

HOUSE BILL 842

N1, M4

3lr0389

By: **Delegates Ghrist, Arentz, Bouchat, Buckel, Chisholm, Ciliberti, Grammer, Griffith, Hartman, Hornberger, Kipke, Mangione, Miller, T. Morgan, Nawrocki, Schmidt, Szeliga, and Tomlinson**

Introduced and read first time: February 9, 2023

Assigned to: Environment and Transportation and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Agricultural Land – Foreign Property Interests – Restrictions**

3 FOR the purpose of prohibiting foreign persons from purchasing, leasing, or otherwise
4 acquiring certain interests in agricultural land in the State on or after a certain date;
5 providing that the transfer of a certain interest in agricultural land to a foreign
6 person is void as against the public policy of the State; and generally relating to
7 property interests in agricultural land.

8 BY repealing and reenacting, with amendments,

9 Article – Real Property

10 Section 14–101

11 Annotated Code of Maryland

12 (2015 Replacement Volume and 2022 Supplement)

13 BY adding to

14 Article – Real Property

15 Section 14–101.1

16 Annotated Code of Maryland

17 (2015 Replacement Volume and 2022 Supplement)

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**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 not an enemy, may own, sell, devise, dispose of, or otherwise deal with property in the same
2 manner as if he had been a citizen of the State by birth.

3 **14-101.1.**

4 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
5 INDICATED.

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

9 (3) "FOREIGN COUNTRY" MEANS A COUNTRY, INCLUDING A
10 POLITICAL SUBDIVISION OF THE COUNTRY, OTHER THAN THE UNITED STATES AND
11 THE TERRITORIES AND POSSESSIONS OF THE UNITED STATES.

12 (4) "FOREIGN GOVERNMENT" MEANS THE GOVERNMENT OF A
13 FOREIGN COUNTRY.

14 (5) "FOREIGN PERSON" MEANS:

15 (I) AN INDIVIDUAL WHO IS NOT:

16 1. A CITIZEN OR NATIONAL OF THE UNITED STATES;

17 2. A CITIZEN OF THE NORTHERN MARIANA ISLANDS OR
18 THE TRUST TERRITORY OF THE PACIFIC ISLANDS; OR

19 3. LAWFULLY ADMITTED TO THE UNITED STATES FOR
20 PERMANENT RESIDENCE OR PAROLED INTO THE UNITED STATES UNDER THE
21 FEDERAL IMMIGRATION AND NATIONALITY ACT;

22 (II) A FOREIGN GOVERNMENT;

23 (III) A PERSON, OTHER THAN AN INDIVIDUAL OR A FOREIGN
24 GOVERNMENT, THAT:

25 1. IS CREATED OR ORGANIZED UNDER THE LAWS OF A
26 FOREIGN GOVERNMENT; OR

27 2. HAS ITS PRINCIPAL PLACE OF BUSINESS LOCATED IN
28 A FOREIGN COUNTRY; OR

29 (IV) A PERSON, OTHER THAN AN INDIVIDUAL OR A FOREIGN

1 GOVERNMENT:

2 1. THAT IS CREATED OR ORGANIZED UNDER THE LAWS
3 OF A STATE, DISTRICT, TERRITORY, OR POSSESSION OF THE UNITED STATES; AND

4 2. IN WHICH, AS DETERMINED BY REGULATIONS OF THE
5 UNITED STATES DEPARTMENT OF AGRICULTURE ADOPTED UNDER THE FEDERAL
6 AGRICULTURAL FOREIGN INVESTMENT DISCLOSURE ACT OF 1978, A SIGNIFICANT
7 INTEREST OR SUBSTANTIAL CONTROL IS DIRECTLY OR INDIRECTLY HELD BY:

8 A. AN INDIVIDUAL DESCRIBED IN ITEM (I) OF THIS
9 PARAGRAPH;

10 B. A PERSON DESCRIBED IN ITEM (III) OF THIS
11 PARAGRAPH; OR

12 C. A FOREIGN GOVERNMENT.

13 (B) THIS SECTION DOES NOT APPLY TO:

14 (1) A SECURITY INTEREST;

15 (2) A LEASEHOLD OF LESS THAN 10 YEARS;

16 (3) A CONTINGENT FUTURE INTEREST;

17 (4) A NONCONTINGENT FUTURE INTEREST THAT DOES NOT BECOME
18 POSSESSORY ON THE TERMINATION OF THE PRESENT POSSESSORY ESTATE;

19 (5) A SURFACE OR SUBSURFACE EASEMENT OR RIGHT-OF-WAY USED
20 FOR A PURPOSE UNRELATED TO AGRICULTURAL PRODUCTION;

21 (6) AN INTEREST SOLELY IN MINERAL RIGHTS; OR

22 (7) AN INTEREST IN AGRICULTURAL LAND ACQUIRED BY A FOREIGN
23 PERSON ON OR BEFORE SEPTEMBER 30, 2023.

24 (C) (1) ON OR AFTER OCTOBER 1, 2023, A FOREIGN PERSON MAY NOT
25 PURCHASE, LEASE, OR OTHERWISE ACQUIRE ANY INTEREST IN AGRICULTURAL
26 LAND IN THE STATE.

27 (2) THE TRANSFER OF AN INTEREST IN AGRICULTURAL LAND TO A
28 FOREIGN PERSON IS VOID AS AGAINST THE PUBLIC POLICY OF THE STATE.

1 **(D) THIS SECTION MAY NOT BE APPLIED IN A MANNER INCONSISTENT WITH**
2 **THE PROVISIONS OF ANY TREATY BETWEEN THE UNITED STATES AND ANOTHER**
3 **COUNTRY.**

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 October 1, 2023.