

**SENATE BILL NO. 2314**

Introduced by

Senators Magrum, Castaneda, Enget, Paulson

Representatives S. Olson, Hoverson

1 A BILL for an Act to create and enact a new section to chapter 54-06 of the North Dakota  
2 Century Code, relating to the prohibition of, investigation of, and penalty for approving a  
3 development agreement in the state for a foreign adversary; to amend and reenact sections  
4 11-11-70 and 40-05-26 of the North Dakota Century Code, relating to the investigation of and  
5 penalty for approving a development agreement in the state for a foreign adversary; and to  
6 provide a penalty.

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

8 **SECTION 1. AMENDMENT.** Section 11-11-70 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **11-11-70. Development by a foreign adversary - Prohibition - Penalty. (~~Expired-~~**  
11 **~~effective July 31, 2025)~~**

- 12 1. A board of county commissioners, including a board in a home rule county, may not  
13 procure, authorize, or approve a development agreement, building plan, or proposal  
14 relating to county development with an individual or government identified as a foreign  
15 adversary under ~~45 CFR 7.4(a)~~ title 15, Code of Federal Regulations, part 791.4(a) or  
16 a person identified on the office of foreign assets control sanctions list.
- 17 2. This section does not apply to a foreign adversary defined under subsection 1  
18 possessing an interest in real property if the foreign adversary:
- 19 a. Is a duly registered business and has maintained a status of good standing with  
20 the secretary of state for seven years or longer before August 1, 2023;
- 21 b. Has been approved by the committee on foreign investment in the United States;  
22 and
- 23 c. Maintains an active national security agreement with the federal government.

- 1       3. If a complaint is made to the county sheriff or state's attorney alleging that an  
2       individual has violated subsection 1, the county sheriff and state's attorney shall  
3       investigate the matter and report the matter to the state and local intelligence center  
4       and the federal bureau of investigation.
- 5       4. An individual who violates this section is guilty of a class C felony and prohibited from  
6       holding any office in the state.

7       **SECTION 2. AMENDMENT.** Section 40-05-26 of the North Dakota Century Code is  
8       amended and reenacted as follows:

9       **40-05-26. Development by a foreign adversary - Prohibition - Penalty. (~~Expired~~**  
10      **~~effective July 31, 2025~~)**

- 11      1. A board of city commissioners or city council, including a board or council in a home  
12      rule city, may not procure, authorize, or approve a development agreement, building  
13      plan, or proposal relating to city development with an individual or government  
14      identified as a foreign adversary under 45 CFR 7.4(a) title 15, Code of Federal  
15      Regulations, part 791.4(a) or a person identified on the office of foreign assets control  
16      sanctions list.
- 17      2. This section does not apply to a foreign adversary as defined in subsection 1  
18      possessing an interest in real property if the foreign adversary:
- 19      a. Is a duly registered business and has maintained a status of good standing with  
20      the secretary of state for seven years or longer before August 1, 2023;
- 21      b. Has been approved by the committee on foreign investment in the United States;  
22      and
- 23      c. Maintains an active national security agreement with the federal government.
- 24      3. If a complaint is made to the county sheriff or state's attorney alleging that an  
25      individual has violated subsection 1, the county sheriff and state's attorney shall  
26      investigate the matter and report the matter to the state and local intelligence center  
27      and the federal bureau of investigation.
- 28      4. An individual who violates this section is guilty of a class C felony and prohibited from  
29      holding any office in the state.

30      **SECTION 3.** A new section to chapter 54-06 of the North Dakota Century Code is created  
31      and enacted as follows:

1        **Development by a foreign adversary - Prohibition - Penalty.**

- 2        1. A state entity may not procure, authorize, or approve a development agreement,  
3        building plan, or proposal relating to development of property with an individual or  
4        government identified as a foreign adversary under title 15, Code of Federal  
5        Regulations, part 791.4(a) or a person identified on the office of foreign assets control  
6        sanctions list.
- 7        2. This section does not apply to a foreign adversary as defined in subsection 1  
8        possessing an interest in real property if the foreign adversary:
- 9        a. Is a duly registered business and has maintained a status of good standing with  
10       the secretary of state for seven years or longer before August 1, 2023;
- 11       b. Has been approved by the committee on foreign investment in the United States;  
12       and
- 13       c. Maintains an active national security agreement with the federal government.
- 14       3. If a complaint is made to the county sheriff or state's attorney alleging that an  
15       individual has violated subsection 1, the county sheriff and state's attorney shall  
16       investigate the matter and report the matter to the state and local intelligence center  
17       and the federal bureau of investigation.
- 18       4. An individual who violates this section is guilty of a class C felony and prohibited from  
19       holding any office in the state.