AN ACT to repeal and recreate 710.02 of the statutes, relating to ownership of land by nonresident aliens and providing penalties.

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

SECTION 1. Legislative declaration. The legislature recognizes the need to modify this state's restrictions on land ownership by nonresident alien and foreign business corporations and entities, so as to remove barriers to foreign investment in energy, mining, manufacturing and mercantile activities. Although this act removes acreage limits on land ownership by such persons for certain purposes, it is the legislature’s intent that these liberalized provisions and exceptions be strictly construed, so as to continue to limit alien ownership of land used for agricultural or forestry purposes to not more than 640 acres. The legislature further declares that the exception granted to manufacturing...
activities shall not be construed to allow agricultural or forestry operations to be undertaken for purposes of supplying raw materials to such manufacturing activities.

SECTION 2. 710.02 of the statutes is repealed and recreated to read:

710.02 Limitation on nonresident aliens and corporations. (1) LIMITATION. The following persons may not acquire, own or hold any interest, directly or indirectly, except an interest used to secure repayment of a debt incurred in good faith, in more than 640 acres of land in this state:

(a) Aliens not residents of a state of the United States.

(b) Corporations not created under the laws of the United States or a state of the United States.

(c) 1. Corporations, partnerships or associations having more than 20% of their stock, securities or other indicia of ownership held or owned by persons under par. (a) or (b).

2. Trusts having more than 20% of the value of their assets held for the benefit of persons under par. (a) or (b).

(2) EXCEPTIONS. Except as provided in sub. (3), sub. (1) does not apply to:

(a) Subject to sub. (5), any person acquiring an interest in land by devise, inheritance or in the good faith collection of debts by due process of law.

(b) Citizens, foreign governments or subjects of a foreign government whose rights to hold larger quantities of land are secured by treaty.

(c) Railroad or pipeline corporations.

(d) An exploration mining lease as defined in s. 107.001 (1) and land used for mining and associated activities.

(e) Manufacturing activities specified under division D of the standard industrial classification manual published by the U.S. printing office, 1972 and later editions.


(g) Leases 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.

(3) USE OF LAND RESTRICTED. Land in excess of 640 acres, acquired by a person listed under sub. (1) other than a person listed under sub. (2) (a), (b) or (c) for an activity listed under sub. (2) (d), (e), (f) or (g), may not be used directly or indirectly by that person for any activity not under sub. (2) (d), (e), (f) or (g). Pending the conversion and development of the land for a purpose permitted under sub. (2) (d), (e), (f) or (g), it may be used for agriculture or forestry purposes under a lease to a person not subject to sub. (1). Products of the land may be sold by the lessee to the owner of the land.

(4) REPORTING REQUIREMENTS. (a) Any person filing a report required under 7 USC 3501 to 3508 shall file with the secretary of agriculture, trade and consumer protection a duplicate original of the report, together with both of the following:

1. The tax parcel number or full legal description of the lands acquired, owned or held.

2. If the interest in land is acquired, owned or held under an exception set forth in sub. (2), a statement which sets forth the specific exception and, if under sub. (2) (d), (e), (f) or (g), the timetable and plan for conversion and development to a purpose permitted under sub. (2) (d), (e), (f) or (g).

(b) The secretary shall semiannually submit to the chairpersons of the standing committees concerned with agriculture and natural resources in both houses of the legislature a report summarizing information received under par. (a).
(5) DIVESTITURE. (a) Interests exceeding 640 acres acquired by persons under sub. (1) shall be divested at the discretion of the holder to comply with sub. (1) within 4 years after:

1. Acquiring the interest, if the interest is described under sub. (2) (a) and the person is subject to sub. (1) (a) or (b).

2. Acquiring the interest or becoming subject to sub. (1) (c), whichever is later, if the person is subject to sub. (1) (c).

(b) Land subject to divestiture under par. (a) may not be managed to cause undue levels of soil erosion or to injure the long-range productivity of the land. The attorney general may bring an action to enjoin these practices on the land.

(6) FORFEITURES. Interests in lands in excess of 640 acres acquired or held in violation of this section are forfeited to the state. The holder of the interest shall determine which lands are to be forfeited to comply with sub. (1).

(7) PENALTY FOR FAILURE TO REPORT. Any person violating sub. (4) (a) shall forfeit not less than $500 nor more than $5,000.

(8) ENFORCEMENT. The attorney general shall enforce this section.

(9) APPLICABILITY. This section applies to interests in land acquired after July 1, 1982. No interest acquired before July 1, 1982, is subject to divestiture or forfeiture under this section.