

Senate Engrossed

designated countries; land ownership; prohibition

State of Arizona
Senate
Fifty-sixth Legislature
Second Regular Session
2024

SENATE BILL 1403

AN ACT

AMENDING TITLE 33, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY
ADDING SECTION 33-443; RELATING TO PROPERTY CONVEYANCES AND DEEDS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 33, chapter 4, article 3, Arizona Revised
3 Statutes, is amended by adding section 33-443, to read:

4 33-443. Prohibition against land ownership; foreign
5 principals; enforcement; exception; definitions

6 A. NOTWITHSTANDING ANY OTHER LAW AND EXCEPT AS PROVIDED IN
7 SUBSECTION F OF THIS SECTION, A FOREIGN PRINCIPAL FROM A DESIGNATED
8 COUNTRY MAY NOT, DIRECTLY OR INDIRECTLY, PURCHASE, OWN, ACQUIRE BY GRANT
9 OR DEVISE OR HAVE ANY OTHER INTEREST IN REAL PROPERTY IN THIS STATE.

10 B. THE ATTORNEY GENERAL SHALL ENFORCE THIS SECTION. IF THE
11 ATTORNEY GENERAL REASONABLY SUSPECTS A VIOLATION OF THIS SECTION OCCURRED,
12 THE ATTORNEY GENERAL SHALL COMMENCE AN ACTION IN SUPERIOR COURT IN THE
13 COUNTY IN WHICH THE REAL PROPERTY IS LOCATED.

14 C. IF THE SUPERIOR COURT FINDS THAT TITLE OR ANY INTEREST IN REAL
15 PROPERTY WAS OBTAINED IN VIOLATION OF SUBSECTION A OF THIS SECTION, THE
16 COURT SHALL ENTER AN ORDER:

17 1. STATING THE COURT'S FINDINGS.

18 2. DIVESTING THE PERSON'S INTEREST.

19 3. DIRECTING THE BOARD OF SUPERVISORS TO SELL THE REAL PROPERTY IN
20 A MANNER THAT IS CONSISTENT WITH TITLE 42, CHAPTER 18, ARTICLE 7, EXCEPT
21 THAT THE BOARD OF SUPERVISORS SHALL FORWARD ANY BALANCE REMAINING AFTER
22 PAYING THE TAXES, INTERESTS, PENALTIES, FEES AND COSTS TO THE STATE
23 TREASURER FOR DEPOSIT IN THE STATE GENERAL FUND.

24 D. A TITLE INSURER, TITLE AGENT, ESCROW AGENT OR REAL ESTATE
25 LICENSEE MAY NOT BE HELD LIABLE FOR ANY VIOLATION OF THIS SECTION.

26 E. A VIOLATION OF THIS SECTION MAY NOT BE THE BASIS FOR A TITLE
27 INSURANCE CLAIM FOR ANY TITLE INSURANCE POLICY ISSUED FOR PROPERTY IN THIS
28 STATE.

29 F. A FOREIGN PRINCIPAL MAY PURCHASE, OWN, ACQUIRE BY GRANT OR
30 DEVISE OR HAVE AN INTEREST IN LAND IN THIS STATE IF ALL OF THE FOLLOWING
31 CONDITIONS APPLY:

32 1. THE PARCEL IS RESIDENTIAL REAL PROPERTY.

33 2. THE PARCEL IS TWO ACRES OR LESS.

34 3. THE FOREIGN PRINCIPAL IS A NATURAL PERSON.

35 4. THE PARCEL THE FOREIGN PRINCIPAL OWNS OR IS PURCHASING OR
36 ACQUIRING AN INTEREST IN IS THE FOREIGN PRINCIPAL'S SOLE REAL PROPERTY
37 INTEREST IN THIS STATE.

38 5. THE PARCEL IS LOCATED FIFTY MILES OR MORE FROM ANY MILITARY
39 INSTALLATION, CRITICAL INFRASTRUCTURE OR KNOWN VECTOR ROUTE IN THIS STATE.

