

WEST VIRGINIA LEGISLATURE

2023 REGULAR SESSION

Introduced

House Bill 3436

By Delegates Dillon and Ross

[Introduced February 13, 2023; Referred
to the Committee on Government Organization then
the Judiciary]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
 2 designated §55-22-1, relating to property; restricting foreign ownership of land and other
 3 interests in the State of West Virginia as specified; defining terms; requiring registration as
 4 specified; authorizing enforcement of ownership restrictions as specified; providing a civil
 5 penalty; requiring the inclusion of notices of foreign ownership in assessment schedules
 6 and tax statements; specifying applicability; requiring rulemaking; and providing for an
 7 effective date.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 22. BAN ON WEST VIRGINIA REAL ESTATE OWNERSHIP BY HOSTILE
 FOREIGN ENTITIES.**

§55-22-1. Restriction on foreign ownership of land; registration; penalty; enforcement.

1 (a) As used in this article:

2 (1) "Foreign business" means a corporation incorporated under the laws of a foreign
 3 government or a business entity, whether or not incorporated, in which a majority interest is owned
 4 or controlled directly or indirectly by foreign persons or by a foreign government. Legal entities
 5 including trusts, holding companies, multiple corporations or other entities with other business
 6 arrangements shall not affect the determination of ownership or control of a foreign business;

7 (2) "Foreign government" means a government of:

8 (A) Russia;

9 (B) China;

10 (C) Any country that has been designated as a state sponsor of terrorism under federal
 11 law.

12 (3) "Foreign person" means a person who is a citizen of:

13 (A) Russia;

14 (B) China;

15 (C) A country that has been designated as a state sponsor of terrorism under federal law.

16 (4) "Land" means real property or real estate and any surface, subsurface, airspace or
17 mineral interest in the State of West Virginia.

18 (b) No foreign government, foreign business or foreign person, or any agent, trustee, or
19 fiduciary thereof, shall purchase or otherwise acquire land in the State of West Virginia. A foreign
20 government, foreign business or foreign person, or any agent, trustee, or fiduciary thereof, that
21 owns or holds land in the State of West Virginia on July 1, 2023, shall divest of all right, title, and
22 interest in the land not later than one year after July 1, 2023.

23 (c) A foreign business, foreign government, or foreign person, or any agent, trustee, or
24 fiduciary thereof, that owns an interest in land in the State of West Virginia in accordance with
25 subsection (b) of this section on or after July 1, 2023, shall register the ownership of the land with
26 the Secretary of State. The registration shall be in a form and manner prescribed by the Secretary
27 of State and shall contain the name of the owner, the location of the land, the number of acres of
28 the land by county and, if the owner is an agent, trustee, or fiduciary of a foreign business, foreign
29 government, or foreign person, the name of any principal for whom that land was purchased or
30 acquired. The registration shall be made not later than 60 days after July 1, 2023, and shall be
31 updated annually on or before March 31 of each year.

32 (d) A foreign business, foreign government, or a foreign person, or any agent, trustee, or
33 fiduciary thereof, who fails to register or timely register as required by subsection (c) of this section
34 shall be liable for a civil penalty of \$5,000 for each day that the foreign business, foreign
35 government, or a foreign person, or any agent, trustee, or fiduciary thereof, is not in compliance
36 with subsection (c) of this section.

37 (e) Each county clerk shall report to the Secretary of State if a foreign entity, foreign
38 government, or foreign person, or any agent, trustee, or fiduciary thereof, purchases or acquires
39 land in the county in violation of this section or if the clerk suspects that land was purchased or
40 acquired in the county by a foreign entity, foreign government, or foreign person.

41 (f) The Secretary of State shall report any violation of this section to the Attorney General if
42 the Secretary of State finds that a foreign business, foreign government, or foreign person, or any
43 agent, trustee, or fiduciary thereof, has acquired or holds title to or an interest in land in the State of
44 West Virginia in violation of this section or has failed to register as required by this section. The
45 Attorney General may take any action necessary to enforce the provisions of this section,
46 including initiating an action in the district court of any county in which the land is located.

47 (g) Provisions of this article, when passed, shall be in effect immediately.

NOTE: The purpose of this bill is to restrict foreign ownership of land and other interests in the State of West Virginia as specified. The bill defines terms. The bill requires registration as specified. The bill authorizes enforcement of ownership restrictions as specified. The bill provides for a civil penalty. The bill requires the inclusion of notices of foreign ownership in assessment schedules and tax statements. The bill specifies applicability. The bill requires rulemaking. Finally, the bill provides for an effective date.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.