



February 17, 2025

HOUSE BILL No. 1032

DIGEST OF HB 1032 (Updated February 13, 2025 7:23 pm - DI 125)

Citations Affected: IC 1-1; IC 1-4; IC 5-14; IC 20-26; IC 21-30; IC 23-15; IC 32-22; IC 34-30.

Synopsis: Foreign interests. Prohibits a prohibited person from entering into a contract for the provision of goods or services with the state, a state agency, and a political subdivision. Provides that a local hospital authority or corporation is excluded from a political subdivision for purposes of a prohibition on contracts with certain foreign owned companies and individuals. Requires agents acting on behalf of certain countries of concern to register with the attorney general. Requires schools and school corporations in Indiana to disclose certain foreign gifts and contracts. Requires public and private postsecondary educational institutions in Indiana to disclose certain foreign gifts and contracts. Prohibits certain individuals and business entities from acquiring: (1) an interest in business entities governed under Indiana law; and (2) real property located in Indiana. Provides that a prohibited person shall not act as an instrumentality of a foreign adversary. Repeals existing statutes regarding foreign ownership of real property. Makes conforming changes.

Effective: July 1, 2025.

Haggard, Jeter, Culp, Smaltz

January 8, 2025, read first time and referred to Committee on Judiciary.
February 10, 2025, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 126.3.
February 17, 2025, amended, reported — Do Pass.

HB 1032—LS 6350/DI 137



February 17, 2025

First Regular Session of the 124th General Assembly (2025)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2024 Regular Session of the General Assembly.

HOUSE BILL No. 1032

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 1-1-16-6 IS REPEALED [EFFECTIVE JULY 1,
2 2025]. ~~Sec. 6: As used in this chapter, "prohibited person" means either~~
3 ~~of the following:~~

4 (1) ~~An individual who is a citizen of China, Iran, North Korea,~~
5 ~~Russia, or a country designated as a threat to critical infrastructure~~
6 ~~by the governor under section 8(b) of this chapter.~~

7 (2) ~~A company described in section 9(a)(2) of this chapter.~~

8 SECTION 2. IC 1-1-16-9, AS ADDED BY P.L.118-2023,
9 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
10 JULY 1, 2025]: Sec. 9. (a) After ~~June 30, 2023~~, **June 30, 2025**, a
11 ~~qualified entity~~ **company** may not enter into an agreement relating to
12 critical infrastructure with a ~~company~~ **qualified entity** if:

13 (1) under the agreement, the company would be able to directly
14 or remotely access or control critical infrastructure or a
15 cybersecurity system of a critical infrastructure; and

16 (2) the company is:

17 (A) owned by, or the majority of stock or other ownership

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interest of the company is held or controlled, **individually or collectively**, by:

(i) individuals who are citizens of China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter; or

(ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of, or is directly controlled by the government of, China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter; or

(B) headquartered in China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter.

(b) The prohibition set forth in subsection (a) applies regardless of whether:

(1) the securities of the company, or of the company's parent company, are publicly traded; or

(2) the company or the company's parent company is listed as a company of a country designated as a threat by the governor under section 8(b) of this chapter or a Chinese, Iranian, North Korean, or Russian company on a public stock exchange;

as applicable.

(c) Upon receipt of information that leads the attorney general to believe that a violation of this section may exist, 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) The attorney general may bring an action on behalf of the state or a political subdivision for one (1) or more of the following, together with the costs and expenses of the suit, including reasonable attorney's fees and expert fees, in connection with a violation of this section:

(1) Appropriate injunctive or other equitable relief, including disgorgement of any gains derived from the violation.

(2) A civil penalty, as prescribed in subsection (e).

(3) Injuries or damages sustained directly or indirectly by the state or political subdivision as a result of the violation.

(e) In an action brought under subsection (d), the attorney



1 general may recover a civil penalty from a company of not more
 2 than one hundred thousand dollars (\$100,000) per violation of this
 3 section. A civil penalty collected for a violation of this section shall
 4 be deposited in the state general fund.

5 SECTION 3. IC 1-1-16-10 IS REPEALED [EFFECTIVE JULY 1,
 6 2025]. Sec. 10: (a) After June 30, 2023, a prohibited person may not
 7 purchase, lease, or acquire a parcel of real property that is:

8 (1) located in Indiana; and

9 (2) directly adjacent to a military installation:

10 (b) A purchase, lease, or acquisition of a parcel of real property in
 11 violation of subsection (a) is subject to divestiture pursuant to section
 12 11 of this chapter.

13 (c) No title to real property shall be invalid or subject to divestiture
 14 by reason of the violation of this section by any former owner or other
 15 individual or entity holding or owning a former interest in the real
 16 property:

17 SECTION 4. IC 1-1-16-10.2 IS REPEALED [EFFECTIVE JULY
 18 1, 2025]. Sec. 10.2: (a) This section does not apply to:

19 (1) a lease for residential property (as defined in IC 6-1.1-20.6-4)
 20 or a dwelling unit (as defined in IC 32-31-5-3);

21 (2) the purchase, lease, or acquisition of real property by an
 22 individual who holds dual citizenship with the United States and
 23 China, Iran, North Korea, Russia, or a country designated as a
 24 threat to critical infrastructure by the governor under section 8(b)
 25 of this chapter; or

26 (3) the purchase, lease, or acquisition of real property by an
 27 individual who is a lawful permanent resident of the United
 28 States:

29 (b) After June 30, 2024, a prohibited person may not purchase,
 30 lease, or acquire a parcel of real property that is:

31 (1) located in Indiana; and

32 (2) located within a ten (10) mile radius of a military installation:

33 (c) A purchase, lease, or acquisition of a parcel of real property in
 34 violation of subsection (b) is subject to divestiture pursuant to section
 35 11 of this chapter.

36 (d) No title to real property shall be invalid or subject to divestiture
 37 by reason of the violation of this section by any former owner or other
 38 individual or entity holding or owning a former interest in the real
 39 property:

40 SECTION 5. IC 1-1-16-11 IS REPEALED [EFFECTIVE JULY 1,
 41 2025]. Sec. 11: (a) The attorney general may investigate the purchase,
 42 lease, or acquisition of real property upon receipt of a complaint



alleging a violation of section 10 of this chapter.

(b) The attorney general shall enforce a violation of section 10 of this chapter by commencing a receivership proceeding under IC 32-30-5-1 and selling the property through the receivership. The following apply to a receivership proceeding under this section:

(1) Proceeds of the sale shall be disbursed to lienholders, in their order of priority, except for liens which under the terms of the sale are to remain on the property.

(2) At the receivership sale, lienholders shall be able to have a credit bid.

(3) 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.

(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 order for the sale of the 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) The responsibility for determining whether an individual or other entity is subject to section 10 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) 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.

SECTION 6. IC 1-1-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 17. Prohibition on Contracts With Certain Foreign Owned Companies and Foreign Individuals

Sec. 1. 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. As used in this chapter, "controlling person" means:

(1) a beneficial owner (as defined in IC 23-1-20-3.5) of fifty-one percent (51%) or more 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. 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 who is one 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 (as defined in 15 CFR 791.4) and the United States or an individual who is a citizen or lawful permanent resident of the United States.

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

Sec. 5. After June 30, 2025, a prohibited person may not enter into a contract with the following for the provision of goods or services:



(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) except a hospital organized under IC 16-22 or IC 16-23.

