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To: Agriculture

HOUSE BILL NO. 1284

1 AN ACT TO ENACT THE MISSISSIPPI FOREIGN LAND OWNERSHIP ACT TO
 2 LIMIT THE ABILITY OF NONRESIDENT ALIENS TO MAINTAIN OWNERSHIP OF
 3 MISSISSIPPI AGRICULTURAL AND FORESTRY LAND IF THEY ARE FROM A
 4 COUNTRY THAT IS CONSIDERED A FOREIGN ADVERSARY BY THE UNITED
 5 STATES SECRETARY OF COMMERCE; TO DEFINE TERMS; TO LIMIT
 6 NONRESIDENT ALIENS FROM COUNTRIES THAT ARE LABELED ADVERSE TO THE
 7 UNITED STATES FROM EXERCISING OWNERSHIP OF MISSISSIPPI LANDS PAST
 8 A PRESCRIBED AMOUNT OF TIME; TO OUTLINE SITUATIONS FOR WHICH THIS
 9 ACT SHALL NOT APPLY; TO CREATE PROCEDURES FOR THE ATTORNEY GENERAL
 10 AND MISSISSIPPI SECRETARY OF STATE TO FOLLOW TO PENALIZE
 11 VIOLATIONS OF THIS ACT; TO AMEND SECTIONS 89-1-23 AND 29-1-75,
 12 MISSISSIPPI CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

14 **SECTION 1.** This act shall be known and may be cited as the
 15 "Mississippi Foreign Land Ownership Act."

16 **SECTION 2.** For the purposes of this act, the following words
 17 shall have the meaning herein ascribed unless the context clearly
 18 requires otherwise:

19 (a) "Forest and agricultural land" means any land in
 20 the state devoted to the growing of trees or the commercial
 21 production of agricultural products or timber, wood or forest
 22 products, including nongaming species. Where the land is
 23 classified by the county as forest, agricultural, pasture or open



24 land and being used as forest or agricultural land in the
25 performance of forestry or agricultural activities is a prima
26 facie case as to the purpose the land is devoted to, though such
27 classification shall not be required.

28 (b) "Majority part" or "majority interest" means an
29 interest of fifty percent (50%) or more in the aggregate, held by
30 individuals, parties or governments that are nonresident aliens as
31 defined in paragraph (c) of this section. Majority interest shall
32 still qualify even if the nonresident alien individuals, parties
33 or governments are not acting in concert.

34 (c) "Nonresident alien" means:

35 (i) An individual who is domiciled in a country
36 whose government is designated as a foreign adversary by the
37 United States Secretary of Commerce and is neither a citizen of
38 the United States nor a resident of the United States within the
39 meaning of subparagraph (A) (26) U.S. Code Section 7701;

40 (ii) A corporation, partnership, limited
41 partnership, limited liability company, trustee or other business
42 entity that is:

43 1. Domiciled in a country whose government is
44 designated as a foreign adversary by the United States Secretary
45 of Commerce; or

46 2. Domiciled within the United States but
47 which is wholly or in the majority part owned by any corporation,
48 partnership, limited partnership, limited liability company,



49 trustee or other business entity domiciled in a country whose
50 government is designated as a foreign adversary by the United
51 States Secretary of Commerce.

52 This subparagraph (ii) shall apply unless the nonresident
53 alien is a corporation, partnership, limited partnership, limited
54 liability corporation, trustee or other business entity leasing
55 not more than five hundred (500) total acres of Mississippi land
56 from its owner and using such land for agricultural research and
57 development or experimental purposes, including testing,
58 developing or producing crop production inputs, including, but not
59 limited to, seeds, plants, pesticides, soil amendments,
60 biologicals and fertilizers solely for sale or resale; or

61 (iii) A foreign government designated as a foreign
62 adversary by the United States Secretary of Commerce.

63 (d) "Possessory interest" means all direct interest
64 acquired, transferred or held in forest or agricultural land for a
65 term of one (1) year or longer.

66 **SECTION 3.** (1) A nonresident alien may acquire a possessory
67 interest in forest or agricultural land by devise or inheritance,
68 as security for indebtedness, in the collection of debts or by any
69 procedure for the enforcement of a lien or claim thereon, whether
70 created by mortgage or otherwise.

71 (2) Any such possessory interest in forest or agricultural
72 land acquired by a nonresident alien in the collection of debts or
73 by any procedure for the enforcement of a lien or claim thereon



74 shall be disposed of within two (2) years after acquiring such
75 possessory interest.

76 (3) Any such possessory interest in forest or agricultural
77 land acquired by a nonresident alien by devise or inheritance
78 shall be disposed of within one (1) year after acquiring such
79 possessory interest.

80 (4) A nonresident alien that acquires a possessory interest
81 in forest or agricultural land pursuant to subsection (1) of this
82 section may avoid disposing of such interest if, within the time
83 required for disposal, such nonresident alien terminates said
84 nonresident alien status or disposes of such shared interest as to
85 no longer retain the majority part of interest thereof.

