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## HOUSE BILL No. 1099

Proposed Changes to introduced printing by AM109901

### DIGEST OF PROPOSED AMENDMENT

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.

A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

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

1 SECTION 1. IC 1-1-15.3 IS ADDED TO THE INDIANA CODE  
2 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2026]:

4 **Chapter 15.3. Prohibition on Technology Contracts with**  
5 **Certain Foreign Owned Companies**

6 Sec. ~~1~~ 1. As used in this chapter, "agent of a foreign  
7 adversary" means a person:

8 (1) who either:

9 (A) is an agent, representative, employee, or servant; or

10 (B) acts in any capacity at the order, request, or under

11 the direction or control;

12 of the government of a foreign adversary; and

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

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**Sec. 2].** 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. ~~2~~ [3].** 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. ~~3~~ [4].** 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. ~~4~~ [5].** (a) As used in this chapter, "prohibited person" includes the following:

- (1) A business entity organized under the laws of a foreign adversary.
- (2) A business entity headquartered in a foreign adversary.
- (3) 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 who is a citizen of or domiciled in a foreign adversary, or is directly controlled by the government of a foreign adversary.

The term, as used in subdivision (3)(A) and (3)(B), does not include



an individual who holds dual citizenship with a foreign adversary (as defined in 15 CFR 791.4) 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. ~~5~~ [6]. As used in this chapter, "qualified entity" means any of the following:

(1) The state.

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

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

Sec. ~~6~~ [7]. (a) As used in this chapter, "technological product or service" means a product or service used for information systems, surveillance, light detection and ranging, or artificial intelligence.

(b) The term does not include an unmanned aerial system.

Sec. ~~7~~ [8]. (a) ~~After~~ [This section applies to]:

(1) ~~June 30, 2026,~~ a new contract entered into ~~and~~

~~(2)~~ [after] June 30, ~~2027,~~ [2026; and

[2)] an existing contract amended or renewed [after June 30, 2027];

by a qualified entity for the provision of a technological product or 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 contract[or] for the contract~~or~~ 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].

(~~b~~) [c] A breach of the provision under ~~this section~~ [subsection (b)] may be regarded as a material breach of the contract.

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. ~~Prohibition on Admitting or Enrolling~~ [Admission and Enrollment of] Certain Foreign Students in Qualifying Programs



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

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

6       (1) who either:

7           (A) is an agent, representative, employee, or servant; or

8           (B) acts in any capacity at the order, request, or under  
 9           the direction or control;

10       of the government of a foreign adversary; and

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

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

15       (1) The People's Republic of China.

16       (2) Iran.

17       (3) North Korea.

18       (4) Russia.

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

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

22       Sec. ~~4~~ **[4].** As used in this chapter, "foreign student" means  
 23       an individual who is:

24       (1) a citizen of a foreign adversary; and

25       (2) not a United States citizen or an alien who is admitted  
 26       into the United States for lawful, permanent residence or has  
 27       been granted asylum in the United States.

28       Sec. ~~5~~ **[5].** As used in this chapter, "qualifying program"  
 29       refers to one (1) of the following fields of study at the  
 30       undergraduate, graduate, doctoral, or postdoctoral level:

31       (1) Chemical engineering.

32       (2) Electrical engineering.

33       (3) Industrial engineering.

34       (4) Mechanical engineering.

35       (5) Artificial intelligence.

36       (6) Computer science.

37       (7) Microbiology.

38       (8) Virology.

39       (9) A field of study designated by the commissioner for  
 40       higher education under section ~~6~~ **[10]** of this chapter.

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



~~<Sec. 5. (a) This section 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.~~

~~—(b)~~[Sec. 7. (a)] Beginning August 15, 2026, a state educational institution may not admit ~~<or enroll>~~ a foreign student in [to] a qualifying program ~~<offered by>~~ [until the state educational institution has completed a foreign influence and research security review for the foreign student.

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

(1) All current and past affiliations, paid or unpaid, including academic, research, government, and commercial affiliations.

(2) All outside support related to the foreign student's education, training, or research activities, including foreign funding sources such as tuition aid, travel aid, complimentary travel, scholarships, or stipends.

(3) Any agreements, including intellectual property agreements, employment agreements, consulting agreements, or other obligations that relate to the foreign student's research, education, or training.

(4) Any planned external collaboration, supervision, or research reporting relationship or requirement with a person outside of] the state educational institution.

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

(A) An employee of the government of a foreign adversary.

(B) A member of a political party of a foreign adversary.

(C) A member of a united front organization or a similar association or organization that is sponsored or supported by the government of a foreign adversary and exists to encourage support of the government of the foreign adversary.

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

(7) Whether the foreign student has any ties to a malign



foreign talent recruitment program or another foreign talent recruitment program sponsored by, affiliated with, or based in a foreign adversary that requires the foreign student to engage in activities that violate the foreign student's obligations to the state of Indiana, the United States, or to the state educational institution.

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

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

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

**III** ~~Sec. <6>~~ [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 ~~<thirty (30) days>~~ [six (6) months] prior to the start of the next academic term.<



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~~—Sec. 7. Not later than July 1, 2026, and not later than every July 1 thereafter, a state educational institution shall file a copy of the information the state educational institution reported to the federal Student and Exchange Visitor Information System for the prior twelve (12) months with the commission for higher education.~~

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SECTION 3. IC 32-22-3 IS REPEALED [EFFECTIVE JULY 1, 2026]. (Rights of a Foreign Business Entity to Hold and Convey Agricultural Land).

