

STATE LAND PURCHASE RESTRICTIONS

2023 GENERAL SESSION

STATE OF UTAH

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LONG TITLE

General Description:

This bill enacts the Restrictions on Foreign Acquisitions of Land Act.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ prohibits a restricted foreign entity from acquiring an interest in land;
- ▶ requires a restricted foreign entity to alienate certain interests in land; and
- ▶ provides that certain interests in land escheat to the state after a specified time.

Money Appropriated in this Bill:

None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 ENACTS:

32 **63L-13-101**, Utah Code Annotated 1953

33 **63L-13-201**, Utah Code Annotated 1953

34 **63L-13-202**, Utah Code Annotated 1953



36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **63L-13-101** is enacted to read:

38 **CHAPTER 13. RESTRICTIONS ON FOREIGN ACQUISITIONS OF LAND ACT**

39 **Part 1. General Provisions**

40 **63L-13-101. Definitions.**

41 As used in this chapter:

42 (1) "Interest in land" means any right, title, lien, claim, interest, or estate with respect to
43 land.

44 (2) (a) "Land" means all real property within the state.

45 (b) "Land" includes:

46 (i) agricultural land, as defined in Section **4-46-102**;

47 (ii) land owned or controlled by a political subdivision;

48 (iii) land owned or controlled by a school district;

49 (iv) non-federal land, as defined in Section **9-9-402**;

50 (v) private land;

51 (vi) public land;

52 (vii) state land, as defined in Subsection **9-9-402(14)(a)**;

53 (viii) waters of the state, as defined in Subsection **19-5-102(23)(a)**; and

54 (ix) subsurface land.

55 (c) "Land" does not include real property that is owned, controlled, or held in trust by

56 the federal government.

57 (3) "Restricted foreign entity" means:

58 (a) a company that the United States Secretary of Defense is required to identify and
59 report as a military company under Section 1260H of the William M. (Mac) Thornberry
60 National Defense Authorization Act for Fiscal Year 2021, Pub. L. No. 116-283;

61 (b) an affiliate, subsidiary, or holding company of a company described in Subsection
62 (3)(a);

63 (c) a country with a commercial or defense industrial base of which a company
64 described in Subsection (3)(a) or (b) is a part;

65 (d) a state, province, region, prefecture, subdivision, or municipality of a country
66 described in Subsection (3)(c); and

67 (e) an agency, bureau, committee, or department of a country described in Subsection
68 (3)(c).

69 Section 2. Section **63L-13-201** is enacted to read:

70 **Part 2. Interests in Land**

71 **63L-13-201. Acquisition of land prohibited -- Exceptions.**

72 (1) Subject to Subsection (2) and Section [63L-13-202](#), a restricted foreign entity may
73 not acquire an interest in land in this state.

74 (2) Subsection (1) does not apply to an interest in land that a restricted foreign entity
75 acquired before May 3, 2023:

76 (a) by purchase, grant, gift, donation, devise, or bequest;

77 (b) as security for the repayment of a debt; or

78 (c) as a party to a contract for the transfer or conveyance of an interest in land to the
79 restricted foreign entity.

80 (3) A deed or other written instrument, other than in probate, purporting to convey an
81 interest in land to a restricted foreign entity in violation of Subsection (1) is invalid.

82 Section 3. Section **63L-13-202** is enacted to read:

83 **63L-13-202. Alienate within five years -- Escheat.**

84 (1) A restricted foreign entity that acquires an interest in land on or after May 3, 2023,
85 by grant, gift, donation, devise, or bequest shall alienate the interest within five years after the
86 date of acquisition.

87 (2) If a restricted foreign entity fails to alienate an interest in land in accordance with
88 Subsection (1), the interest escheats to the state.