

**COMMITTEE AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1265 \_\_\_\_\_  
Of the printed Bill  
Page \_\_\_\_\_ Section \_\_\_\_\_ Lines \_\_\_\_\_  
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

**AMEND TITLE TO CONFORM TO AMENDMENTS**

Amendment submitted by: Charles McCall \_\_\_\_\_

Adopted: \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 PROPOSED COMMITTEE  
4 SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 1265

By: McCall

7 PROPOSED COMMITTEE SUBSTITUTE

8 An Act relating to property and critical  
9 infrastructure; creating the Military Installation  
10 and Critical Infrastructure Protection Act of 2024;  
11 defining terms; prohibiting foreign principals from  
12 foreign adversary countries from owning, having an  
13 interest in or acquiring agricultural land;  
14 describing scope of de minimis indirect interest;  
15 directing the sale, transfer, or divestiture of  
16 agricultural land under certain circumstances;  
17 establishing registration requirements; allowing for  
18 the acquisition of agricultural land under certain  
19 circumstances; deeming contracts, deeds or other  
20 agreements invalid; assigning the Office of the  
21 Attorney General with the responsibility of making  
22 certain determinations; granting the Attorney General  
23 the authority to commence certain actions in district  
24 court; providing for the sale of land through  
judicial foreclosure; providing payment of a reward  
to whistleblowers; providing for the disbursement of  
proceeds; providing for the adoption of rules;  
prohibiting foreign principals from foreign adversary  
countries from purchasing, holding, renting or  
controlling any property near military bases or  
installations; requiring the sale, transfer, or  
divestiture of property within certain time period;  
deeming contracts, deeds or other agreements invalid;  
granting the Attorney General the authority to  
commence certain actions in district court; providing  
for the sale of land through judicial foreclosure;  
providing payment of a reward to whistleblowers;  
providing for the disbursement of proceeds; assigning  
the Office of the Attorney General with the  
responsibility of making certain determinations;

1 establishing guidelines for whistleblowers; providing  
2 for referrals to the Office of the Attorney General;  
3 establishing rewards for whistleblowers; setting  
4 effective date for whistleblower enforcement  
5 provision; prohibiting entities and governmental  
6 entities from entering into agreements relating to  
7 critical infrastructure with foreign principals from  
8 foreign adversary counties; authorizing entities and  
9 governmental entities to enter into agreements under  
10 certain circumstances; requiring companies to file a  
11 certification form prior to accessing critical  
12 infrastructure; establishing guidelines for  
13 maintaining registrations; setting fee for  
14 administering certification process; providing for  
15 the revocation of certifications; prohibiting the use  
16 of certain software in state infrastructure;  
17 providing for the replacement of prohibited software;  
18 providing software removal and notification  
19 requirements; directing the Office of the Attorney  
20 General to establish reporting process for non-  
21 notified transactions; authorizing the Attorney  
22 General to submit memorandums or reports to certain  
23 committee; directing the Attorney General to retain  
24 certain documents and notify the State Legislature  
and Governor; providing for noncodification;  
providing for codification; and providing an  
effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be  
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Military  
Installation and Critical Infrastructure Act of 2024".

SECTION 2. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 128.1 of Title 60, unless there  
is created a duplication in numbering, reads as follows:

1 As used in this act:

2 1. "Agricultural land" shall mean a land area that is either  
3 arable, under permanent crops, or under permanent pastures. Arable  
4 land includes land under temporary crops such as cereals, temporary  
5 meadows for mowing or pasture, land under market or kitchen gardens,  
6 and land temporarily fallow. Land abandoned as a result of shifting  
7 cultivation is excluded. Land under permanent crops is cultivated  
8 with crops that occupy the land for long periods and need not be  
9 replanted after each harvest, such as orchards or vineyards. This  
10 category excludes land under trees grown for wood or timber.  
11 Permanent pasture land is land used for five (5) or more years for  
12 forage, including natural and cultivated crops;

13 2. "Company" shall mean a for-profit sole proprietorship,  
14 organization, association, corporation, partnership, joint venture,  
15 limited partnership, limited liability partnership, or limited  
16 liability company, including a wholly owned subsidiary, majority-  
17 owned subsidiary, parent company, or affiliate of those entities or  
18 business associations that exists to make a profit; or a non-profit  
19 organization;

