



State of Wisconsin
2023 - 2024 LEGISLATURE

LRB-2032/1
KRP:emw

2023 SENATE BILL 264

May 2, 2023 - Introduced by Senators JACQUE, STAFSHOLT, BALLWEG, QUINN and STROEBEL, cosponsored by Representatives PENTERMAN, BINSFELD, BRANDTJEN, DONOVAN, GUNDRUM, MAXEY, MURPHY, MURSAU, O'CONNOR, RETTINGER, ROZAR, SCHUTT, TITTL and WICHGERS. Referred to Committee on Agriculture and Tourism.

1 **AN ACT** *to renumber and amend* 710.02 (1) and 710.02 (9); *to amend* 710.02
2 (2) (intro.), 710.02 (3), 710.02 (5) (a) (intro.), 710.02 (5) (a) 1., 710.02 (5) (a) 2.
3 and 710.02 (6); and *to create* 710.02 (1g), 710.02 (1r) (d) and 710.02 (9) (b) of
4 the statutes; **relating to:** prohibiting a foreign adversary from acquiring
5 agricultural or forestry land in this state.

Analysis by the Legislative Reference Bureau

This bill generally prohibits a foreign adversary from acquiring agricultural or forestry land in this state. In the bill, "foreign adversary" means a foreign government or nongovernment person determined by the federal secretary of commerce to have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or security and safety of U.S. persons.

Current law generally prohibits a nonresident alien or a corporation that is not created under federal law or the laws of any state (foreign person) from acquiring, owning, or holding more than 640 acres of land in this state. However, that prohibition does not apply to any of the following activities:

1. An exploration mining lease and land used for certain mining and associated activities.
2. Certain manufacturing activities.
3. Certain mercantile activities.

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4. A lease for exploration or production of oil, gas, coal, shale, and related hydrocarbons, including by-products of the production, and land used in connection with the exploration or production.

Those exceptions have been interpreted to be “extremely broad, embracing almost every conceivable business activity [other than a]ctivities relating to agriculture and forestry.” See Opinion of Wis. Att’y Gen., OAG 11-14, ¶5, available at <https://www.doj.state.wi.us>. In other words, under current law, a foreign person may acquire, own, and hold unlimited amounts of land for most nonagricultural and nonforestry purposes, but a foreign person may not acquire, own, or hold more than 640 acres of land for agricultural or forestry purposes.

The bill retains the current law restriction on foreign person ownership of agricultural and forestry land and adds a provision that prohibits a foreign adversary from acquiring any land for agricultural or forestry purposes.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 710.02 (1) of the statutes is renumbered 710.02 (1r) and amended
2 to read:

3 710.02 (1r) LIMITATION. The following persons may not acquire, own, or hold
4 any interest, directly or indirectly, except an interest used to secure repayment of a
5 debt incurred in good faith, in ~~more than 640 acres of~~ land in this state in excess of
6 the following amounts:

7 (a) Aliens Except as provided in par. (d), aliens not residents of a state of the
8 United States, not more than 640 acres.

9 (b) Corporations Except as provided in par. (d), corporations not created under
10 the laws of the United States or a state of the United States, not more than 640 acres.

11 (c) 1. Corporations Except as provided in par. (d), corporations, limited liability
12 companies, partnerships, or associations having more than 20 percent of their stock,
13 securities, or other indicia of ownership held or owned by persons under par. (a) or
14 (b), not more than 640 acres.

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1 2. ~~Trusts~~ Except as provided in par. (d), trusts having more than 20 percent of
2 the value of their assets held for the benefit of persons under par. (a) or (b), not more
3 than 640 acres.

4 **SECTION 2.** 710.02 (1g) of the statutes is created to read:

5 710.02 (1g) DEFINITION. In this section, “foreign adversary” means a foreign
6 government or nongovernment person determined by the federal secretary of
7 commerce to have engaged in a long-term pattern or serious instances of conduct
8 significantly adverse to the national security of the United States or security and
9 safety of U.S. persons.

10 **SECTION 3.** 710.02 (1r) (d) of the statutes is created to read:

11 710.02 (1r) (d) Foreign adversaries may not acquire, own, or hold any land in
12 this state.

13 **SECTION 4.** 710.02 (2) (intro.) of the statutes is amended to read:

14 710.02 (2) EXCEPTIONS. (intro.) Except as provided in sub. (3), sub. (1) (1r) does
15 not apply to:

16 **SECTION 5.** 710.02 (3) of the statutes is amended to read:

17 710.02 (3) USE OF LAND RESTRICTED. ~~Land in excess of 640 acres, acquired by~~
18 ~~a~~ A person listed under sub. (1) (1r), other than a person listed under sub. (2) (a), (b),
19 or (c), that acquires land in excess of the amount allowed under sub. (1r) for an
20 activity listed under sub. (2) (d), (e), (f), or (g), may not be used directly or indirectly
21 by that person use the land for any activity not listed under sub. (2) (d), (e), (f), or (g).
22 Pending the conversion and development of the land for a purpose ~~permitted~~ allowed
23 under sub. (2) (d), (e), (f), or (g), ~~it~~ the person may be used use the land for agriculture
24 or forestry purposes under a lease to a person not subject to sub. (1) (1r). Products
25 of the land may be sold by the lessee to the owner of the land.

SENATE BILL 264**SECTION 6**

1 **SECTION 6.** 710.02 (5) (a) (intro.) of the statutes is amended to read:

2 710.02 (5) (a) (intro.) Interests exceeding 640 acres the amounts allowed under
3 sub. (1r) that are acquired by persons under sub. ~~(1)~~ (1r) shall be divested at the
4 discretion of the holder to comply with sub. ~~(1)~~ (1r) within 4 years after:

5 **SECTION 7.** 710.02 (5) (a) 1. of the statutes is amended to read:

6 710.02 (5) (a) 1. Acquiring the interest, if the interest is described under sub.
7 (2) (a) and the person is subject to sub. ~~(1)~~ (1r) (a) or (b).

8 **SECTION 8.** 710.02 (5) (a) 2. of the statutes is amended to read:

9 710.02 (5) (a) 2. Acquiring the interest or becoming subject to sub. ~~(1)~~ (1r) (c),
10 whichever is later, if the person is subject to sub. ~~(1)~~ (1r) (c).

11 **SECTION 9.** 710.02 (6) of the statutes is amended to read:

12 710.02 (6) FORFEITURES. Interests in lands in excess of 640 acres the amounts
13 allowed under sub. (1r) that are acquired or held in violation of this section are
14 forfeited to the state. The holder of the interest shall determine which lands are to
15 be forfeited to comply with sub. ~~(1)~~ (1r).

16 **SECTION 10.** 710.02 (9) of the statutes is renumbered 710.02 (9) (a) and
17 amended to read:

18 710.02 (9) (a) ~~This~~ Except as provided in par. (b), this section applies to
19 interests in land acquired after July 1, 1982. No interest acquired before July 1,
20 1982, is subject to divestiture or forfeiture under this section.

21 **SECTION 11.** 710.02 (9) (b) of the statutes is created to read:

22 710.02 (9) (b) Subsection (1r) (d) applies to interests in land acquired by a
23 foreign adversary on or after the first day of the first month beginning after the
24 effective date of this paragraph [LRB inserts date], or the date on which the
25 federal secretary of commerce determines the person is a foreign adversary,