40 6. THE PARCEL IS LOCATED TWENTY-FIVE MILES OR MORE FROM AN AIR
41 FORCE RANGE WITH A TOTAL LAND AREA BETWEEN ONE-HALF AND TWO AND ONE-HALF
42 MILLION ACRES.

43 7. THE FOREIGN PRINCIPAL POSSESSES A CURRENT VERIFIED UNITED STATES
44 VISA THAT IS NOT LIMITED TO TOURIST-BASED TRAVEL OR OFFICIAL DOCUMENTATION
45 THAT THE UNITED STATES GOVERNMENT HAS GRANTED THE FOREIGN PRINCIPAL ASYLUM

1 IN THE UNITED STATES. FOR THE PURPOSES OF THIS PARAGRAPH, ANY
2 DOCUMENTATION SHALL BE IN THE NAME OF THE NATURAL PERSON.

3 G. FOR THE PURPOSES OF THIS SECTION:

4 1. "CRITICAL INFRASTRUCTURE" HAS THE SAME MEANING PRESCRIBED IN
5 SECTION 41-1801.

6 2. "DESIGNATED COUNTRY" MEANS A COUNTRY THAT IS IDENTIFIED BY THE
7 UNITED STATES DIRECTOR OF NATIONAL INTELLIGENCE AS A COUNTRY THAT POSES A
8 RISK TO THE NATIONAL SECURITY OF THE UNITED STATES IN EACH OF THE THREE
9 MOST RECENT ANNUAL THREAT ASSESSMENTS OF THE UNITED STATES INTELLIGENCE
10 COMMUNITY ISSUED PURSUANT TO SECTION 108B OF THE NATIONAL SECURITY ACT OF
11 1947 (50 UNITED STATES CODE SECTION 3043b).

12 3. "FOREIGN PRINCIPAL" MEANS ANY OF THE FOLLOWING:

13 (a) THE GOVERNMENT OR ANY OFFICIAL OF THE GOVERNMENT FROM A
14 DESIGNATED COUNTRY.

15 (b) A POLITICAL PARTY OR MEMBER OF A POLITICAL PARTY FROM A
16 DESIGNATED COUNTRY.

17 (c) ANY PERSON WHO IS DOMICILED IN A DESIGNATED COUNTRY AND WHO IS
18 NOT A CITIZEN OR LAWFUL PERMANENT RESIDENT OF THE UNITED STATES.

19 (d) ANY BUSINESS OR OTHER ENTITY THAT IS DOMICILED IN A DESIGNATED
20 COUNTRY.

21 (e) ANY BUSINESS OR OTHER ENTITY IN WHICH MORE THAN THE MAJORITY OF
22 THE BUSINESS'S OR ENTITY'S OWNERSHIP BELONGS TO AN ENTITY DOMICILED IN A
23 DESIGNATED COUNTRY.

24 (f) ANY BUSINESS OR OTHER ENTITY WHERE THE MAJORITY OF THE BOARD OF
25 DIRECTORS IS CONTROLLED BY AN ENTITY DOMICILED IN AN DESIGNATED COUNTRY.

26 4. "MILITARY INSTALLATION" HAS THE SAME MEANING PRESCRIBED IN
27 SECTION 26-261.

28 Sec. 2. Legislative findings

29 The legislature finds:

30 1. This act is necessary to protect this state from global security
31 threats and halt or reverse the influence operation of the Chinese
32 Communist Party or other adverse nations or entities that pose a risk to
33 the national security of the United States.

34 2. This act is necessary to protect the critical infrastructure of
35 this state.

36 3. This act's protection of this state's military, commercial and
37 agricultural assets from foreign espionage and sabotage will place this
38 state in a significantly stronger position to withstand national security
39 threats.

40 4. This act is necessary to protect this state's F-35 equipment and
41 technology and the F-35's squadron's critical mission to protect our
42 national security.