



January 21, 2022

SENATE BILL No. 388

DIGEST OF SB 388 (Updated January 18, 2022 3:28 pm - DI 140)

Citations Affected: IC 32-22.

Synopsis: Foreign business ownership of agricultural land. Provides that beginning July 1, 2022, a foreign business entity may not acquire agricultural land located within Indiana, unless the agricultural land will be used for nonfarming business purposes. Prohibits a foreign business entity that owns agricultural land located within Indiana from transferring the agricultural land to another foreign business entity after June 30, 2022. Requires a foreign business entity to report the acquisition, sale, or transfer of agricultural land located within Indiana to the secretary of state. Provides that agricultural land acquired, sold, or transferred in violation of law is subject to forfeiture to the state.

Effective: July 1, 2022.

Messmer, Tomes

January 11, 2022, read first time and referred to Committee on Agriculture.
January 20, 2022, reported favorably — Do Pass.

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January 21, 2022

Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

SENATE BILL No. 388

A BILL FOR AN ACT to amend the Indiana Code concerning property.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 32-22-3 IS ADDED TO THE INDIANA CODE AS
2 A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2022]:
4 **Chapter 3. Rights of a Foreign Business Entity to Hold and**
5 **Convey Agricultural Land**
6 **Sec. 1. As used in this chapter, "agricultural land" refers to land**
7 **assessed as agricultural land under the real property assessment**
8 **rules and guidelines of the department of local government finance.**
9 **Sec. 2. As used in this chapter, "foreign business entity" means**
10 **a corporation, professional corporation, nonprofit corporation,**
11 **limited liability company, partnership, or limited partnership that**
12 **is organized under the laws of another country.**
13 **Sec. 3. (a) Beginning July 1, 2022, a foreign business entity may**
14 **not acquire by grant, purchase, devise, descent, or otherwise any**
15 **agricultural land located within Indiana.**
16 **(b) A foreign business entity that acquired agricultural land**
17 **located within Indiana on or before June 30, 2022, may not grant,**

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1 sell, or otherwise transfer the agricultural land to any other foreign
2 business entity on or after July 1, 2022.

3 (c) This section does not apply to agricultural land located
4 within Indiana that is acquired by a foreign business entity for
5 immediate or potential use in nonfarming business operations. A
6 foreign business entity may hold agricultural land in such acreage
7 as may be necessary to its nonfarming business operations.
8 Pending the development of the agricultural land for nonfarming
9 business operations, the agricultural land may not be used for
10 farming.

11 Sec. 4. (a) A foreign business entity that acquires, sells, or
12 transfers agricultural land located within Indiana on or after July
13 1, 2022, must report the acquisition, sale, or transfer to the
14 secretary of state not later than thirty (30) days after the
15 acquisition, sale, or transfer of the agricultural land is finalized.
16 The report must be made in the form and manner prescribed by
17 the secretary of state. The secretary of state shall report an
18 acquisition, sale, or transfer of agricultural land that violates
19 section 3 of this chapter to the attorney general.

20 (b) All agricultural land acquired, sold, or transferred in
21 violation of section 3 of this chapter is subject to forfeiture to the
22 state. The attorney general shall enforce a forfeiture under this
23 subsection.



COMMITTEE REPORT

Madam President: The Senate Committee on Agriculture, to which was referred Senate Bill No. 388, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill DO PASS.

(Reference is to SB 388 as introduced.)

LEISING, Chairperson

Committee Vote: Yeas 8, Nays 1

