

HOUSE BILL No. 2290

By Committee on Commerce, Labor and Economic Development

Requested by Representative Croft

2-5

1 AN ACT concerning real property; relating to certain lands and military
2 installations; enacting the Kansas land and military installation
3 protection act; prohibiting foreign principals from countries of concern
4 from acquiring any interest in certain real property in this state;
5 authorizing the fusion center oversight board to adopt rules and
6 regulations to add or remove federally designated foreign terrorist
7 organizations from the definition of country of concern; prohibiting
8 foreign principals from countries of concern from receiving any
9 economic development program benefits; amending K.S.A. 2024 Supp.
10 60-4104 and 60-4106 and repealing the existing sections.

11

12 *Be it enacted by the Legislature of the State of Kansas:*

13 New Section 1. (a) Sections 1 through 8, and amendments thereto,
14 shall be known and may be cited as the Kansas land and military
15 installation protection act.

16 (b) The purpose of this act is to protect certain real property and
17 military installations located in this state by prohibiting countries of
18 concern and any agent thereof from acquiring any interest in such real
19 property.

20 New Sec. 2. As used in sections 1 through 8, and amendments
21 thereto:

22 (a) "Attorney general" means the attorney general of the state of
23 Kansas.

24 (b) "Company" means any:

25 (1) For-profit corporation, partnership, limited partnership, limited
26 liability partnership, limited liability company, joint venture, trust,
27 association, sole proprietorship or other organization, including any:

28 (A) Subsidiary of such company, a majority ownership interest of
29 which is held by such company;

30 (B) parent company that holds a majority ownership interest of such
31 company; and

32 (C) other affiliate or business association of such company whose
33 primary purpose is to make a profit; or

34 (2) nonprofit organization.

35 (c) (1) "Country of concern" means the following:

1 (A) Any foreign adversary, as such term is defined by 15 C.F.R. §
2 7.4, as in effect on April 1, 2025; and

3 (B) any organization that is designated as a foreign terrorist
4 organization as of July 1, 2025, pursuant to 8 U.S.C. § 1189, as in effect on
5 July 1, 2025, except as otherwise provided by rules and regulations
6 adopted by the fusion center oversight board pursuant to section 7, and
7 amendments thereto.

8 (2) "Country of concern" does not include the republic of China
9 (Taiwan).

10 (d) "De minimis interest" means any interest in real property that is:

11 (1) The result of ownership of registered securities in a publicly
12 traded company; and

13 (2) such ownership is:

14 (A) Less than 10% of any class of registered securities or less than
15 10% of the aggregate registered securities of multiple classes of securities;
16 or

17 (B) a noncontrolling interest in an entity that is controlled by a
18 company that is registered with the United States securities and exchange
19 commission as an investment adviser under the investment advisers act of
20 1940, P.L. 117-263 and is not a foreign entity.

21 (e) "Domicile" means the country where:

22 (1) A company is organized;

23 (2) a company completes a substantial portion of its business; or

24 (3) a majority of a company's ownership interest is held.

25 (f) "Economic development incentive program" means:

26 (1) Any economic development incentive program administered
27 wholly or in part by the secretary of commerce;

28 (2) any tax credit, except for social and domestic tax credits,
29 regardless of the administering state agency;

30 (3) property that has been exempted from ad valorem taxation under
31 the provisions of section 13 of article 11 of the constitution of the state of
32 Kansas;

33 (4) property that has been purchased, acquired, constructed,
34 reconstructed, improved, equipped, furnished, repaired, enlarged or
35 remodeled with all or any part of the proceeds of revenue bonds issued
36 under any authority granted in article 17 of chapter 12 of the Kansas
37 Statutes Annotated, and amendments thereto;

38 (5) any economic development fund, including, but not limited to, the
39 job creation program fund established by K.S.A. 74-50,224, and
40 amendments thereto, and the economic development initiatives fund
41 established by K.S.A. 79-4804, and amendments thereto; and

42 (6) any other economic development incentive program that provides
43 any form of tax credit, abatement or exemption or financial assistance

1 provided by or authorized by a governmental entity.

2 (g) "Foreign entity" means any company whose domicile is any
3 country other than the United States.

