

First Regular Session of the 123rd General Assembly (2023)

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 2022 Regular Session of the General Assembly.

SENATE ENROLLED ACT No. 477

AN ACT to amend the Indiana Code concerning general provisions.

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

SECTION 1. IC 1-1-15-0.1 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 0.1. As used in this chapter, "covered communications equipment or service" means communications equipment or service (as defined in 47 CFR 1.50001(c)) that is:**

(1) determined under 47 CFR 1.50002 to pose an unacceptable risk to the national security of the United States or the security and safety of United States persons; and

(2) included on the covered list (as defined in 47 CFR 1.50001(f)) that is:

(A) published;

(B) maintained; and

(C) updated;

by the federal Public Safety and Homeland Security Bureau on the website of the Federal Communications Commission under 47 CFR 1.50002 and 47 CFR 1.50003.

SECTION 2. IC 1-1-15-4, AS ADDED BY P.L.8-2020, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: Sec. 4. Money appropriated by the general assembly or a political subdivision may not be granted to or used to purchase or obtain any:

(1) equipment or services produced or provided by a prohibited

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person; **or**

(2) covered communications equipment or service.

SECTION 3. IC 1-1-16 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]:

Chapter 16. Critical Infrastructure: Prohibited Contracts and Land Sales to Certain Foreign Owned Companies and Foreign Individuals

Sec. 1. (a) As used in this chapter, "company" means any of the following that exists to make a profit:

- (1) A sole proprietorship.**
- (2) An organization.**
- (3) An association.**
- (4) A corporation.**
- (5) A partnership.**
- (6) A joint venture.**
- (7) A limited partnership.**
- (8) A limited liability partnership.**
- (9) A limited liability company.**
- (10) A business association.**

(b) The term includes:

- (1) a wholly owned subsidiary;**
- (2) a majority owned subsidiary;**
- (3) a parent company; or**
- (4) an affiliate;**

of an individual, entity, or association described in subsection (a)(1) through (a)(10).

Sec. 2. As used in this chapter, "council" means the governor's security council established by IC 10-19-8.1-2.

Sec. 3. As used in this chapter, "critical infrastructure" means any part of:

- (1) a facility, structure, or station listed in IC 35-46-10-1(a);**
- or**
- (2) a military installation;**

that is located in Indiana.

Sec. 4. As used in this chapter, "cybersecurity system" means a system designed to protect any:

- (1) computer;**
- (2) computer network;**
- (3) computer system; or**
- (4) other technology infrastructure;**

against unauthorized use or access.



Sec. 5. (a) As used in this chapter, "military installation" has the meaning set forth in 10 U.S.C. 2801(c)(4) or IC 10-16-1-2.5.

(b) The term includes a military base described in IC 36-7-34-3.

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.

Sec. 7. As used in this chapter, "qualified entity" means any of the following:

(1) A business corporation, a nonprofit corporation, a general partnership, a limited partnership, a limited liability company, an estate, a trust, an association, a joint venture, or any other legal or commercial entity.

(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. 8. (a) The governor may, at any time, consult with the council to assess a threat to critical infrastructure.

(b) The governor may, at any time, and in consultation with the executive director of the department of homeland security appointed under IC 10-19-3-1, designate a country as a threat to critical infrastructure.

Sec. 9. (a) After June 30, 2023, a qualified entity may not enter into an agreement relating to critical infrastructure with a company 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 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.

Sec. 10. (a) After June 30, 2023, a prohibited person may not purchase, lease, or acquire a parcel of real property that is:

- (1) located in Indiana; and
- (2) directly adjacent to a military installation.

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

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

Sec. 11. (a) The attorney general may investigate the purchase, 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 4. IC 34-30-2.1-1.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2023]: **Sec. 1.5. IC 1-1-16-11(c) (Concerning the sale, lease, or acquisition of property adjacent to a military installation to a prohibited person).**



President of the Senate

President Pro Tempore

Speaker of the House of Representatives

Governor of the State of Indiana

Date: _____ Time: _____

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