Sec. 6. (a) After June 30, 2025, every contract to which the state, a state agency, or a political subdivision is a party must contain a provision requiring the contractor to confirm under penalties of perjury that the contractor is not a prohibited person under section 4 of this chapter.

(b) A breach of the provision under this section may be regarded as a material breach of the contract.

(c) A state agency and a political subdivision must exercise due care to ensure the contractors are not prohibited persons.

Sec. 7. Upon receipt of information that leads the attorney general to believe that a violation of this chapter may exist, 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.

Sec. 8. The attorney general may bring an action on behalf of the state or a political subdivision for one (1) or more of the following, together with the costs and expenses of the suit, including reasonable attorney's fees and expert fees, in connection with a violation of this chapter:

(1) Appropriate injunctive or other equitable relief, including disgorgement of any gains derived from the violation.

(2) A civil penalty of not more than one hundred thousand dollars (\$100,000) per violation of this chapter.

(3) Injuries or damages sustained directly or indirectly by the state or political subdivision as a result of the violation.

A civil penalty collected for a violation of this chapter shall be deposited in the state general fund.

SECTION 7. IC 1-4 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

ARTICLE 4. FOREIGN AGENT REGISTRATION

Chapter 1. Applicability

Sec. 1. This article does not apply to the following:

(1) A duly accredited diplomatic or consular officer of a foreign government who is recognized by the United States Department of State, while the officer is engaged exclusively



in activities which are recognized by the United States Department of State as being within the scope of the functions of the officer.

(2) An official of a foreign government, if that government is recognized by the United States, who is not a public relations counsel, publicity agent, information-service employee, or a citizen of the United States, whose name and status and the character of whose duties as such official are of public record in the United States Department of State, while the official is engaged exclusively in activities which are recognized by the United States Department of State as being within the scope of the functions of the official.

(3) A member of the staff of, or a person employed by, a duly accredited diplomatic or consular officer under subdivision (1).

Chapter 2. Definitions

Sec. 1. As used in this article, "agent" means an agent of a foreign principal from a country of concern who is required to register under IC 1-4-3.

Sec. 2. (a) As used in this article, "agent of a foreign principal" means a person who:

(1) 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 a foreign principal and whose activities are directly or indirectly supervised, directed, controlled, financed, or subsidized in whole or in part by a foreign principal; and

(2) directly or through another person:

(A) engages in political activities for or in the interests of the foreign principal;

(B) acts as a public relations counsel, publicity agent, information-service employee, or political consultant for or in the interests of the foreign principal;

(C) solicits, collects, disburses, or dispenses contributions, loans, money, or other things of value for or in the interest of the foreign principal; or

(D) represents the interests of the foreign principal before a state or local agency or official;

in Indiana.

(b) The term includes a person who:

(1) agrees, consents, assumes, or purports to act as; or



(2) holds oneself out to be, whether or not pursuant to a contractual relationship;
an agent of a foreign principal.

(c) The term does not include the following:

(1) A news service, a press service, or an association that is organized under:

(A) the laws of the United States; or

(B) a place subject to the jurisdiction of the United States.

(2) A newspaper, magazine, periodical, or other publication:

(A) for which a Statement of Ownership, Management and Circulation has been filed with the United States Postal Service, as required by 39 U.S.C. 3685;

(B) published in the United States solely as a result of a bona fide news or journalistic activity;

(C) that is at least eighty percent (80%) beneficially owned by citizens of the United States;

(D) whose officers and directors, if any, are citizens of the United States; and

(E) that is not owned, directed, supervised, controlled, subsidized, or financed by an agent of a foreign principal required to register under IC 1-4-3.

Sec. 3. As used in this article, "country of concern" means the following:

(1) Burma.

(2) The People's Republic of China.

(3) Cuba.

(4) Eritrea.

(5) Iran.

(6) The Democratic People's Republic of Korea.

(7) Nicaragua.

(8) Pakistan.

(9) Russia.

(10) Saudi Arabia.

(11) Tajikistan.

(12) Turkmenistan.

(13) Any agent of, or any other entity under significant control of, a country of concern.

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

Sec. 4. As used in this article, "foreign political party" means an organization or any combination of individuals in a country other than the United States whose purpose:



- (1) is engaging in activities devoted in whole or in part to the establishment, administration, control, or acquisition of administration or control of a government of a foreign country or a subdivision thereof; or
- (2) is the furtherance or influencing of the political or public interests, policies, or relations of a government of a foreign country or a subdivision thereof.

Sec. 5. As used in this article, "foreign principal" means a:

- (1) government of a foreign country or a foreign political party;
- (2) person outside of the United States, unless it is established that such person is a citizen of and domiciled within the United States, or that the person is not an individual and is organized under or created by the laws of the United States and has its principal place of business within the United States;
- (3) partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or
- (4) partnership, association, corporation, organization, or other combination of persons that is at least twenty percent (20%) beneficially owned by a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country.

Sec. 6. (a) As used in this article, "government of a foreign country" means a person or group of persons that exercises sovereign de facto or de jure political jurisdiction over a country, other than the United States, or over any part of such country, and includes any subdivision of any such group and any group or agency to which such sovereign de facto or de jure authority or functions are directly or indirectly delegated.

(b) The term includes any faction or body of insurgents within a country assuming to exercise governmental authority whether such faction or body of insurgents has or has not been recognized by the United States.

Sec. 7. As used in this article, "information-service employee" means a person who furnishes, disseminates, or publishes accounts, descriptions, information, or data concerning the political, industrial, employment, economic, social, cultural, benefits, advantages, or conditions of a:

- (1) country other than the United States;



1 (2) government of a foreign country;

2 (3) foreign political party; or

3 (4) partnership, association, corporation, organization, or
4 other combination of individuals organized under the laws of,
5 or having its principal place of business in, a foreign country.

6 Sec. 8. As used in this article, "news or journalistic activity"
7 includes soliciting or accepting advertisements, subscriptions, or
8 other compensation.

9 Sec. 9. As used in this article, "political activity" refers to an
10 activity a person engages in with the belief or intent to influence a
11 state or local agency, a state or local official, or a citizen of Indiana
12 concerning:

13 (1) adopting or changing the domestic or foreign policy of the
14 United States or Indiana; or

15 (2) the political or public interests, policies, or relations of a
16 government of a foreign country or a foreign political party.

17 Sec. 10. As used in this article, "political consultant" means a
18 person who engages in informing or advising any other person of
19 the policies of Indiana or the political or public interests, policies,
20 or relations of a foreign country or of a foreign political party.

21 Sec. 11. As used in this article, "prints" means:

22 (1) newspapers, periodicals, books, pamphlets, sheet music,
23 visiting cards, address cards, printing proofs, engravings,
24 photographs, pictures, drawings, plans, maps, patterns to be
25 cut out, catalogs, prospectuses, or advertisements;

26 (2) printed, engraved, lithographed, or autographed notices of
27 various kinds; or

28 (3) in general, all impressions or reproductions obtained on
29 paper, other material assimilable to paper, parchment, or
30 cardboard by means of printing, engraving, lithography,
31 autography, or any other easily recognizable mechanical
32 process, with the exception of the copying press, stamps with
33 movable or immovable type, and the typewriter.

34 Sec. 12. As used in this article, "publicity agent" means a person
35 who directly or indirectly publishes or disseminates oral, visual,
36 graphic, written, or pictorial information or matter of any kind,
37 including publishing by means of advertising, books, periodicals,
38 newspapers, lectures, broadcasts, motion pictures, or other
39 methods.