4 (h) "Foreign principal" means:

5 (1) The government or any official of the government of a country of
6 concern;

7 (2) any political party, subdivision thereof or any member of a
8 political party of a country of concern;

9 (3) any corporation, partnership, association, organization or other
10 combination of persons organized under the laws of or having its principal
11 place of business in a country of concern. "Foreign principal" includes any
12 subsidiary owned or wholly controlled by any such entity;

13 (4) any agent of or any entity otherwise under the control of a country
14 of concern;

15 (5) any individual who is a citizen or resident of a country of concern
16 and is not a citizen or lawful permanent resident of the United States; or

17 (6) any individual, entity or combination thereof described in
18 paragraphs (1) through (5) that has a controlling interest in any company
19 formed for the purpose of holding any interest in real property.

20 (i) "Fusion center oversight board" means the fusion center oversight
21 board established in K.S.A. 2024 Supp. 48-3705, and amendments thereto.

22 (j) "Interest in real property" means any:

23 (1) Ownership interest in any parcel of real property acquired by
24 purchase, gift, grant, devise, bequest or other transfer of such interest;

25 (2) ownership or other interest in any easement or other right of
26 egress onto or across any parcel of real property;

27 (3) ownership or other interest in any right to any oil, gas, minerals or
28 water located on or under any parcel of real property; and

29 (4) any interest or right to possess or use any parcel of real property
30 acquired by the execution of a lease, lease-purchase or any other form of
31 rental agreement.

32 (k) "Military installation" means any land, buildings or other
33 structures owned or controlled by any division of the United States
34 department of defense, Kansas national guard or any other federal or state
35 agency that is critical to the safety and security of Kansas or the United
36 States.

37 (l) "Non-notified transaction" means any transaction involving
38 foreign investment in the United States that is not voluntarily submitted to
39 the committee on foreign investment in the United States for review
40 pursuant to 50 U.S.C. § 4565.

41 (m) "Real property" means any real estate located in this state except
42 residential real property.

43 (n) "Residential real property" means real property that is used

1 exclusively as a place of residence for human habitation.

2 (o) "Social and domestic tax credits" means the adoption credit
3 created pursuant to K.S.A. 79-32,202a, and amendments thereto, the
4 earned income tax credit created pursuant to K.S.A. 79-32,205, and
5 amendments thereto, the food sales tax credit created pursuant to K.S.A.
6 79-32,271, and amendments thereto, the child and dependent care tax
7 credit created pursuant to K.S.A. 79-32,111c, and amendments thereto, and
8 the homestead property tax refund created pursuant to K.S.A. 79-4501 et
9 seq., and amendments thereto.

10 (p) "State agency" means any department, authority, bureau, division,
11 office or other governmental agency of this state.

12 (q) "Tax credit" means any credit allowed against the tax imposed by
13 the Kansas income tax act, the premium or privilege fees imposed
14 pursuant to K.S.A. 40-252, and amendments thereto, or the privilege tax as
15 measured by net income of financial institutions imposed pursuant to
16 article 11 of chapter 79 of the Kansas Statutes Annotated, and amendments
17 thereto.

18 New Sec. 3. (a) Except as provided in subsections (d) and (e), no
19 foreign principal shall directly or indirectly acquire any interest in any real
20 property located within 100 miles of the boundary of any military
21 installation located in this state or any adjacent state, except a de minimis
22 interest in such real property.

23 (b) Any foreign principal that owns any interest in real property as
24 described in subsection (a) or directly or indirectly acquires any interest in
25 real property as described in subsection (a) shall file registration of such
26 interest with the attorney general in such form and manner as prescribed
27 by the attorney general not later than 90 days after the effective date of this
28 act or the date such interest is acquired, whichever occurs later. Such filing
29 shall include:

- 30 (1) The name of the individual or entity holding such interest;
31 (2) the date of acquisition;
32 (3) the address and legal description of the real property; and
33 (4) the number of acres comprising the real property.

34 (c) (1) Any foreign principal that fails to file the registration as
35 required under subsection (b) or directly or indirectly acquires any interest
36 in real property as described in subsection (a) shall divest such interest in
37 such real property.

38 (2) A copy of all documentation evidencing such divestiture shall be
39 submitted to the attorney general in such manner as prescribed by the
40 attorney general not later than 30 days after the effective date of such
41 divestiture.

