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STATE LAND PURCHASE AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

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LONG TITLE

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4 **General Description:**

5 This bill deals with land conveyances to restricted foreign entities in the state.

6 **Highlighted Provisions:**

7 This bill:

8 ▶ defines terms;

9 ▶ modifies the definition of restricted foreign entity to prevent the following entities from  
10 obtaining an interest in land in the state:

11 • an entity that is owned or directly controlled by the government of China, Iran, North  
12 Korea, or Russia; and

13 • an entity in which a restricted foreign entity owns a majority interest;

- 14       ▶ requires that a restricted foreign entity alienate any interest in the state within one year;
- 15       ▶ requires that the Department of Public Safety:
- 16             • maintain a publicly available list of restricted foreign entities;
- 17             • create a process for reporting a land conveyance to a restricted foreign entity;
- 18             • provide an annual notice regarding restricted foreign entities to each county auditor
- 19 in the state; and
- 20             • investigate any conveyance to a restricted foreign entity;
- 21       ▶ describes the duties of a county recorder in relation to restricted foreign entities; and
- 22       ▶ provides the Division of Facilities Construction and Management authority to sell an
- 23 interest in land that a restricted foreign entity fails to timely alienate.

24 **Money Appropriated in this Bill:**

25       None

26 **Other Special Clauses:**

27       None

28 **Utah Code Sections Affected:**

29 AMENDS:

30       **53-1-106**, as last amended by Laws of Utah 2023, Chapters 328, 447

31       **63L-13-101**, as enacted by Laws of Utah 2023, Chapter 61

32       **63L-13-201**, as enacted by Laws of Utah 2023, Chapter 61

33       **63L-13-202**, as enacted by Laws of Utah 2023, Chapter 61

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

36       Section 1. Section **53-1-106** is amended to read:

37       **53-1-106 . Department duties -- Powers.**

38 (1) In addition to the responsibilities contained in this title, the department shall:

39       (a) make rules and perform the functions specified in Title 41, Chapter 6a, Traffic Code,

40       including:

41             (i) setting performance standards for towing companies to be used by the department,

42             as required by Section 41-6a-1406; and

43             (ii) advising the Department of Transportation regarding the safe design and

44             operation of school buses, as required by Section 41-6a-1304;

45       (b) make rules to establish and clarify standards pertaining to the curriculum and

46       teaching methods of a motor vehicle accident prevention course under Section

47       31A-19a-211;

- 48 (c) aid in enforcement efforts to combat drug trafficking;
- 49 (d) meet with the Division of Technology Services to formulate contracts, establish  
50 priorities, and develop funding mechanisms for dispatch and telecommunications  
51 operations;
- 52 (e) provide assistance to the Crime Victim Reparations Board and the Utah Office for  
53 Victims of Crime in conducting research or monitoring victims' programs, as  
54 required by Section 63M-7-505;
- 55 (f) develop sexual assault exam protocol standards in conjunction with the Utah Hospital  
56 Association;
- 57 (g) engage in emergency planning activities, including preparation of policy and  
58 procedure and rulemaking necessary for implementation of the federal Emergency  
59 Planning and Community Right to Know Act of 1986, as required by Section  
60 53-2a-702;
- 61 (h) implement the provisions of Section 53-2a-402, the Emergency Management  
62 Assistance Compact;
- 63 (i) ensure that any training or certification required of a public official or public  
64 employee, as those terms are defined in Section 63G-22-102, complies with Title  
65 63G, Chapter 22, State Training and Certification Requirements, if the training or  
66 certification is required:
- 67 (i) under this title;
- 68 (ii) by the department; or
- 69 (iii) by an agency or division within the department;
- 70 (j) employ a law enforcement officer as a public safety liaison to be housed at the State  
71 Board of Education who shall work with the State Board of Education to:
- 72 (i) support training with relevant state agencies for school resource officers as  
73 described in Section 53G-8-702;
- 74 (ii) coordinate the creation of model policies and memorandums of understanding for  
75 a local education agency and a local law enforcement agency; and
- 76 (iii) ensure cooperation between relevant state agencies, a local education agency,  
77 and a local law enforcement agency to foster compliance with disciplinary related  
78 statutory provisions, including Sections 53E-3-516 and 53G-8-211;
- 79 (k) provide for the security and protection of public officials, public officials' staff, and  
80 the capitol hill complex in accordance with the provisions of this part;[~~and~~]
- 81 (l) fulfill the duties described in Sections 77-36-2.1 and 78B-7-120 related to lethality

