

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2371

Introduced by

Senators Paulson, Larsen, Wobbema

Representatives Fisher, Hoverson, Louser

1 A BILL for an Act to create and enact a new section to chapter 11-11 and a new section to
2 chapter 40-05 of the North Dakota Century Code, relating to the power of counties and
3 municipalities to prohibit local development by a foreign adversary; to amend and reenact
4 section 47-01-09 of the North Dakota Century Code, relating to the prohibition on ownership of
5 real property by a foreign adversary; and to declare an emergency.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1.** A new section to chapter 11-11 of the North Dakota Century Code is created
8 and enacted as follows:

9 **Development by a foreign adversary - Prohibition.**

- 10 1. A board of county commissioners, including a board in a home rule county, may not
11 procure, authorize, or approve a development agreement, building plan, or proposal
12 relating to county development with an individual or government identified as a foreign
13 adversary under 15 CFR 7.4(a).
- 14 2. This section does not apply to a foreign adversary defined under subsection 1
15 possessing an interest in real property if the foreign adversary:
- 16 a. Is a duly registered business and has maintained a status of good standing with
17 the secretary of state for seven years or longer before the effective date of this
18 Act;
- 19 b. Has been approved by the committee for foreign direct investment in the United
20 States; and
- 21 c. Maintains an active national security agreement with the federal government.

22 **SECTION 2.** A new section to chapter 40-05 of the North Dakota Century Code is created
23 and enacted as follows:

1 **Development by a foreign adversary - Prohibition.**

2 1. A board of city commissioners or city council, including a board or council in a home
3 rule city, may not procure, authorize, or approve a development agreement, building
4 plan, or proposal relating to city development with an individual or government
5 identified as a foreign adversary under 15 CFR 7.4(a).

6 2. This section does not apply to a foreign adversary as defined in subsection 1
7 possessing an interest in real property if the foreign adversary:

8 a. Is a duly registered business and has maintained a status of good standing with
9 the secretary of state for seven years or longer before the effective date of this
10 Act;

11 b. Has been approved by the committee for foreign direct investment in the United
12 States; and

13 c. Maintains an active national security agreement with the federal government.

14 **SECTION 3. AMENDMENT.** Section 47-01-09 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **47-01-09. Public or private ownership - All property subject to - Foreign ownership**
17 **prohibited.**

18 1. All property in this state has an owner, whether that owner is the United States or the
19 state, and the property public, or the owner an individual, and the property private. The
20 state also may hold property as a private proprietor.

21 2. Notwithstanding any other provision of law, the following governments or entities may
22 not purchase, hold, or otherwise acquire title to real property in this state:

23 a. A foreign government listed as a foreign adversary.

24 b. A foreign business entity that is:

25 (1) Headquartered in a country that is a foreign adversary;

26 (2) Directly or indirectly held or controlled by a foreign adversary;

27 (3) Owned by the majority of stock or other ownership interests of which is held
28 or controlled by individuals who are citizens of a foreign adversary; or

29 (4) A company owned by, or the majority of stock or other ownership interest of
30 which is held or controlled by, a company or entity described in paragraph 3.

- 1 3. This section does not apply to an entity possessing an interest in real property under
2 subsection 2 if the entity:
3 a. Is a duly registered business and has maintained a status of good standing with
4 the secretary of state for seven years or longer before the effective date of this
5 Act;
6 b. Has been approved by the committee for foreign direct investment in the United
7 States; and
8 c. Maintains an active national security agreement with the federal government.
9 4. For purposes of this subsection, "foreign adversary" means an individual or a
10 government identified as a foreign adversary in 15 CFR 7.4(a).

11 **SECTION 4. EMERGENCY.** This Act is declared to be an emergency measure.