

By: Senator(s) McCaughn, Younger, Berry, Whaley, Suber, Rhodes, Williams, Parker, England, Fillingane, McLendon, McMahan, Wiggins, Seymour, Ladner, Carter, Blackwell, Robinson, Sparks, Barrett, Hill, Boyd, Jordan, Branning

To: Judiciary, Division A

COMMITTEE SUBSTITUTE  
FOR  
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 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 company, trustee or other business entity leasing not  
55 more than five hundred (500) total acres of Mississippi land from  
56 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.....\$750,000.00 - \$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.

