

FIRST REGULAR SESSION

HOUSE BILL NO. 698

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KORMAN.

0955H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 442.571 and 442.586, RSMo, and to enact in lieu thereof two new sections relating to foreign ownership of agricultural land, with an emergency clause.

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

Section A. Sections 442.571 and 442.586, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 442.571 and 442.586, to read as follows:

442.571. 1. Except as provided in sections 442.586 and 442.591, no alien or foreign
2 business shall acquire by grant, purchase, devise, descent or otherwise agricultural land in this
3 state if the total aggregate alien and foreign ownership of agricultural acreage in this state
4 exceeds **one-half of** one percent of the total aggregate agricultural acreage in this state, **which**
5 **shall be based on the United States Department of Agriculture's 2012 census of agriculture**
6 **total farm land acres in the state.** [No such] A sale[,] or transfer[, or acquisition] of any
7 agricultural land in this state shall [occur unless such sale, transfer, or acquisition is approved
8 by] **be submitted to** the director of the department of agriculture **for review** in accordance with
9 subsection 3 of this section. No person may hold agricultural land as an agent, trustee, or other
10 fiduciary for an alien or foreign business in violation of sections 442.560 to 442.592, **provided,**
11 **however, that no security interest in such agricultural land shall be divested or invalidated**
12 **by such violation.**

13 2. Any alien or foreign business who acquires agricultural land in violation of sections
14 442.560 to 442.592 remains in violation of sections 442.560 to 442.592 for as long as he or she
15 holds an interest in the land, **provided, however, that no security interest in such agricultural**
16 **land shall be divested or invalidated by such violation.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 3. **[All] Subject to the provisions of subsection 1 of this section**, such proposed
18 acquisitions by grant, purchase, devise, descent, or otherwise of agricultural land in this state
19 shall be submitted to the department of agriculture to determine whether such acquisition of
20 agricultural land is conveyed in accordance with the **one-half of** one percent restriction on the
21 total aggregate alien and foreign ownership of agricultural land in this state. The department
22 shall establish by rule the requirements for submission and approval of requests under this
23 subsection.

24 4. **Any land that is subject to the provisions of sections 442.560 to 442.592 shall be**
25 **taxed as commercial property under section 137.016 until the purchase is approved by the**
26 **department.**

27 5. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
28 under the authority delegated in this section shall become effective only if it complies with and
29 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
30 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
31 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule
32 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule
33 proposed or adopted after August 28, 2013, shall be invalid and void.

 442.586. [Sections 442.560 to 442.591 shall not apply to agricultural land now owned
2 in this state by aliens or foreign businesses] **Within the one-half of one percent of the total**
3 **aggregate agricultural acreage in this state that may be owned by aliens or foreign**
4 **businesses in accordance with section 442.571, twenty percent of the agricultural acreage**
5 **currently owned by aliens or foreign businesses as of the effective date of this section is**
6 **reserved for expansion**, so long as it is held by the present owners or their direct descendants
7 including any trust for the benefit of either and any legal person owned or controlled by either
8 including but not limited to corporations, limited liability corporations, partnerships, and limited
9 liability partnerships, nor to any alien who is or shall take up bona fide residence in the United
10 States; and any alien who is or shall become a bona fide resident of the United States shall have
11 the right to acquire and hold agricultural lands in this state upon the same terms as citizens of the
12 United States during the continuance of such bona fide residence in the United States; except,
13 that if any resident alien shall cease to be a bona fide resident of the United States, such alien
14 shall have two years from the time he **or she** ceased to be a bona fide resident in which to divest
15 himself **or herself** of such agricultural lands. Any agricultural lands not divested within the time
16 prescribed shall be ordered sold by the court at a public sale in the manner prescribed by law for
17 the foreclosure of a mortgage on real estate for default in payment.

 Section B. Because immediate action is necessary to ensure the ability of citizens to
2 obtain timely financing for the purchase of agricultural land, section A of this act is deemed

3 necessary for the immediate preservation of the public health, welfare, peace, and safety, and is
4 hereby declared to be an emergency act within the meaning of the constitution, and section A of
5 this act shall be in full force and effect upon its passage and approval.

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