20 3. "Critical infrastructure" shall mean systems and assets,  
21 whether physical or virtual, so vital to Oklahoma or the United  
22 States of America that the incapacity or destruction of such systems  
23 and assets would have a debilitating impact on state or national  
24 security, state or national economic security, state or national

1 public health, or any combination of those matters. A critical  
2 infrastructure may be publicly or privately owned and includes, but  
3 is not limited to:

- 4 a. gas and oil production, storage, or delivery systems,
- 5 b. water supply, refinement, storage, or delivery  
6 systems,
- 7 c. telecommunications networks,
- 8 d. electrical power delivery systems,
- 9 e. emergency services,
- 10 f. transportation systems and services, or
- 11 g. personal data or otherwise classified information  
12 storage systems, including cybersecurity;

13 4. "Cybersecurity" shall mean the measures taken to protect a  
14 computer, computer network, computer system, or other technology  
15 infrastructure against unauthorized use or access;

16 5. "Domicile" shall mean either the country in which a company  
17 is registered, or where the affairs of the company are primarily  
18 completed, or where the majority of ownership share is held;

19 6. "Foreign adversary" shall mean any country designated by the  
20 United States Secretary of State as hostile or a Country of  
21 Particular Concern (CPC);

22 7. "Foreign principal" shall mean:

- 23 a. the government or any official of the government of a  
24 foreign adversary,

1           b. a political party or member of a political party or  
2           any subdivision of a political party of a foreign  
3           adversary,

4           c. a partnership, association, corporation, organization,  
5           or other combination of persons organized under the  
6           laws of or having its principal place of business in a  
7           foreign adversary, or a subsidiary of such entity, or  
8           owned or controlled wholly or in part by any person,  
9           entity, or collection of persons or entities of a  
10          foreign adversary,

11          d. any person who is domiciled in a foreign adversary and  
12          is not a citizen or lawful permanent resident of the  
13          United States, or

14          e. any person, entity, or collection of persons or  
15          entities, described in subparagraphs a through d of  
16          this paragraph having a controlling interest in a  
17          partnership, association, corporation, organization,  
18          trust, or any other legal entity or subsidiary formed  
19          for the purpose of owning real property;

20          8. "Military base or installation" shall mean any land,  
21          structure, or property owned or controlled by any division of the  
22          Department of Defense, Oklahoma National Guard, or any other  
23          department of government, state or federal, critical to the safety  
24          and security of Oklahoma or the United States of America;

1 9. "Non-notified transactions" shall mean foreign investments  
2 in the United States that are not voluntarily submitted to the  
3 Committee on Foreign Investment in the United States for review  
4 under Section 4565 of Title 50 of the United States Code;

5 10. "Operational software" shall mean computer programs used  
6 for the operation, control, maneuver or maintenance of state  
7 infrastructure, or any other computer program applications related  
8 to state infrastructure;

9 11. "Software" shall mean any program or routine, or any set of  
10 one or more programs or routines, which are used or intended for use  
11 to cause one or more computers or pieces of computer related  
12 peripheral equipment, or any combination thereof, to perform a task  
13 or set of tasks, as it relates to state infrastructure;

14 12. "State infrastructure" shall mean critical infrastructure  
15 and transportation infrastructure; and

16 13. "Transportation infrastructure" shall include, but not be  
17 limited to:

18 a. airports including, but not limited to, commercial and  
19 intermodal airports and heliports and all airport  
20 infrastructure,

21 b. roadways including, but not limited to, publicly  
22 accessible streets, roads, highways, and bridges and  
23 all roadway infrastructure including, but not limited  
24

1 to, signage, toll booths, weigh stations, and traffic  
2 signals,

3 c. railways including, but not limited to, all classes of  
4 freight rail and passenger rail and all railway  
5 infrastructure including, but not limited to,  
6 intermodal rail yards and signals,

7 d. ports including, but not limited to, inland ports,  
8 seaports, deepwater ports, inland waterways, and  
9 levees and all port infrastructure including, but not  
10 limited to, intermodal stations, and

11 e. public transit including bus, ferry, cable car, tram,  
12 trolley, and other types of publicly accessible  
13 transportation and all public transit infrastructure.