42 (d) A foreign principal may acquire an interest in real property by
43 devise or bequest, through the enforcement of any security interest or

1 through the collection of a debt. Any such acquisition shall be subject to
2 the provisions of subsections (b) and (c).

3 New Sec. 4. (a) The attorney general shall investigate any suspected
4 violation of section 3, and amendments thereto.

5 (b) A foreign principal who is subject to the requirements of section
6 3, and amendments thereto, may enter into an agreement with the attorney
7 general to divest such foreign principal's interest in real property not more
8 than 360 days from entering into such agreement.

9 (c) The attorney general may commence an action in a court of
10 competent jurisdiction to enforce the provisions of section 3, and
11 amendments thereto. In any such action, the attorney general may seek:

12 (1) A court order directing the defendant to divest such defendant's
13 interest in such real property;

14 (2) injunctive relief;

15 (3) civil forfeiture of the defendant's interest in such real property
16 pursuant to K.S.A. 60-4101 et seq., and amendments thereto; and

17 (4) reasonable attorney fees and court costs.

18 (d) Upon a determination by a court of competent jurisdiction that the
19 defendant has violated the requirements of section 3, and amendments
20 thereto, the defendant shall divest such defendant's interest in such real
21 property within 180 days after the day such court order is issued.

22 New Sec. 5. No foreign principal shall receive any direct benefit
23 related to any economic development program regardless of the form of
24 such benefit.

25 New Sec. 6. (a) The attorney general shall establish policies and
26 procedures for the reporting of information concerning non-notified
27 transactions to the attorney general. Any person may report information
28 concerning such transactions in such form and manner as prescribed by the
29 attorney general.

30 (b) The attorney general shall prepare and submit a report on any
31 identified non-notified transactions to the committee on foreign investment
32 in the United States. A copy of such report shall be submitted to the
33 governor, the adjutant general and the standing committees on federal and
34 state affairs of the senate and the house of representatives or any successor
35 committee of either such standing committee.

36 (c) On or before February 1 of each year, the attorney general shall
37 prepare and submit a report to the governor, the adjutant general, the
38 standing committee on commerce, labor and economic development of the
39 house of representatives, the standing committee on commerce of the
40 senate, the standing committee on federal and state affairs of the house of
41 representatives and the standing committee on federal and state affairs of
42 the senate or any successor committee of such standing committees. Such
43 report shall detail the implementation of the Kansas land and military

1 installation protection act and include the attorney general's recommended
2 amendments to the definition of country of concern, if any.

3 (d) The attorney general shall retain copies of any documents that are
4 made a part of or otherwise submitted to the committee on foreign
5 investment in the United States along with the report required under
6 subsection (b).

7 (e) On or before January 1, 2026, the attorney general shall adopt
8 rules and regulations to implement the provisions of this section.

9 New Sec. 7. (a) Upon any occasion when an organization is
10 designated as a foreign terrorist organization or has such designation
11 revoked pursuant to 8 U.S.C. § 1189, the fusion center oversight board
12 may adopt rules and regulations to reflect such designation or revocation
13 of such designation, but only after giving due consideration to the risks to
14 state and national security and the economic costs and benefits of such
15 action.

16 (b) In no case shall the fusion center oversight board adopt any rule
17 or regulation pursuant to this section that would designate an organization
18 as a foreign terrorist organization that is not designated as a foreign
19 terrorist organization pursuant to 8 U.S.C. § 1189.

20 New Sec. 8. On or before March 1 of each year, Kansas state
21 university shall use available data and resources to prepare and submit a
22 report to the legislature and the attorney general detailing the status and
23 trends of all foreign land holdings of real property within the state of
24 Kansas.

25 New Sec. 9. Sections 1 through 8, and amendments thereto, are
26 declared severable. Any provision of sections 1 through 8, and
27 amendments thereto, or the application thereof to any person or
28 circumstance that is held to be unconstitutional or invalid shall not affect
29 the validity of any remaining provisions of sections 1 through 8, and
30 amendments thereto, or the applicability of such provisions to any person
31 or circumstance.

