

By: Senator(s) Hill

To: Judiciary, Division A;
Business and Financial
Institutions

SENATE BILL NO. 2473

1 AN ACT TO AMEND SECTIONS 89-27-3, 89-27-5, 89-27-7 AND
2 89-27-9, MISSISSIPPI CODE OF 1972, TO AMEND THE FOREIGN LAND
3 OWNERSHIP ACT TO PROVIDE THAT NO ENTITY THAT ACQUIRES OR HOLDS
4 LAND IN THIS STATE SHALL BE OWNED BY OR TRANSFERRED TO, IN PART OR
5 IN WHOLE, ANY ENTITY OR NONRESIDENT ALIEN BELONGING TO A COUNTRY
6 THAT IS DESIGNATED AS A FOREIGN ADVERSARY BY THE UNITED STATES
7 SECRETARY OF COMMERCE OR A COUNTRY THAT IS A KNOWN VIOLATOR OF
8 HUMAN RIGHTS; TO AMEND SECTIONS 89-1-23 AND 29-1-75, MISSISSIPPI
9 CODE OF 1972, TO CONFORM; AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 89-27-3, Mississippi Code of 1972, is
12 amended as follows:

13 89-27-3. For the purposes of this chapter, the following
14 words shall have the meaning herein ascribed unless the context
15 clearly requires otherwise:

16 (a) " * * *Land" means any land in the State * * * of
17 Mississippi.

18 (b) "Majority part" or "majority interest" means an
19 interest of fifty percent (50%) or more in the aggregate, held by
20 individuals, parties or governments that are nonresident aliens as
21 defined in paragraph (c) of this section. Majority interest shall

22 still qualify even if the nonresident alien individuals, parties
23 or governments are not acting in concert.

24 (c) "Nonresident alien" means:

25 (i) An individual who:

26 1. Is domiciled in a country whose government
27 is:

28 a. Designated as a foreign adversary by
29 the United States Secretary of Commerce; or

30 b. A known violator of human rights; and

31 2. Is neither a citizen of the United States
32 nor a resident of the United States within the meaning of
33 subparagraph (A) (26) U.S. Code Section 7701;

34 (ii) A corporation, partnership, limited
35 partnership, limited liability company, trustee or other business
36 entity that is:

37 1. Domiciled in a country whose government
38 is:

39 a. Designated as a foreign adversary by
40 the United States Secretary of Commerce;

41 b. A known violator of human rights; or

42 2. Domiciled within the United States but
43 which is wholly or in the majority part owned by any corporation,
44 partnership, limited partnership, limited liability company,
45 trustee or other business entity domiciled in a country whose
46 government is:

47 a. Designated as a foreign adversary by
48 the United States Secretary of Commerce * * *;

49 b. A known violator of human rights; or
50 * * *

51 (iii) A foreign government:

52 1. Designated as a foreign adversary by the
53 United States Secretary of Commerce; or

54 2. Who is a known violator of human rights.

55 (d) "Possessory interest" means all direct interest
56 acquired, transferred or held in * * * land for a term of one (1)
57 year or longer.

58 **SECTION 2.** Section 89-27-5, Mississippi Code of 1972, is
59 amended as follows:

60 89-27-5. (1) A nonresident alien may acquire a possessory
61 interest in * * * land by devise or inheritance, as security for
62 indebtedness, in the collection of debts or by any procedure for
63 the enforcement of a lien or claim thereon, whether created by
64 mortgage or otherwise.

65 (2) Any such possessory interest in * * * land acquired by a
66 nonresident alien in the collection of debts or by any procedure
67 for the enforcement of a lien or claim thereon shall be disposed
68 of within two (2) years after acquiring such possessory interest.

69 (3) Any such possessory interest in * * * land acquired by a
70 nonresident alien by devise or inheritance shall be disposed of
71 within one (1) year after acquiring such possessory interest.

72 (4) A nonresident alien that acquires a possessory interest
73 in * * * land pursuant to subsection (1) of this section may avoid
74 disposing of such interest if, within the time required for
75 disposal, such nonresident alien terminates said nonresident alien
76 status or disposes of such shared interest as to no longer retain
77 the majority part of interest thereof.

78 (5) Ownership of a majority part or majority interest
79 in * * * land by a nonresident alien, outside of the provisions
80 allowed by subsections (1) through (4) of this section, shall be
81 prohibited. Failure to comply with the provisions of this section
82 shall trigger the Secretary of State to issue a formal demand with
83 notice of the violation to the nonresident alien. Failure to
84 comply with the disposition of * * * land within the State of
85 Mississippi after receiving notice shall trigger the Secretary of
86 State to formally notify the Attorney General with a specific
87 request for enforcement actions to begin.

88 **SECTION 3.** Section 89-27-7, Mississippi Code of 1972, is
89 amended as follows:

90 89-27-7. (1) The Mississippi Office of the Secretary of
91 State shall be charged with the oversight of this chapter. Upon
92 notice of a violation of the provisions herein, the Secretary of
93 State shall issue a formal demand on the nonresident alien
94 requiring the nonresident alien to comply herein within the time
95 and manner prescribed. If the provisions of this chapter are
96 silent to the time period a nonresident alien has to dispose of

97 acquired * * * land within the State of Mississippi, or to bring
98 the interest of a nonresident alien, which is held in a
99 corporation, partnership, limited partnership, limited liability
100 company, trustee or other business entity, below a majority
101 interest, the time to comply shall be set at one (1) year.
102 Failure to comply with the disposition of * * * land within the
103 State of Mississippi after receiving notice shall trigger the
104 Secretary of State or his or her agent to formally notify the
105 Attorney General with a specific request for enforcement actions
106 to begin.