14 SECTION 3. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 128.2 of Title 60, unless there  
16 is created a duplication in numbering, reads as follows:

17 A. A foreign principal from a foreign adversary country may not  
18 directly or indirectly own, have an interest of greater than twenty-  
19 five percent (25%) in, or acquire by purchase, grant, devise, or  
20 descent agricultural land or any interest, except a de minimis  
21 indirect interest, in such land in this state. A foreign principal  
22 has a de minimis indirect interest if any ownership is the result of  
23 the foreign principal's ownership of registered equities in a  
24



1 publicly traded company owning the land and if the ownership of the  
2 foreign principal in the country is either:

3 1. Less than five percent (5%) of any class of registered  
4 equities or less than five percent (5%) in the aggregate in multiple  
5 classes of registered equities; or

6 2. A noncontrolling interest in an entity controlled by a  
7 company that is both registered with the United States Securities  
8 and Exchange Commission as an investment advisor under the  
9 Investment Advisers Act of 1940, as amended, and is not a foreign  
10 entity.

11 B. A foreign principal that directly or indirectly owns or  
12 otherwise controls agricultural land, as defined in Section 1 of  
13 this act, in this state must sell, transfer, or otherwise divest  
14 itself of the agricultural land within one hundred eighty (180) days  
15 of the effective date of this act.

16 C. A foreign principal that directly or indirectly owns or  
17 acquires agricultural land or any interest in such land in this  
18 state shall register with the State Department of Agriculture within  
19 sixty (60) days of the effective date of this act or the date of  
20 acquisition, whichever is latest. The Department shall establish a  
21 form for such registration which, at minimum, shall include all of  
22 the following:

23 1. The name of the owner of the agricultural land or the owner  
24 of the interest in such land;

1           2. The address of the agricultural land, the parcel  
2 identification number of the property appraiser, and the legal  
3 description of the property; and

4           3. The number of acres of the agricultural land.

5           D. Notwithstanding the provisions of subsection A of this  
6 section, a foreign principal from a foreign adversary country may  
7 acquire agricultural land on or after the effective date of this act  
8 by devise or descent, through the enforcement of security interests,  
9 or through the collection of debts, provided that the foreign  
10 principal sells, transfers, or otherwise divests itself of the  
11 agricultural land within one hundred eighty (180) days of acquiring  
12 the agricultural land.

13           E. Any current deeds, contracts, rental agreements, or other  
14 legal agreements in conflict with the provisions of this act shall  
15 be deemed invalid from the date of adoption unless otherwise  
16 provided.

17           F. The responsibility for determining whether an entity is  
18 subject to the provisions of this section rests solely with the  
19 foreign entity, the Attorney General, any qualifying whistleblower,  
20 and no other individual or entity. An individual or entity who is  
21 not a foreign entity shall not be required to determine or inquire  
22 whether another person or entity is or may be subject to this  
23 section, and shall bear no civil or criminal liability under the  
24 provisions of this section.

1 G. If a foreign principal from a foreign adversary country does  
2 not divest the public or private lands as required by this section,  
3 the Attorney General shall commence an action in district court  
4 within the jurisdiction of the public or private land.

5 H. If the public or private land is held in violation of the  
6 provisions of this section, the district court shall order that the  
7 public or private land be sold through judicial foreclosure.

8 I. If a whistleblower referral results in a divestiture of land  
9 or other assets held in violation of the provisions of this section,  
10 the whistleblower shall be entitled to a reward equal to thirty  
11 percent (30%) of the proceeds of the land sale that results from the  
12 violation of this section after payments to lienholders. Proceeds  
13 of the sale shall be disbursed in the following order, as  
14 applicable:

15 1. The payment of authorized costs of the sale, including all  
16 approved fees and expenses of the referee and any taxes and  
17 assessments due;

18 2. The payment, in an amount approved by the court, to the  
19 Office of the Attorney General for reimbursement of investigation  
20 and litigation costs and expenses;

21 3. To bona fide lien holders, in their order of priority,  
22 except for liens which under the terms of the sale are to remain on  
23 the property;

24 4. To whistleblowers; and

1       5. To the restricted foreign entity.

