

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 356, As Amended in the Senate

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO STATE ASSETS; PROVIDING LEGISLATIVE INTENT; AMENDING SECTION
2 55-103, IDAHO CODE, TO REVISE PROVISIONS REGARDING WHO MAY OWN CERTAIN
3 PROPERTY; AMENDING CHAPTER 1, TITLE 55, IDAHO CODE, BY THE ADDITION OF
4 A NEW SECTION 55-115, IDAHO CODE, TO PROVIDE FOR PROHIBITIONS ON LEASE
5 OR PURCHASE OF CERTAIN LAND OR DWELLINGS; PROVIDING SEVERABILITY; AND
6 DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
7

8 Be It Enacted by the Legislature of the State of Idaho:

9 SECTION 1. LEGISLATIVE INTENT. The purpose of this act is to protect
10 military installations and state assets by prohibiting foreign adversaries
11 from purchasing land near military bases or from purchasing agricultural
12 land, forest land, water rights, mining claims, or mineral rights.

13 SECTION 2. That Section 55-103, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 55-103. WHO MAY OWN PROPERTY. (1) Except as provided in subsection (2)
16 or (3) of this section, any person, whether citizen or alien, may take, hold,
17 and dispose of property, real or personal.

18 (2) Notwithstanding any provision of law to the contrary, on and af-
19 ter the effective date of this subsection, a foreign government or a foreign
20 state-controlled enterprise shall not purchase, acquire, or hold any con-
21 trolling interest in agricultural land, forest land, water rights, mining
22 claims, or mineral rights in the state of Idaho. This subsection does not
23 apply to any interest in agricultural land, forest land, water rights, min-
24 ing claims, or mineral rights acquired by a foreign government or foreign
25 state-controlled enterprise prior to the effective date of this subsection
26 or to any foreign pension fund.

27 (3) Notwithstanding any other provision of law to the contrary, a for-
28 foreign principal from a foreign adversary shall not purchase, acquire, or hold
29 any controlling interest, except a de minimis indirect interest, in agricul-
30 tural land, water rights, mining claims, or mineral rights in the state of
31 Idaho. A foreign principal has a de minimis indirect interest if any owner-
32 ship is the result of the foreign principal's ownership of registered equi-
33 ties in a publicly traded company owning the land and if the foreign princi-
34 pal's ownership in the company is either:

35 (a) Less than five percent (5%) of any class of registered equities or
36 less than five percent (5%) in the aggregate in multiple classes of reg-
37 istered equities; or

38 (b) A noncontrolling interest in an entity controlled by a company that
39 is both registered with the United States securities and exchange com-
40 mission as an investment advisor under the investment advisers act of
41 1940, as amended, and is not a foreign entity.

1 (4) A foreign principal that directly or indirectly owns or otherwise
2 controls agricultural land, water rights, mining claims, or mineral rights
3 in the state of Idaho must sell, transfer, or otherwise divest itself of
4 the agricultural land, mining claims, or mineral rights within one hundred
5 eighty (180) days of the effective date of this act.

6 (5) A foreign principal that directly or indirectly owns or acquires
7 agricultural land, water rights, or any interest in such land in this state
8 must register with the Idaho state department of agriculture within sixty
9 (60) days of the effective date of this act or the date of acquisition,
10 whichever is latest. The department must establish a form for such registra-
11 tion, which, at a minimum, must include all of the following:

12 (a) The name of the owner of the agricultural land, water rights, or the
13 owner of the interest in such land;

14 (b) The address of the agricultural land, the property appraiser's par-
15 cel identification number, and the property's legal description; and

16 (c) The number of acres of agricultural land.

17 (6) A foreign principal that directly owns or acquires mining claims
18 or mineral rights or any interest in such claims in this state must register
19 with the Idaho department of lands and the Idaho secretary of state within
20 sixty (60) days of the effective date of this act or the date of acquisition,
21 whichever is latest. The foreign principal shall be registered to do busi-
22 ness with the Idaho secretary of state's office. The Idaho department of
23 lands shall provide the form for such registration, which at a minimum must
24 include the following:

25 (a) The mineral lease number with lease length and premises by parcel
26 and acres; and

27 (b) The application for use of state land by the individual or legal en-
28 tity.

29 (7) Notwithstanding the provisions of subsection (3) of this section, a
30 foreign principal from a foreign adversary country may acquire agricultural
31 land, mining claims, or mineral rights on or after July 1, 2025, by devise
32 or descent, through the enforcement of security interests, or through the
33 collection of debts, provided that the foreign principal sells, transfers,
34 or otherwise divests itself of the agricultural land, water rights, mining
35 claims, or mineral rights within one hundred eighty (180) days of acquiring
36 the agricultural land, mining claims, or mineral rights.

37 (8) The provisions of subsections (3) through (7) of this section shall
38 not apply to an entity that has a national security agreement with the com-
39 mittee on foreign investment in the United States as of July 1, 2025, and
40 maintains such national security agreement.

41 (9) The Idaho state department of agriculture and department of lands
42 shall adopt rules, subject to legislative approval, to implement the provi-
43 sions of this section.