32 Sec. 10. K.S.A. 2024 Supp. 60-4104 is hereby amended to read as
33 follows: 60-4104. Conduct and offenses giving rise to forfeiture under this
34 act, whether or not there is a prosecution or conviction related to the
35 offense, are:

36 (a) All offenses which statutorily and specifically authorize forfeiture;

37 (b) violations involving controlled substances, as described in K.S.A.
38 21-5703, 21-5705, 21-5707, 21-5708(b), 21-5709(a), (b)(1), (c) and (d),
39 21-5710, 21-5713(a), 21-5714 and 21-5716, and amendments thereto;

40 (c) theft, as defined in K.S.A. 21-5801, and amendments thereto;

41 (d) criminal discharge of a firearm, as defined in K.S.A. 21-6308(a)
42 (1) and (a)(2), and amendments thereto;

43 (e) gambling, as defined in K.S.A. 21-6404, and amendments thereto,

- 1 and commercial gambling, as defined in K.S.A. 21-6406(a)(1), and
2 amendments thereto;
- 3 (f) counterfeiting, as defined in K.S.A. 21-5825, and amendments
4 thereto;
- 5 (g) unlawful possession or use of a scanning device or reencoder, as
6 described in K.S.A. 21-6108, and amendments thereto;
- 7 (h) medicaid fraud, as described in K.S.A. 21-5925 through 21-5934,
8 and amendments thereto;
- 9 (i) an act or omission occurring outside this state, which would be a
10 violation in the place of occurrence and would be described in this section
11 if the act occurred in this state, whether or not it is prosecuted in any state;
- 12 (j) an act or omission committed in furtherance of any act or omission
13 described in this section including any inchoate or preparatory offense,
14 whether or not there is a prosecution or conviction related to the act or
15 omission;
- 16 (k) any solicitation or conspiracy to commit any act or omission
17 described in this section, whether or not there is a prosecution or
18 conviction related to the act or omission;
- 19 (l) terrorism, as defined in K.S.A. 21-5421, and amendments thereto,
20 illegal use of weapons of mass destruction, as defined in K.S.A. 21-5422,
21 and amendments thereto, and furtherance of terrorism or illegal use of
22 weapons of mass destruction, as described in K.S.A. 21-5423, and
23 amendments thereto;
- 24 (m) unlawful conduct of dog fighting and unlawful possession of dog
25 fighting paraphernalia, as defined in K.S.A. 21-6414(a) and (b), and
26 amendments thereto;
- 27 (n) unlawful conduct of cockfighting and unlawful possession of
28 cockfighting paraphernalia, as defined in K.S.A. 21-6417(a) and (b), and
29 amendments thereto;
- 30 (o) selling sexual relations, as defined in K.S.A. 21-6419, and
31 amendments thereto, promoting the sale of sexual relations, as defined in
32 K.S.A. 21-6420, and amendments thereto, and buying sexual relations, as
33 defined in K.S.A. 21-6421, and amendments thereto;
- 34 (p) human trafficking and aggravated human trafficking, as defined in
35 K.S.A. 21-5426, and amendments thereto;
- 36 (q) violations of the banking code, as described in K.S.A. 9-2012, and
37 amendments thereto;
- 38 (r) mistreatment of a dependent adult, as defined in K.S.A. 21-5417,
39 and amendments thereto;
- 40 (s) giving a worthless check, as defined in K.S.A. 21-5821, and
41 amendments thereto;
- 42 (t) forgery, as defined in K.S.A. 21-5823, and amendments thereto;
- 43 (u) making false information, as defined in K.S.A. 21-5824, and

1 amendments thereto;

2 (v) criminal use of a financial card, as defined in K.S.A. 21-5828, and
3 amendments thereto;

4 (w) unlawful acts concerning computers, as described in K.S.A. 21-
5 5839, and amendments thereto;

6 (x) identity theft and identity fraud, as defined in K.S.A. 21-6107(a)
7 and (b), and amendments thereto;

8 (y) electronic solicitation, as defined in K.S.A. 21-5509, and
9 amendments thereto;

10 (z) felony violations of fleeing or attempting to elude a police officer,
11 as described in K.S.A. 8-1568, and amendments thereto;

12 (aa) commercial sexual exploitation of a child, as defined in K.S.A.
13 21-6422, and amendments thereto;