86 (5) Ownership of a majority part or majority interest in
87 forest or agricultural land by a nonresident alien, outside of the
88 provisions allowed by subsections (1) through (4) of this section,
89 shall be prohibited. Failure to comply with the provisions of
90 this section shall trigger the Secretary of State to issue a
91 formal demand with notice of the violation to the nonresident
92 alien. Failure to comply with the disposition of forest or
93 agricultural land within the State of Mississippi after receiving
94 notice shall trigger the Secretary of State to formally notify the
95 Attorney General with a specific request for enforcement actions
96 to begin.

97 **SECTION 4.** (1) The Mississippi Office of the Secretary of
98 State shall be charged with the oversight of this act. Upon



99 notice of a violation of the provisions herein, the Secretary of
100 State shall issue a formal demand on the nonresident alien
101 requiring the nonresident alien to comply herein within the time
102 and manner prescribed. If the provisions of this act are silent
103 to the time period a nonresident alien has to dispose of acquired
104 forest or agricultural land within the State of Mississippi, or to
105 bring the interest of a nonresident alien, which is held in a
106 corporation, partnership, limited partnership, limited liability
107 company, trustee or other business entity, below a majority
108 interest, the time to comply shall be set at one (1) year.
109 Failure to comply with the disposition of forest or agricultural
110 land within the State of Mississippi after receiving notice shall
111 trigger the Secretary of State or his or her agent to formally
112 notify the Attorney General with a specific request for
113 enforcement actions to begin.

114 (2) Upon notification received by the Attorney General, the
115 nonresident alien shall be issued fines in the amount as set forth
116 below:

117 First Offense.....\$ 100,000.00 - \$250,000.00
118 Second Offense.....\$ 250,000.00 - \$750,000.00
119 Third and Subsequent Offense.....\$500,000.00 - \$5,000,000.00

120 Fines shall be payable within thirty (30) days of the date of
121 institution of the fine and shall be filed on the judgment rolls
122 of the county where the property is located. Following the
123 conclusion of the thirty-day period, the Attorney General shall



124 begin the judicial taking of the property by filing a civil
125 forfeiture action in the Chancery Court where the property is so
126 located or in the Hinds County Chancery Court, whichever is
127 convenient to the State of Mississippi. The entry of the final
128 order of civil forfeiture shall extinguish the lien of the fine on
129 the property, but shall not extinguish the fine on the nonresident
130 alien. No mortgage, lien, privilege or other security interest
131 recognized under the laws of this state and no ownership interest
132 in division, lease, servitude, usufruct, right to use, bond or
133 deed or other real rights shall be affected by a forfeiture or
134 disposition pursuant to this section.

135 (3) The Secretary of State, in consultation with the
136 Attorney General, shall promulgate rules and regulations as
137 necessary to implement the provisions of this act.

138 **SECTION 5.** A real estate broker or realtor who engages with
139 a client who is a prospective buyer or seller of a possessory
140 interest in forest or agricultural land shall timely disclose to
141 said client the requirements and limitations of this act.

142 **SECTION 6.** No attorney, title insurer, title insurance
143 producer, title insurance agency producer, lender, mortgage loan
144 servicer, notary public, real estate agent, real estate broker,
145 seller or lessor shall have a duty to make any investigation as to
146 whether a party to a transaction involving immovable property is a
147 foreign adversary, nor shall any such person be liable for failing



148 to identify that a party to a transaction involving immovable
149 property is a foreign adversary.

150 **SECTION 7.** Section 89-1-23, Mississippi Code of 1972, is
151 amended as follows:

152 89-1-23. Resident aliens may acquire and hold land, and may
153 dispose of it and transmit it by descent, as citizens of the state
154 may. Except as otherwise provided in this section and Sections 3
155 and 4 of this act, nonresident aliens shall not hereafter acquire
156 or hold land, but a nonresident alien may have or take a lien on
157 land to secure a debt, and at any sale thereof to enforce payment
158 of the debt may purchase the same, and thereafter hold it, not
159 longer than twenty (20) years, with full power during said time to
160 sell the land, in fee, to a citizen; or he or she may retain it by
161 becoming a citizen within that time. All land held or acquired
162 contrary to this section shall escheat to the state; but a title
163 to real estate in the name of a citizen of the United States, or a
164 person who has declared his or her intention of becoming a
165 citizen, whether resident or nonresident, if he or she be a
166 purchaser or holder, shall not be forfeited or escheated by reason
167 of the alienage of any former owner or other person.

168 Any person who was or is a citizen of the United States and
169 became or becomes an alien by reason of marriage to a citizen of a
170 foreign country, may hereafter inherit, or if he or she heretofore
171 inherited or acquired or hereafter inherits, may hold, own,
172 transmit by descent or transfer land free from any escheat to the



173 State of Mississippi, if said land has not heretofore escheated by
174 final valid order or decree of a court of competent jurisdiction.