40 Sec. 13. As used in this article, "public relations counsel" means
41 any person who engages directly or indirectly in informing,
42 advising, or in any way representing a foreign principal in any



1 public relations matter pertaining to the political or public
2 interests, policies, or relations of the foreign principal.

3 Sec. 14. As used in this article, "registration statement" means
4 a registration statement, including supplemental documentation,
5 required to be filed with the attorney general under IC 1-4-3-1.

6 Sec. 15. As used in this article, "United States" means the
7 several States, the District of Columbia, and any territory or
8 insular possession subject to the civil or military jurisdiction of the
9 United States.

10 Chapter 3. Requirement to Register as a Foreign Agent in 11 Indiana

12 Sec. 1. (a) Before acting as an agent, a person who acts as an
13 agent shall file with the attorney general a true and complete
14 registration statement in addition to supplements as required.

15 (b) The registration statement must include the following:

16 (1) The registrant's name.

17 (2) The registrant's principal business address, and all other
18 business addresses in the United States or elsewhere.

19 (3) The registrant's residential addresses, if any.

20 (4) If the registrant is an individual, the registrant's
21 nationality.

22 (5) If the registrant is a partnership, the names, residential
23 addresses, and nationalities of each partner and a true and
24 complete copy of the partnership's certificate of partnership.

25 (6) If the registrant is an association, corporation,
26 organization, or any other combination of individuals, the
27 following:

28 (A) The names, residential addresses, and nationalities of
29 each director and officer and each person performing the
30 functions of a director or officer.

31 (B) A true and complete copy of its charter, articles of
32 incorporation, association, constitution, and bylaws, and
33 amendments thereto.

34 (C) A copy of every other instrument or document and a
35 statement of the terms and conditions of every oral
36 agreement relating to its organization, powers, and
37 purposes.

38 (D) A statement of its ownership and control.

39 (7) A comprehensive statement of the nature of the
40 registrant's business.

41 (8) A complete list of the registrant's employees and a
42 statement of the nature of the work of each employee.



1 (9) The name and address of every agent for whom the
2 registrant is acting or has agreed to act.

3 (10) The character of the business or other activities of every
4 agent and, if an agent is not a natural person, a statement of
5 the ownership and control of each.

6 (11) The extent, if any, to which each agent is supervised,
7 directed, owned, controlled, financed, or subsidized, in whole
8 or in part, by a government of a foreign country or foreign
9 political party, or by any other agent.

10 (12) A comprehensive statement of the nature and method of
11 performance of each contract with a foreign principal.

12 (13) A comprehensive statement of the existing and proposed
13 activities engaged in, or to be engaged in, by the registrant, as
14 an agent, including a detailed statement of any such activity
15 which is a political activity.

16 (14) The nature and amount of contributions, income, money,
17 or things of value, if any, that the registrant has received
18 within the preceding one hundred eighty (180) days from each
19 foreign principal that is a country of concern, either as
20 compensation or for disbursement or otherwise, and the form
21 and time of each such payment and from whom received.

22 (15) A detailed statement of every activity which the
23 registrant assumes, purports, or agrees to perform, for the
24 registrant or any other person other than a foreign principal
25 that is a country of concern and which requires registration
26 under this chapter, including a detailed statement of any such
27 activity which is a political activity.

28 (16) The name, business, and residence addresses, and if an
29 individual, the nationality, of any person other than a foreign
30 principal for whom the registrant is acting or has agreed to
31 act and the following:

32 (A) Information concerning the extent that person is
33 supervised, directed, owned, controlled, financed, or
34 subsidized, in whole or in part, by any government of a
35 foreign country or foreign political party or by any other
36 foreign principal from a country of concern.

37 (B) Information concerning the nature and amount of
38 contributions, income, money, or thing of value, if any, that
39 the registrant has received during the preceding one
40 hundred eighty (180) days from each person in connection
41 with any of the activities under subdivision (15) either as
42 compensation or for disbursement or otherwise, and the



- 1 form and time of each payment and from whom payment
- 2 was received.
- 3 (17) A detailed statement of the money and other things of
- 4 value spent or disposed of by the registrant during the
- 5 preceding one hundred eighty (180) days in furtherance of or
- 6 in connection with activities which require registration under
- 7 this chapter.
- 8 (18) Notwithstanding any other laws, a detailed statement of
- 9 any contributions of money or other things of value made by
- 10 the registrant during the preceding one hundred eighty (180)
- 11 days in connection with an election to any political office or in
- 12 connection with any primary election, convention, or caucus
- 13 held to select candidates for any political office.
- 14 (19) Other statements, information, or documents as required
- 15 by the attorney general.
- 16 (20) Statements and copies of documents that are necessary to
- 17 make the statements made in the registration statement and
- 18 supplements not misleading.
- 19 (c) In addition to the information required in subsection (b), a
- 20 registrant must also file copies of each written agreement and the
- 21 terms and conditions of each oral agreement, including any
- 22 modifications, or, where no contract exists, a full statement of all
- 23 the circumstances, by reason of which the registrant is an agent.
- 24 Sec. 2. (a) Every agent who has filed a registration statement
- 25 under section 1 of this chapter shall, within thirty (30) days after
- 26 the expiration of each period of twelve (12) months succeeding the
- 27 filing, file with the attorney general a supplement under oath, on
- 28 a form prescribed by the attorney general. The form shall set forth
- 29 with respect to the preceding period any facts that the attorney
- 30 general deems necessary.
- 31 (b) The attorney general may, in any particular case, require
- 32 supplements to the registration statement to be filed at more
- 33 frequent intervals in respect to all or particular items of
- 34 information to be furnished.
- 35 Sec. 3. The registration statement and supplements shall be
- 36 executed under oath as follows:
- 37 (1) If the registrant is an individual, by the individual.
- 38 (2) If the registrant is a partnership, by the majority of the
- 39 members.
- 40 (3) If the registrant is a person other than an individual or a
- 41 partnership, by a majority of the officers or by a majority of
- 42 the board of directors.



1 **Sec. 4. The fact that a registration statement or supplement has**
 2 **been filed shall not:**

- 3 (1) automatically be deemed full compliance; or
 4 (2) indicate that the attorney general has passed upon the
 5 merits of such registration statement or supplement.

6 **Sec. 5. If an agent has previously registered with the attorney**
 7 **general under this chapter, the attorney general may permit the**
 8 **incorporation by reference in the registration statement or**
 9 **supplements of any information or documents previously filed by**
 10 **the agent.**

11 **Sec. 6. (a) An agent shall pay a fee of five hundred dollars (\$500)**
 12 **at the time the agent files an initial registration statement under**
 13 **this chapter.**

14 (b) An agent shall pay a fee of one hundred dollars (\$100) each
 15 time the agent files a supplemental registration statement under
 16 section 2 of this chapter.

17 **Chapter 4. Retroactive Transparency**

18 **Sec. 1. A person who acted as an agent at any time after**
 19 **January 1, 2015, shall file with the attorney general not later than**
 20 **December 31, 2025, a true and complete retroactive registration**
 21 **statement and supplements as required under IC 1-4-3.**

22 **Chapter 5. Informational Material**

23 **Sec. 1. (a) If an agent transmits, or causes to be transmitted,**
 24 **informational materials for or in the interests of a foreign principal**
 25 **from a country of concern:**

- 26 (1) in the form of prints; or
 27 (2) in any other form which is reasonably adapted to being,
 28 which the agent believes will be, or which the agent intends to
 29 be disseminated or circulated among two (2) or more persons;
 30 then the agent shall, not later than forty-eight (48) hours after the
 31 beginning of the transmittal, file with the attorney general two (2)
 32 copies of the informational materials.

