

FIRST REGULAR SESSION

# HOUSE BILL NO. 260

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE REIBOLDT.

0840H.011

D. ADAM CRUMBLISS, Chief Clerk

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### 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.

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*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Section A. Sections 442.571 and 442.586, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 442.571 and 442.586, to read as follows: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 business shall acquire by grant, purchase, devise, descent or otherwise agricultural land in this state if the total aggregate alien and foreign ownership of agricultural acreage in this state exceeds [one] **one-half of one** percent of the total aggregate agricultural acreage in this state, **which shall be based on the United States Department of Agriculture's 2012 census of agriculture total farm land acres in the state.** [No such] A sale[,], or transfer[,], or acquisition] of any agricultural land in this state shall [occur unless such sale, transfer, or acquisition is approved by] **be submitted to** the director of the department of agriculture **for review** in accordance with subsection 3 of this section **only if there is no complete Internal Revenue Service Form W-9 signed by the purchaser.** No person may hold agricultural land as an agent, trustee, or other fiduciary for an alien or foreign business in violation of sections 442.560 to 442.592; **provided, however, that no security interest in such agricultural land shall be divested or invalidated by such violation.**

2. Any alien or foreign business who acquires agricultural land in violation of sections 442.560 to 442.592 remains in violation of sections 442.560 to 442.592 for as long as he or she holds an interest in the land; **provided, however, that no security interest in such agricultural 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.

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

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