175 Nonresident aliens who are citizens of Syria or the Lebanese
176 Republic may inherit property from citizens or residents of the
177 State of Mississippi.

178 Except as provided in Sections 3 and 4 of this act,
179 nonresident aliens may acquire and hold not to exceed three
180 hundred twenty (320) acres of land in this state for the purpose
181 of industrial development thereon. In addition, any nonresident
182 alien may acquire and hold not to exceed five (5) acres of land
183 for residential purposes. The nonresident alien may dispose of
184 any such land, but if any land acquired for industrial development
185 ceases to be used for industrial development while owned by a
186 nonresident alien, it shall escheat to the state. The limitation
187 set forth in this paragraph shall not apply to corporations in
188 which the stock thereof is partially or wholly owned by
189 nonresident aliens; and title to real estate acquired by, and held
190 in the name of, any corporation, limited partnership, general
191 partnership, limited liability partnership, limited liability
192 company, joint venture, joint-stock company or business trust
193 organized and existing under the laws of the State of Mississippi
194 or of any other state or the federal laws of the United States of
195 America for purposes of development thereon of one or more
196 projects, as defined in Section 57-75-5(f)(xxxi), shall not be
197 forfeited or escheated by reason of the alienage of any former



198 owner or other person if said land has not heretofore escheated to
199 the State of Mississippi by final valid order or decree of a court
200 of competent jurisdiction. The limitation set forth in this
201 section shall also not apply to any real estate acquired by, and
202 held in the name of, any corporation, limited partnership, general
203 partnership, limited liability partnership, limited liability
204 company, joint venture, joint-stock company or business trust
205 organized and existing under the laws of the State of Mississippi
206 or of any other state or the federal laws of the United States of
207 America for purposes of developing, owning and/or operating a
208 project, as defined in Section 57-75-5(f) (xxxii).

209 Land that is classified as an industrial or residential zone,
210 but is otherwise used as forest or agricultural land in the
211 performance of forest or agricultural activities, shall serve as a
212 prima facie case as to the purpose of the land being devoted to
213 forestry and agriculture and shall make the land and the
214 nonresident alien subject to the provisions of Sections 3 and 4 of
215 this act.

216 **SECTION 8.** Section 29-1-75, Mississippi Code of 1972, is
217 amended as follows:

218 29-1-75. (1) Except as otherwise provided in this section,
219 neither a corporation nor a nonresident alien, nor any association
220 of persons composed in whole or in part of nonresident aliens,
221 shall directly or indirectly purchase or become the owner of any



222 of the public lands; and every patent issued in contravention
223 hereof shall be void.

224 (2) (a) A banking corporation owning such tax-forfeited
225 lands or holding a mortgage or deed of trust thereon at the time
226 of the sale to the state, and whose mortgage or deed of trust is
227 still in force and effect, may purchase such lands, regardless of
228 acreage, owned by it as aforesaid or on which it held a mortgage
229 or deed of trust. In the event of a purchase by such corporation
230 as a mortgagee, such lands shall be held for the benefit of the
231 mortgagor subject to all the terms and conditions of the mortgage
232 or deed of trust held by the purchasing banking corporation and,
233 upon payment of the debt secured by such mortgage or deed of
234 trust, together with interest and incidents, such banking
235 corporation shall in that event reconvey such lands to the
236 original mortgagor, his or her heirs or assigns.

237 (b) Any other nonbanking corporation may purchase lands
238 sold or forfeited to the state for delinquent taxes under any
239 section of Chapter 1, Title 29, specifically relating to the sale
240 of such tax-forfeited lands by the Secretary of State. A
241 nonbanking corporation purchasing land sold or forfeited to the
242 state shall be subject to the acreage limitations of Section
243 29-1-73.

244 (c) Except as provided in Sections 3 and 4 of this act,
245 nonresident aliens may acquire and hold not to exceed three
246 hundred twenty (320) acres of public lands in this state for the



247 purpose of industrial development thereon. In addition, any
248 nonresident alien may acquire and hold not to exceed five (5)
249 acres of public lands for residential purposes. If any land
250 acquired by a nonresident alien for the purpose of industrial
251 development ceases to be used for industrial development, it shall
252 escheat to the public body that sold such land to the nonresident
253 alien.

254 (d) Land that is classified as an industrial or
255 residential zone, but is otherwise used as forest or agricultural
256 land in the performance of forest or agricultural activities,
257 shall serve as a prima facie case as to the purpose of the land
258 being devoted to forestry and/or agriculture and shall make the
259 land and the nonresident alien subject to the provisions of
260 Sections 3 and 4 of this act.

261 (3) This section shall stand repealed on July 1, 2026.

262 **SECTION 9.** This act shall take effect and be in force from
263 and after July 1, 2024.