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

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

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

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

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

131 **SECTION 4.** Section 89-27-9, Mississippi Code of 1972, is
132 amended as follows:

133 89-27-9. A real estate broker or realtor who engages with a
134 client who is a prospective buyer or seller of a possessory
135 interest in * * * land shall timely disclose to said client the
136 requirements and limitations of this chapter.

137 **SECTION 5.** Section 89-27-11, Mississippi Code of 1972, is
138 amended as follows:

139 89-27-11. No attorney, title insurer, title insurance
140 producer, title insurance agency producer, lender, mortgage loan
141 servicer, notary public, real estate agent, real estate broker,
142 seller or lessor shall have a duty to make any investigation as to
143 whether a party to a transaction involving immovable property is a
144 foreign adversary, nor shall any such person be liable for failing
145 to identify that a party to a transaction involving immovable
146 property is a foreign adversary.

147 **SECTION 6.** Section 89-1-23, Mississippi Code of 1972, is
148 amended as follows:

149 89-1-23. Resident aliens may acquire and hold land, and may
150 dispose of it and transmit it by descent, as citizens of the state
151 may. Except as otherwise provided in this section and Sections
152 89-27-5 and 89-27-7, nonresident aliens shall not hereafter
153 acquire or hold land, but a nonresident alien may have or take a
154 lien on land to secure a debt, and at any sale thereof to enforce
155 payment of the debt may purchase the same, and thereafter hold it,
156 not longer than twenty (20) years, with full power during said
157 time to sell the land, in fee, to a citizen; or he or she may
158 retain it by becoming a citizen within that time. All land held
159 or acquired contrary to this section shall escheat to the state;
160 but a title to real estate in the name of a citizen of the United
161 States, or a person who has declared his or her intention of
162 becoming a citizen, whether resident or nonresident, if he or she
163 be a purchaser or holder, shall not be forfeited or escheated by
164 reason of the alienage of any former owner or other person.

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

172 Nonresident aliens who are citizens of Syria or the Lebanese
173 Republic may inherit property from citizens or residents of the
174 State of Mississippi.

175 Except as provided in Sections 89-27-5 and 89-27-7,
176 nonresident aliens may acquire and hold not to exceed three
177 hundred twenty (320) acres of land in this state for the purpose
178 of industrial development thereon. In addition, any nonresident
179 alien may acquire and hold not to exceed five (5) acres of land
180 for residential purposes. The nonresident alien may dispose of
181 any such land, but if any land acquired for industrial development
182 ceases to be used for industrial development while owned by a
183 nonresident alien, it shall escheat to the state. The limitation
184 set forth in this paragraph shall not apply to corporations in
185 which the stock thereof is partially or wholly owned by
186 nonresident aliens; and title to real estate acquired by, and held
187 in the name of, any corporation, limited partnership, general
188 partnership, limited liability partnership, limited liability
189 company, joint venture, joint-stock company or business trust
190 organized and existing under the laws of the State of Mississippi
191 or of any other state or the federal laws of the United States of
192 America for purposes of development thereon of one or more
193 projects, as defined in Section 57-75-5(f)(xxxi), shall not be
194 forfeited or escheated by reason of the alienage of any former
195 owner or other person if said land has not heretofore escheated to
196 the State of Mississippi by final valid order or decree of a court

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

206 * * *

207 **SECTION 7.** Section 29-1-75, Mississippi Code of 1972, is
208 amended as follows:

209 29-1-75. (1) Except as otherwise provided in this section,
210 neither a corporation nor a nonresident alien, nor any association
211 of persons composed in whole or in part of nonresident aliens,
212 shall directly or indirectly purchase or become the owner of any
213 of the public lands; and every patent issued in contravention
214 hereof shall be void.

215 (2) (a) A banking corporation owning such tax-forfeited
216 lands or holding a mortgage or deed of trust thereon at the time
217 of the sale to the state, and whose mortgage or deed of trust is
218 still in force and effect, may purchase such lands, regardless of
219 acreage, owned by it as aforesaid or on which it held a mortgage
220 or deed of trust. In the event of a purchase by such corporation
221 as a mortgagee, such lands shall be held for the benefit of the

222 mortgagor subject to all the terms and conditions of the mortgage
223 or deed of trust held by the purchasing banking corporation and,
224 upon payment of the debt secured by such mortgage or deed of
225 trust, together with interest and incidents, such banking
226 corporation shall in that event reconvey such lands to the
227 original mortgagor, his or her heirs or assigns.

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

235 (c) Except as provided in Sections 89-27-5 and 89-27-7,
236 nonresident aliens may acquire and hold not to exceed three
237 hundred twenty (320) acres of public lands in this state for the
238 purpose of industrial development thereon. In addition, any
239 nonresident alien may acquire and hold not to exceed five (5)
240 acres of public lands for residential purposes. If any land
241 acquired by a nonresident alien for the purpose of industrial
242 development ceases to be used for industrial development, it shall
243 escheat to the public body that sold such land to the nonresident
244 alien.

245 * * *

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

247 **SECTION 8.** This act shall take effect and be in force from
248 and after July 1, 2025.