14 (bb) violations of the Kansas racketeer influenced and corrupt
15 organization act, as described in K.S.A. 21-6329, and amendments thereto;

16 (cc) indecent solicitation of a child and aggravated indecent
17 solicitation of a child, as defined in K.S.A. 21-5508, and amendments
18 thereto;

19 (dd) sexual exploitation of a child, as defined in K.S.A. 21-5510, and
20 amendments thereto; ~~and~~

21 (ee) violation of a consumer protection order as defined in K.S.A. 21-
22 6423, and amendments thereto; *and*

23 *(ff) violation of the Kansas land and military installation protection*
24 *act as described in section 3, and amendments thereto.*

25 Sec. 11. K.S.A. 2024 Supp. 60-4106 is hereby amended to read as
26 follows: 60-4106. (a) Except as provided in this subsection, all property,
27 including all interests in property, described in K.S.A. 60-4105, and
28 amendments thereto, is subject to forfeiture subject to all mortgages, deeds
29 of trust, financing statements or security agreements properly of record
30 prior to the forfeiture held by an interest holder.

31 (1) No real property or conveyance, or an interest therein, may be
32 forfeited under this act unless the offense or conduct giving rise to
33 forfeiture constitutes a felony, *except as provided in the Kansas land and*
34 *military installation protection act, section 1 et seq., and amendments*
35 *thereto.*

36 (2) No conveyance used by any person as a common carrier in the
37 transaction of business as a common carrier is subject to forfeiture under
38 this act unless the owner or other person in charge of the conveyance is a
39 consenting party or privy to a violation of this act.

40 (3) No property is subject to forfeiture under this act if the owner or
41 interest holder acquired the property before or during the conduct giving
42 rise to the property's forfeiture, and such owner or interest holder:

43 (A) Did not know and could not have reasonably known of the act or

1 omission or that it was likely to occur; or

2 (B) acted reasonably to prevent the conduct giving rise to forfeiture.

3 (4) No property is subject to forfeiture if the owner or interest holder
4 acquired the property after the conduct giving rise to the property's
5 forfeiture, including acquisition of proceeds of conduct giving rise to
6 forfeiture, and such owner or interest holder:

7 (A) Acquired the property in good faith, for value; and

8 (B) was not knowingly taking part in an illegal transaction.

9 (5) (A) An interest in property acquired in good faith by an attorney
10 as reasonable payment or to secure payment for legal services in a criminal
11 matter relating to violations of this act or for the reimbursement of
12 reasonable expenses related to the legal services is exempt from forfeiture
13 unless before the interest was acquired the attorney knew of a judicial
14 determination of probable cause that the property is subject to forfeiture.

15 (B) The state bears the burden of proving that an exemption claimed
16 under this section is not applicable. Evidence made available by the
17 compelled disclosure of confidential communications between an attorney
18 and a client other than nonprivileged information relating to attorney fees,
19 is not admissible to satisfy the state's burden of proof.

20 (b) Notwithstanding subsection (a), property is not exempt from
21 forfeiture, even though the owner or interest holder lacked knowledge or
22 reason to know that the conduct giving rise to property's forfeiture had
23 occurred or was likely to occur, if the:

24 (1) Person whose conduct gave rise to the property's forfeiture had
25 authority to convey the property of the person claiming the exemption to a
26 good faith purchaser for value at the time of the conduct;

27 (2) owner or interest holder is criminally responsible for the conduct
28 giving rise to the property's forfeiture, whether or not there is a prosecution
29 or conviction; or

30 (3) owner or interest holder acquired the property with notice of the
31 property's actual or constructive seizure for forfeiture under this act, or
32 with reason to believe that the property was subject to forfeiture under this
33 act.

34 (c) Prior to final judgment in a judicial forfeiture proceeding, the
35 court shall determine whether the proposed forfeiture is unconstitutionally
36 excessive pursuant to K.S.A. 60-4112(g), and amendments thereto, if the
37 court has not made such determination earlier in the proceeding as a result
38 of a petition filed pursuant to K.S.A. 60-4112(g), and amendments thereto.

39 Sec. 12. K.S.A. 2024 Supp. 60-4104 and 60-4106 are hereby
40 repealed.

41 Sec. 13. This act shall take effect and be in force from and after its
42 publication in the statute book.