## HOUSE BILL 1999

## State of Washington 69th Legislature 2025 Regular Session

By Representatives Schmick, Dent, Eslick, Dufault, Chase, Engell, and Abell

Read first time 02/19/25. Referred to Committee on Civil Rights & Judiciary.

AN ACT Relating to foreign ownership of agricultural land in Washington; amending RCW 64.16.005; adding new sections to chapter 64.16 RCW; and declaring an emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 Sec. 1. RCW 64.16.005 and 2012 c 117 s 195 are each amended to 6 read as follows:

7 ((Any)) Except as provided in section 2 of this act, any alien 8 may acquire and hold lands, or any right thereto, or interest therein, by purchase, devise, or descent; and he or she may convey, 9 10 mortgage, and devise the same, and if he or she shall die intestate, 11 the same shall descend to his or her heirs, and in all cases such 12 lands shall be held, conveyed, mortgaged, or devised, or shall descend in like manner and with like effect as if such alien were a 13 14 native citizen of this state or of the United States.

15 <u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 64.16 16 RCW to read as follows:

(1) Notwithstanding any other provision of law, in order to protect the health, safety, and welfare of all citizens of Washington, on and after July 1, 2025, no foreign adversary shall acquire any interest in agricultural land in this state.

1 (2) Any acquisition of any interest in agricultural land in violation of this section shall be void, and title to such interest 2 in agricultural land shall be deemed to have vested as of the date of 3 such purported acquisition in the name of the state of Washington 4 without any payment of consideration of any kind by the state. The 5 6 foreign adversary purporting to acquire such interest in agricultural 7 land shall be barred from making a claim against any party for restitution of the purchase price paid by such foreign adversary in 8 connection with such interest in agricultural land or for any other 9 kind of payment relating to the foreign adversary's loss or lack of 10 11 title to such interest in agricultural land. Any lien that has 12 attached to such interest in agricultural land during the foreign adversary's purported acquisition or ownership shall remain a valid 13 lien against the interest during such time as the interest is held by 14 the state except that such lien shall not be subject to foreclosure 15 16 during the period of the state's ownership nor shall the state be 17 subject to the terms of any agreement giving rise to the lien. The 18 state may hold or dispose of such interest in agricultural land in 19 any lawful manner.

(3) Notwithstanding the provisions in subsection (2) of this 20 21 section, if the foreign adversary has subsequently sold or transferred the interest in agricultural land to a person or entity 22 23 that is not a foreign adversary, title to such interest in agricultural land shall be vested in the subsequent nonforeign 24 25 adversary purchaser or transferee and shall be valid as if the purported acquisition of such interest in agricultural land by a 26 foreign adversary had not occurred. 27

28 (4) If an interest in agricultural land has been acquired in 29 violation of this section, a county, city, or attorney for the locality in which the agricultural land is located, the attorney 30 31 general, or any nonforeign adversary person that was a party to the 32 void transaction or is a subsequent holder of such interest may file 33 an action: (a) To eject the foreign adversary from possession; (b) to quiet title to such property; or (c) for any other appropriate action 34 to ratify the nullification of the transaction. Any action brought 35 36 pursuant to this subsection must be filed in the superior court for the county where the subject property is located. 37

38 (5) This section shall not be applied in a manner inconsistent 39 with any provision of any treaty between the United States and 40 another country. <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 64.16
RCW to read as follows:

3 (1) Based on the reports submitted pursuant to the federal 4 agricultural foreign investment disclosure act, 7 U.S.C. Sec. 3501 et 5 seq., and other information the department, at its discretion, deems 6 appropriate, the department shall compile an annual report in 7 consultation with any other state agency or board it deems 8 appropriate, for each calendar year, containing all of the following 9 information, if available:

(a) The total amount of agricultural land in Washington, andwithin each county, that is under foreign ownership;

12 (b) The percentage change in foreign ownership of agricultural 13 land in Washington, and within each county, for each year over the 14 prior 10 years;

15 (c) The purpose for which foreign-owned agricultural land in 16 Washington is being used currently. To the extent such information is 17 available, the department shall also include any significant recent 18 changes or trends in the uses of foreign-owned agricultural land in 19 Washington; and

(d) Any legislative, regulatory, or administrative policy changesthe department recommends in light of the information in this report.

22 (2) The department shall publish its inaugural report pursuant to 23 subsection (1) of this section on its website no later than July 1, 2025, and each subsequent report no later than July 1st of each 24 25 following year. The department shall also provide copies of such 26 report to the governor, the chair and ranking minority member of the house of representatives agriculture and natural resources committee, 27 or its successor committee, and the chair and ranking minority member 28 29 of the senate agriculture, water, natural resources and parks committee, or its successor committee. 30

31 <u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 64.16 32 RCW to read as follows:

33 The definitions in this section apply throughout this chapter 34 unless the context clearly requires otherwise.

(1) "Agricultural land" means land used for forestry production and land currently used for, or, if currently idle, land last used within the past five years, for farming, ranching, or timber production, except land not exceeding 10 acres in the aggregate, if the annual gross receipts from the sale of the farm, ranch, or timber

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products produced thereon do not exceed \$1,000. Farming, ranching, or 1 timber production includes, but is not limited to, orchards and 2 cattle feed lots, and all activities set forth in the standard 3 industrial classification manual (1987), division A, exclusive of 4 industry numbers 0711-0783 and 0851. Land used for forestry 5 6 production means, land exceeding 10 acres in which 10 percent is 7 stocked by trees of any size, including land that formerly had such tree cover and that will be naturally or artificially regenerated. 8

(2) "Department" means the Washington department of agriculture.

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"Foreign adversary" means any foreign government 10 (3) or 11 nongovernment person determined by the United States secretary of 12 commerce to have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the 13 United States or security and safety of United States persons, as set 14 forth in 15 C.F.R. Sec. 7.4 or such successor 15 regulation, 16 declaration, or statute as may exist from time to time.

17 (4) "Interest in agricultural land" means any right, title, or 18 interest, direct or indirect, in and to: (a) Agricultural land; or 19 (b) any entity or other organization that holds any right, title, or interest, direct or indirect, in and to agricultural land. For 20 purposes of this definition, any interest that taken on its own or 21 22 together with any other interest held in common or under common control does not give the holder of the interest the ability to 23 possess or occupy the agricultural land in any manner or the power or 24 25 authority to direct the conduct of the agricultural operation being conducted on the agricultural land, shall not be deemed an interest 26 in agricultural land for purposes of this chapter. 27

NEW SECTION. Sec. 5. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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