

HOUSE BILL NO. 1503

Introduced by

Representatives Hoverson, Timmons

Senator Paulson

1 A BILL for an Act to amend and reenact section 47-01-09 and subsection 1 of section
2 47-10.1-02 of the North Dakota Century Code, relating to prohibition of foreign ownership of real
3 property; and to provide for retroactive application.

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

5 **SECTION 1. AMENDMENT.** Section 47-01-09 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **47-01-09. Public or private ownership - All property subject to - Foreign ownership**
8 **prohibited.**

- 9 1. All property in this state has an owner, whether that owner is the United States or the
10 state, and the property public, or the owner an individual, and the property private. The
11 state also may hold property as a private proprietor.
- 12 2. Notwithstanding any other provision of law, a government of a foreign country or a
13 foreign business entity, permanent resident, or alien may not directly or indirectly
14 acquire an ownership interest in real property in this state unless the individual is an
15 alien entitled to enter the United States under the provisions of a treaty of commerce
16 and navigation between the United States and the foreign state of which the individual
17 is a national, solely to develop and direct the operations of an enterprise in which the
18 individual has invested or to direct the operations of an enterprise in which the
19 individual is actively in the process of investing a substantial amount of capital.
- 20 3. Any government of a foreign country or a foreign business entity, permanent resident,
21 or alien that acquires an ownership interest in real property after the effective date of
22 this Act, has one year from the effective date of this Act to divest the ownership
23 interest in the real property. The one-year period is deemed a covenant running with
24 the title to the real property against any grantee or assignee. Any real property not

1 divested within one year must be sold at public sale in the manner prescribed by law
2 for the foreclosure of a real estate mortgage by action.

3 **SECTION 2. AMENDMENT.** Subsection 1 of section 47-10.1-02 of the North Dakota
4 Century Code is amended and reenacted as follows:

5 1. An individual who is not a citizen of the United States, ~~a citizen of Canada, or a~~
6 ~~permanent resident alien of the United States~~ may not acquire directly or indirectly any
7 interest in agricultural land unless:

8 a. The individual is an alien entitled to enter the United States under the provisions
9 of a treaty of commerce and navigation between the United States and the
10 foreign state of which the individual is a national, solely to develop and direct the
11 operations of an enterprise in which the individual has invested or to direct the
12 operations of an enterprise in which the individual is actively in the process of
13 investing a substantial amount of capital;

14 b. The individual resides in this state for at least ten months out of every year;

15 c. The individual actively participates in the operation of the agricultural land;

16 d. The agricultural landholding does not exceed six hundred forty acres [258.99
17 hectares]; and

18 e. The agricultural landholding includes a dairy operation.

19 **SECTION 3. RETROACTIVE APPLICATION.** This Act applies retroactively to ownership
20 interests in real property acquired after July 31, 2020.