33 (b) The informational materials under subsection (a) shall be
 34 subject to IC 5-14-3.

35 **Sec. 2. (a) If an agent transmits, or causes to be transmitted,**
 36 **informational materials for or in the interests of a foreign principal**
 37 **from a country of concern, the agent shall place a conspicuous**
 38 **statement on or within the materials that states that the materials**
 39 **are distributed by the agent on behalf of the foreign principal from**
 40 **a country of concern, and that additional information is on file**
 41 **with the attorney general.**

42 (b) The attorney general shall adopt rules under IC 4-22-2 to



1 implement this section.

2 Sec. 3. (a) An agent shall not transmit, convey, or otherwise
3 furnish to an agency, a member of the general assembly, or a
4 committee of a local government any political propaganda for or
5 in the interests of a foreign principal from a country of concern.

6 (b) An agent shall not request from an agency, a member of the
7 general assembly, or a committee of a local government any
8 information:

9 (1) pertaining to the political or public interests, policies, or
10 relations of a foreign country of concern or of a political party
11 from a country of concern; or

12 (2) pertaining to the foreign or domestic policies of the United
13 States or Indiana;

14 unless the request is prefaced or accompanied by a true and
15 accurate statement to the effect that the person is registered as an
16 agent.

17 Sec. 4. Whenever an agent appears before any committee of the
18 general assembly or a local government to testify for or in the
19 interests of a foreign principal from a country of concern, the agent
20 shall, at the time of such appearance, supply the committee with a
21 copy of the agent's most recent registration statement filed with the
22 attorney general for inclusion in the records of the committee.

23 Chapter 6. Maintenance of Books and Records

24 Sec. 1. (a) A person who is an agent shall retain all records
25 relating to any activity for which disclosure is required under
26 IC 1-4-3.

27 (b) A record described in subsection (a) must be retained for:

28 (1) the period during which the person is acting as an agent;
29 and

30 (2) if the person ceases to be an agent, at least three (3) years
31 thereafter.

32 (c) The attorney general shall adopt rules under IC 4-22-2 to
33 implement this section.

34 Sec. 2. Unless otherwise provided by a rule adopted by the
35 attorney general, the attorney general or a law enforcement officer
36 acting within the scope of the officer's duties may inspect the
37 records required to be maintained under section 1 of this chapter
38 during business hours.

39 Sec. 3. All records filed with the attorney general shall be
40 subject to IC 5-14-3.

41 Sec. 4. Every twelve (12) months, the attorney general shall
42 report to the general assembly in an electronic format under



1 IC 5-14-6 information concerning the administration of this article,
2 including the number of registrations filed, and the nature, sources,
3 and content of political propaganda disseminated and distributed.

4 Sec. 5. On a monthly basis, the attorney general shall report on
5 a website administered by the attorney general information
6 concerning the administration of this article, including the number
7 of registrations filed, and the nature, sources, and content of
8 political propaganda disseminated and distributed.

9 Chapter 7. Enforcement and Penalties

10 Sec. 1. Failure to file a registration statement or supplement as
11 required by IC 1-4-3 is a continuing offense for as long as the
12 failure exists.

13 Sec. 2. (a) Upon receipt of information that leads the attorney
14 general to believe that a violation of this article may exist, the
15 attorney general may investigate the alleged violation and issue
16 subpoenas requiring the:

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

20 (b) The attorney general may bring an action on behalf of the
21 state in connection with a violation of this article for appropriate
22 injunctive or other equitable relief, including disgorgement of any
23 gains derived from the violation, together with the costs and
24 expenses of the suit, including reasonable attorney's fees and
25 expert fees.

26 (c) A court may assess a civil penalty of not more than fifty
27 thousand dollars (\$50,000) per violation of this article. A civil
28 penalty collected for a violation of this article shall be deposited in
29 the state general fund.

30 Sec. 3. A state educational institution must adopt a policy
31 requiring the expulsion or dismissal of a person who violates this
32 article.

33 Sec. 4. An agent may not enter into a contract or other
34 agreement where the agent's compensation is contingent in whole
35 or in part upon the success of a political activity carried on by the
36 agent.

37 Chapter 8. Rules and Regulations

38 Sec. 1. The attorney general shall adopt rules under IC 4-22-2
39 to carry out this article.

40 SECTION 8. IC 5-14-3-11 IS ADDED TO THE INDIANA CODE
41 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
42 1, 2025]: Sec. 11. All documents received or obtained by the



1 attorney general regarding an alleged violation or investigation of
 2 the following are considered confidential and may not be disclosed
 3 to the public under this chapter:

- 4 (1) IC 1-1-16.
- 5 (2) IC 1-1-17.
- 6 (3) IC 1-4.
- 7 (4) IC 23-15-13.
- 8 (5) IC 32-22-3.5.

9 SECTION 9. IC 20-26-22 IS ADDED TO THE INDIANA CODE
 10 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2025]:

12 **Chapter 22. Disclosure of Foreign Gifts and Contracts**

13 **Sec. 1.** As used in this chapter, "affiliate organization" means
 14 any entity under the control of, or established for the benefit of, a
 15 school or a school corporation, including a direct-support
 16 organization.

17 **Sec. 2.** As used in this chapter, "contract" means an agreement
 18 for the acquisition of property or services by purchase, lease, or
 19 barter for the direct benefit or use of either of the parties.

20 **Sec. 3.** As used in this chapter, "direct-support organization"
 21 means an organization that is organized and operated to receive,
 22 hold, invest, and administer property and to make expenditures to
 23 or for the benefit of a school or a school corporation.

24 **Sec. 4.** As used in this chapter, "foreign adversary" includes the
 25 following:

- 26 (1) A foreign government listed in 15 CFR 791.4.
- 27 (2) A country designated as a threat to critical infrastructure
- 28 by the governor under IC 1-1-16-8.

29 **Sec. 5.** As used in this chapter, "foreign government" means the
 30 government, including an agent of the government, of any country,
 31 nation, or group of nations, or any province or other political
 32 subdivision of any country or nation, other than the government of
 33 the United States or a state, territory, or protectorate of the United
 34 States.

35 **Sec. 6.** As used in this chapter, "foreign source" means any of
 36 the following:

- 37 (1) A foreign government or an agency of a foreign
- 38 government.
- 39 (2) A legal entity, governmental or otherwise, created solely
- 40 under the laws of a foreign nation or group of nations.
- 41 (3) An individual who is not a citizen or a national of the
- 42 United States or a territory or protectorate of the United



1 States.

2 (4) A partnership, an association, a corporation, an
3 organization, or any other combination of persons, including
4 a subsidiary of an entity described in this subdivision,
5 organized under the laws of, or having its principal place of
6 business in, a foreign adversary.

7 (5) An agent, including a subsidiary or an affiliate of a foreign
8 legal entity, acting on behalf of a foreign source.

9 (6) A political party of a foreign adversary or an individual
10 who is a member of a political party of a foreign adversary.

