

SECOND REGULAR SESSION

# SENATE BILL NO. 885

## 103RD GENERAL ASSEMBLY

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INTRODUCED BY SENATOR BLACK.

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KRISTINA MARTIN, Secretary

### AN ACT

To repeal sections 442.566, 442.571, 442.576, and 442.591, RSMo, and to enact in lieu thereof four new sections relating to foreign ownership of agricultural land, with an emergency clause.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 442.566, 442.571, 442.576, and 2 442.591, RSMo, are repealed and four new sections enacted in 3 lieu thereof, to be known as sections 442.566, 442.571, 442.576, 4 and 442.591, to read as follows:

442.566. As used in sections 442.560 to 442.591,  
2 unless the context clearly requires otherwise, the following  
3 terms mean:

4 (1) "Agricultural land", any tract of land in this  
5 state consisting of more than five acres, whether inside or  
6 outside the corporate limits of any municipality, which is  
7 capable, without substantial modification to the character  
8 of the land, of supporting an agricultural enterprise,  
9 including but not limited to land used for the production of  
10 agricultural crops or fruit or other horticultural products,  
11 or for the raising or feeding of animals for the production  
12 of livestock or livestock products, poultry or poultry  
13 products, or milk or dairy products. Adjacent parcels of  
14 land under the same ownership shall be deemed to be a single  
15 tract;

**EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

16                   (2) "Alien", any person who is not a citizen of the  
17 United States and who is not a resident of the United States  
18 or of some state, territory, trusteeship, or protectorate of  
19 the United States;

20 (3) "Director", the director of the Missouri  
21 department of agriculture;

22 (4) "Family members" includes all persons within the  
23 ninth degree of consanguinity, or the living or surviving  
24 spouse of any person within the ninth degree of  
25 consanguinity;

36 (6) "Residence", the place of general abode; the place  
37 of general abode of a person means his principal, actual  
38 dwelling place in fact, where he intends to remain  
39 permanently or for an indefinite period of time at least.

442.571. 1. Except as provided in sections 442.586  
2 and 442.591, [no alien or foreign business shall acquire by  
3 grant, purchase, devise, descent or otherwise agricultural  
4 land in this state if the total aggregate alien and foreign  
5 ownership of agricultural acreage in this state exceeds one  
6 percent of the total aggregate agricultural acreage in this  
7 state. A sale or transfer of any agricultural land in this  
8 state shall be submitted to the director of the department

9 of agriculture for review in accordance with subsection 3 of  
10 this section only if there is no completed Internal Revenue  
11 Service Form W-9 signed by the purchaser] **beginning on the**  
12 **effective date of this act, no alien, foreign business, or**  
13 **foreign government shall acquire by grant, purchase, devise,**  
14 **descent, or otherwise any agricultural land in this state.**  
15 **Any alien, foreign business, or foreign government who**  
16 **acquired any agricultural land in this state prior to the**  
17 **effective date of this act shall not grant, sell, or**  
18 **otherwise transfer such agricultural land to any other**  
19 **alien, foreign business, or foreign government on or after**  
20 **the effective date of this act.** No person may hold  
21 agricultural land as an agent, trustee, or other fiduciary  
22 for an alien [or], foreign business, **or foreign government**  
23 in violation of sections 442.560 to 442.592, provided,  
24 however, that no security interest in such agricultural land  
25 shall be divested or invalidated by such violation.

26 2. Any alien [or], foreign business, **or foreign**  
27 **government** who acquires agricultural land in violation of  
28 sections 442.560 to 442.592 remains in violation of sections  
29 442.560 to 442.592 for as long as [he or she] **the alien,**  
30 **foreign business, or foreign government** holds an interest in  
31 the land, provided, however, that no security interest in  
32 such agricultural land shall be divested or invalidated by  
33 such violation.

34 3. Subject to the provisions of subsection 1 of this  
35 section, [such] **all** proposed [acquisitions] **transfers on or**  
36 **after the effective date of this act** by grant, purchase,  
37 devise, descent, or otherwise of **any interest in**  
38 agricultural land **held by any alien, foreign business, or**  
39 **foreign government** in this state shall be submitted **at least**  
40 **thirty calendar days prior to when such transfers of such**

41 **agricultural land are finalized** to the department of  
42 agriculture to determine whether such **[acquisition] transfer**  
43 of agricultural land, **or if land usage changes**, is conveyed  
44 in accordance with the **[one percent restriction on the total**  
45 **aggregate] prohibition on** alien and foreign ownership of  
46 agricultural land in this state **under this act**. **Such sale**  
47 **or transfer submitted for review shall be deemed a closed**  
48 **record under chapter 610 until such sale is finalized**. The  
49 department shall establish by rule the requirements for  
50 submission and approval of requests under this subsection.