2       J. The State Department of Agriculture shall adopt rules to  
3 implement the provisions of this section.

4       SECTION 4.       NEW LAW       A new section of law to be codified  
5 in the Oklahoma Statutes as Section 128.3 of Title 60, unless there  
6 is created a duplication in numbering, reads as follows:

7       A. A foreign principal from a foreign adversary country shall  
8 not be allowed to directly or indirectly purchase, hold, rent, or  
9 otherwise control any property within ten (10) miles of a military  
10 base or installation.

11       B. A foreign principal that directly or indirectly controls any  
12 property covered by the provisions of subsection A of this section,  
13 excluding temporary contractual agreements such as rental or lease  
14 agreements, must sell, transfer, or otherwise divest itself of the  
15 property within one hundred eighty (180) days of the effective date  
16 of this act.

17       C. Any current deeds, contracts, rental agreements, or other  
18 legal agreements in conflict with this law shall be deemed invalid  
19 from the date of adoption unless otherwise provided.

20       D. If a foreign principal from a foreign adversary country does  
21 not divest the public or private lands as required by the provisions  
22 of this section, the Attorney General shall commence an action in  
23 the district court within the jurisdiction of the public or private  
24 land.

1 E. If the public or private land is held in violation of the  
2 provisions of this section, the district court shall order that the  
3 public or private land be sold through judicial foreclosure.

4 F. If a whistleblower referral results in a divestiture of land  
5 or other assets held in violation of the provisions of this section,  
6 the whistleblower shall be entitled to a reward equal to thirty  
7 percent (30%) of the proceeds of the land sale that results from the  
8 violation of the provisions of this section after payments to  
9 lienholders. Proceeds of the sale shall be disbursed in the  
10 following order, as applicable:

11 1. The payment of authorized costs of the sale, including all  
12 approved fees and expenses of the referee and any taxes and  
13 assessments due;

14 2. The payment, in an amount approved by the district court, to  
15 the Attorney General for reimbursement of investigation and  
16 litigation costs and expenses;

17 3. To bona fide lien holders, in their order of priority,  
18 except for liens which under the terms of the sale are to remain on  
19 the property;

20 4. To whistleblowers; and

21 5. To the restricted foreign entity.

22 G. The responsibility for determining whether an entity is  
23 subject to this section rests solely with the foreign entity, the  
24 Attorney General, any qualifying whistleblower, and no other

1 individual or entity. An individual or entity who is not a foreign  
2 entity shall not be required to determine or inquire whether another  
3 person or entity is or may be subject to the provisions of this  
4 section, and shall bear no civil or criminal liability under the  
5 provisions of this section.

6 SECTION 5. NEW LAW A new section of law to be codified  
7 in the Oklahoma Statutes as Section 128.4 of Title 60, unless there  
8 is created a duplication in numbering, reads as follows:

9 A. Any individual may act as a whistleblower and provide a  
10 referral to the Office of the Attorney General for violations of the  
11 provisions of Section 3 and Section 4 of this act.

12 B. If a whistleblower referral results in a divestiture of land  
13 or other assets held in violation of the provisions of this act, the  
14 whistleblower shall be entitled to a reward equal to thirty percent  
15 (30%) of the proceeds of the land sale that results from violation  
16 of this act.

17 C. The whistleblower enforcement provision shall take effect  
18 one hundred eighty (180) days after the effective date of this act.

19 SECTION 6. NEW LAW A new section of law to be codified  
20 in the Oklahoma Statutes as Section 13001 of Title 74, unless there  
21 is created a duplication in numbering, reads as follows:

22 A. An entity constructing, repairing, operating, or otherwise  
23 having significant access to critical infrastructure may not enter  
24 into an agreement relating to critical infrastructure in this state

1 with a foreign principal from a foreign adversary country, or use  
2 products or services produced by a foreign principal from a foreign  
3 adversary country.

4 B. A governmental entity may not enter into a contract or other  
5 agreement relating to critical infrastructure in this state with a  
6 company that is a foreign principal from a foreign adversary  
7 country, or use products or services produced by a foreign principal  
8 from a foreign adversary country.

