

# HOUSE BILL NO. 4881

June 28, 2023, Introduced by Reps. Kulse, Posthumus, Borton, Steele, Tisdell, Schuette, Harris, Zorn, Lightner, BeGole, Martin, Neyer, Hoadley, Outman, Rigas, Cavitt, Markkanen, Bierlein, Alexander, Schmaltz, Prestin, Jaime Greene, DeBoer, Meerman, DeBoyer, Johnsen, Slagh, Wendzel, Aragona, Roth, St. Germaine, Beeler, Smit, DeSana, Fox, Wozniak, Bruck, Hall and Phil Green and referred to the Committee on Government Operations.

A bill to amend 1846 RS 66, entitled  
"Of estates in dower, by the curtesy, and general provisions  
concerning real estate,"  
by amending the title and sections 35 and 36 (MCL 554.135 and  
554.136) and by adding sections 36a and 36b.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE  
2 Of estates in dower, **estates** by the curtesy, and—general  
3 provisions concerning real estate, **prohibitions on certain foreign**  
4 **ownership of certain real estate, and the prescription of remedies.**

1           Sec. 35. (1) ~~Any~~ **Except as otherwise provided in section 36a,**  
 2 **an** alien may acquire and hold ~~lands,~~ **land,** or any right ~~thereto~~ or  
 3 interest ~~therein,~~ **in land,** by purchase, devise, or descent, and he  
 4 may convey, mortgage, and devise ~~the same,~~ and ~~if he shall die~~ **that**  
 5 **land or right or interest in land.** If an alien dies intestate, the  
 6 ~~same shall~~ **alien's land or right or interest in land must** descend  
 7 to ~~his~~ **the alien's** heirs. ; ~~and in all cases such lands shall~~

8           (2) **Except as otherwise provided in section 36a, land or a**  
 9 **right or interest in land described in subsection (1) must** be held,  
 10 conveyed, mortgaged, or devised, or ~~shall~~ **must** descend in like  
 11 manner, and with like effect, as if ~~such~~ **the** alien were a native  
 12 citizen of this state , ~~or of~~ the United States.

13           Sec. 36. ~~The~~ **Except as otherwise provided in section 36a, the**  
 14 title to any ~~lands heretofore~~ **land** conveyed ~~shall~~ **must** not be  
 15 questioned, ~~nor~~ or in any manner affected, ~~by reason~~ **because** of the  
 16 alienage of any person from or through whom ~~such~~ **that** title ~~may~~  
 17 ~~have been~~ **was** derived.

18           Sec. 36a. (1) **Beginning on the effective date of the**  
 19 **amendatory act that added this section, except as otherwise**  
 20 **provided in this section, an adversarial entity shall not own,**  
 21 **purchase, lease, possess, exercise control over, or otherwise**  
 22 **acquire land in this state. An adversarial entity that owns,**  
 23 **leases, possesses, exercises control over, or holds land in this**  
 24 **state on the effective date of the amendatory act that added this**  
 25 **section may continue to own, lease, possess, exercise control over,**  
 26 **or hold the land but shall not purchase or otherwise acquire**  
 27 **additional land in this state. An adversarial entity that owns,**  
 28 **leases, possesses, exercises control over, or holds agricultural**  
 29 **land in this state on the effective date of the amendatory act that**

1 added this section shall register under section 36b.

2 (2) Subsection (1) does not apply to land acquired after the  
3 effective date of the amendatory act that added this section if the  
4 adversarial entity sells or otherwise disposes of its interest in  
5 the land no later than 60 months after the effective date of the  
6 amendatory act that added this section and the land is acquired by  
7 any of the following:

8 (a) Devise or descent.

9 (b) A bona fide encumbrance on land taken for security.

10 (c) A process of law in the collection of a debt, by a deed in  
11 lieu of foreclosure, under a forfeiture of a contract for deed, or  
12 by any procedure for the enforcement of a lien or claim on the  
13 land, whether created by mortgage or otherwise.

14 (3) If a person owns, purchases, leases, possesses, exercises  
15 control over, or otherwise acquires land after the effective date  
16 of the amendatory act that added this section, and the person's  
17 status changes so that the person becomes an adversarial entity,  
18 the adversarial entity shall sell or otherwise dispose of its  
19 interest in the land no later than 60 months after becoming an  
20 adversarial entity.

21 (4) If an adversarial entity acquires or holds land in  
22 violation of this section, the department shall report the  
23 violation to the attorney general.

24 (5) On receipt of the report under subsection (4), the  
25 attorney general shall do all of the following:

26 (a) Initiate an action in the circuit court of any county in  
27 which the land is located.

28 (b) File notice of the pendency of the action initiated under  
29 subdivision (a) with the register of deeds in each county in which

1 any of the land is located.

