

HOUSE BILL No. 2638

By Committee on Agriculture and Natural Resources

Requested by Representative Rahjes

1-31

1 AN ACT concerning real property; relating to the conveyance thereof;
2 requiring the attorney general to investigate such conveyances;
3 prohibiting the conveyance of title to certain real property to foreign
4 adversaries and establishing criminal penalties for violations thereof.
5

6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. As used in sections 1 through 3, and amendments thereto:

8 (a) "Entity" means a partnership, association, trust, joint venture,
9 corporation, group, subgroup or other non-United States governmental
10 organization.

11 (b) "Foreign adversary" means any governmental or
12 nongovernmental person determined to be a foreign adversary pursuant to
13 15 C.F.R. § 7.4, as in effect on July 1, 2024.

14 (c) "Person" means an individual or entity.

15 (d) "Person owned by, controlled by or subject to the jurisdiction or
16 direction of a foreign adversary" means:

17 (1) Any person, wherever located, who acts as an agent,
18 representative or employee, or any person who acts in any other capacity
19 at the order, request or under the direction or control, of a foreign
20 adversary or of a person whose activities are directly or indirectly
21 supervised, directed, controlled, financed or subsidized in whole or in
22 majority part by a foreign adversary;

23 (2) any person, wherever located, who is a citizen or resident of a
24 nation-state controlled by a foreign adversary, unless such person is a dual
25 citizen of the United States and a foreign adversary;

26 (3) any corporation, partnership, association or other organization
27 organized under the laws of a nation-state controlled by a foreign
28 adversary; or

29 (4) any corporation, partnership, association or other organization,
30 wherever organized or doing business, that is owned or controlled by a
31 foreign adversary.

32 Sec. 2. (a) (1) On or after July 1, 2024, no person owned by,
33 controlled by or subject to the jurisdiction or direction of a foreign
34 adversary shall purchase, acquire by grant, devise or descent or otherwise
35 obtain ownership of any interest in real property located in this state.

1 (2) (A) The provisions of paragraph (1) shall not apply to land
2 acquired by:

3 (i) A process of law in the collection of debts;

4 (ii) a deed in lieu of foreclosure pursuant to a forfeiture of a contract
5 for deed; or

6 (iii) any procedure for the enforcement of a lien or claim on the land,
7 whether created by mortgage or otherwise.

8 (B) Land described in this paragraph shall be sold or otherwise
9 disposed of within two years after any title is transferred.

10 (b) A person owned by, controlled by or subject to the jurisdiction or
11 direction of a foreign adversary may sell or convey all or any portion of an
12 ownership interest in real property located in this state that was acquired
13 prior to July 1, 2024, but shall not sell or otherwise convey such ownership
14 interest to any person owned by, controlled by or subject to the jurisdiction
15 or direction of a foreign adversary in violation of subsection (a).

16 (c) Any person owned by, controlled by or subject to the jurisdiction
17 or direction of a foreign adversary who inherits real property on or after
18 July 1, 2024, in violation of this act shall have 12 months to divest such
19 property once the violation is known. Such divestiture shall be an
20 affirmative defense to any violation of this subsection.

21 (d) The attorney general shall investigate any sale, transfer or other
22 conveyance of title to real property located in this state if the attorney
23 general has reason to believe that such transaction violates subsection (a).

24 (e) Real property that is the subject matter of a transaction that
25 violates this section shall be subject to forfeiture under K.S.A. 60-4101 et
26 seq., and amendments thereto.

27 Sec. 3. If any provision or clause of this act or application thereof to
28 any person or circumstance is held invalid, such invalidity shall not affect
29 other provisions or applications of this act that can be given effect without
30 the invalid provision or application, and to this end the provisions of this
31 act are declared to be severable.

32 Sec. 4. This act shall take effect and be in force from and after its
33 publication in the statute book.