11 Sec. 7. As used in this chapter, "gift" means any gift, grant,
12 endowment, award, or donation of money or property of any kind,
13 or any combination thereof, including a conditional or
14 unconditional promise, pledge, or agreement to make a gift,
15 endowment, award, or donation.

16 Sec. 8. As used in this chapter, "grant" means a transfer of
17 money for a specified purpose, including a conditional gift.

18 Sec. 9. As used in this chapter, "political party of a foreign
19 adversary" means an organization or combination of individuals
20 organized for the purpose of, or engaged in any activity devoted in
21 whole or in part to, either of the following:

22 (1) The establishment, administration, control, or the
23 acquisition of the administration or control, of the
24 government of a foreign adversary.

25 (2) The furtherance or influencing of the political or public
26 interests, policies, or relations of the government of a foreign
27 adversary.

28 Sec. 10. As used in this chapter, "school" means the following:

29 (1) A public school, including a charter school.

30 (2) A nonpublic school that employs one (1) or more
31 employees.

32 Sec. 11. (a) A school and a school corporation shall disclose to
33 the department any gift of any value received directly or indirectly
34 from any foreign source as follows:

35 (1) For a disclosable gift received after December 31, 2022,
36 and before July 1, 2025, not later than September 1, 2025.

37 (2) For a disclosable gift received after June 30, 2025,
38 biannually on January 31 and July 31 of each subsequent
39 year.

40 (b) A gift received from a foreign source through an
41 intermediary or affiliate organization is considered an indirect gift
42 to a school or a school corporation and is subject to the disclosure



1 required by subsection (a).

2 **Sec. 12. (a) A disclosure under section 11 of this chapter must**
 3 **include the following information:**

4 (1) The date of the gift.

5 (2) The amount of the gift.

6 (3) The purpose of the gift.

7 (4) The identification of the persons for whom the gift is
 8 explicitly intended to benefit.

9 (5) Any applicable conditions, requirements, restrictions, or
 10 terms made part of the gift.

11 (6) The name and country of residence or domicile of the
 12 foreign source.

13 (7) The name and mailing address of the school or school
 14 corporation receiving the gift.

15 (8) If applicable, the date of termination of the gift.

16 (9) Actual copies of any documents related to the gift.

17 (b) Any information received by the department under this
 18 section that is prohibited or deemed confidential under state or
 19 federal law must be treated as confidential by the department and
 20 the attorney general and redacted before posting the information
 21 publicly under section 13 of this chapter.

22 **Sec. 13. The department shall establish and maintain a website**
 23 **to enable the public to access information concerning gifts**
 24 **disclosed by schools and school corporations under section 11 of**
 25 **this chapter.**

26 **Sec. 14. (a) A school and school corporation shall disclose to the**
 27 **department any contract of any value entered into directly or**
 28 **indirectly with any foreign source as follows:**

29 (1) For a disclosable contract entered into after December 31,
 30 2022, and before July 1, 2025, not later than September 1,
 31 2025.

32 (2) For a disclosable contract entered into after June 30, 2025,
 33 biannually on January 31 and July 31 of each subsequent
 34 year.

35 (b) A contract entered into with a foreign source through an
 36 intermediary or affiliate organization is considered an indirect
 37 contract with a school or school corporation and is subject to the
 38 disclosure required by subsection (a).

39 **Sec. 15. (a) A disclosure under section 14 of this chapter must**
 40 **include the following information:**

41 (1) The date of the contract.

42 (2) The amount of the contract.



- 1 (3) The purpose of the contract.
- 2 (4) The identification of the persons for whom the contract is
- 3 explicitly intended to benefit.
- 4 (5) Any applicable conditions, requirements, restrictions, or
- 5 terms made part of the contract.
- 6 (6) A copy of the contract.
- 7 (7) The name and country of residence or domicile of the
- 8 foreign source.
- 9 (8) The name and mailing address of the school or school
- 10 corporation entering into the contract.
- 11 (9) If applicable, the date of termination of the contract.
- 12 (10) Actual copies of any documents related to the contract.
- 13 (b) Any information received by the department under this
- 14 section that is prohibited or deemed confidential under state or
- 15 federal law must be treated as confidential by the department and
- 16 the attorney general and redacted before posting the information
- 17 publicly under section 16 of this chapter.
- 18 Sec. 16. The department shall establish and maintain a website
- 19 to enable the public to access information concerning contracts
- 20 disclosed by schools and school corporations under section 14 of
- 21 this chapter.
- 22 Sec. 17. (a) The department may:
- 23 (1) audit; or
- 24 (2) contract with a qualified person to audit;
- 25 a school or school corporation's use of a gift disclosed under
- 26 section 11 of this chapter that the school or school corporation
- 27 received after December 31, 2022, and before July 1, 2025.
- 28 (b) The department may:
- 29 (1) audit; or
- 30 (2) contract with a qualified person to audit;
- 31 a school or school corporation's use of the proceeds of a contract
- 32 disclosed under section 14 of this chapter that the school or school
- 33 corporation entered into after December 31, 2022, and before July
- 34 1, 2025.
- 35 Sec. 18. The department shall send copies of all unredacted
- 36 disclosures described in sections 11 and 14 of this chapter to the
- 37 attorney general, in a manner prescribed by the attorney general.
- 38 Sec. 19. (a) Upon receipt of information that leads the attorney
- 39 general to believe that a violation of this chapter may exist, the
- 40 attorney general may investigate the alleged violation and issue
- 41 subpoenas requiring the:
- 42 (1) appearance of witnesses;



(2) production of relevant records; and

(3) giving of relevant testimony.

(b) The attorney general may bring a civil action against a school or school corporation that has failed to comply with this chapter:

(1) based upon information known to the attorney general; or

(2) at the request of:

(A) a member of the general assembly;

(B) the governor;

(C) a member of the department;

(D) a member of the state board; or

(E) an Indiana taxpayer;

if the person described in this subdivision submits a signed affidavit affirming that a school or school corporation is not in compliance with the requirements of this chapter.

(c) The attorney general may bring an action on behalf of the state or a political subdivision in connection with a violation of this chapter for appropriate injunctive or other equitable relief, including disgorgement of any gains derived from the violation, together with the costs and expenses of the suit, including reasonable attorney's fees and expert fees.

SECTION 10. IC 21-30-7-1, AS ADDED BY P.L.142-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 1. As used in this chapter, "affiliate organization" means any entity under the control of, or established for the benefit of, a ~~state educational~~ **an** institution, including a direct-support organization.

SECTION 11. IC 21-30-7-3, AS ADDED BY P.L.142-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 3. As used in this chapter, "direct-support organization" means an organization that is organized and operated to receive, hold, invest, and administer property and to make expenditures to or for the benefit of a ~~state educational~~ **an** institution or for the benefit of a research and development park or a research and development entity affiliated with a ~~state educational~~ **an** institution.

SECTION 12. IC 21-30-7-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 8.5. As used in this chapter, "institution" means a public or private postsecondary educational institution in Indiana.

SECTION 13. IC 21-30-7-10, AS ADDED BY P.L.142-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2025]: Sec. 10. (a) ~~A state educational~~ An institution shall disclose to the commission any gift of any value received directly or indirectly from any foreign source ~~located in a foreign adversary~~ as follows:

(1) For a disclosable gift received after December 31, 2020, and before July 1, 2024, not later than September 1, 2024.

