



House of Representatives

General Assembly

File No. 304

January Session, 2025

Substitute House Bill No. 6735

House of Representatives, March 27, 2025

The Committee on Veterans' and Military Affairs reported through REP. FOSTER of the 57th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT PROHIBITING THE OWNERSHIP, POSSESSION OR ACQUISITION OF INTERESTS IN REAL PROPERTY UPON OR ABUTTING MILITARY INSTALLATIONS OR AGRICULTURAL LANDS BY CERTAIN FOREIGN ENTITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (*Effective October 1, 2025*) (a) As used in this section:
- 2 (1) "Agricultural land" has the same meaning as provided in section
- 3 22-26bb of the general statutes;
- 4 (2) "Foreign country of concern" means the People's Republic of
- 5 China or the Russian Federation, including any agency thereof or any
- 6 other entity of significant control thereof;
- 7 (3) "Foreign principal" means (A) the government or any official of
- 8 the government of a foreign country of concern, (B) a political party or
- 9 member of a political party, or any subdivision of a political party, of a
- 10 foreign country of concern, (C) (i) a partnership, association,

11 corporation, organization or other combination of other persons
12 organized under the laws of, or having its principal place of business in,
13 a foreign country of concern, or (ii) a subsidiary of any entity described
14 in subparagraph (C)(i) of this subdivision, or (D) a person who is
15 domiciled in a foreign country of concern and is not a citizen or lawful
16 permanent resident of the United States; and

17 (4) "Military installation" means any military building, structure,
18 parcel of land or training site owned, leased or controlled by the federal
19 or state government.

20 (b) (1) A foreign principal shall not (A) directly or indirectly own, (B)
21 possess a controlling interest in, or (C) acquire by purchase, grant or
22 devise, any interest in real property that is upon or that abuts any
23 military installation or agricultural land in this state.

24 (2) A buyer of an interest in real property that abuts any military
25 installation or agricultural land in this state shall (A) at the time of
26 purchase, sign an affidavit under penalty of perjury attesting that (i)
27 such buyer is not a foreign principal, and (ii) such purchase is not in
28 violation of the provisions of subdivision (1) of this subsection, and (B)
29 not later than one business day after such purchase, file such affidavit
30 with the Adjutant General. The failure of the buyer or seller of such
31 interest in real property to retain a copy of such affidavit shall not affect
32 the title, or the insurability of the title, of such interest or subject any
33 closing agent for such buyer or seller to civil liability, unless any closing
34 attorney for such buyer or seller has actual knowledge that such
35 purchase is in violation of the provisions of subdivision (1) of this
36 subsection.

37 (c) If a foreign principal is a prospective buyer of an interest in real
38 property that is within a three-mile radius of any military installation in
39 this state, such foreign principal shall give notice of such foreign
40 principal's intent to buy such interest to the Adjutant General not later
41 than thirty days prior to such prospective purchase and in a form and
42 manner prescribed by the Adjutant General. Immediately upon receipt
43 of such notice, the Adjutant General shall review such prospective

44 purchase as it relates to the protection of public safety and security. Not
45 later than fifteen days after receipt of such notice, the Adjutant General
46 shall issue, in writing, to such prospective buyer and the Attorney
47 General the detailed findings of such review and a recommendation for
48 or against such prospective purchase.

49 (d) (1) (A) Any interest in real property owned, possessed or acquired
50 in violation of subdivision (1) of subsection (b) of this section shall be
51 subject to forfeiture in accordance with the provisions of this subsection.

52 (B) Any interest in real property the prospective purchase of which
53 the Adjutant General recommended against under subsection (c) of this
54 section may be subject to forfeiture in accordance with the provisions of
55 this subsection.

56 (2) The Attorney General is authorized to enforce the provisions of
57 this section by bringing a civil action in the superior court for the judicial
58 district in which an interest in real property described in subparagraph
59 (A) or (B) of subdivision (1) of this subsection, as applicable, is located
60 for the forfeiture of such interest.

61 (3) At any time during such forfeiture proceedings, the Attorney
62 General may seek from such superior court an ex parte order of seizure
63 of such interest in real property upon a showing that control of such
64 interest by the party against whom such civil action was brought
65 constitutes a clear and present danger to the state.

66 (4) If such superior court determines that (A) such interest in real
67 property is owned, possessed or acquired in violation of subdivision (1)
68 of subsection (b) of this section, or (B) the basis for the Adjutant
69 General's recommendation against the prospective purchase of such
70 interest in real property under subsection (c) of this section was
71 reasonable, the court shall enter a final judgment of forfeiture vesting
72 title to such interest in the state, subject only to the rights and interests
73 of bona fide lienholders.

74 (5) The Commissioner of Administrative Services on behalf of the

75 state may sell such interest in real property, subject to a final judgment
76 of forfeiture. Proceeds from such a sale shall be applied first to the
77 payment of each bona fide lienholder described in subdivision (4) of this
78 subsection that may exist, next to the payment of each outstanding fine
79 that may have been assessed by such superior court during such
80 forfeiture proceedings and then to the payment of the person or entity
81 who was divested of such interest in real property pursuant to this
82 subsection.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	October 1, 2025	New section
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Statement of Legislative Commissioners:

In Subsec. (b)(2), "sign an affidavit signed under" was changed to "sign an affidavit under" for clarity.

