SENATE BILL 132¹: AGRICULTURE; THE ACQUISITION OF POSSESSORY INTEREST IN CERTAIN LAND BY NONRESIDENT ALIENS; PROHIBIT

First signature: Senator Brandon Beach of the (21st)

Co-Sponsors: Senator Greg Dolezal (27th), Senator Russ Goodman (8th), Senator Carden Summers (13th), Senator Lee Anderson (24th), Senator Max Burns (23rd) Senator Bo Hatchett (50th), Senator Rick Williams (25th), Senator Colton Moore (53rd), Senator Shelly Echols (49th), Senator Mike Hodges (3rd), Senator Mike Dugan (30th), Senator Ed Setzler (37th), Senator Shawn Still (48th) Senator Marty Harbin (16th).

Summary: "A BILL to be entitled an Act to amend Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general provisions relative to agriculture, so as to prohibit the acquisition of possessory interest in certain land by certain nonresident aliens; to provide for definitions; to provide for exceptions; to provide for rules and regulations; to provide for related matters; to repeal conflicting laws; and for other purposes."²

Status: House Withdrawn, Recommitted.³

TEXT OF SENATE BILL 1324

SECTION 1.

Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general provisions relative to agriculture, is amended by adding a new Code section to read as follows:

"2-1-7.

(a) As used in this Code section, the term:

(1) 'Agricultural land' means any land capable of use in the production

⁴ S.B. 132, *supra* note 1.

¹ S.B. 132, 157th Gen. Assemb., Reg. Sess. (Ga. 2023), https://www.legis.ga.gov/legislation/64203 (last visited Sept. 27, 2023).

² 2022-2023 Regular Session- S.B. 132, Agriculture; the acquisition of possessory interest in certain land by certain nonresident aliens; prohibit, GA GEN. ASSEMB., https://www.legis.ga.gov/legislation/64203 (last visited Sept. 27, 2023) [hereinafter S.B. 132 Status Sheet].

³ *Id*.

of agricultural crops, timber, livestock or livestock products, poultry or poultry products, milk or dairy products, or fruit or other horticultural products, but does not include any land zoned by a local governmental unit for a use other than and nonconforming with agricultural use.

(2) 'Nonresident alien' means:

- (A) Any natural person described in subsection (a) of Code Section 1-2-11 who is not a United States citizen or legal resident, is a subject of a foreign government designated as a foreign adversary by the United States Secretary of Commerce, and:
 - (i) Has been physically absent from the United States for more than six months out of any 12 month period; or
 - (ii) Has been physically absent from Georgia for more than two months out of any 12 month period;
- (B) A corporation, partnership, limited partnership, trustee, or other business entity that is:
 - (i) Domiciled in a country whose government is designated as a foreign adversary by the United States Secretary of Commerce; or
 - (ii) Domiciled within the United States, but which is owned wholly or in majority by any corporation, partnership, limited partnership, trustee, or other business entity domiciled in a country whose government is designated as a foreign adversary by the United States Secretary of Commerce;
- provided, however, that this subparagraph shall not include a corporation, partnership, limited partnership, trustee, or other business entity leasing land from its owner and using such land for agricultural research and development or experimental purposes, including testing, developing, or producing crop production inputs, including, but not limited to, seeds, plants, pesticides, soil amendments, biologicals, and fertilizers, for sale or resale to farmers; or
- (C) A foreign government designated as a foreign adversary by the United States Secretary of Commerce.
- (b) Except as provided by subsections (c) and (d) of this Code section, no nonresident alien shall acquire directly or indirectly any possessory interest in agricultural land or land within a 25 mile radius of any military base, military installation, or military airport.
 - (c)(1) A nonresident alien may acquire a possessory interest in agricultural land by devise or inheritance, as security for indebtedness, in the collection of debts, or by any procedure for the enforcement of a lien or claim

thereon, whether created by mortgage or otherwise.

- (2) Any such possessory interest in agricultural land acquired by a nonresident alien in the collection of debts or by any procedure for the enforcement of a lien or claim thereon shall be disposed of within three years after acquiring such possessory interest.
- (3) Any such possessory interest in agricultural land acquired by a nonresident alien by devise or inheritance shall be disposed of within one year after acquiring such possessory interest.
- (d) A nonresident alien that acquires a possessory interest in agricultural land pursuant to subsection (c) of this Code section may avoid disposing of such interest if, within the time required for disposal, such nonresident alien terminates said nonresident alien status.
- (e) The Commissioner, in consultation with the Secretary of State, shall promulgate rules and regulations as necessary to implement the provisions of this Code section.
- (f) A broker who is engaged by client who is a prospective buyer or seller of a possessory interest in agricultural land shall timely disclose to said client the requirements and limitations of this Code section. For purposes of this subsection, the terms 'broker,' 'client,' and 'timely' shall have the same meanings as provided in Code Section 10-6A-3."

