

FIRST REGULAR SESSION

HOUSE BILL NO. 903

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HAFFNER.

1743H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 442.566 and 442.571, RSMo, and to enact in lieu thereof two new sections relating to foreign ownership of real property.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 442.566 and 442.571, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 442.566 and 442.571, to read as follows:

442.566. As used in sections 442.560 to 442.591, unless the context clearly requires
2 otherwise, the following terms mean:

3 (1) "Agricultural land", any tract of land in this state consisting of more than five
4 acres, whether inside or outside the corporate limits of any municipality, which is capable,
5 without substantial modification to the character of the land, of supporting an agricultural
6 enterprise, including but not limited to land used for the production of agricultural crops or
7 fruit or other horticultural products, or for the raising or feeding of animals for the production
8 of livestock or livestock products, poultry or poultry products, or milk or dairy products.
9 Adjacent parcels of land under the same ownership shall be deemed to be a single tract;

10 (2) "Alien", any person who is not a citizen of the United States and who is not a
11 resident of the United States or of some state, territory, trusteeship, or protectorate of the
12 United States;

13 (3) "Director", the director of the Missouri department of agriculture;

14 (4) "Family members" includes all persons within the ninth degree of consanguinity,
15 or the living or surviving spouse of any person within the ninth degree of consanguinity;

16 (5) "Foreign business", any business entity whether or not incorporated, including but
17 not limited to, **companies**, corporations, **professional corporations**, **nonprofit**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 **corporations, limited liability corporations,** partnerships, limited partnerships, ~~[and]~~
19 associations, **or the equivalent of any entity listed in this subdivision,** in which a
20 controlling interest is owned by aliens **or organized under the laws of a foreign country, or**
21 **both.** In determining ownership of a foreign business, legal fictions such as corporate form or
22 trust shall be disregarded;

23 (6) "Residence", the place of general abode; the place of general abode of a person
24 means ~~[his]~~ **the** principal, actual dwelling place in fact, where ~~[he]~~ **such person** intends to
25 remain permanently or for an indefinite period of time at least.

442.571. 1. Except as provided in sections 442.586 and 442.591, **beginning August**
2 **28, 2023,** no alien or foreign business shall acquire by grant, purchase, devise, descent or
3 otherwise agricultural land in this state if the total aggregate alien and foreign ownership of
4 agricultural acreage in this state exceeds **one-half of** one percent of the total aggregate
5 agricultural acreage in this state. A sale or transfer of any agricultural land in this state shall
6 be submitted **by such alien or foreign business** to the ~~[director of the department of~~
7 ~~agriculture]~~ **attorney general and the secretary of state** for review in accordance with
8 subsection 3 of this section ~~[only if there is no completed Internal Revenue Service Form W-9~~
9 ~~signed by the purchaser]~~ **within thirty calendar days after such sale or transfer of such**
10 **agricultural land is finalized.** No person may hold agricultural land as an agent, trustee, or
11 other fiduciary for an alien or foreign business in violation of sections 442.560 to 442.592,
12 provided, however, that no security interest in such agricultural land shall be divested or
13 invalidated by such violation.

14 2. Any alien or foreign business who acquires agricultural land in violation of
15 sections 442.560 to 442.592 remains in violation of sections 442.560 to 442.592 for as long as
16 ~~[he or she]~~ **such alien or foreign business** holds an interest in the land, provided, however,
17 that no security interest in such agricultural land shall be divested or invalidated by such
18 violation.

19 3. **(1)** Subject to the provisions of subsection 1 of this section, such proposed
20 acquisitions by grant, purchase, devise, descent, or otherwise of agricultural land in this state
21 shall be submitted to the ~~[department of agriculture]~~ **attorney general and the secretary of**
22 **state** to determine whether such acquisition of agricultural land is conveyed in accordance
23 with the **one-half of** one percent restriction on the total aggregate alien and foreign ownership
24 of agricultural land in this state. **Such submission shall be accomplished in the form and**
25 **manner established by the secretary of state. The attorney general shall review the**
26 **submissions that the attorney general receives under this subsection and investigate**
27 **such acquisitions of agricultural land if the attorney general believes such acquisition**
28 **violates this section.**

29 **(2) All agricultural land acquired in violation of this section is subject to a court**
30 **action and divestiture under section 442.576.**

31 **(3) The [department] attorney general and the secretary of state shall establish by**
32 **rule the requirements for submission and approval of requests under this subsection.**

33 4. Any rule or portion of a rule, as that term is defined in section 536.010, that is
34 created under the authority delegated in this section shall become effective only if it complies
35 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
36 This section and chapter 536 are nonseverable and if any of the powers vested with the
37 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
38 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
39 rulemaking authority and any rule proposed or adopted after August 28, 2014, shall be invalid
40 and void.

41 **5. The limitations in this section on the percentage of acreage that an alien or**
42 **foreign business is authorized to acquire shall not apply to agricultural land that is used**
43 **for research or experimental purposes including, but not limited to:**

44 **(1) Testing, developing, or producing seeds or plants for sale or resale to**
45 **farmers; or**

46 **(2) Animal health research, animal nutrition research, raising genetic traits that**
47 **are used for human or animal research, and animals raised for exhibition.**

48 6. (1) As used in this subsection, the following terms mean:

49 (a) "Foreign country", China, Iran, North Korea, Russia, or Venezuela;

50 (b) "Land", any real property of any classification or subclassification within
51 this state.

52 **(2) No foreign business in which a controlling interest is owned by an alien who**
53 **is a citizen of a foreign country or that is organized under the laws of a foreign country**
54 **shall purchase any land in this state.**

55 **(3) The governor, in consultation with the state homeland security advisory**
56 **council, shall review the foreign countries listed in paragraph (a) of subdivision (1) of**
57 **this subsection every two years, or more often if the national security relationships**
58 **between such foreign countries and the United States change significantly, and make**
59 **recommendations to the general assembly for the reduction or expansion of such list.**

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