

Fifty-ninth  
Legislative Assembly  
of North Dakota

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

20 e. The agricultural landholding includes a dairy operation.

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  
24 of 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  
23           reasonably necessary for industrial purposes. A foreign corporation or a foreign  
24           limited liability company which owns agricultural land for industrial purposes but  
25           which discontinues using the land for industrial purposes shall dispose of the land  
26           as 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.

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- 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.