

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB1265
Version:	PCS1
Request Number:	10289
Author:	McCall
Date:	2/21/2024
Impact:	Please see previous summary of this measure

Research Analysis

The proposed committee substitute to HB 1265 creates the Military Installation and Critical Infrastructure Act of 2024. The measure prohibits a foreign principal from a foreign adversary country from directly or indirectly owning or having an interest greater than 25% in agricultural land in the state. The measure provides that a foreign principal has a de minimis indirect interest if any ownership is the result of the foreign principal's ownership of registered equities in a publicly traded company owning the land and if the ownership of the foreign principal in the country is either less than five percent of any class of registered equities or less than five percent in the aggregate in multiple classes of registered equities or a noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment advisor, and is not a foreign entity.

A foreign principal that directly or indirectly owns or acquires agricultural land or any interest in agricultural land in Oklahoma must sell transfer, or otherwise divest itself of agricultural land within 180 days of the effective date of this law. Foreign principals that directly or indirectly own or acquires agricultural land or any interest in such land must register with the State Department of Agriculture within 60 days of the effective date of this act or the date of acquisition, whichever is latest. If a foreign principal from a foreign adversary country does not divest the public or private lands as required by this section, the Attorney General shall commence an action in district court within the jurisdiction of the public or private land.

The measure allows for whistleblower referrals and entitles the whistleblower to be entitled to a reward equal to 30% of the proceeds of the land sale that results from violations, after payments to lienholders.

The measure prohibits a foreign principal from a foreign adversary country from directly or indirectly purchasing, holding, renting, or otherwise controlling any property within ten miles of a military base or installation and requires divestiture within 180 days of the effective date of the act. If a foreign principal from a foreign adversary country does not divest the public or private lands as required by this section, the Attorney General shall commence an action in district court within the jurisdiction of the public or private land. Whistleblower referrals are eligible for a reward of 30% of the proceeds after sale of the land.

The measure prohibits any entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure from entering into an agreement with a foreign principal from a foreign adversary country, or use products or services produced by a foreign principal from a foreign adversary country. The measure creates a registry within the Office of the Attorney General of companies with access to critical infrastructure. The certification fee to be paid by companies may not exceed \$150.

The measure prohibits the use of any software produced by a federally banned corporation, or software banned at the federal level from use in state infrastructure.

The Office of the Attorney General is to establish a process by which local officials, state officials, or other persons may submit information or concerns to the Office regarding non-notified transactions in Oklahoma.

Prepared By: Brad Wolgamott

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: House Fiscal Staff

Other Considerations

None.