SECTION 2.

All laws and parts of laws in conflict with this Act are repealed.

SPONSOR'S RATIONALE

Senator Brandon Beach ("Senator Beach") sponsored Senate Bill 132 as an active measure to protect Georgia from a potential national security threat. This security threat involves the Chinese Communist Party, and other foreign countries considered adversaries, from buying farmland to control Georgia's food supply. This Bill is an active response to those persons and entities that are connected with the Chinese Communist Party buying up thousands of acres of farmland in the Midwest United States and in the Southern United States as well.

⁵ Georgia State Senate, Legislative Day 27 (Part 2), VIMEO, (Mar. 2, 2023), https://vimeo.com/showcase/10107159?page=2&page=2&page=2.

⁷ Georgia State Senate, *supra* note 5.

Agriculture is Georgia's biggest industry and thus needs to be protected against active and potential threats.⁸ Senator Beach states that the Bill is an attempt to stop the Chinese communist government from buying more of Georgia farmland.⁹ In 2010, China owned 12,000 acres, today they own approximately 268,000 acres with another speculated 2,000,000 acres that they own.¹⁰ Senator Beach further states that everyone ought to be "paying attention to this and make sure we are protecting our farmland."¹¹

Georgia is perennially the number one state in the nation for several different agricultural products, such as peanuts, chickens, and blueberries. Georgia is also near the top for producing cotton, watermelon, peaches, eggs, and variety of other vegetables. Georgia farmers also raise cattle, horses, goats, sheep, hogs, and poultry which all require large amounts of land to raise. In 2020, Georgia sold more than \$9.57 billion worth of agricultural products, coming from more than 42,000 farms from across the state with 9.9 million acres in production. Out of these farms, 810,000 acres of cotton were planted by over 13,000 farms and 17,000 farms raised beef or dairy cows.

Senator Beach also makes it clear that he and other sponsors of this Bill are very large property rights advocates, but believes we still need this Bill to protect against the larger national security interest.¹⁷ An important part of protecting that interest within this Bill is prohibiting any of the countries listed as a foreign adversary from purchasing farm land within a twenty five mile radius of a military base.¹⁸ There are thirteen military bases in Georgia, located around the edges of the state with locations near some of the biggest

⁸ *Id*.

⁹ *Id*.

 $^{^{10}}$ *Id*.

¹¹ Sophia Qureshi, *Georgia House weighs bill to restrict land ownership for immigrants from China, Russia, Iran, and other targeted countries*, ATLANTA CIVIC CIRCLE (Mar. 15, 2023) https://atlantaciviccircle.org/2023/03/15/georgia-house-weighs-bill-to-restrict-land-ownership-for-immigrants-from-china-russia-iran-and-other-targeted-countries.

¹² About Georgia Ag, GEORGIA FARM BUREAU, https://www.gfb.org/learn/abt-ga-ag (last visited Dec. 19, 2023).

¹³ *Id*.

¹⁴ *Id*.

¹⁵ *Id*.

¹⁶ *Id*.

¹⁷ Georgia State Senate, *supra* note 5.

¹⁸ S.B. 132, *supra* note 1.

Georgia cities, including Atlanta, Augusta, and Savannah.¹⁹ However, most of the military bases are located in rural agricultural areas, which is desired real estate of the foreign adversaries that have been buying up farmland.²⁰ Therefore, since most of the homes that are on the market in Georgia are not in these rural areas, most immigrants that are from countries designated in the Bill that are looking for a home would not be affected.²¹

Furthermore, although Atlanta has several military bases near it, the Bill only prohibits those from countries designated as foreign adversaries from buying agricultural land, so most of the metro Atlanta area would not qualify as agricultural land and thus not be affected by this bill.²² This means that the majority of the housing market around metro Atlanta would be available for any person or entity, from any nation, regardless of whether that nation in which they reside is listed as a foreign adversary.²³ This Bill will help prevent Chinese Communist Government or other foreign adversaries from potentially buying land directly next to a military base increasing their chances to spy, while leaving open most of the housing market around the metro Atlanta area.²⁴

The Bill also has certain language that work as exceptions and help allow immigrants from these countries come here and avoid the restrictions placed by the Bill on where they can buy land.²⁵ Such language as "Has been physically absent from the United States for more than six months out of any twelve-month period; or has been physically absent from Georgia for more than two months out of any twelve-month period," allows for someone immigrating to Georgia from a country listed as a foreign adversary to avoid restrictions by living in Georgia for one year without extended absences before attempting to purchase land.²⁶ Another similar clause that is helpful is "a nonresident alien that acquires a possessory interest in agricultural land pursuant to subsection (c) of this Code section may avoid disposing of such interest if, within the time required for disposal, such nonresident alien

²¹ *Id*.