(2) For a disclosable gift received after June 30, 2024, biannually on ~~January 1 and July 1~~ **January 31 and July 31** of each subsequent year.

(b) A gift received from a foreign source through an intermediary or affiliate organization is considered an indirect gift to ~~a state educational~~ an institution and is subject to the disclosure required by subsection (a).

SECTION 14. IC 21-30-7-11, AS ADDED BY P.L.142-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 11. ~~Unless otherwise prohibited or deemed confidential under state or federal law, a~~ (a) A disclosure under section 10 of this chapter must include the following information:

(1) The date of the gift.

(2) The amount of the gift.

(3) The purpose of the gift.

(4) The identification of the persons for whom the gift is explicitly intended to benefit.

(5) Any applicable conditions, requirements, restrictions, or terms made part of the gift.

(6) The name and country of residence or domicile of the foreign source.

(7) The name and mailing address of the ~~state educational~~ institution receiving the gift.

(8) If applicable, the date of termination of the gift.

(9) Actual copies of any documents related to the gift.

(b) Any information received by the commission under this section that is prohibited or deemed confidential under state or federal law must be treated as confidential by the commission and the attorney general and redacted before posting the information publicly under section 12 of this chapter.

SECTION 15. IC 21-30-7-12, AS ADDED BY P.L.142-2024, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 12. The commission shall establish and maintain a website to enable the public to access information concerning gifts disclosed by ~~state educational~~ institutions under section 10 of this chapter.



1 SECTION 16. IC 21-30-7-13, AS ADDED BY P.L.142-2024,
 2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 3 JULY 1, 2025]: Sec. 13. (a) ~~A state educational~~ **An** institution shall
 4 disclose to the commission any contract of any value entered into
 5 directly or indirectly with any foreign source ~~located in a foreign~~
 6 ~~adversary~~ as follows:

7 (1) For a disclosable contract entered into after December 31,
 8 2020, and before July 1, 2024, not later than September 1, 2024.

9 (2) For a disclosable contract entered into after June 30, 2024,
 10 biannually on ~~January 1 and July 1~~ **January 31 and July 31** of
 11 each subsequent year.

12 (b) A contract entered into with a foreign source through an
 13 intermediary or affiliate organization is considered an indirect contract
 14 with ~~a state educational~~ **an** institution and is subject to the disclosure
 15 required by subsection (a).

16 SECTION 17. IC 21-30-7-14, AS ADDED BY P.L.142-2024,
 17 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 18 JULY 1, 2025]: Sec. 14. ~~Unless otherwise prohibited or deemed~~
 19 ~~confidential under state or federal law; a~~ **(a)** A disclosure under section
 20 13 of this chapter must include the following information:

21 (1) The date of the contract.

22 (2) The amount of the contract.

23 (3) The purpose of the contract.

24 (4) The identification of the persons for whom the contract is
 25 explicitly intended to benefit.

26 (5) Any applicable conditions, requirements, restrictions, or terms
 27 made part of the contract.

28 (6) A copy of the contract.

29 (7) The name and country of residence or domicile of the foreign
 30 source.

31 (8) The name and mailing address of the ~~state educational~~
 32 institution entering into the contract.

33 (9) If applicable, the date of termination of the contract.

34 **(10) Actual copies of any documents related to the contract.**

35 **(b) Any information received by the commission under this**
 36 **section that is prohibited or deemed confidential under state or**
 37 **federal law must be treated as confidential by the commission and**
 38 **the attorney general and redacted before posting the information**
 39 **publicly under section 15 of this chapter.**

40 SECTION 18. IC 21-30-7-15, AS ADDED BY P.L.142-2024,
 41 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 42 JULY 1, 2025]: Sec. 15. The commission shall establish and maintain



1 a website to enable the public to access information concerning
 2 contracts disclosed by ~~state educational~~ institutions under section 13 of
 3 this chapter.

4 SECTION 19. IC 21-30-7-16, AS ADDED BY P.L.142-2024,
 5 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 JULY 1, 2025]: Sec. 16. (a) The commission may:

7 (1) audit; or

8 (2) contract with a qualified person to audit;

9 ~~a state educational~~ an institution's use of a gift disclosed under section
 10 10 of this chapter that the ~~state educational~~ institution received after
 11 June 30, 2021, and before July 1, 2024.

12 (b) The commission may:

13 (1) audit; or

14 (2) contract with a qualified person to audit;

15 ~~a state educational~~ an institution's use of the proceeds of a contract
 16 disclosed under section 13 of this chapter that the ~~state educational~~
 17 institution entered into after June 30, 2021, and before July 1, 2024.

18 SECTION 20. IC 21-30-7-17, AS ADDED BY P.L.142-2024,
 19 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 JULY 1, 2025]: Sec. 17. The commission shall send copies of all

21 **unredacted** disclosures described in sections 10 and 13 of this chapter
 22 to the attorney general, in a manner prescribed by the attorney general.

23 SECTION 21. IC 21-30-7-18, AS ADDED BY P.L.142-2024,
 24 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2025]: Sec. 18. **(a) Upon receipt of information that leads**

26 **the attorney general to believe that a violation of this chapter may**
 27 **exist, the attorney general may investigate the alleged violation and**
 28 **issue subpoenas requiring the:**

29 **(1) appearance of witnesses;**

30 **(2) production of relevant records; and**

31 **(3) giving of relevant testimony.**

32 ~~(a)~~ **(b)** The attorney general may bring a civil action against ~~a state~~
 33 ~~educational~~ an institution that has failed to comply with this chapter:

34 (1) based upon information known to the attorney general; or

35 (2) at the request of:

36 (A) a member of the general assembly;

37 (B) the governor;

38 (C) a member of the commission;

39 (D) a member of the Indiana state board of education; or

40 (E) an Indiana taxpayer;

41 if the person described in this subdivision submits a signed
 42 affidavit affirming that ~~a state educational~~ an institution is not in



compliance with the requirements of this chapter.

(b) If the attorney general prevails in an action brought under this section, the attorney general is entitled to injunctive relief to require the state educational institution to comply with the requirements of this chapter. In addition, a state educational institution that is found to have knowingly or willingly failed to comply with the requirements of this chapter must pay to the attorney general:

(1) the costs incurred in bringing the civil action under this section; and

(2) any associated costs of investigation and enforcement.

(c) The attorney general may bring an action on behalf of the state or a political subdivision in connection with a violation of this chapter for appropriate injunctive or other equitable relief, including disgorgement of any gains derived from the violation, together with the costs and expenses of the suit, including reasonable attorney's fees and expert fees.

SECTION 22. IC 23-15-13 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]:

Chapter 13. Foreign Ownership of Interests in Business Entities

Sec. 1. As used in this chapter, "controlling person" means:

(1) a beneficial owner (as defined in IC 23-1-20-3.5) of fifty-one percent (51%) or more of the economic interest of an entity;

(2) an officer, director, or other individual who possesses inside information about an entity because of the officer, director, or other individual's relationship with the entity; or

(3) a person, individually or as a member of a group, who has the ability to directly or indirectly affect an entity's management or policies.

Sec. 2. As used in this chapter, "domestic" means, with respect to an entity, governed as to its internal affairs by the law of Indiana.

Sec. 3. As used in this chapter, "economic interest" means an interest holder's economic rights in an entity, including the interest holder's share of the profits and losses of the entity and the right to receive distributions from the entity.

