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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

2026

IN 1099—LS 6496/DI 137



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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"

des 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. 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. (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. (a) After:

2026

IN 1099—LS 6496/DI 137



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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.



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**

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

des 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



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

11 Sec. 7. (a) Upon receipt of information that leads the attorney
12 general to believe a prohibited person has violated section 5 or 6 of
13 this chapter, the attorney general shall investigate the alleged
14 violation and may issue subpoenas requiring the:

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

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

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

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

2026

IN 1099—LS 6496/DI 137



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

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

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

22 Sec. 8. (a) As used in this section, "reporting person" means a
 23 person in the business of providing real estate closing and
 24 settlement services in Indiana that is:

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



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.

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

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

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

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

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

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

2026

IN 1099—LS 6496/DI 137



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