¹⁹ Georgia Military Bases, MILITARY BASES.COM, https://militarybases.com/georgia/(last visited Dec. 18, 2023).

 $^{^{20}}$ Id.

²² *Id*.

²³ *Id*.

²⁴ Georgia State Senate, *supra* note 5.

²⁵ S.B. 132, *supra* note 1.

²⁶ *Id*.

terminates said nonresident alien status."²⁷ Once the status of a nonresident alien is terminated, then the law of this bill would not apply and would allow that individual or entity to buy the farmland.²⁸

OPPOSITION'S RATIONALE

Several organizations oppose Senate Bill 132, including the Asian American Advocacy Fund, Asian Americans Advancing Justice-Atlanta, Project South, and the Asian Real Estate Association of America.²⁹ The critics of the Bill state that the legislation would target immigrant and refugee communities and would impact their abilities to thrive and equitably own land in Georgia.³⁰ Furthermore, some critics state it is a blatant violation of federal law as it discriminates against certain individuals based on their national origin.³¹

Aisha Yaqoob Mahmood, the executive director for the Asian American Advocacy Fund, states:

Many people from the AAPI community moved to the U.S. for the promise of freedom and opportunity. However, certain politicians are working hard to pick and choose who has the freedom to build a life in our state and country. SB 132, strips Georgians of the freedom to buy property, based on their national origin, in the state that they call home. It portrays immigrant communities as "outsiders" and "dangerous," promoting anti-immigrant and anti-Asian hostility. SB 132 is not only dangerous, but it is unconstitutional and a part of a larger anti-immigrant agenda. We cannot let opponents of our freedoms discriminate against our communities and stigmatize people based on where they were born.³²

Mahmood points out how the Bill focuses on restricting freedoms that belong

²⁷ *Id*.

²⁸ S.B. 132, *supra* note 1.

²⁹ AAAF Staff, AAAF and Advancing Justice-Atlanta Issue Statement as Georgia Senate Passes Anti-Immigrant Property Bill, ASIAN AMERICAN ADVOCACY FUND (Mar. 3, 2023), https://asianamericanadvocacyfund.org/press-releases-i/aaaf-and-advancing-justice-atlantanbsp-issue-statement-as-georgia-senate-passes-anti-immigrant-property-billnbsp.

³⁰ Id.

³¹ *Id*.

³² *Id*.

to all, which can continue causing undue hardship for certain people groups who are simply trying to enjoy the economic freedom that comes with buying land.³³ Building on the previous statement, the executive director for Asian Americans Advancing Justice-Atlanta, Phi Nguyen, states "Georgia's immigrants simply seek to be safe, free, and to be able to provide for their families. [Nguyen believes] this Bill falsely singles out immigrants from certain countries as untrustworthy."³⁴ Nguyen is describing where the Bill states "Any natural person described in subsection (a) of Code Section 1-2-11 who is not a United States citizen or legal resident, is a subject of a foreign government designated as a foreign adversary by the United States Secretary of Commerce."35 There are six countries designated as foreign adversaries: China, Russia, Iran, Cuba, North Korea, and Venezuela.³⁶ Nguven concludes that "this puts onerous and unfair requirements to exercise basic rights protected by federal law, and discriminates by national origin. [Nguyen believes] we all on the Legislature to stand with freedom and fairness for immigrant communities."37

Another problem with the Bill, according to Sophia Qureshi of the Atlanta Civic Circle, is that it is dangerously overbroad, by not targeting specific governments, anticipated difficulties nearing that of a prohibition will be placed on ordinary people buying property, which promotes anti-immigrant stigma along with it.³⁸ An example to demonstrate that issue is that land within twenty five miles of any military airport, base, or installation covers most of the metro Atlanta area.³⁹ Furthermore, most of the military bases are located near areas with at least a fifteen percent rate of poverty, which selling land to the highest bidder could help improve.⁴⁰ Moreover, the visa-holders from countries within the target area that leave Georgia for over two months in a year, or leave the United States for over six months, are subject to the land ban. 41 Jennifer Lee, the policy director for Asian Americans Advancing

³³ *Id*.

³⁴ *Id*.

³⁵ S.B. 132, *supra* note 1.