82 assessments[-] ; and

83 (m) fulfill the duties described in Section 63L-13-201 related to restricted foreign  
84 entities.

85 (2) (a) The department shall establish a schedule of fees as required or allowed in this  
86 title for services provided by the department.

87 (b) All fees not established in statute shall be established in accordance with Section  
88 63J-1-504.

89 (3) The department may establish or contract for the establishment of an Organ  
90 Procurement Donor Registry in accordance with Section 26B-8-319.

91 Section 2. Section **63L-13-101** is amended to read:

92 **63L-13-101 . Definitions.**

93 As used in this chapter:

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

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

97 (b) "Land" includes:

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

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

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

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

102 (v) private land;

103 (vi) public land;

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

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

106 (ix) subsurface land.

107 (c) "Land" does not include real property that is owned, controlled, or held in trust by  
108 the federal government.

109 (3) "Land conveyance" means the transfer of any interest in land from one party to another.

110 [~~3~~] (4) "Restricted foreign entity" means:

111 (a) a company that the United States Secretary of Defense is required to identify and  
112 report as a military company under Section 1260H of the William M. (Mac)

113 Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. No.  
114 116-283;

115 (b) an entity that is owned or directly controlled by the government of China, Iran, North

- 116 Korea, or Russia;  
 117 (c) an affiliate, subsidiary, or holding company of [a company] an entity described in  
 118 Subsection [(3)(a)] (4)(a) or (b);  
 119 [(e)] (d) a country with a commercial or defense industrial base of which [a company] an  
 120 entity described in Subsection [(3)(a) or (b)] (4)(a), (b), or (c) is a part;  
 121 [(d)] (e) a state, province, region, prefecture, subdivision, or municipality of a country  
 122 described in Subsection [(3)(e); and] (4)(d);  
 123 [(e)] (f) an agency, bureau, committee, or department of a country described in  
 124 Subsection [(3)(e);] (4)(d); or  
 125 (g) any entity in which any entity described in Subsections (4)(a) through (f) maintains  
 126 at least a 51% ownership interest.

127 Section 3. Section **63L-13-201** is amended to read:

128 **63L-13-201 . Acquisition of land prohibited -- Exceptions -- Enforcement.**

- 129 (1) As used in this section, "department" means the Department of Public Safety created  
 130 under Section 53-1-103.  
 131 [(4)] (2) Subject to Subsection [(2)] (3) and Section 63L-13-202, a restricted foreign entity  
 132 may not acquire an interest in land in this state.  
 133 [(2) Subsection (1) does not apply to an interest in land that a restricted foreign entity  
 134 acquired before May 3, 2023:]  
 135 [(a) by purchase, grant, gift, donation, devise, or bequest;]  
 136 [(b) as security for the repayment of a debt; or]  
 137 [(e) as a party to a contract for the transfer or conveyance of an interest in land to the  
 138 restricted foreign entity.]  
 139 [(3) A deed or other written instrument, other than in probate, purporting to convey an  
 140 interest in land to a restricted foreign entity in violation of Subsection (1) is invalid.]  
 141 (3) A restricted foreign entity that, in violation of Subsection (2), obtains an interest in land  
 142 shall alienate the interest in accordance with Section 63L-13-202.  
 143 (4) The department shall:  
 144 (a) maintain a publicly available list of restricted foreign entities;  
 145 (b) create a process by which a county recorder may report a land conveyance the county  
 146 recorder suspects is prohibited under this section;  
 147 (c) provide an annual notice to each county recorder in the state that includes:  
 148 (i) instruction on how to identify a restricted foreign entity;  
 149 (ii) the process by which a county recorder may report to the department a land

