

By: Senator(s) McCaughn, Younger, Berry,
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To: Judiciary, Division A

SENATE BILL NO. 2519

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 PROCEDURE 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 facia 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 corporation, trustee or other
42 business entity that is:

43 (1) Domiciled in a country whose government
44 is designated as a foreign adversary by the United States
45 Secretary 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, trustee or other business entity



49 domiciled in a country whose government is designated as a foreign
50 adversary by the United States Secretary of Commerce.

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

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

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

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

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



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

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

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

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

95 **SECTION 4.** (1) The Mississippi Office of the Secretary of
96 State shall be charged with the oversight of this act. Upon
97 notice of a violation of the provisions herein, the Secretary of



98 State shall issue a formal demand on the nonresident requiring the
99 nonresident to comply herein within the time and manner
100 prescribed. If the provisions of this act are silent to the time
101 period a nonresident alien has to dispose of acquired forest or
102 agricultural land within the State of Mississippi, the time to
103 comply shall be set at ninety (90) days. Failure to comply with
104 the disposition of forest or agricultural land within the State of
105 Mississippi after receiving notice shall trigger the Secretary of
106 State or his or her agent to formally notify the Attorney General
107 with a specific request for enforcement actions to begin.

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

111 First Offense.....\$ 100,000.00 - \$250,000.00
112 Second Offense.....\$ 250,000.00 - \$750,000.00
113 Third and Subsequent Offense.....\$500,000.00 - \$5,000,000.00

114 Fines shall be payable within thirty (30) days of the date of
115 institution of the fine and shall be filed on the judgment rolls
116 of the county where the property is located. Following the
117 conclusion of the thirty-day period, the Attorney General shall
118 begin the judicial taking of the property by filing a civil
119 forfeiture action in the Chancery Court where the property is so
120 located or in the Hinds County Chancery Court, whichever is
121 convenient to the State of Mississippi. The entry of the final
122 order of civil forfeiture shall extinguish the lien of the fine on



123 the property, but shall not extinguish the fine on the nonresident
124 alien. No mortgage, lien, privilege or other security interest
125 recognized under the laws of this state and no ownership interest
126 in division, lease, servitude, usufruct, right to use, bond or
127 deed or other real rights shall be affected by a forfeiture or
128 disposition pursuant to this section.

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

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

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

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

146 89-1-23. Resident aliens may acquire and hold land, and may
147 dispose of it and transmit it by descent, as citizens of the state



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

162 Any person who was or is a citizen of the United States and
163 became or becomes an alien by reason of marriage to a citizen of a
164 foreign country, may hereafter inherit, or if he or she heretofore
165 inherited or acquired or hereafter inherits, may hold, own,
166 transmit by descent or transfer land free from any escheat to the
167 State of Mississippi, if said land has not heretofore escheated by
168 final valid order or decree of a court of competent jurisdiction.

169 Nonresident aliens who are citizens of Syria or the Lebanese
170 Republic may inherit property from citizens or residents of the
171 State of Mississippi.



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



197 partnership, limited liability partnership, limited liability
198 company, joint venture, joint-stock company or business trust
199 organized and existing under the laws of the State of Mississippi
200 or of any other state or the federal laws of the United States of
201 America for purposes of developing, owning and/or operating a
202 project, as defined in Section 57-75-5(f) (xxxii).

203 Land that is classified as an industrial or residential zone,
204 but is otherwise used as forest or agricultural land in the
205 performance of forest or agricultural activities, shall serve as a
206 prima facia case as to the purpose of the land being devoted to
207 forestry and agriculture and shall make the land and the
208 nonresident alien subject to the provisions of Sections 3 and 4 of
209 this act.

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

212 29-1-75. (1) Except as otherwise provided in this section,
213 neither a corporation nor a nonresident alien, nor any association
214 of persons composed in whole or in part of nonresident aliens,
215 shall directly or indirectly purchase or become the owner of any
216 of the public lands; and every patent issued in contravention
217 hereof shall be void.

218 (2) (a) A banking corporation owning such tax-forfeited
219 lands or holding a mortgage or deed of trust thereon at the time
220 of the sale to the state, and whose mortgage or deed of trust is
221 still in force and effect, may purchase such lands, regardless of



222 acreage, owned by it as aforesaid or on which it held a mortgage
223 or deed of trust. In the event of a purchase by such corporation
224 as a mortgagee, such lands shall be held for the benefit of the
225 mortgagor subject to all the terms and conditions of the mortgage
226 or deed of trust held by the purchasing banking corporation and,
227 upon payment of the debt secured by such mortgage or deed of
228 trust, together with interest and incidents, such banking
229 corporation shall in that event reconvey such lands to the
230 original mortgagor, his or her heirs or assigns.

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

238 (c) Except as provided in Sections 3 and 4 of this act,
239 nonresident aliens may acquire and hold not to exceed three
240 hundred twenty (320) acres of public lands in this state for the
241 purpose of industrial development thereon. In addition, any
242 nonresident alien may acquire and hold not to exceed five (5)
243 acres of public lands for residential purposes. If any land
244 acquired by a nonresident alien for the purpose of industrial
245 development ceases to be used for industrial development, it shall



246 escheat to the public body that sold such land to the nonresident
247 alien.

248 (d) Land that is classified as an industrial or
249 residential zone, but is otherwise used as forest or agricultural
250 land in the performance of forest or agricultural activities,
251 shall serve as a prima facia case as to the purpose of the land
252 being devoted to forestry and/or agriculture and shall make the
253 land and the nonresident alien subject to the provisions of
254 Sections 3 and 4 of this act.

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

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