³⁶ 15 C.F.R. § 7.4 (2021).

³⁷ AAAF Staff, *supra* note 29.

³⁸ Qureshi, *supra* note 11.

³⁹ *Id*.

⁴⁰ Military Zones- Fact Sheets, Maps of Georgia Military Bases- 2021, GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS, https://www.dca.ga.gov/node/4132 (last visited Dec. 18, 2023).

⁴¹ Qureshi, *supra* note 11.

Justice- Atlanta, states that this limits how long certain people can leave Georgia or the country and if they inherit property, they must sell the property or change their residency status.⁴²

Another critic of the Bill, Azadeh Shahshahani, the legal and advocacy director for Project South, states Senate Bill 132 violates the Fair Housing Act by discriminating on the basis of national origin and puts many immigrant groups vulnerable targets.⁴³ Shahshahani continues, "the United States has a long history of attacking and stigmatizing immigrants. Discrimination against certain groups has often been justified by invoking national security concerns. This Bill and others like it echo this shameful history ... [It] will further brand and target immigrants and make them susceptible to hate crimes and abuse."44 Tim Hur, president of the Asian Real Estate Association of America, another organization advocating against the bill, states that it is not the realtors' job to check client's immigration status during real estate transactions.⁴⁵ Furthermore, Hur states, "as real estate agents, we are not the immigration police. We're not in the business of asking people their immigration statuses. It's a fair housing violation left and right, and we don't want to be a part of that."46 Hur and his colleagues have been following all the bills that have been passing nationally and believes that although this Bill was not passed in the House this session, the Bill will return in the next session "full force in a different way."47

IMPLICATIONS IN GEORGIA

With approximately twenty-four other states having already passed a bill similar to Senate Bill 132 for Georgia would put roughly half the country with some kind of law in place in an attempt to prohibit foreign adversaries from buying up farmland.⁴⁸ Currently, there are no federal laws that place restrictions of a similar sort on foreign adversaries in regard to purchasing

⁴² *Id*.

⁴³ *Id*.

⁴⁴ Oureshi, *supra* note 11.

⁴⁵ *Id*.

⁴⁶ *Id*.

⁴⁷ *Id*.

⁴⁸ Foreign Ownership of Agricultural Land: FAQs & Resource Library, THE NATIONAL AGRICULTURAL LAW CENTER (Sept. 25, 2023), https://nationalaglawcenter.org/foreign-investments-in-ag/#state-laws.

farmland.49

Senator Tommy Tuberville and Senator Tom Cotton have introduced a bill that is similar in the U.S. Senate, but it has not passed.⁵⁰ Their bill is named the Securing America's Land from Foreign Interference Act, designed to prohibit the Chinese Communist Party from purchasing American land.⁵¹ The senator's bill singles out the Chinese Communist Party which would likely help drive concern for the issue in Georgia.⁵² Other states surrounding Georgia, such as Tennessee, Alabama, Florida, and South Carolina have all passed similar bills with the same goal to make difficult the process of buying farmland for countries posing a national security threat. 53 While this Bill could likely have broad implications on the state, a likely result is an onslaught of lawsuits.54

A group of Chinese citizens in Florida has filed suit alleging that Florida's new law, Senate Bill 264 is unconstitutional.⁵⁵ The lawsuit alleges that the law violates their equal protection rights due to the restrictions regarding their ability to purchase property because of their race.⁵⁶ Furthermore, the suit alleges that the Florida law violates the Due Process Clause and the Supremacy Clause of the Constitution, and the Fair Housing Act.⁵⁷ The plaintiffs sought an injunction to prevent the bill from becoming law, however, the motion was denied by the Florida Northern District Court.⁵⁸ Florida's Senate Bill 264 specifically names certain countries that are labeled as "Foreign country of concern", whereas Georgia's SB 132 relies on the

⁴⁹ *Id*.

⁵⁰ Georgia State Senate, *supra* note 5.

⁵¹ Cotton, Tuberville introduce bill to prohibit the Chinese Communist Party from purchasing American land, Tom Cotton Senator for Arkansas (Aug. 02, 2022), https://www.cotton.senate.gov/news/press-releases/cotton-tuberville-introduce-bill-toprohibit-the-chinese-communist-party-from-purchasing-american-land. ⁵² *Id*.

⁵³ Micah Brown, State Proposals on Restricting Foreign Ownership of Farmland: Part NATIONAL AGRICULTURAL LAW CENTER (Mar. 2023), 7. https://nationalaglawcenter.org/state-proposals-on-restricting-foreign-ownership-offarmland-part-four.

⁵⁴ Qureshi, *supra* note 11.