Sec. 4. (a) As used in this chapter, "entity" means a:

(1) business corporation;

(2) nonprofit corporation;

(3) general partnership, including a limited liability partnership;



- (4) limited partnership; or
- (5) limited liability company.
- (b) The term does not include:
 - (1) an individual;
 - (2) a business trust, a trust with a predominately donative purpose, or a charitable trust;
 - (3) an association or relationship that:
 - (A) is not listed in subsection (a); and
 - (B) is not a partnership under the rules stated in IC 23-4-1-7 or a similar provision of the law of another jurisdiction;
 - (4) a decedent's estate;
 - (5) a government or a governmental subdivision, agency, or instrumentality; or
 - (6) any other person that has:
 - (A) a legal existence separate from any interest holder of that person; or
 - (B) the power to acquire an interest in real property in its own name.

Sec. 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. 6. As used in this chapter, "governance interest" means a right under the organic law or organic rules of an unincorporated entity, other than as a governing person, agent, assignee, or proxy, to:

- (1) receive or demand access to information concerning, or the books and records of, the entity;
- (2) vote for or consent to the election of the governing persons of the entity; or
- (3) receive notice of, vote on, or consent to an issue involving the internal affairs of the entity.

Sec. 7. As used in this chapter, "interest" means a:

- (1) share in a business corporation;
- (2) membership in a nonprofit corporation; or
- (3) governance interest or economic interest in any other type



of unincorporated entity.

Sec. 8. (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 who is one 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 (as defined in 15 CFR 791.4) and the United States or an individual who is a citizen or lawful permanent resident of the United States.

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

Sec. 9. After June 30, 2025, a prohibited person may not acquire an interest in a domestic entity.

Sec. 10. Upon receipt of information that leads the attorney general to believe a prohibited person has violated section 9 of this chapter or is acting as an instrumentality of a foreign adversary, 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.

Sec. 11. (a) If the attorney general determines a prohibited person has violated section 9 of this chapter or is acting as an instrumentality of a foreign adversary, the attorney general may take the following actions:

- (1) File an action in an appropriate jurisdiction to impose a civil penalty on the prohibited person of one hundred thousand dollars (\$100,000) for each entity in which the prohibited person holds an interest. A civil penalty collected from an action filed under this subdivision shall be deposited



1 in the state general fund.

2 (2) File an action in an appropriate jurisdiction to require the
3 prohibited person to sell the prohibited person's interest in an
4 entity.

5 (b) If the prohibited person maintains the prohibited person's
6 interest in an entity after the attorney general takes action under
7 subsection (a), the attorney general may take the following actions:

8 (1) File an action in an appropriate jurisdiction to enjoin the
9 entity from doing business in Indiana.

10 (2) File an action in an appropriate jurisdiction to dissolve the
11 entity and wind up its business and affairs.

12 SECTION 23. IC 32-22-3 IS REPEALED [EFFECTIVE JULY 1,
13 2025]. (Rights of a Foreign Business Entity to Hold and Convey
14 Agricultural Land).

15 SECTION 24. IC 32-22-3.5 IS ADDED TO THE INDIANA CODE
16 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
17 JULY 1, 2025]:

18 **Chapter 3.5. Rights of a Prohibited Person to Own Real**
19 **Property**

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

21 (1) a corporation, professional corporation, nonprofit
22 corporation, limited liability company, partnership, or limited
23 partnership; or

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

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

26 (1) a beneficial owner (as defined in IC 23-1-20-3.5) of
27 fifty-one percent (51%) or more of the shares of a business
28 entity;

29 (2) an officer, director, or other individual who possesses
30 inside information about a business entity because of the
31 officer, director, or other individual's relationship with the
32 business entity; or

33 (3) a person, individually or as a member of a group, who has
34 the ability to directly or indirectly affect a business entity's
35 management or policies.

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

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

39 (2) Iran.

40 (3) North Korea.

41 (4) Russia.

42 (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 who is one 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 (as defined in 15 CFR 791.4) and the United States or an individual who is a citizen or lawful permanent resident of the United States.

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

Sec. 5. (a) After June 30, 2025, 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) Enter into a lease agreement as a lessee for any real property located in Indiana. This subdivision does not apply to a lease agreement if:
 - (A) the real property that is subject to the lease agreement will be used only for residential purposes; and
 - (B) the lease agreement is for a term of not more than twelve (12) months.
- (3) Acquire by grant, purchase, devise, descent, or otherwise any mineral right or water or riparian right on any real property located in Indiana.
- (4) Enter into a lease agreement as a lessee for any mineral right or water or riparian right on any real property located in Indiana.

(b) A person who is not a prohibited person is not civilly or



1 criminally liable for failing to determine or inquire if a person is a
2 prohibited person under this chapter.

3 (c) A purchase, acquisition, or lease of real property in violation
4 of this section is subject to divestiture pursuant to section 6 of this
5 chapter.

6 (d) No title to real property shall be invalid or subject to
7 divestiture by reason of a violation of this section by any former
8 owner or other individual or entity holding or owning a former
9 interest in the real property.

10 Sec. 6. A prohibited person who owns an interest in real
11 property located in Indiana on July 1, 2025, shall not act as an
12 instrumentality of a foreign adversary.

13 Sec. 7. (a) Upon receipt of information that leads the attorney
14 general to believe an acquisition or lease of real property violates
15 section 5 of this chapter or a prohibited person has violated section
16 6 of this chapter, the attorney general shall investigate the alleged
17 violation and may issue subpoenas requiring the:

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

21 (b) The attorney general shall enforce a violation of sections 5
22 and 6 of this chapter by commencing a receivership proceeding
23 under IC 32-30-5-1 and selling the real property or the interest in
24 real property through the receivership. The following apply to a
25 receivership proceeding under this section:

- 26 (1) Proceeds of the sale shall be paid as follows:
 - 27 (A) The costs of the receivership and sale, including
 - 28 reasonable attorney's fees and expert fees.
 - 29 (B) To lienholders, in their order of priority, except for
 - 30 liens which under the terms of the sale are to remain on the
 - 31 property.
 - 32 (C) To the state general fund, a civil penalty in the amount
 - 33 of twenty-five percent (25%) of the market value of the
 - 34 real property. The civil penalty is not a lien and may be
 - 35 collected only if funds are available.
 - 36 (D) To the prohibited person, any remaining funds.
- 37 (2) 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 in
- 40 the court order for the sale of the property.
- 41 (3) Upon commencement of an action under this section, the
- 42 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) 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) 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.

Sec. 8. (a) A person who is required to file a report of the person's agricultural holdings under the federal Agricultural Foreign Investment Disclosure Act (AFIDA) shall file a copy of the report with the attorney general not later than the date the report is due to the United States Department of Agriculture under 7 CFR 781.

(b) Upon receipt of information that leads the attorney general to believe that a violation of this section may exist, 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.

