

SENATE BILL NO. 200

BY SENATORS HODGES, ALLAIN, BARROW, BASS, CATHEY, CLOUD, CONNICK, EDMONDS, FESI, HENRY, JACKSON-ANDREWS, KLEINPETER, LAMBERT, MIGUEZ, MILLER, MIZELL, MORRIS, OWEN, PRESSLY, PRICE, REESE, SELDERS, STINE, WHEAT AND WOMACK AND REPRESENTATIVES AMEDEE, BAYHAM, DICKERSON, EDMONSTON, EGAN, FIRMENT, HORTON, OWEN, SCHAMERHORN, SPELL AND WYBLE

1 AN ACT

2 To enact R.S. 29:43, relative to foreign adversaries and agents of foreign adversaries; to
3 provide for the protection of military bases; to provide with respect to the ownership
4 of immovable property by foreign adversaries and agents of foreign adversaries; to
5 provide for the expropriation of property owned or controlled by foreign adversaries
6 or agents of foreign adversaries under certain circumstances; to provide with respect
7 to the constitutional police powers of the state; to provide with respect to threats to
8 public health and safety; to provide for processes; to provide for voluntary
9 divestment of immovable property; to provide for definitions; to provide for
10 declarations; to provide for an effective date; and to provide for related matters.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 29:43 is hereby enacted to read as follows:

13 **§43. Protection of military bases; prohibited ownership of immovable property**
14 **by foreign adversaries and agents of foreign adversaries**

15 **A. The legislature hereby declares it is the policy of this state that**
16 **ownership of immovable property in proximity to military bases by foreign**
17 **adversaries or agents of foreign adversaries presents a threat to public health**
18 **and safety that warrants reasonable statutory restrictions and the reasonable**
19 **exercise of the constitutional police powers of the state.**

20 **B. Any immovable property that is purchased, leased, possessed, owned,**
21 **held in interest, or in any manner under the control of a foreign adversary or**
22 **an agent or mandatory of a foreign adversary that is located within fifty miles**
23 **of a military base may be expropriated by the Military Department, state of**
24 **Louisiana, regardless of the date that the immovable property was acquired.**

1 C. If the Military Department, state of Louisiana, files a petition to
2 expropriate against immovable property pursuant to Subsection B of this
3 Section, the expropriation shall be filed and conducted in the same manner and
4 by the same method provided for in Part I of Title 19 of the Louisiana Revised
5 Statutes of 1950, except that the petition shall also contain all of the following:

6 (1) A statement demonstrating compliance with the requirements of this
7 Section.

8 (2) A statement detailing the description and nature of the threat to
9 public health and safety that will be removed by the expropriation.

10 D. Property acquisitions conducted pursuant to this Section shall be
11 subject to the provisions of R.S. 38:3101 et seq.

12 E.(1) Notwithstanding any provision of this Section to the contrary, any
13 foreign adversary or any agent or mandatary of a foreign adversary, as defined
14 in this Section, that owns or holds any immovable property subject to the
15 provisions of Subsection (B) of this Section may, prior to the final judgement of
16 expropriation, voluntarily divest itself of such property by bona fide sale,
17 transfer, or conveyance to a natural person or juridical person that is not a
18 foreign adversary and is not an agent or mandatary of a foreign adversary.

19 (2) Upon completion of a valid transfer of the immovable property in
20 accordance with this Paragraph, the Military Department, state of Louisiana
21 shall notify the court that the property shall no longer be subject to
22 expropriation under this Section and the court shall dismiss the suit, provided
23 that the transferee is not acting, directly or indirectly, on behalf of or under the
24 direction or control of a foreign adversary.

25 F. Notwithstanding any provision of this Section to the contrary, no
26 immovable or movable property shall be taken, damaged, or expropriated by
27 the state or any of its political subdivisions pursuant to this Section except in
28 accordance with Louisiana Constitution Article I, Section 4, which requires that
29 property shall not be taken or damaged except for public purposes and with just
30 compensation paid to the owner. Therefore, any expropriation authorized

1 herein shall be conditioned upon the payment of just compensation to the full
2 extent of the owner's loss and no transfer of ownership shall be effective until
3 such compensation has been paid.

4 G. Unless otherwise indicated, the following definitions shall apply to this
5 Section:

6 (1) "Agent of a foreign adversary" or "mandatary of a foreign
7 adversary" means a juridical person or a natural person that serves as a
8 mandatary, as provided in Louisiana Civil Code Article 2989, for a principal
9 that is a foreign adversary and meets one or more of the following criteria:

10 (a) Is under direction of a foreign adversary that has the power to direct
11 or cause the direction of the management or policies of the juridical person
12 whether through ownership of securities, by contract, or otherwise.

13 (b) Directly or indirectly has the right to vote fifty percent or more of the
14 voting interests of an entity that is owned or controlled by a foreign adversary
15 or is entitled to fifty percent or more of its profits and is, therefore, presumed
16 to have the power to direct or cause the direction of the management or policies
17 of the juridical person.

18 (c) Is a juridical person that meets any of the following:

19 (i) Is headquartered in a country identified as a foreign adversary.

20 (ii) Is held or controlled, either directly or indirectly, by a government
21 of a foreign adversary.

22 (iii) Is owned by, or the majority of stock or other ownership interest is
23 held or controlled by, any person who is a citizen of a foreign adversary, unless
24 that person is a legal permanent resident of the United States.

25 (d) Is a juridical person or a subsidiary that is owned by, or the majority
26 of stock or other ownership interest of which is held or controlled by, a
27 corporation or entity described in Subparagraph (c) of this Paragraph.

28 (e) Any individual person who is a citizen of a foreign adversary, unless
29 that person is a legal permanent resident of the United States and does not
30 otherwise meet any of the criteria provided in Subparagraphs (a) through (d)

1 of this Paragraph.

2 (2) "Foreign adversary" means any foreign government or foreign
3 nongovernmental person determined by the United States secretary of
4 commerce to have engaged in a long-term pattern or serious instances of
5 conduct significantly adverse to the national security of the United States or
6 security and safety of United States persons as listed in 15 CFR 791.4
7 (Determination of Foreign Adversaries), as amended or renumbered, and
8 identified in the database maintained by the United States Department of the
9 Treasury, Office of Foreign Assets Control.

10 (3) "Military base" means any of the following immovable properties:

11 (a) A military base or facility, reservation, camp, post, base, installation,
12 armory, or training area and any weather station operated by the armed forces
13 of the United States.

14 (b) A military base, facility, reservation, camp, post, installation, armory,
15 or training area that is operated by the state military.

16 (c) Any facility operated by the Civil Air Patrol.

17 Section 2. This Act shall become effective upon signature by the governor or, if not
18 signed by the governor, upon expiration of the time for bills to become law without signature
19 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
20 vetoed by the governor and subsequently approved by the legislature, this Act shall become
21 effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____