⁵⁵ Shen v. Simpson, No. 4:23-cv-208-AW-MAF (N.D. Fla. Aug. 17, 2023).

⁵⁶ *Id*.

⁵⁷ *Id*.

⁵⁸ *Id*.

federal government's list of foreign adversaries.⁵⁹ This gives SB 132 an edge over the Florida's Senate Bill 264 since it essentially restates the countries that the federal government has labeled who will fall under the new state restrictions, rather than the state legislature, which could allow Georgia to avoid some lawsuits.⁶⁰ Avoiding lawsuits will prove to be an important goal, since it costs taxpayers millions of dollars, depending on the lawsuit, to defend itself.⁶¹

Another key issue that could affect Georgia, is the loss of foreign investment on rural land owners and business development. Although the Bill distinguishes "agricultural land" in specific, which would theoretically allow land to be bought for industrial uses, such as to build a new manufacturing plant, this Bill could deter these foreign companies from building in these rural areas. Such foreign companies building a manufacturing plant or such would lead to thousands of jobs in this area, putting a direct economic benefit on these communities. These foreign companies may be less likely to build plants in these rural areas if they are forced to look for loop holes just to allow foreign corporate officers to buy the land they need for the plant.

Furthermore, this Bill could have implications on the rural landowners that could benefit significantly from the sale of their property to foreign entities and investors.⁶⁶ With inflation levels high and national and global issues arising making it more difficult for farmers, many parts of rural Georgia suffer from poverty and some of these foreign investors could offer a life changing sum of money for their land.⁶⁷ This Bill would make it easier for landowners to hold on to their property by reducing the number of potential offers, but some would rather give up their land for a substantial

⁵⁹ S.B. 264, 125th GEN. ASSEMB., Reg. Sess. (Fl. 2023).

⁶⁰ S.B. 132, *supra* note 1.

⁶¹ Fair Fight Action, Inc. v. Raffensperger, 634 F. Supp. 3d 1128 (N.D. Ga. 2022).

⁶² Jarred Meeks, Georgia Senators not alone among state legislatures in U.S. concerned over foreign ownership of farmland, STATE AFFAIRS (Aug. 16, 2023), https://stateaffairs.com/georgia/politics/foreign-ownership-farmland-concerns-georgia-lawmakers-ncsl/?sa signed up=true.

⁶³ Id.

⁶⁴ *Id*.

⁶⁵ *Id*.

⁶⁶ Dave Williams, *Economist: Georgia farmers struggling with national, global challenges*, GPB NEWS (Aug. 31, 2022), https://www.gpb.org/news/2022/08/31/economist-georgia-farmers-struggling-national-global-challenges.

⁶⁷ *Id*.

amount of money.⁶⁸ Senator Ed Seltzer, from the 37th, states "a country that cannot feed itself, fuel itself, finance itself, or fight for itself, is not truly free."⁶⁹ This Bill makes an effort to combat the statement of Senator Seltzer, although it is a long run approach.⁷⁰ The main dilemma in this Bill is whether our constitutional rights outweigh the national security interest laid out in the Bill.⁷¹

LEGISLATIVE GENEALOGY

Senate Bill 132 was entered into the Senate Hopper on February 9th, 2023.⁷² The Senate read and referred the bill on February 13th, 2023.⁷³ The Senate committee favorably reported the bill on February 22nd, 2023.⁷⁴ Senate read the bill for the second time on February 23rd, 2023.⁷⁵ The Senate then tabled the bill on March 2nd, 2023, and was taken from the table the same day.⁷⁶ Again, on March 2nd, 2023, the Senate read the bill a third time and passed/adopted as amended.⁷⁷ On March 6th, 2023, the House read the bill for the first time.⁷⁸ The House read the bill a second time on March 7th, 2023.⁷⁹ House committee favorably reported the bill by substitute on March 23rd, 2023.⁸⁰ On March 29th, 2023, the bill was withdrawn from the House and recommitted.⁸¹

Prepared by: Robert Alexander Warren

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<sup>68</sup> Id.
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⁶⁹ Georgia State Senate, *supra* note 5.

⁷⁰ Foreign Ownership of Agricultural Land: FAQs & Resource Library, supra note 48.

⁷¹ *Id*.

⁷² S.B. 132 Status Sheet, *supra* note 2.

⁷³ *Id*.

⁷⁴ *Id*.

⁷⁵ *Id*.

⁷⁶ *Id*.

⁷⁷ S.B. 132 Status Sheet, *supra* note 2.

⁷⁸ *Id*.

⁷⁹ *Id*.

⁸⁰ *Id*.

⁸¹ *Id*.