- 150            conveyance the county recorder suspects is prohibited under this section; and  
 151            (iii) any additional information the department deems necessary;  
 152            (d) investigate the validity of each land conveyance a county recorder reports under this  
 153            section;  
 154            (e) when, after investigation, the department determines that a land conveyance violates  
 155            this section:  
 156            (i) give notice to the restricted foreign entity that:  
 157                (A) the land conveyance violates this section; and  
 158                (B) Section 63L-13-202 requires the restricted foreign entity to alienate the  
 159                restricted foreign entity's interest in the land within one year or the Division of  
 160                Facilities Construction and Management will sell the interest in accordance  
 161                with Subsection 63L-13-202(3); and  
 162            (ii) notify the county recorder of the county in which the land is located of the land  
 163            conveyance; and  
 164            (f) coordinate with the Division of Facilities Construction and Management to facilitate  
 165            a sale of the interest in land as described in Section 63L-13-202.  
 166            (5) A county recorder:  
 167                (a) is not liable for a conveyance to a restricted foreign entity; and  
 168                (b) shall, upon notice from the department under Subsection (4)(e)(ii), create a public  
 169                record of each violation of this section.

170            Section 4. Section **63L-13-202** is amended to read:

171            **63L-13-202 . Alienate within one year -- Sale of property.**

- 172            (1) (a) A restricted foreign entity that acquires an interest in land on or after [May 3,  
 173                2023, by grant, gift, donation, devise, or bequest] May 1, 2024, shall alienate the  
 174                interest within [five years] one year after the date of acquisition.  
 175                (b) A restricted foreign entity that acquired an interest in land before May 1, 2024, shall  
 176                alienate the interest on or before May 1, 2025.  
 177            (2) If a restricted foreign entity fails to alienate an interest in land [in accordance with  
 178                Subsection (1), the interest escheats to the state.] as described in Subsection (1), the  
 179                Division of Facilities Construction and Management shall sell the interest in land in  
 180                accordance with Subsection (3).  
 181            (3) The Division of Facilities Construction and Management shall sell an interest in land  
 182                described in Subsection (2):  
 183                (a) at public auction;

- 184        (b) when practicable, in the city, town, or precinct where the land is located;  
185        (c) the day after the one year time period described in Subsection (1) elapses, but not  
186        longer than one year after the day on which the time period in Subsection (1) elapses;  
187        (d) after publication of the date, time, and place of sale:  
188            (i) in a newspaper having general circulation in the county, once in each of the two  
189            successive weeks immediately preceding the date of the sale; and  
190            (ii) in accordance with Section 45-1-101 for the two weeks immediately preceding  
191            the date of the sale; and  
192        (e) after notification, sent by certified mail at least 10 days before the first date of  
193        publication described in Subsection (3)(d), to:  
194            (i) the restricted foreign entity;  
195            (ii) all lien holders of record; and  
196            (iii) any other person known to have an interest in the land.  
197        (4) If a political subdivision sold an interest in land described in Subsection (2) to the  
198        restricted foreign entity, the political subdivision has a right of first refusal before the  
199        sale described in Subsection (3).  
200        (5) After the sale of the interest in land described in Subsection (3), the Division of  
201        Facilities Construction and Management shall submit to the county recorder for  
202        recording notice of a sale described in this section.  
203        (6) Proceeds from a sale under Subsection (3) shall:  
204            (a) satisfy any outstanding liens on the interest in land; and  
205            (b) after satisfying any outstanding liens, be deposited into the General Fund.  
206        Section 5. **Effective date.**  
207        This bill takes effect on May 1, 2024.