

SENATE BILL 392

N1, M4

4lr1727

By: **Senator Gallion**

Introduced and read first time: January 18, 2024

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Agricultural Land – Adversarial Foreign Governments – Restrictions on**
3 **Property Interests**

4 FOR the purpose of prohibiting adversarial foreign governments from purchasing,
5 acquiring, leasing, or holding certain property interests in agricultural land in the
6 State; requiring the Attorney General to enforce this Act in a certain manner; and
7 generally relating to the property interests of adversarial foreign governments.

8 BY repealing and reenacting, with amendments,

9 Article – Real Property

10 Section 14–101

11 Annotated Code of Maryland

12 (2023 Replacement Volume)

13 BY adding to

14 Article – Real Property

15 Section 14–101.1

16 Annotated Code of Maryland

17 (2023 Replacement Volume)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

19 That the Laws of Maryland read as follows:

20 **Article – Real Property**

21 14–101.

22 **[Any] EXCEPT AS PROVIDED IN § 14–101.1 OF THIS SUBTITLE, ANY** alien who is
23 not an enemy, may own, sell, devise, dispose of, or otherwise deal with property in the same
24 manner as if **[he] THE PERSON** had been a citizen of the State by birth.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 14-101.1.

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (2) "ADVERSARIAL FOREIGN GOVERNMENT" MEANS A
5 STATE-CONTROLLED ENTERPRISE OR GOVERNMENT OF A COUNTRY THAT THE U.S.
6 SECRETARY OF COMMERCE HAS DETERMINED TO BE A FOREIGN ADVERSARY UNDER
7 15 C.F.R. § 7.4.

8 (3) "AGRICULTURAL LAND" MEANS REAL PROPERTY THAT IS OR WAS
9 ASSESSED ON THE BASIS OF FARM OR AGRICULTURAL USE UNDER § 8-209 OF THE
10 TAX - PROPERTY ARTICLE.

11 (4) "STATE-CONTROLLED ENTERPRISE" MEANS A BUSINESS
12 ENTERPRISE, HOWEVER DENOMINATED, IN WHICH A FOREIGN GOVERNMENT:

13 (I) POSSESSES MORE THAN 50% OF THE OWNERSHIP
14 INTERESTS; OR

15 (II) DIRECTS THE BUSINESS AND AFFAIRS OF THE ENTERPRISE
16 WITHOUT THE REQUIREMENT OR CONSENT OF ANY OTHER PERSON.

17 (B) AN ADVERSARIAL FOREIGN GOVERNMENT MAY NOT PURCHASE,
18 ACQUIRE, LEASE, OR HOLD ANY PROPERTY INTEREST IN AGRICULTURAL LAND IN
19 THE STATE.

20 (C) (1) THE ATTORNEY GENERAL SHALL ENFORCE THIS SECTION.

21 (2) (I) IF THE ATTORNEY GENERAL HAS REASON TO BELIEVE THAT
22 A PERSON IS VIOLATING THIS SECTION, THE ATTORNEY GENERAL SHALL:

23 1. COMMENCE AN ACTION IN THE CIRCUIT COURT OF
24 THE COUNTY WHERE ANY PORTION OF THE AGRICULTURAL LAND IS LOCATED; AND

25 2. FILE A NOTICE OF THE PENDENCY OF THE ACTION IN
26 ACCORDANCE WITH THE MARYLAND RULES.

27 (II) IF THE COURT DETERMINES THAT A PERSON HOLDS A
28 PROPERTY INTEREST IN AGRICULTURAL LAND IN VIOLATION OF THIS SECTION, THE
29 COURT SHALL ENTER AN ORDER:

1 **1. DECLARING THAT THE PERSON IS AN ADVERSARIAL**
2 **FOREIGN GOVERNMENT THAT HOLDS A PROPERTY INTEREST IN AGRICULTURAL**
3 **LAND IN VIOLATION OF THIS SECTION; AND**

4 **2. REQUIRING THE PERSON TO DIVEST ITSELF OF THE**
5 **PROPERTY INTEREST WITHIN 1 YEAR AFTER THE DATE OF THE ORDER.**

6 **(III) THE ATTORNEY GENERAL SHALL CAUSE ANY COURT ORDER**
7 **ISSUED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH TO BE FILED IN THE LAND**
8 **RECORDS IN EACH COUNTY WHERE THE AGRICULTURAL LAND IS LOCATED.**

9 **(IV) A 1-YEAR LIMITATION PERIOD ESTABLISHED BY COURT**
10 **ORDER UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL BE CONSIDERED A**
11 **COVENANT RUNNING WITH THE TITLE TO THE LAND AGAINST ANY GRANTEE OR**
12 **ASSIGNEE.**

13 **(V) ANY LAND SUBJECT TO A COURT ORDER UNDER**
14 **SUBPARAGRAPH (II) OF THIS PARAGRAPH THAT IS NOT DIVESTED WITHIN THE TIME**
15 **PRESCRIBED SHALL BE SOLD AT PUBLIC SALE IN THE MANNER PRESCRIBED BY LAW**
16 **FOR THE FORECLOSURE OF A MORTGAGE OR DEED OF TRUST.**

17 **(3) THE ATTORNEY GENERAL MAY BRING AN ACTION TO ENJOIN A**
18 **THREATENED OR PROSPECTIVE VIOLATION OF THIS SECTION IN ANY MANNER**
19 **PROVIDED BY LAW.**

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 October 1, 2024.