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. ~~4~~ 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:

(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~~ 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. ~~4~~<sup>5</sup>[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. ~~4~~<sup>6</sup>[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.

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. ~~5~~<sup>7</sup>[7].~~(a)~~ After June 30, 2026, a prohibited person





may not do any of the following:

(1) ~~<a>~~ [A]cquire by grant, purchase, devise, descent, or otherwise any real property located in Indiana ~~<,>~~ [.]

(2) ~~<a>~~ [A]cquire by grant, purchase, devise, descent, or otherwise any mineral right or water or riparian right on any real property located in Indiana ~~<,or>~~ [.]

(3) ~~<e>~~ [E]nter 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 ~~<twelve>~~ [twenty-four] (~~<12>~~ [24]) months.~~<~~

~~— (b) A purchase, acquisition, or lease of real property or~~ [

(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 ~~<that is>~~ [located] in ~~<violation of subsection (a) is subject to divestiture under section 7 of this chapter.~~

~~— Sec. 6.>~~ [Indiana on July 1, 2026.

(b)] A prohibited person that owns an interest in real property located in Indiana on July 1, 2026, <must divest> [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's interest in>~~ [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 to demonstrate, by a preponderance of the evidence, that the ownership or control of the real property ~~<not later than June 30, 2029.~~

~~— Sec. 7.>~~ [does not present a risk of the prohibited person acting as an agent of a foreign adversary.

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

Sec. 9]. (a) Upon receipt of information that leads the attorney



general to believe a prohibited person has violated section ~~5~~ [7] or ~~6~~ [8] of this chapter, the attorney general shall investigate the alleged violation and may issue subpoenas requiring the:

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

(b) The attorney general shall enforce a violation of section ~~5 and 6~~ [7 or 8] of this chapter by commencing a receivership proceeding under IC 32-30-5-1 and selling the real property or the interest in real property through the receivership. The following apply to a receivership proceeding under this section:

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

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

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

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

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

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

(4) Upon commencement of an action under this section, the 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 ~~8~~ [10] of this chapter, the responsibility for determining whether an individual or other entity is subject to section ~~5 and 6~~ [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



1 failing to determine or make inquiry of whether an individual or  
2 other entity is a prohibited person.

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

11 Sec. ~~8~~ 10. (a) As used in this section, "reporting person"  
12 means a person in the business of providing real estate closing and  
13 settlement services in Indiana that is:

14 (1) listed as the closing or settlement agent on the closing or  
15 settlement statement for a real estate transfer;

16 (2) if no person described in subdivision (1) is involved in a  
17 transfer of real property, the person that prepares the  
18 closing or settlement statement for the transfer;

19 (3) if no person described in subdivisions (1) or (2) is  
20 involved in a transfer of real property, the person that files  
21 with the recorder's office the deed or other instrument that  
22 transfers ownership of the real property;

23 (4) if no person described in subdivisions (1) through (3) is  
24 involved in a transfer of real property, the person that  
25 underwrites an owner's title insurance policy for the  
26 transferee with respect to the transferred real property, such  
27 as a title insurance company;

28 (5) if no person described in subdivisions (1) through (4) is  
29 involved in a transfer of real property, the person that  
30 disburses in any form, including from an escrow account or  
31 trust account, the greatest amount of funds in connection  
32 with the transfer of the real property;

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

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

40 If the reporting person is an employee, agent, or partner acting  
41 within the scope of the individual's employment, agency, or  
42 partnership, the individual's employer, principal, or partnership



1 is the reporting person.

2 (b) If a reporting person participates in a transfer of real  
3 property [\[that\]](#) violates this chapter, the reporting person shall file  
4 a report with the attorney general in the form and manner  
5 prescribed by the attorney general.

6 (c) Upon receipt of information that leads the attorney general  
7 to believe that a reporting person failed to file a report as required  
8 under this section or intentionally provided inaccurate information  
9 in a report filed under this section, the attorney general may  
10 investigate the alleged violation and issue subpoenas requiring the:

11 (1) appearance of witnesses;

12 (2) production of relevant records; and

13 (3) giving of relevant testimony.

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

18 SECTION 5. IC 34-30-2.1-525.4 IS REPEALED [EFFECTIVE  
19 JULY 1, 2026]. ~~Sec. 525.4. IC 32-22-3-4.5(c) (Concerning agricultural~~  
20 ~~land purchased or leased by a prohibited person).~~

21 SECTION 6. IC 34-30-2.1-525.5 IS REPEALED [EFFECTIVE  
22 JULY 1, 2026]. ~~Sec. 525.5. IC 32-22-3-6.5(c) (Concerning agricultural~~  
23 ~~land held by a prohibited person).~~

24 SECTION 7. IC 34-30-2.1-525.6 IS ADDED TO THE INDIANA  
25 CODE AS A NEW SECTION TO READ AS FOLLOWS  
26 [EFFECTIVE JULY 1, 2026]: Sec. 525.6. IC 32-22-3.5-~~9~~[\[9\]](#)  
27 (Concerning land held by a prohibited person).

28 SECTION 8. An emergency is declared for this act.