9 C. Notwithstanding the provisions of subsection A and B of this  
10 section, an entity or governmental entity may enter into a contract  
11 or agreement relating to critical infrastructure with a foreign  
12 principal from a foreign adversary country or use products or  
13 services produced by a foreign principal from a foreign adversary  
14 country if:

15 1. There is no other reasonable option for addressing the need  
16 relevant to state critical infrastructure;

17 2. The contract is pre-approved by the Office of the Attorney  
18 General; and

19 3. Not entering into such a contract or agreement would pose a  
20 greater threat to the state than the threat associated with entering  
21 into the contract.

22 SECTION 7. NEW LAW A new section of law to be codified  
23 in the Oklahoma Statutes as Section 13002 of Title 74, unless there  
24 is created a duplication in numbering, reads as follows:

1       A. In order to access critical infrastructure, a company must  
2 file a certification form with and pay a certification fee to the  
3 Office of the Attorney General. The Office of the Attorney General  
4 shall prescribe the registration form to be filed pursuant to the  
5 provisions of this section.

6       B. To maintain registration as a company with access to  
7 critical infrastructure, a company shall:

8           1. Identify all employee positions in the organization that  
9 have access to critical infrastructure;

10          2. Before hiring a person described in paragraph 1 of this  
11 subsection, obtain from the Oklahoma State Bureau of Investigation  
12 or a private vendor criminal history record information relating to  
13 the prospective employee and any other background information  
14 considered necessary by the company or required by the Office of the  
15 Attorney General to protect critical infrastructure from foreign  
16 adversary infiltration or interference;

17          3. Prohibit foreign nationals from an adversary nation from  
18 access to critical infrastructure; and

19          4. Be compliant with the provisions of Section 6 of this act.

20       C. The Office of the Attorney General shall set the fee in an  
21 amount sufficient to cover the costs of administering the  
22 certification process but not to exceed One Hundred Fifty Dollars  
23 (\$150.00).



1 D. The Office of the Attorney General shall provide that a  
2 company is compliant with all requirements of this section or revoke  
3 certification.

4 SECTION 8. NEW LAW A new section of law to be codified  
5 in the Oklahoma Statutes as Section 13003 of Title 74, unless there  
6 is created a duplication in numbering, reads as follows:

7 A. All software used in state infrastructure located within or  
8 serving Oklahoma shall henceforth not include any software produced  
9 by a federally banned corporation, nor any software banned at the  
10 federal level.

11 B. All software used in state infrastructure located within or  
12 serving Oklahoma shall henceforth not include any software produced  
13 in or by a foreign adversary, a state-owned enterprise of a foreign  
14 adversary, or a company domiciled within a foreign adversary.

15 C. All software used in state infrastructure in operation  
16 within or serving Oklahoma, to include any state infrastructure  
17 which is not permanently disabled, shall have all software  
18 prohibited by subsection A or B of this section removed and replaced  
19 with software which is not prohibited by subsection A or B of this  
20 section.

21 D. Any state infrastructure provider that removes,  
22 discontinues, or replaces any prohibited software shall not be  
23 required to obtain any additional permits from any state agency or  
24 political subdivision for the removal, discontinuance, or

1 replacement of such software as long as the state agency or  
2 political subdivision is properly notified of the necessary  
3 replacements and the replacement software is similar to the existing  
4 software.

5 SECTION 9. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 13004 of Title 74, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. The Office of the Attorney General shall establish a process  
9 by which local officials, states officials, or other persons may  
10 submit information or concerns to the Office regarding non-notified  
11 transactions in Oklahoma. The Office of the Attorney General may  
12 adopt any necessary rules to implement the provisions of this  
13 subsection.

14 B. The Office of the Attorney General may submit a memorandum  
15 or report concerning non-notified transactions the Attorney General  
16 has identified in Oklahoma to the Committee on Foreign Investment in  
17 the United States.

18 C. The Office of the Attorney General shall:

19 1. Retain a copy of any documents submitted to the Committee on  
20 Foreign Investment in the United States that are included with a  
21 memorandum or report submitted under the provisions of subsection B  
22 of this section; and

23 2. Notify the State Legislature and the Governor as soon as  
24 practicable after submitting a memorandum, report, or other

1 information pursuant to the provisions of subsection B of this  
2 section.

3 SECTION 10. This act shall become effective November 1, 2024.

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