51 4. Any rule or portion of a rule, as that term is  
52 defined in section 536.010, that is created under the  
53 authority delegated in this section shall become effective  
54 only if it complies with and is subject to all of the  
55 provisions of chapter 536 and, if applicable, section  
56 536.028. This section and chapter 536 are nonseverable and  
57 if any of the powers vested with the general assembly  
58 pursuant to chapter 536 to review, to delay the effective  
59 date, or to disapprove and annul a rule are subsequently  
60 held unconstitutional, then the grant of rulemaking  
61 authority and any rule proposed or adopted after August 28,  
62 2014, shall be invalid and void.

442.576. 1. If the director finds that an alien **[or]**,  
2 foreign business, **or foreign government** or an agent,  
3 trustee, or other fiduciary therefor has acquired  
4 agricultural land in Missouri **[in violation of sections**  
5 **442.560 to 442.592] after the effective date of this act**, or  
6 the land ceases to be used for nonagricultural purposes  
7 under section 442.591, he or she shall report the violation  
8 to the attorney general.

9 2. The attorney general shall institute an action in  
10 the circuit court of Cole County or the circuit court in any

11 county in which agricultural land owned by the alien or  
12 foreign business, agent, trustee or other fiduciary, alleged  
13 to have violated sections 442.560 to 442.592, is located.

14       3. The attorney general shall file a notice of the  
15 pendency of the action with the recorder of deeds of each  
16 county in which any portion of such agricultural lands is  
17 located. If the court finds that the lands in question have  
18 been acquired in violation of sections 442.560 to 442.592,  
19 it shall enter an order so declaring and shall file a copy  
20 of the order with the recorder of deeds of each county in  
21 which any portion of the agricultural lands is located. The  
22 court shall order the owner to divest himself of the  
23 agricultural land. The owner must comply with the order  
24 within two years. The two-year limitation period shall be a  
25 covenant running with the title to the land against any  
26 alien grantee or assignee. Provided, however, an  
27 incorporated foreign business must divest itself of  
28 agricultural land within the minimum time required by  
29 Article XI, Section 5, of the Missouri Constitution. Any  
30 agricultural lands not divested within the time prescribed  
31 shall be ordered sold by the court at a public sale in the  
32 manner prescribed by law for the foreclosure of a mortgage  
33 on real estate for default in payment.

442.591. 1. **As used in this section, the following  
2 terms mean:**

3       (1) **"Foreign adversary"**, any foreign government or  
4 person identified as a foreign adversary in 15 CFR 791.4;

5       (2) **"Nonfarming"**, includes, but is not limited to, the  
6 conducting and active operation of research or  
7 experimentation for the purpose of developing or improving  
8 any type of agricultural practice, tool, device, or  
9 implement, or animal health research, animal nutrition

10 **research, raising genetic traits that are used for human or**  
11 **animal research, or animals raised for exhibition.**

12       **2.** The restrictions set forth in sections 442.560 to  
13 442.592 shall not apply to agricultural land or any interest  
14 therein acquired by an alien or foreign business for  
15 immediate or potential use in nonfarming purposes. An alien  
16 or foreign business may hold such agricultural land in such  
17 acreage as may be necessary to its nonfarm business  
18 operation; provided, however, that pending the development  
19 of agricultural land for nonfarm purposes, such land may not  
20 be used for farming except under lease to a family farm  
21 unit; a family farm corporation defined in section 350.010;  
22 an alien or foreign business which has filed with the  
23 director under sections 442.560 to 442.592; or except when  
24 controlled through ownership, options, leaseholds or other  
25 agreements by a corporation which has entered into an  
26 agreement with the United States of America pursuant to the  
27 New Community Act of 1968 (Title IV of the Housing and Urban  
28 Development Act of 1969, 42 U.S.C. 3901-3914), as amended,  
29 or a subsidiary or assignee of such a corporation.

30       **3. Beginning on the effective date of this act, no**  
31 **foreign adversary shall own agricultural land in this state**  
32 **for nonfarming purposes.**

Section B. Because of the dangers of foreign ownership  
2 of agricultural land, section A of this act is deemed  
3 necessary for the immediate preservation of the public  
4 health, welfare, peace, and safety, and is hereby declared  
5 to be an emergency act within the meaning of the  
6 constitution, and section A of this act shall be in full  
7 force and effect upon its passage and approval.

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