VA *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill restricts land ownership in certain circumstances and requires the Office of the Attorney General (OAG) to enforce the provisions of the bill resulting in no fiscal impact to the state because the OAG has the resources and expertise to meet the requirements of the bill.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sHB 6735*****AN ACT PROHIBITING THE OWNERSHIP, POSSESSION OR ACQUISITION OF INTERESTS IN REAL PROPERTY UPON OR ABUTTING MILITARY INSTALLATIONS OR AGRICULTURAL LANDS BY CERTAIN FOREIGN ENTITIES.*****SUMMARY**

This bill prohibits certain individuals and entities associated with “countries of concern” (i.e. China and Russia) from owning or acquiring interests in real property on or abutting military installations or agricultural land in the state. If a property is within three miles of a military installation and a prospective buyer is associated with these countries, it requires the adjutant general to review the purchase and make a recommendation on it.

The bill also (1) establishes a process by which the state may take title to these individuals’ and entities’ interests in these properties and (2) requires any potential buyers of land abutting agricultural properties or military installations to attest that the purchase would not be prohibited under the bill.

EFFECTIVE DATE: October 1, 2025

COVERED PROPERTY

Under the bill, agricultural land includes any land in the state suitable for cultivating plants that provide food, fibers, and other useful and valuable plant products, and for producing useful animals, livestock, and poultry; and land capable of providing economically profitable farm units. It may also include adjacent pastures, wooded land, natural drainage areas, and other adjacent open spaces. (It is unclear who is responsible for determining if a property constitutes agricultural land under the bill.)

“Military installation” means any military building, structure, land parcel, or training site owned, leased, or controlled by the federal or state government.

PROHIBITED OWNERSHIP

Under the bill, foreign principals from countries of concern are prohibited from directly or indirectly owning, possessing a controlling interest in, buying, or acquiring through a grant or devise covered real property. (It appears this prohibition is not limited to future purchases or acquisitions and may interfere with current ownership rights.) These countries of concern are China and Russia, as well as any other entity significantly under China’s or Russia’s control.

Foreign principals include these countries’ and entities’ governments, government officials, and political parties, including a party’s members or any subdivisions. Under the bill, a business (including a partnership, association, corporation, person, or subsidiary of any of these) is a foreign principal if it is (1) organized under the laws of a country of concern or (2) has its principal place of business in one. Lastly, individuals domiciled in a country of concern who are not U.S. citizens or lawful permanent residents are considered foreign principals under the bill as well.

REQUIRED AFFIDAVITS

Anyone who buys real property, or an interest in it, that abuts agricultural land or a military installation must sign an affidavit attesting, under penalty of perjury, that they are not a foreign principal and are not violating the bill’s prohibitions. (It appears this requirement does not apply to those buying the land itself, only property abutting it.) The buyer must sign the affidavit at the time of purchase and file it with the adjutant general within one business day.

The bill specifies that if a buyer or seller fails to keep a copy of the affidavit, it does not generally affect the title or the title’s insurability, or impose civil liability on them or their closing agent. However, the bill provides an exception to this if the closing attorney has actual

knowledge that the purchase violates the bill's prohibition.

PROPERTY NEAR A MILITARY INSTALLATION

If a foreign principal intends to buy real property, or an interest in real property, that is within three miles of any military installation in the state, the bill requires it to notify the adjutant general. The notice must be provided at least 30 days before the purchase and in a form and way the adjutant general sets.

Upon receiving the notice, the adjutant general must immediately review the purchase for public safety and security concerns. Within 15 days of receiving it, he must issue to the foreign principal and the attorney general a written review detailing his findings as well as a recommendation for or against the purchase.

FORFEITURE

The bill establishes a process by which the state may, under certain circumstances, take title to a foreign principal's interests in real property (1) on or abutting agricultural land or a military installation, if the bill prohibits this ownership interest, or (2) within three miles of a military installation if the adjutant general recommended against its purchase. The bill authorizes the attorney general to bring a civil forfeiture action in superior court in the judicial district where the property is located.

At any time during the proceedings, the attorney general may seek an ex parte (i.e. without participation by the other party) court order to seize the property interest. To do so, he must show that the foreign principal's control of it constitutes a clear and present danger to the state.

If the court determines the bill's prohibitions have been violated or the adjutant's general recommendation was reasonable, the court must enter final judgment of the forfeiture and vest title of the interest to the state, subject only to the rights and interests of bona fide lienholders.

The administrative services commissioner, on behalf of the state, may sell the real property interest. The sale proceeds shall be paid out in the

following order: (1) bona fide lienholders, (2) fines assessed by the court during the forfeiture proceedings, and (3) the principal who was divested of their real property interest.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable Substitute

Yea 20 Nay 0 (03/11/2025)