

SENATE BILL NO. 2322

Introduced by

Senator Wardner

Representatives Kreidt, Onstad

1 A BILL for an Act to amend and reenact section 47-10.1-02 of the North Dakota Century Code,
2 relating to restrictions on the acquisition of agricultural land.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 47-10.1-02 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **47-10.1-02. Restriction on acquisition - Exceptions.** ~~A person~~

7 1. An individual who is not a citizen of the United States ~~or~~ a citizen of Canada,
8 ~~except or~~ a permanent resident alien of the United States; may not acquire directly
9 or indirectly any interest in agricultural land unless:

10 a. The individual is an alien entitled to enter the United States under the
11 provisions of a treaty of commerce and navigation between the United States
12 and the foreign state of which the individual is a national, solely to develop
13 and direct the operations of an enterprise in which the individual has invested
14 or to direct the operations of an enterprise in which the individual is actively in
15 the process of investing a substantial amount of capital;

16 b. The individual resides in this state for at least ten months out of every year;

17 c. The individual actively participates in the operation of the agricultural land;
18 and

19 d. The agricultural landholding does not exceed six hundred forty acres [258.99
20 hectares].

21 2. An individual who is permitted to acquire an interest in agricultural land under
22 subsection 1 shall:

23 a. Notify the agriculture commissioner of any land acquisition within thirty days of
24 the acquisition; and

- 1 b. Annually provide the agriculture commissioner with a list of all addresses at
2 which the individual resided during the previous year and the dates during
3 which the individual resided at each address.
- 4 3. If an individual ceases to meet the exceptions provided for in subsection 1, the
5 individual shall dispose of the agricultural land within twenty-four months.
- 6 4. A partnership, limited partnership, limited liability company, trustee, or other
7 business entity may not, directly or indirectly, acquire or otherwise obtain any
8 interest, whether legal, beneficial, or otherwise, in any title to agricultural land
9 unless the ultimate beneficial interest of the entity is held directly or indirectly by
10 citizens of the United States or permanent resident aliens of the United States.
- 11 5. This section does not apply to agricultural land that may be acquired by devise,
12 inheritance, as security for indebtedness, by process of law in the collection of
13 debts, or by any procedure for the enforcement of a lien or claim thereon, whether
14 created by mortgage or otherwise; provided, that all agricultural land acquired in
15 the collection of debts or by the enforcement of a lien or claim ~~shall~~ must be
16 disposed of within three years after acquiring ownership; if the acquisition would
17 otherwise violate this section.
- 18 6. This section does not apply to a foreign corporation or a foreign limited liability
19 company which acquires agricultural land for use as an industrial site when
20 construction contracts are entered into by the corporation or limited liability
21 company within one hundred fifty days after acquisition of the land; provided, that
22 this exception ~~shall~~ applies only ~~apply~~ to so much agricultural land as is reasonably
23 necessary for industrial purposes. A foreign corporation or a foreign limited liability
24 company which owns agricultural land for industrial purposes but which
25 discontinues using the land for industrial purposes shall dispose of the land as
26 provided by chapter 10-06.1. A foreign corporation or foreign limited liability
27 company shall dispose of agricultural land acquired for industrial purposes within
28 one year after acquisition if construction contracts are not entered into within one
29 hundred fifty days after acquisition of the land.

Fifty-ninth
Legislative Assembly

- 1 7. This section does not apply to citizens or subjects of a foreign country whose rights
2 to hold land are secured by treaty or to common carriers by railroad subject to the
3 jurisdiction of the interstate commerce commission.