

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 463
Committee Substitute Favorable 4/25/23
Third Edition Engrossed 4/26/23

Short Title: NC Farmland and Military Protection Act. (Public)

Sponsors:

Referred to:

March 27, 2023

A BILL TO BE ENTITLED
AN ACT TO PROHIBIT THE ACQUISITION OF AGRICULTURAL AND OTHER LANDS
CRITICAL TO THE SAFETY AND SECURITY OF THE STATE BY CERTAIN
FOREIGN GOVERNMENTS DESIGNATED AS ADVERSARIAL BY THE UNITED
STATES DEPARTMENT OF COMMERCE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 64 of the General Statutes is amended by adding a new Article
to read:

"Article 3.

"Prohibit Adversarial Foreign Government Acquisition of Certain Lands.

"§ 64-50. Title.

This act shall be known and be cited as the North Carolina Farmland and Military Protection
Act.

"§ 64-51. Purpose.

The General Assembly finds that it is in the public interest for the State to guard its
agricultural land from the potential of adversarial foreign government control in order to ensure
that the State's farmers are able to produce a safe, abundant, and affordable supply of food and
fiber for the benefit of the people of this State and the United States and to protect our vital
resources.

"§ 64-52. Definitions.

As used in this Article, the following definitions apply:

- (1) Adversarial foreign government. – A state-controlled enterprise or the
government of a foreign nation that has received a designation under 15 C.F.R.
§ 7.4 from a determination by the United States Secretary of Commerce that
the entity has 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 United States persons.
- (2) Agricultural land. – Any land situated in this State that is used for agricultural
production purposes as defined in G.S. 106-581.1(1) through (4). The term
does not include land situated in this State that is leased for agricultural
research and development purposes or other activities for the purpose of
producing inputs and/or products for farmers or other end-users, provided that
the acreage leased by the lessee does not exceed 250 acres in the aggregate.
- (3) Controlling interest. – Possession of more than fifty percent (50%) of the
ownership interest in an entity. The term also includes possession of fifty



percent (50%) or less of the ownership interest in an entity if an owner directs the business and affairs of the entity without the requirement or consent of any other party.

(4) Interest. – Any estate, remainder, or reversion, or any portion of the estate, remainder, or reversion, or an option pursuant to which one party has a right to cause the transfer of legal or equitable title to agricultural land.

(5) Military installation. – Fort Bragg, Pope Army Airfield, Marine Corps Base Camp Lejeune, New River Marine Corps Air Station, Cherry Point Marine Corps Air Station, Military Ocean Terminal at Sunny Point, the United States Coast Guard Air Station at Elizabeth City, Naval Support Activity Northwest, Air Route Surveillance Radar (ARSR-4) at Fort Fisher, and Seymour Johnson Air Force Base, in its own right and as the responsible entity for the Dare County Bombing Range, and any facility located within the State that is subject to the installations' oversight and control.

(6) State-controlled enterprise. – A business enterprise, however denominated, in which a foreign government has a controlling interest.

"§ 64-53. Adversarial foreign government acquisition of agricultural land prohibited.

(a) Notwithstanding any provision of law to the contrary, no adversarial foreign government shall purchase, acquire, lease, or hold any interest in the following:

(1) Agricultural land.

(2) Land situated within a 25-mile radius of a military installation.

(b) Any transfer of an interest in land in violation of this section shall be void.

(c) The responsibility for determining whether an individual or other entity is subject to this Article rests solely with the adversarial foreign government and the State of North Carolina and no other individual or entity. An individual or other entity who is not an adversarial foreign government shall bear no civil or criminal liability for failing to determine or make inquiry of whether an individual or other entity is an adversarial foreign government."

SECTION 2. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

SECTION 3. This act becomes effective on January 1, 2024, and applies only to interests in land acquired on and after that date.