THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1995 Session of 2024

INTRODUCED BY GLEIM, SCIALABBA, BONNER, STAMBAUGH, BARTON, SMITH, FEE, PICKETT, KAUFFMAN, STAATS, GILLEN, KEEFER, SCHEUREN, MOUL, HAMM, MALONEY, KRUPA, ROAE, HEFFLEY, ZIMMERMAN, JOZWIAK, ROWE AND BANTA, FEBRUARY 23, 2024

REFERRED TO COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, FEBRUARY 23, 2024

AN ACT

Amending the act of April 6, 1980 (P.L.102, No.39), entitled "An 1 act restricting the acquisition by certain aliens of an 2 interest in agricultural lands," further prohibiting certain 3 entities from acquiring an interest in agricultural land; 4 providing for investigation by Attorney General and for 5 responsibilities of purchaser and Attorney General; further 6 providing for forfeiture of lands; providing for real estate 7 auction; and further providing for definitions. 8 9 The General Assembly of the Commonwealth of Pennsylvania 10 hereby enacts as follows: Section 1. Section 1 of the act of April 6, 1980 (P.L.102, 11 12 No.39), referred to as the Agricultural Land Acquisition by Aliens Law, is amended to read: 13 14 Section 1. (a) An alien, who is not a resident of a state 15 or territory of the United States or of the District of 16 Columbia; and a foreign government shall not acquire an interest in agricultural land, exceeding 100 acres, except such as may be 17 acquired by devise or inheritance, and such as may be held as 18 19 security for indebtedness.

1 (b) An entity which is organized under the laws of a country of concern; a foreign principal; an entity with a controlling 2 interest owned by foreign principals; a foreign political party; 3 a member of a foreign political party; and an individual 4 domiciled in a country of concern and who is not a lawful 5 citizen or permanent resident of the United States; shall not 6 7 acquire an interest in agricultural land except such as may be 8 acquired by devise or inheritance, and such as may be held as 9 security for indebtedness. (c) The provisions of this section shall not apply to 10 citizens, foreign governments, entities or subjects of a foreign 11 12 country whose rights to hold land are secured by treaty. 13 Section 2. The act is amended by adding sections to read: 14 Section 5.1. The Attorney General, upon request of or receipt of any information which leads the Attorney General to 15 believe that a violation of section 1 or 4 may exist, shall 16 investigate the possible violation, including the issuance of 17 subpoenas requiring the appearance of witnesses, the production 18 of relevant records and the provision of relevant testimony. 19 20 Section 5.2. (a) A title company involved in a real estate 21 transaction involving agricultural land that willfully fails to determine whether a purchaser is in violation of section 1 or 4 22 23 shall be subject to a civil penalty of \$1,000. The Attorney 24 General shall enforce the provisions of this subsection. 25 (b) Except as provided under section 5.1 and subsection (a), an individual or entity that is not prohibited from purchasing 26 agricultural land under section 1 or 4 shall not be required to 27 28 determine or inquire whether another person or entity is subject to this act, and shall bear no civil or criminal liability under 29 30 this act.

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1 Section 3. Section 6 of the act is amended to read: 2 Section 6. Agricultural lands acquired or held in violation 3 of sections 1 and 4 shall be forfeited to the Commonwealth. The Attorney General shall enforce such forfeiture. However, no such 4 forfeiture may be adjudged unless the action to enforce is 5 brought within five years after such property has been acquired 6 7 or held by such alien. No title to land is invalid or liable to 8 forfeiture by reason of the alienage of any former owner or person interested therein. Upon commencement of an action under 9 this section, the Attorney General shall promptly record a 10 notice of the pendency of the action in the county's land 11 12 records. Upon the completion of the action to enforce a 13 forfeiture under this section, the Attorney General shall 14 promptly record a notice of the action in the county's land 15 records. 16 Section 4. The act is amended by adding a section to read: 17 Section 6.1. Upon forfeiture of agricultural lands under section 6, the Commonwealth, through the Department of General 18 19 Services, shall sell the agricultural land through a real estate 20 auction. Proceeds of the sale shall be disbursed according to the following order: 21 22 (1) The payment of authorized costs of the sale, including all approved fees, expenses and any taxes and assessments due. 23 24 (2) The payment, in an amount approved by a court, to the 25 Attorney General for reimbursement of the investigation and 26 litigation costs and expenses. 27 (3) To bona fide lienholders, in their order of priority, except for liens which under the terms of the sale are to remain 28 29 on the property. 30 (4) To the General Fund.

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1 Section 5. Section 7 of the act is amended to read:

Section 7. [For purposes of this act, the term "agricultural land" means land] <u>The following words and phrases when used in</u> <u>this act shall have the meanings given to them in this section</u> <u>unless the context clearly indicates otherwise:</u>

6 "Agricultural land." Land capable of use in the production of agricultural crops, timber, livestock or livestock products, 7 poultry or poultry products, milk or dairy products, or fruit 8 9 and other horticultural products but does not include any royalty interest, any oil, gas or other mineral interest, or any 10 lease, right-of-way, option or easement relating thereto, or any 11 12 land zoned by a local governmental unit for a use other than and nonconforming with agricultural use. 13

14 <u>"Country of concern." China, Russia, Belarus, Iran, North</u>

15 Korea, Venezuela, Syria and any other country which does not

16 permit Americans to purchase farmland in their country.

17 <u>"Foreign political party." A political party of a country of</u> 18 concern.

19 <u>"Foreign principal." A government official of a country of</u> 20 <u>concern.</u>

21 "Title company." A person that is contracted with a party

22 involved in a real estate transaction that provides verification

23 of clean title of the land or title insurance for the purchaser.

24 Section 6. This act shall take effect in 60 days.

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