

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1555

Introduced by

Representative Hoverson

1 A BILL for an Act to create and enact a new section to chapter 54-09 of the North Dakota
2 Century Code, relating to statements of ownership filed with the secretary of state; to amend
3 and reenact section 47-10.1-05 of the North Dakota Century Code, relating to required filings for
4 foreign persons investing in agricultural lands; to repeal section 47-10.1-05 of the North Dakota
5 Century Code, relating to required filings for foreign persons investing in agricultural lands; and
6 to provide a contingent effective date.

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

8 **SECTION 1. AMENDMENT.** Section 47-10.1-05 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **47-10.1-05. Reports - Annual report to the legislative management - Penalty.**

11 ~~The commissioner shall monitor for compliance with this chapter all reports transmitted to~~
12 ~~the commissioner pursuant to~~

- 13 1. A foreign person required to make a report to the United States department of
14 agriculture under the Agricultural Foreign Investment Disclosure Act of 1978 [Pub. L.
15 95-460; 92 Stat. 1263; 7 U.S.C. 3501 et seq.] shall file a copy of the report with the
16 agriculture commissioner within the time required under title 7, Code of Federal
17 Regulations, part 781.3. The commissioner shall make the reports available to the
18 public.
- 19 2. The commissioner shall provide an annual report to the legislative management by
20 September first of each year. The report must include the number of filings submitted

1 to the commissioner and the number of acres in each county owned by a foreign
2 person required to report under subsection 1.

3 3. If a person fails to file a copy of the report required under subsection 1, the attorney
4 general shall impose a civil penalty of up to twenty-five percent of the fair market
5 value, as determined on the date the penalty was imposed, of the person's ownership
6 interest in the agricultural land in this state. The attorney general shall commence an
7 action to collect the civil penalty in the district court of the county in which the majority
8 of the real property is situated or in Burleigh County.

9 **SECTION 2.** A new section to chapter 54-09 of the North Dakota Century Code is created
10 and enacted as follows:

11 Statement of ownership - Secretary of state to forward certain filings - Penalty.

12 1. An organization required to file an organization registration statement with the
13 secretary of state also shall file a statement with the secretary of state certifying
14 whether the organization is a foreign organization of concern. An organization required
15 to file a statement under this section shall file the statement simultaneously with the
16 articles of incorporation, articles of organization, certificate of authority, or other
17 organization registration document required by the secretary of state.

18 2. The secretary of state shall review each filing upon receipt. If the secretary of state
19 discovers any filing in which the statement of ownership was falsified and the filing
20 violates section 47-01-09 or chapter 47-10.1, the secretary of state shall forward the
21 filing to the attorney general.

22 3. If the attorney general determines a violation occurred, the attorney general shall
23 prosecute the action in the district court of the county in which the registered agent of
24 the organization is located or in Burleigh County.

25 4. An organization that willfully violates this section is guilty of a class B misdemeanor.

26 5. As used in this section:

27 a. "Foreign country of concern" means a regime or a government identified as a
28 foreign adversary under title 15, Code of Federal Regulations, part 791.4(a) or a
29 person identified on the office of foreign assets control sanctions list.

30 b. "Foreign organization of concern" means an organization domiciled or formed
31 within a foreign country of concern.

- 1 **SECTION 3. REPEAL.** Section 47-10.1-05 of the North Dakota Century Code is repealed.
- 2 **SECTION 4. CONTINGENT EFFECTIVE DATE.** Section 23 of this Act becomes effective
- 3 on the date the legislative council receives certification from the agriculture commissioner that
- 4 the Agricultural Foreign Investment Disclosure Act of 1978 [Pub. L. 95-460; 92 Stat, 1263; 7
- 5 U.S.C. 3501 et seq.] has been repealed.