2 (6) In any action initiated under subsection (5), if a court  
3 finds that the land at issue was acquired or held in violation of  
4 this section, the court shall do both of the following:

5 (a) Enter an order declaring that the land has been acquired  
6 or held in violation of this section and file a copy of that order  
7 with the register of deeds in each county in which any portion of  
8 the land is located.

9 (b) Declare the land escheated to this state and order the  
10 sale of the land in the same manner as provided by law for the  
11 foreclosure of a mortgage on real estate for default of payment.  
12 The proceeds of this sale must be used to pay court costs and the  
13 remaining funds, if any, must be paid to the person divested of the  
14 land.

15 (7) A person that acquires or holds land in violation of this  
16 section remains in violation of this section for as long as the  
17 person holds an interest in the land.

18 (8) As used in this section:

19 (a) "Adversarial entity" means any of the following:

20 (i) An entity included on the entity list.

21 (ii) Any person that has sworn an oath of loyalty to an entity  
22 on the entity list.

23 (iii) A governmental entity of a nonmarket economy country or a  
24 state sponsor of terrorism.

25 (iv) Any person that has sworn an oath of loyalty to a  
26 governmental entity of a nonmarket economy country or a state  
27 sponsor of terrorism.

28 (b) "Agricultural land" means land suitable for use in farming  
29 and includes any right or interest in such land.

1 (c) "Commission" means the Michigan commission of agriculture  
2 and rural development.

3 (d) "Department" means the department of agriculture and rural  
4 development.

5 (e) "Entity list" means the Entity List published by the  
6 Bureau of Industry and Security under the United States Department  
7 of Commerce, 15 CFR part 744, supplement no. 4.

8 (f) "Farming" means that term as defined in section 2 of the  
9 Michigan family farm development act, 1982 PA 220, MCL 285.252.

10 (g) "Local government" means a county, city, township, or  
11 village in this state.

12 (h) "Nonmarket economy country" means any country the United  
13 States Department of Commerce deems not to operate on market  
14 principles of cost or pricing structures, so that sales of  
15 merchandise in the country do not reflect the fair value of  
16 merchandise.

17 (i) "Sensitive area" means any of the following:

18 (i) A key facility as that term is defined in section 552c of  
19 the Michigan penal code, 1931 PA 328, MCL 750.552c.

20 (ii) A location that is owned or possessed by the United States  
21 Armed Forces or the Michigan national guard.

22 (iii) A location that is important for national security or the  
23 security of this state.

24 (j) "State sponsor of terrorism" means that term as defined in  
25 48 CFR 225.772-1.

26 Sec. 36b. (1) No later than 1 year after the effective date of  
27 the amendatory act that added this section, an adversarial entity  
28 that owns, leases, possesses, exercises control over, or holds  
29 agricultural land in this state on the effective date of the

1 amendatory act that added this section shall register with the  
2 department under this section.

3 (2) The registration must be in a form and manner prescribed  
4 by the department and include, but not be limited to, all of the  
5 following information:

6 (a) The name of the registrant of the agricultural land.

7 (b) If the registrant of the agricultural land is an agent,  
8 trustee, or fiduciary of an adversarial entity, the name of any  
9 principal for whom that agricultural land was acquired as agent,  
10 trustee, or fiduciary.

11 (c) The location and number of acres of the agricultural land  
12 by municipality and county.

13 (d) The date the agricultural land was acquired.

14 (3) No later than 6 months after the effective date of the  
15 amendatory act that added this section, the department shall make  
16 registration available electronically on the department website.

17 (4) The department shall distribute registration forms to  
18 every county clerk's office in this state.

19 (5) As used in this section:

20 (a) "Adversarial entity" means any of the following:

21 (i) An entity included on the entity list.

22 (ii) Any person that has sworn an oath of loyalty to an entity  
23 on the entity list.

24 (iii) A governmental entity of a nonmarket economy country or a  
25 state sponsor of terrorism.

26 (iv) Any person that has sworn an oath of loyalty to a  
27 governmental entity of a nonmarket economy country or a state  
28 sponsor of terrorism.

29 (b) "Agricultural land" means land suitable for use in farming

1 and includes any right or interest in such land.

2 (c) "Department" means the department of agriculture and rural  
3 development.

4 (d) "Entity list" means the Entity List published by the  
5 Bureau of Industry and Security under the United States Department  
6 of Commerce, 15 CFR part 744, supplement no. 4.

7 (e) "Farming" means that term as defined in section 2 of the  
8 Michigan family farm development act, 1982 PA 220, MCL 285.252.

9 (f) "Nonmarket economy country" means any country the United  
10 States Department of Commerce deems not to operate on market  
11 principles of cost or pricing structures, so that sales of  
12 merchandise in the country do not reflect the fair value of  
13 merchandise.

14 (g) "State sponsor of terrorism" means that term as defined in  
15 48 CFR 225.772-1.