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HOUSE BILL No. 1099

Proposed Changes to introduced printing by AM109902

DIGEST OF PROPOSED AMENDMENT

Knowing or intentionally. Provides that if a reporting person knowingly or intentionally fails to comply, the attorney general may impose a civil penalty.

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

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

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

11 **Sec. 2. As used in this chapter, "controlling person" means:**

12 (1) a beneficial owner (as defined in IC 23-1-20-3.5) of at
13 least fifty-one percent (51%) of the shares of a business
14 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

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1 management or policies.

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

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

5 (2) Iran.

6 (3) North Korea.

7 (4) Russia.

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

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

11 Sec. 4. (a) As used in this chapter, "prohibited person"
12 includes the following:

13 (1) A business entity organized under the laws of a foreign
14 adversary.

15 (2) A business entity headquartered in a foreign adversary.

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

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

19 (B) An individual who is domiciled in a foreign
20 adversary.

21 (C) A business entity or other entity, including a
22 governmental entity, that is owned or controlled by an
23 individual who is a citizen of or domiciled in a foreign
24 adversary, or is directly controlled by the government of
25 a foreign adversary.

26 The term, as used in subdivision (3)(A) and (3)(B), does not include
27 an individual who holds dual citizenship with a foreign adversary
28 (as defined in 15 CFR 791.4) and the United States, an individual
29 who is a citizen or lawful permanent resident of the United States,
30 or an individual who has been granted asylum in the United States.

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

33 Sec. 5. As used in this chapter, "qualified entity" means any of
34 the following:

35 (1) The state.

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

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

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

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

42 Sec. 7. (a) After:



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(1) June 30, 2026, a new contract entered into; and
 (2) June 30, 2027, an existing contract amended or renewed;
 by a qualified entity for the provision of a technological product or
 service must contain a provision requiring the contractor to
 confirm under penalties of perjury that the contractor and any
 subcontractors working under the contract for the contractor are
 not prohibited persons.

(b) A breach of the provision under this section 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 Certain
 Foreign Students in Qualifying Programs**

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

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

**Sec. 3. As used in this chapter, "qualifying program" refers to
 one (1) of the following fields of study at the undergraduate,
 graduate, doctoral, or postdoctoral level:**

- (1) Chemical engineering.
- (2) Electrical engineering.
- (3) Industrial engineering.
- (4) Mechanical engineering.
- (5) Artificial intelligence.
- (6) Computer science.
- (7) Microbiology.
- (8) Virology.
- (9) A field of study designated by the commissioner for
 higher education under section 6 of this chapter.



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1 **Sec. 4.** As used in this chapter, "state educational institution"
2 has the definition set forth in IC 21-7-13-32.

3 **Sec. 5. (a)** This section does not apply to a foreign student who
4 is admitted to or enrolled in a qualifying program at a state
5 educational institution as of August 14, 2026.

6 **(b)** Beginning August 15, 2026, a state educational institution
7 may not admit or enroll a foreign student in a qualifying program
8 offered by the state educational institution.

9 **Sec. 6. (a)** Subject to subsection (b), the commissioner for
10 higher education may designate a field of study as a qualifying
11 program.

12 **(b)** The commissioner for higher education must provide the
13 board of trustees of each state educational institution with notice
14 of the designation of a field of study as a qualifying program under
15 subsection (a) not later than thirty (30) days prior to the start of
16 the next academic term.

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

22 **SECTION 3.** IC 32-22-3 IS REPEALED [EFFECTIVE JULY 1,
23 2026]. (Rights of a Foreign Business Entity to Hold and Convey
24 Agricultural Land).

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

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

30 **Sec. 1.** As used in this chapter, "business entity" means:

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

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

35 **Sec. 2.** As used in this chapter, "controlling person" means:

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

39 (2) an officer, director, or other individual who possesses
40 inside information about a business entity because of the
41 officer, director, or other individual's relationship with the
42 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. 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. (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. (a) After June 30, 2026, a prohibited person may not:

- (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; or



(3) enter into a lease agreement as a lessee for any real property located in Indiana for a term of more than twelve (12) months.

(b) A purchase, acquisition, or lease of real property or an interest in real property that is in violation of subsection (a) is subject to divestiture under section 7 of this chapter.

Sec. 6. A prohibited person that owns an interest in real property located in Indiana on July 1, 2026, must divest the prohibited person's interest in the real property not later than June 30, 2029.

Sec. 7. (a) Upon receipt of information that leads the attorney general to believe a prohibited person has violated section 5 or 6 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 sections 5 and 6 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



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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 of this chapter, the responsibility for determining whether an individual or other entity is subject to sections 5 and 6 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. 8. (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 trust account, the greatest amount of funds in connection



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with the transfer of the real property;

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

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

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

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

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

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

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

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

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

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

SECTION 8. An emergency is declared for this act.

