be held in violation of the bill, the property would be sold through a receivership proceeding. The bill also specifies the manner in which the sale proceeds are to be split, with first priority given to sale costs, then lienholders, then a 25% of the market value to the General Fund as a civil penalty, and lastly any remaining amounts to the General Fund. Any increase in General Fund revenue from receivership sales is expected to be minimal.

*State Educational Institutions:* The bill would prohibit foreign students specified in the bill from enrolling in SEIs and receiving instruction in certain qualifying programs beginning August 15, 2026. These students would still be authorized to enroll in an SEI, but would only be allowed to enroll in programs that are not prohibited.

The bill could result in tuition losses to SEIs to the extent (1) overall enrollment drops and/or (2) students who would have paid out-of-state tuition are replaced by students who will pay in-state tuition. Potential tuition losses could be minimized by adjusting tuition rates in response to enrollment changes. Any net impact on state higher education institution revenue would ultimately depend on the decision of each SEI.

*Civil Court Fee Revenue:* The bill could increase the number of civil proceedings filed by the Attorney General. If additional civil cases occur and court fees are collected, revenue to the state General Fund will increase. The total revenue per case would range between \$100 and \$122. The amount deposited will vary depending on whether the case is filed in a court of record or a municipal court. The following linked document describes the fees and distribution of the revenue: [Court fees imposed in civil, probate, and small claims cases.](#)

**Explanation of Local Expenditures:** This bill could impact local expenditures as well as contracting costs to the extent certain vendors are excluded from being able to transact business with political subdivisions under the prohibitions in the bill. Any impact would depend on the costs of goods and services submitted by excluded vendors compared to the costs of goods and services selected by local units of government.

**Explanation of Local Revenues:** If additional cases occur, revenue will be collected by certain local units. If the case is filed in a court of record, the county will receive \$32 and qualifying municipalities will receive a share of \$3. If the case is filed in a municipal court, the county receives \$20, and the municipality will receive \$37. The following linked document describes the fees and distribution of the revenue: [Court fees](#)

[imposed in civil, probate, and small claims cases.](#)

**State Agencies Affected:** All.

**Local Agencies Affected:** All.

**Information Sources:** Indiana Supreme Court, Indiana Trial Court Fee Manual; Graig Lubsen, IOT; Molly Timperman, IDOA.

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