

The Senate Committee on Regulated Industries and Utilities offered the following substitute to SB 420:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general
2 provisions relative to agriculture, so as to prohibit the acquisition of possessory interest in
3 certain land by certain foreign persons and entities; to provide for definitions; to provide for
4 exceptions; to provide for civil actions; to provide for rules and regulations; to provide for
5 disclosures; to provide for penalties; to provide for statutory construction; to provide for
6 related matters; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general provisions
10 relative to agriculture, is amended by adding a new Code section to read as follows:

11 "2-1-7.

12 (a) As used in this Code section, the term:

13 (1) 'Agricultural land' means any land capable of use in the production of agricultural
14 crops, timber, livestock or livestock products, poultry or poultry products, milk or dairy
15 products, or fruit or other horticultural products, but does not include any land zoned by
16 a local governmental unit for a use other than and nonconforming with agricultural use.

- 17 (2) 'Nonresident alien' means:
- 18 (A) Any natural person described in subsection (a) of Code Section 1-2-11 who is not
19 a United States citizen or legal resident, is a subject of a foreign government designated
20 as a foreign adversary by the United States Secretary of Commerce, and:
- 21 (i) Has been physically absent from the United States for more than six months out
22 of any 12 month period; or
- 23 (ii) Has been physically absent from Georgia for more than two months out of any 12
24 month period;
- 25 (B) A corporation, partnership, limited partnership, trustee, or other business entity that
26 is:
- 27 (i) Domiciled in a country whose government is designated as a foreign adversary by
28 the United States Secretary of Commerce; or
- 29 (ii) Domiciled within the United States, but the ownership of at least 25 percent of
30 which is composed of any corporation, partnership, limited partnership, trustee, or
31 other business entity that is domiciled in a country whose government is designated
32 as a foreign adversary by the United States Secretary of Commerce;
- 33 provided, however, that this subparagraph shall not include a corporation, partnership,
34 limited partnership, trustee, or other business entity leasing land from its owner and
35 using such land for agricultural research and development or experimental purposes,
36 including testing, developing, or producing crop production inputs, including, but not
37 limited to, seeds, plants, pesticides, soil amendments, biologicals, and fertilizers, for
38 sale or resale to farmers; or
- 39 (C) A foreign government designated as a foreign adversary by the United States
40 Secretary of Commerce.
- 41 (3) 'Residential property' means single-family and two-family, three-family, and
42 four-family residential real estate.

43 (b)(1) Except as provided by subsections (c) and (d) of this Code section, no nonresident
44 alien shall acquire directly or indirectly any possessory interest in agricultural land or
45 land within a 25 mile radius of any military base, military installation, or military airport.

46 (2) This subsection shall not apply to residential property.

47 (c)(1)(A) A nonresident alien may acquire a possessory interest in agricultural land by
48 devise or inheritance, as security for indebtedness, in the collection of debts, or by any
49 procedure for the enforcement of a lien or claim thereon, whether created by mortgage
50 or otherwise.

51 (B) Any such possessory interest in agricultural land acquired by a nonresident alien
52 in the collection of debts or by any procedure for the enforcement of a lien or claim
53 thereon shall be disposed of within two years after acquiring such possessory interest.

54 (C) Any such possessory interest in agricultural land acquired by a nonresident alien
55 by devise or inheritance shall be disposed of within two years after acquiring such
56 possessory interest.

57 (2) A nonresident alien that acquires any possessory interest in agricultural land in
58 violation of paragraph (1) of subsection (b) of this Code section shall dispose of such
59 possessory interest within two years after acquiring such possessory interest.

60 (d) A nonresident alien that acquires a possessory interest in agricultural land pursuant to
61 subsection (c) of this Code section may avoid disposing of such interest if, within the time
62 required for disposal, such nonresident alien terminates said nonresident alien status.

63 (e) A broker who is engaged by client who is a prospective buyer or seller of a possessory
64 interest in agricultural land shall timely disclose to said client the requirements and
65 limitations of this Code section. For purposes of this subsection, the terms 'broker,' 'client,'
66 and 'timely' shall have the same meanings as provided in Code Section 10-6A-3.

67 (f) A nonresident alien that purports to acquire any interest in agricultural land in violation
68 of this Code section shall be barred from making any claim against any party for restitution
69 of the purchase price paid by such nonresident alien in connection with such interest in

70 agricultural land or for any other kind of payment relating to the nonresident alien's loss
71 or lack of title to such interest in agricultural land. The legal counsel of any county,
72 municipality, or consolidated government in which the agricultural land is located, the
73 Attorney General, or any person that is not a nonresident alien that was a party to the void
74 transaction or is a subsequent holder of such interest may file an action.

75 (g) The Commissioner, in consultation with the Secretary of State, shall promulgate rules
76 and regulations as necessary to implement the provisions of this Code section.

77 (h) Any nonresident alien who intentionally violates the provisions of this Code section
78 shall be guilty of a felony and shall be punished by a fine of not more than \$15,000.00 or
79 imprisonment for not less than one year nor more than two years, or both.

80 (i) In the event that the application of any provision of this Code section to a particular
81 transaction is found to be preempted by federal law, any such provision shall not apply to
82 such transaction."

83 **SECTION 2.**

84 This Act shall become effective on July 1, 2024.

85 **SECTION 3.**

86 All laws and parts of laws in conflict with this Act are repealed.