

2023 Regular Session

HOUSE BILL NO. 125

BY REPRESENTATIVE ECHOLS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

AGRICULTURE: Provides relative to agriculture land protection against foreign adversaries

1 AN ACT

2 To enact R.S. 3:3613, relative to protection of agricultural lands from foreign adversaries;
3 to restrict a foreign adversary with an ownership interest in a corporately formed
4 business from owning or having an interest in agricultural land; to provide for
5 exceptions; to provide for reporting requirements; to provide for forfeiture and civil
6 penalties; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 3:3613 is hereby enacted to read as follows:

9 §3613. Ownership of agricultural lands by foreign adversaries restricted; exceptions;
10 reporting requirements; civil penalty

11 A.(1) No foreign adversary with an ownership interest in a corporation,
12 limited liability company, pension or investment fund, trust, or limited partnership
13 shall directly or indirectly, own, acquire, lease, or otherwise obtain any interest in
14 agricultural land as defined by R.S. 3:3602.

15 (2) A foreign adversary may sell or convey an ownership interest in
16 agricultural land in this state that was acquired prior to July 30, 2023, but shall not
17 sell or otherwise convey such ownership interest to any other foreign business entity
18 that qualifies as a foreign adversary after August 1, 2023, in violation of Paragraph
19 (A)(1) of this Section.

1 (3) For purposes of this Section, the term "foreign adversary" means any
2 foreign government or nongovernmental person determined by the United States
3 Secretary of Commerce to have engaged in a long-term pattern or serious instances
4 of conduct significantly adverse to the national security of the United States or
5 security and safety of United States persons; specifically, including China and Iran.

6 B. The provisions of this Section shall not apply to foreign business entities,
7 that might otherwise qualify as a foreign adversary, owning agricultural lands; under
8 the following circumstances:

9 (1) If the right is guaranteed by a treaty or if the person's country of origin
10 affords certain real estate rights to United States citizens.

11 (2) A title to agricultural land held as a security to indebtedness or real estate
12 acquired upon collection of a debt.

13 (3) Religious, educational, charitable, and scientific corporations.

14 (4) Inherited land or land received as payment for a debt that is sold or
15 transferred within five years.

16 C.(1) Any foreign business entity that acquires, sells, or transfers agricultural
17 land located in this state after July 30, 2023, shall report the acquisition, sale, or
18 transfer to the secretary of state and the attorney general no later than thirty days
19 after the acquisition, sale, or transfer of the agricultural land is finalized. The report
20 shall be made in a form and manner prescribed by the secretary of state. The
21 attorney general shall review the reports received pursuant to this Subsection and
22 investigate the acquisition, sale, or transfer of agricultural land if the attorney general
23 believes the acquisition, sale, or transfer of agricultural land violates Subsection A
24 of this Section.

25 (2) Any corporation, limited liability company, pension or investment fund,
26 trust, or limited partnership in which a foreign adversary has an ownership interest
27 that violates the provisions of this Section shall be subject to a civil penalty of fifty
28 thousand dollars and forfeiture if such entity does not divest itself of agricultural land

1 acquired in violation of this Section within one year after judgment is entered in this
2 action.

3 (3) A district court with jurisdiction may prevent or restrain violations of this
4 Section through the issuance of an injunction. The attorney general or district
5 attorney shall institute suits on behalf of the state to enforce the provisions of this
6 Section.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 125 Original

2023 Regular Session

Echols

Abstract: Restricts ownership of agricultural lands by foreign adversaries.

Proposed law restricts any foreign adversary with an ownership interest in a corporation, limited liability company, pension or investment fund, trust, or limited partnership from directly or indirectly, owning, acquiring, leasing, or otherwise obtaining any interest, in agricultural land as defined by present law (R.S. 3:3602).

Proposed law authorizes a foreign adversary to sell or convey ownership interest in agricultural land in this state that was acquired prior to July 30, 2023, but prohibits the sale or other conveyance of such ownership interest to any other foreign business entity that qualifies as a foreign adversary after Aug. 1, 2023.

Proposed law exempts foreign business entities that might otherwise qualify as a foreign adversary from the ownership restrictions applicable to agricultural lands; under the following circumstances:

- (1) If the right is guaranteed by a treaty or if the person's country of origin affords certain real estate rights to United States citizens.
- (2) A title to agricultural land held as a security to indebtedness or real estate acquired upon collection of a debt.
- (3) Religious, educational, charitable, and scientific corporations.
- (4) Inherited land or land received as payment for a debt that is sold or transferred within five years.

Proposed law requires any foreign business entity that acquires, sells, or transfers agricultural land located in the state after July 30, 2023, to report that conveyance to the secretary of state and the attorney general no later than 30 days after the acquisition, sale, or transfer of the agricultural land is finalized. Specifies that the report must be made in the form and manner prescribed by the secretary of state. Requires the attorney general to review the reports that he receives and investigate the conveyance of agricultural land if the attorney general believes it violates proposed law.

Proposed law requires any corporation, limited liability company, pension or investment fund, trust, or limited partnership in which a foreign entity has an ownership interest that violates proposed law be subject to a civil penalty of \$50,000 and forfeiture of said agricultural land if such entity does not divest itself of land acquired in violation of proposed law within one year after judgment is entered in this action. Authorizes a district court with jurisdiction to prevent or restrain violations of proposed law through the issuance of an injunction. Requires the attorney general or district attorney to institute suits on behalf of the state to enforce the provisions of proposed law.

(Adds R.S. 3:3613)