## SENATE, No. 3666 STATE OF NEW JERSEY 220th LEGISLATURE

INTRODUCED FEBRUARY 28, 2023

Sponsored by: Senator DOUGLAS J. STEINHARDT District 23 (Hunterdon, Somerset and Warren)

## SYNOPSIS

Prohibits ownership of certain protected land adjacent to military facilities in State by certain foreign governments and persons.

## **CURRENT VERSION OF TEXT**

As introduced.



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1 AN ACT concerning the ownership of certain protected land 2 adjacent to military facilities in the State and supplementing 3 chapter 3 of Title 46 of the Revised Statutes. 4 5 **BE IT ENACTED** by the Senate and General Assembly of the State 6 of New Jersey: 7 8 (C. 1. As used in P.L. ) (pending before the , c. 9 Legislature as this bill): 10 "Foreign government" means any government other than the 11 government of the United States or of its states, territories, 12 possessions, or any political subdivision thereof that is subject, or 13 military companies of which are subject, to official sanctions of the 14 government of the United States. "Foreign government" includes 15 an agent, trustee, or fiduciary thereof, acting for a foreign 16 government. "Foreign person" means any individual who is not a citizen of 17 the United States, is not an alien friend as provided in R.S.46:3-18, 18 19 and is a nonresident alien of the United States or one of its states, 20 territories, or possessions; any corporation, partnership, association, 21 or other legal entity created under the laws of a foreign government; 22 or any corporation, partnership, association, or other legal entity, 23 created under the laws of the United States or any of its political 24 subdivisions, the majority of the ownership of which is directly or 25 indirectly held, legally or beneficially, by one or more foreign 26 governments, by one or more foreign persons, by one or more legal 27 entities created under the laws of a foreign government, or by any 28 combination thereof. "Foreign person" includes an agent, trustee, 29 or fiduciary thereof, acting for a foreign person. 30 "Military facility" means any facility located within the State 31 that is owned or operated by the federal government, and which is 32 used for the purposes of providing logistical, technical, material, 33 training, or any other support to any branch of the United States 34 military. 35 "Protected land" means any parcel of land for which any portion of the parcel is located within 1,000 feet of a military facility. 36 37 38 2. Notwithstanding any law, rule, or regulation to the a. 39 contrary, no foreign government or foreign person shall acquire, 40 purchase, or otherwise obtain a legal, beneficial, or other interest in 41 any protected land in the State on or after the effective date of 42 P.L., c. (C. ) (pending before the Legislature as this bill). 43 b. Any foreign government or foreign person owning or holding 44 an interest in protected land in the State upon the effective date of 45 ) (pending before the Legislature as this bill) P.L. , c. (C. 46 may continue to own or hold an interest in protected land for a 47 after maximum of five years the effective date of 48 P.L., c. (C. ) (pending before the Legislature as this bill),

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and shall not acquire, purchase, or otherwise obtain an interest in,
 any other protected land, in the State, on or after the effective date
 of P.L. , c. (C. ) (pending before the Legislature as this
 bill), except:

5 (1) pursuant to a process of law involving the collection of debt 6 the execution of a deed in lieu of foreclosure, the forfeiture of a 7 contract for deed, or the imposition of a lien or claim on the land, 8 whether created by a mortgage or otherwise, in which case, the 9 provisions of subsection d. of this section shall apply; or

(2) by devise or descent, or through the establishment of a bona
fide encumbrance on protected land taken for the purposes of
security, in which case, the provisions of subsection f. of this
section shall apply.

14 c. A foreign government or foreign person owning or holding an 15 interest in protected land in the State upon the effective date of 16 ) (pending before the Legislature as this bill) P.L., c. (C. 17 shall sell or otherwise convey the ownership of, or interest in, the 18 protected land within five years after the effective date of P.L. . C. 19 ) (pending before the Legislature as this bill). The land or (C. 20 interest therein shall be sold or conveyed to an individual, trust, 21 corporation, partnership, or other business entity that is not a 22 foreign government or foreign person subject to the provisions of 23 P.L., c. (C. ) (pending before the Legislature as this bill).

24 d. (1) Protected land that is acquired by a foreign government 25 on or after the effective date of or foreign person, 26 P.L., c. (C. ) (pending before the Legislature as this bill), 27 pursuant to the exception established in paragraph (1) of subsection b. of this section, shall be sold or conveyed, by the foreign owner 28 29 thereof, within two years after title to the land is transferred thereto. 30 (2) Land sold or conveyed in accordance with this subsection

shall be sold or conveyed to an individual, trust, corporation,
partnership, or other business entity that is not a foreign
government or foreign person subject to the provisions of P.L., c.
(C.) (pending before the Legislature as this bill).

e. Any provision of this section that is inconsistent with, or in
violation of, any treaty between the United States and another
country shall not apply to the foreign government or a foreign
person of the country that is party to such treaty.

3. This act shall take effect immediately.

## STATEMENT

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This bill prohibits sanctioned foreign governments and certain foreign persons from acquiring, purchasing, or otherwise obtaining a legal, beneficial, or other interest in any protected land in the State on or after the bill's effective date, with limited exceptions, as

1 described below. Under the bill, protected land includes certain 2 parcels of land located within 1,000 feet of a military facility.

3 The bill permits impacted foreign governments and foreign 4 persons that already own or hold an interest in protected land in the 5 State, on the bill's effective date, to continue to own or hold the 6 interest in such land for a maximum of five years thereafter. Within 7 five years after the bill's effective date, the foreign government or 8 foreign person would be required to sell or otherwise convey the 9 ownership of, or interest in, the protected land to an individual, 10 trust, corporation, partnership, or other business entity.

11 The bill provides the following exceptions to the general 12 prohibition on the continued foreign ownership of protected land:

13 1) a foreign government or foreign person may acquire protected land, on or after the bill's effective date, through a process of law 14 15 involving the collection of debt, the execution of a deed in lieu of 16 foreclosure, the forfeiture of a contract for deed, or the imposition 17 of a lien or claim on the land, whether by mortgage or otherwise, 18 but such person or government would then be required to sell or 19 convey the land, within two years after the transfer of title thereto, 20 to an individual, trust, corporation, partnership, or other business 21 entity that is not prohibited from owning protected land; and

22 2) the provisions of the bill would not be applicable to protected 23 land acquired by devise or descent or pursuant to a bona fide 24 encumbrance established on protected land taken for the purposes 25 of security.

26 Finally, the bill provides that any provision of the bill that is 27 inconsistent with, or in violation of, any treaty between the United States and another country would not apply to any foreign 28 29 government or foreign person residing in a country that is party to 30 the treaty.