(c) If a person fails to comply with subsection (a), 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 25. IC 34-30-2.1-1.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 1-5: IC 1-1-16-11(e) (Concerning the sale, lease, or acquisition of property adjacent to a military installation to a prohibited person):

SECTION 26. IC 34-30-2.1-525.4 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 525.4: IC 32-22-3-4.5(c) (Concerning agricultural land purchased or leased by a prohibited person):

SECTION 27. IC 34-30-2.1-525.5 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 525.5: IC 32-22-3-6.5(c) (Concerning agricultural land held by a prohibited person):



COMMITTEE REPORT

Mr. Speaker: Your Committee on Judiciary, to which was referred House Bill 1032, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 1-1-16-6 IS REPEALED [EFFECTIVE JULY 1, 2025]. Sec. 6: ~~As used in this chapter, "prohibited person" means either of the following:~~

(1) ~~An individual who is a citizen of China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter.~~

(2) ~~A company described in section 9(a)(2) of this chapter.~~

SECTION 2. IC 1-1-16-9, AS ADDED BY P.L.118-2023, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2025]: Sec. 9. (a) After ~~June 30, 2023~~, **June 30, 2025**, a ~~qualified entity~~ **company** may not enter into an agreement relating to critical infrastructure with a ~~company~~ **qualified entity** if:

(1) under the agreement, the company would be able to directly or remotely access or control critical infrastructure or a cybersecurity system of a critical infrastructure; and

(2) the company is:

(A) owned by, or the majority of stock or other ownership interest of the company is held or controlled, **individually or collectively**, by:

(i) individuals who are citizens of China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter; or

(ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of, or is directly controlled by the government of, China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter; or

(B) headquartered in China, Iran, North Korea, Russia, or a country designated as a threat to critical infrastructure by the governor under section 8(b) of this chapter.



(b) The prohibition set forth in subsection (a) applies regardless of whether:

- (1) the securities of the company, or of the company's parent company, are publicly traded; or
- (2) the company or the company's parent company is listed as a company of a country designated as a threat by the governor under section 8(b) of this chapter or a Chinese, Iranian, North Korean, or Russian company on a public stock exchange;

as applicable."

Page 2, delete lines 1 through 33.

Page 5, line 7, delete "five" and insert "**fifty-one**".

Page 5, line 8, delete "(5%)" and insert "**(51%)**".

Page 5, line 18, delete "China." and insert "**The People's Republic of China.**".

Page 5, line 22, delete "15 CFR 7.4" and insert "**15 CFR 791.4**".

Page 5, line 42, delete "15 CFR 7.4)" and insert "**15 CFR 791.4)**".

Page 6, line 10, delete ")." and insert ") **except a hospital organized under IC 16-22 or IC 16-23.**".

Page 6, line 14, delete "none of the following is a prohibited person:" and insert "**the contractor is not a prohibited person under section 4 of this chapter.**".

Page 6, delete lines 15 through 18.

Page 6, line 22, delete "persons listed in subsection (a)(1) through (a)(3)" and insert "**contractors**".

Page 14, line 11, after "compliance;" insert "**or**".

Page 14, line 13, delete "supplement; or" and insert "**supplement.**".

Page 14, delete line 14.

Page 16, delete lines 19 through 42, begin a new paragraph and insert:

"Sec. 1. Failure to file a registration statement or supplement as required by IC 1-4-3 is a continuing offense for as long as the failure exists.

Sec. 2. (a) Upon receipt of information that leads the attorney general to believe that a violation of this article may exist, 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.**

(b) The attorney general may bring an action on behalf of the state in connection with a violation of this article for appropriate injunctive or other equitable relief, including disgorgement of any



gains derived from the violation, together with the costs and expenses of the suit, including reasonable attorney's fees and expert fees.

(c) A court may assess a civil penalty of not more than fifty thousand dollars (\$50,000) per violation of this article.

Sec. 3. A state educational institution must adopt a policy requiring the expulsion or dismissal of a person who violates this article.

Sec. 4. An agent may not enter into a contract or other agreement where the agent's compensation is contingent in whole or in part upon the success of a political activity carried on by the agent."

Page 17, delete lines 1 through 30.

Page 18, line 14, delete "IC 1-4-7-1(b)." and insert "**IC 1-4-7-2(c).**".

Page 18, delete line 15.

Page 18, line 16, delete "(E)" and insert "**(D)**".

Page 18, line 17, delete "(F)" and insert "**(E)**".

Page 18, line 18, delete "(G)" and insert "**(F)**".

Page 18, line 23, delete "IC 1-4-7-5(b)." and insert "**IC 1-4-7-2(b).**".

Page 19, line 18, delete "15 CFR 7.4" and insert "**15 CFR 791.4**".

Page 20, line 30, delete "January 1 and July 1" and insert "**January 31 and July 31**".

Page 21, line 24, delete "January 1 and July 1" and insert "**January 31 and July 31**".

Page 23, line 40, strike "January 1 and July 1" and insert "**January 31 and July 31**".

Page 24, line 41, strike "January 1 and July 1" and insert "**January 31 and July 31**".

Page 27, line 10, delete "five" and insert "**fifty-one**".

Page 27, line 11, delete "(5%)" and insert "**(51%)**".

Page 28, line 9, delete "China." and insert "**The People's Republic of China.**".

Page 28, line 13, delete "15 CFR 7.4" and insert "**15 CFR 791.4**".

Page 29, line 6, delete "15 CFR 7.4)" and insert "**15 CFR 791.4)**".

Page 29, line 11, delete "(a)".

Page 29, delete lines 13 through 15.

Page 29, line 18, delete "chapter," and insert "**chapter or is acting as an instrumentality of a foreign adversary,**".

Page 29, line 24, delete "chapter," and insert "**chapter or is acting as an instrumentality of a foreign adversary,**".

Page 30, line 12, delete "five" and insert "**fifty-one**".

Page 30, line 13, delete "(5%)" and insert "**(51%)**".



Page 30, line 23, delete "China." and insert "**The People's Republic of China.**".

Page 30, line 27, delete "15 CFR 7.4" and insert "**15 CFR 791.4**".

Page 31, line 5, delete "15 CFR 7.4)" and insert "**15 CFR 791.4)**".

Page 31, line 37, delete "If a" and insert "**A**".

Page 31, line 37, after "person" insert "**who**".

Page 31, line 38, delete "the prohibited person must" and insert "**shall not act as an instrumentality of a foreign adversary.**".

Page 31, delete lines 39 through 40.

Page 33, delete lines 29 through 39, begin a new paragraph and insert:

"SECTION 31. [EFFECTIVE JULY 1, 2025] **(a) There is appropriated to the office of the attorney general five hundred thousand dollars (\$500,000) from the state general fund for carrying out the purposes of IC 1-4, as added by this act, for the biennium beginning July 1, 2025, and ending June 30, 2027.**

(b) This SECTION expires June 30, 2027.".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1032 as introduced.)

JETER

Committee Vote: yeas 12, nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1032, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

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

Page 3, line 3, after "section." insert "**A civil penalty collected for a violation of this section shall be deposited in the state general fund.**".

Page 6, between lines 30 and 31, begin a new line blocked left and insert:

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"A civil penalty collected for a violation of this chapter shall be deposited in the state general fund."

Page 16, line 24, after "article." insert **"A civil penalty collected for a violation of this article shall be deposited in the state general fund."**

Page 16, delete lines 35 through 42.

Page 17, delete lines 1 through 31.

Page 28, line 33, after "interest." insert **"A civil penalty collected from an action filed under this subdivision shall be deposited in the state general fund."**

Page 31, line 22, delete "foreign adversary enforcement fund established" and insert **"state general fund,"**

Page 31, line 23, delete "by IC 4-6-17-2,"

Page 32, line 22, after "violation." insert **"A civil penalty collected under this section shall be deposited in the state general fund."**

Page 32, delete lines 33 through 38.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1032 as printed February 10, 2025.)

THOMPSON

Committee Vote: yeas 16, nays 7.

