

Proposed Amendments to HB 1503
North Dakota Land Title Association
Nick Hacker, Legislative Chair
(701) 751-4984 or nick@thetitleteam.com

Section 2 after Subsection 4 (b) insert:

- c. If the covered person fails to divest itself of the real property within the required time which leads the attorney general to believe that a violation of this section may exist, the attorney general may issue subpoenas requiring the appearance of witnesses, the production of relevant records and the giving of relevant testimony. On concluding, as a result of the investigation, that a violation of this section may have occurred the attorney general shall take action under subsection d.
- d. The attorney general shall commence an action in the district court of the county in which the substantial portion of the land owned in violation of this section is situated if the attorney general has reason to believe a covered person is violating this section. The attorney general shall file for record with the recorder of each county in which any portion of the land is located a notice of the pendency of the action. If the court finds that the land in question is being held in violation of this section, the court shall enter an order so declaring. The attorney general shall file any such order for record with the recorder of each county in which any portion of the land is located. Thereafter, the covered person shall, within the time set by the court not to exceed [6 months] from the date of the court's final order, divest itself of any land owned in violation of this section. Any covered person that fails to comply with the court's order is subject to a civil penalty not to exceed twenty-five thousand dollars.
- e. Any land not divested within the divestment period prescribed must be sold at a public sale in the manner prescribed by law for the foreclosure of real estate mortgage by action brought by the attorney general [as prescribed in chapter 32-19]; provided, however, that proceeds shall be disbursed as follows: first, for authorized costs, including costs borne by the attorney general in an amount approved by the court; second, to lien holders in their order of priority; and all remaining proceeds to the covered person. In addition, any prospective or threatened violation may be enjoined by an action brought by the attorney general in the manner provided by law, including from completing performance on the remainder of any leasehold which is in violation of this section. No title to land or encumbrance thereon shall be invalid or subject to forfeiture by reason of the alienage of any former owner or person having a former interest therein.
- f. No individual, person, or entity not subject to this section shall be required to:
 - a. determine whether another individual, person, or entity is a covered person under this section; or
 - b. inquire into the status of another individual, person, or entity as a covered person under this section.