
HOUSE COMMITTEE AMENDMENTS

2023 Regular Session

Amendments proposed by House Committee on Agriculture, Forestry, Aquaculture, and Rural Development to Original House Bill No. 125 by Representative Echols

AMENDMENT NO. 1

On page 1, line 5, after "requirements;" and before "to" insert "to provide for definitions; to authorize the attorney to take certain actions in response to violations involving the acquisition or sale of immovable property by foreign adversaries; to authorize certain courts to issue orders against foreign adversaries; to provide for immunity from liability for certain professionals involved in the consummation of real estate transactions;"

AMENDMENT NO. 2

On page 2, at the end of line 1, after "means" delete the remainder of the line, delete lines 2 through 5 in their entirety, and insert in lieu thereof "an individual or a government identified as a foreign adversary pursuant to 15 CFR 7.4 including the People's Republic of China and the Hong Kong Special Administrative Region, Republic of Cuba, Islamic Republic of Iran, Democratic People's Republic of Korea, Russian Federation, and Venezuela under the leadership of Nicolas Maduro. It shall not include a person that is a legal permanent resident with lawful presence in the United States."

AMENDMENT NO. 3

On page 2, line 16, after "sells," and before "or" insert "leases,"

AMENDMENT NO. 4

On page 2, line 17, after "sale," and before "or" insert "lease,"

AMENDMENT NO. 5

On page 3, delete lines 3 through 6 in their entirety and insert the following:

"(3) A party to the contract to purchase, lease, or otherwise acquire immovable property may rescind the contract prior to the transfer of the immovable property if the party determines that a foreign adversary has an ownership interest that violates the provisions of this Section.

(4) The attorney general may bring an action for injunctive relief in the name of the state against the foreign adversary or the person connected with a foreign adversary to restrain and enjoin the sale or lease prior to the transfer of the immovable property or to restrain or enjoin the lease.

(5)(a) The attorney general may serve an investigative demand or subpoena for deposition testimony to any person who is believed to have information, documentary material, or physical evidence relevant to the alleged or suspected attempt to enter into, conspiracy to enter into, or entering into a contract to purchase, lease, or otherwise acquire immovable property in this state if all of the following exist:

(i) The attorney general has evidence that a foreign adversary or a person connected with a foreign adversary is attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire immovable property in this state.

(ii) The attorney general believes it to be in the public interest that an investigation should be made to ascertain whether a foreign adversary or a person connected with a foreign adversary in fact is attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire

1 immovable property in this state.

2 (b)(i) Such investigative demand or subpoena for deposition testimony shall
3 contain a description of the attempt to enter into, conspiracy to enter into, or entering
4 into a contract to purchase, lease, or otherwise acquire immovable property in this
5 state under investigation and shall require such person to furnish, under oath or
6 otherwise, a report in writing setting forth the relevant facts and circumstances of
7 which he has knowledge, or to produce relevant documentary material or physical
8 evidence for examination, at such reasonable time and place as may be stated in the
9 investigative demand that is the subject matter of the investigation.

10 (ii) Any subpoena for deposition testimony issued pursuant to this Section
11 shall include a notice informing the prospective deponent of the deponent's right to
12 counsel at the deposition with an opportunity for cross-examination, and the
13 deposition shall be conducted at the deponent's principal place of business,
14 deponent's place of residence, deponent's domicile, or, if agreeable to the deponent,
15 at some other place convenient to the attorney general and the deponent's attorney.

16 (iii) Any such deposition shall be held at a reasonable time, as may be stated
17 in the investigative subpoena. At any time before the return date specified in the
18 investigative demand or before the noticed deposition, or within twenty days after
19 the demand or deposition notice has been served, whichever is shorter, a petition
20 stating good cause for a protective order to extend the return date, or to modify or set
21 aside the demand or deposition notice, may be filed in the district court having civil
22 jurisdiction in the parish where the person served with the demand resides, is
23 domiciled, or has his principal place of business located.

24 (iv) If no protective order from the court is secured and the written request
25 by the attorney general is not complied with by the return date thereof, the attorney
26 general may apply to the court for an order compelling compliance with the
27 investigative demand or deposition notice.

28 (v) If any person fails or refuses to file any statement, report, documentary
29 material or physical evidence, or obey any investigative subpoena or demand issued
30 by the attorney general, except as permitted by a protective order issued by an
31 appropriate court, the attorney general may apply to the district court having civil
32 jurisdiction in the parish where the person served with the demand or subpoena
33 resides, is domiciled, or has his principal place of business located, for a rule to show
34 cause why an order compelling compliance should not be issued.

35 (vi) Any disobedience of an order compelling compliance under this Section
36 by any courts shall be punished as a contempt of court.

37 (6) Service of any demand, subpoena, or petition shall be made in the manner
38 provided by law.

39 (7) Any immovable property acquired by a foreign adversary or a person
40 connected with a foreign adversary is subject to civil forfeiture to the state.

41 (8) The attorney general may use, in the enforcement of this Section, all other
42 procedures and authority for investigation, supervision, and conduct of actions on
43 behalf of the state as provided by law.

44 (9) A court petitioned by the attorney general may issue such additional
45 orders or render judgments against the foreign adversary or the person connected
46 with a foreign adversary as may be necessary to protect the public. Such orders shall
47 include but not be limited to the following:

48 (a) Revocation, forfeiture, or suspension of any license, charter, franchise,
49 certificate, or other evidence of authority of any person to do business in the state.

50 (b) Appointment of a receiver.

51 (c) Dissolution of domestic corporations or associations.

52 (d) Suspension or termination of the right of foreign corporations or
53 associations to do business in this state.

54 (e) Restitution to compensate any person who did not knowingly enter into
55 a transaction with the foreign adversary or person connected with the foreign
56 adversary for any loss, expenses, court costs, or attorney fees which may have been
57 incurred because of the sale being void or enjoined.

58 (f) Civil forfeiture of any immovable property acquired by the foreign
59 adversary or the person connected with a foreign adversary.

1 D.(1) All forfeitures or dispositions under this Section shall be made with due
2 provisions for the rights of any person who did not knowingly enter into a transaction
3 with the foreign adversary or person connected with the foreign adversary.

4 (2) No mortgage, lien, privilege, or other security interest recognized under
5 the laws of this state and no ownership interest in indivision shall be affected by a
6 forfeiture pursuant to this Section if the owner of such mortgage, lien, privilege, or
7 other security interest, or owner in indivision establishes that the owner did not
8 knowingly enter into a transaction with the foreign adversary or person connected
9 with the foreign adversary.

10 (3) No forfeiture or disposition under this Section shall affect the rights of any
11 person who did not knowingly enter into a transaction with the foreign adversary or
12 person connected with the foreign adversary.

13 (4) The attorney general shall, within seven days of instituting any action
14 under this Section, file a copy of the petition or other pleading instituting the action
15 in the mortgage records of the parish in which any related immovable property is
16 situated.

17 E. The failure to identify a buyer as a foreign adversary shall not create
18 additional liability for any real estate agent, title insurance producer, title insurance
19 underwriter, lender, or examining attorney nor shall it create a separate cause of
20 action against any real estate agent, title insurance producer, title insurance
21 underwriter, lender, or examining attorney."