44 (10) The responsibility for determining whether an entity is subject to
45 this section rests solely with the foreign entity, the attorney general, or
46 any qualifying whistleblower, and no other individual or entity. An indi-
47 vidual or entity who is not a foreign entity shall not be required to deter-
48 mine or inquire whether another person or entity is or may be subject to the
49 provisions of this section and shall bear no civil or criminal liability un-
50 der this section.

1 (11) If a foreign principal from a foreign adversary country does not
 2 divest the public or private lands, mining claims, or mineral rights as re-
 3 quired by this section, the attorney general shall commence an action in the
 4 district court within the jurisdiction of the public or private land, mining
 5 claims, or mineral rights.

6 (12) If the public or private land is held in violation of this sec-
 7 tion, the district court shall order that the public or private land be sold
 8 through judicial foreclosure.

9 (13) Proceeds of the sale shall be disbursed to lienholders, in the or-
 10 der of priority, except for liens that, under the terms of the sale, are to
 11 remain on the public or private land.

12 (14) Any individual may act as a whistleblower and provide a referral to
 13 the office of the attorney general for violations of this section.

14 (15) If a whistleblower referral results in a divestiture of land, min-
 15 ing claims, or mineral rights or other assets held in violation of this sec-
 16 tion, the whistleblower shall be entitled to a reward equal to thirty percent
 17 (30%) of the proceeds of the land, mining claims, mineral rights, or asset
 18 sale resulting from a violation of this section after payment of lienhold-
 19 ers. Proceeds of the sale shall be disbursed in the following order:

20 (a) To bona fide lienholders, in order of priority, except for liens
 21 that, under the terms of the sale, are to remain on the property;

22 (b) The payment of authorized costs of the sale, including all approved
 23 fees and expenses of the referee and any taxes and assessments due;

24 (c) The payment, in an amount approved by the court, to the attorney
 25 general for reimbursement of investigation and litigation costs and ex-
 26 penditures;

27 (d) To whistleblowers; and

28 (e) To the restricted foreign entity.

29 (16) The whistleblower enforcement provision takes effect one hundred
 30 eighty (180) days after the enforcement date of this section.

31 ~~(17)~~ (17) As used in this section:

32 (a) "Agricultural land" shall have the same meaning as "land actively
 33 devoted to agricultural purposes" as provided in section 63-604, Idaho
 34 Code.

35 (b) "Controlling interest" means:

36 (i) Possession of more than fifty percent (50%) of the ownership
 37 interest in an entity; or

38 (ii) A percentage of ownership interest in an entity that is fifty
 39 percent (50%) or less if a foreign government actually directs the
 40 business and affairs of the entity without the requirement or con-
 41 sent of any other party.

42 (c) "Foreign adversary" means any foreign government or foreign non-
 43 government person engaged in a long-term pattern or serious instances
 44 of conduct significantly adverse to the national security of the United
 45 States or security and safety of United States persons as determined un-
 46 der 15 CFR 791.4, as it existed on January 1, 2025.

47 ~~(d)~~ (d) "Foreign government" means a government other than the federal
 48 government of the United States or the government of any state, polit-
 49 ical subdivision of a state, territory, federally recognized Indian
 50 tribe, or possession of the United States.

1 ~~(d)~~ (e) "Forest land" means privately owned or state owned land being
 2 held and used primarily for the continuous purpose of growing and har-
 3 vesting trees of a marketable species. Having met the above criteria,
 4 forest land ~~may be further identified by the consideration of any of the~~
 5 ~~following criteria:~~ includes:

6 (i) Forest land is land evidenced by present use and silvicult-
 7 tural treatment.

8 (ii) Forest land is land ~~which~~ that has a dedicated use that is
 9 further evidenced by a forest land management plan that includes
 10 eventual harvest of the forest crop.

11 (iii) Forest land is land bearing forest growth or land ~~which~~ that
 12 has not been converted to another use.

13 (iv) Forest land is land ~~which~~ that has had the trees removed by
 14 man through harvest, including clear-cuts or by natural disaster,
 15 such as but not limited to fire, and which within five (5) years af-
 16 ter harvest or initial assessment will be reforested as specified
 17 in the forest practices act (chapter 13, title 38, Idaho Code).

18 ~~(e)~~ (f) "Foreign pension fund" means a trust, corporation, or other
 19 entity created or organized under the law of a country other than the
 20 United States to provide retirement or pension fund benefits. However,
 21 the term "foreign pension fund" shall not include any trust, corpo-
 22 ration, or other entity that is owned by or subject to a controlling
 23 interest of a sovereign wealth fund.

24 (g) "Foreign principal" means:

25 (i) The government or any official of the government of a foreign
 26 adversary;

27 (ii) A political party or member of a political party or any subdi-
 28 vision of a political party of a foreign adversary;

29 (iii) A partnership, association, corporation, organization, or
 30 other combination of persons organized under the laws of or having
 31 its principal place of business in a foreign adversary, or a sub-
 32 subsidiary of such entity, owned or controlled wholly or in part by
 33 any person, entity, or collection of persons or entities of a for-
 34 foreign adversary;

35 (iv) Any person who is domiciled in a foreign adversary and is not
 36 a citizen or lawful permanent resident of the United States; and

37 (v) Any person, entity, or collection of persons or entities de-
 38 scribed in this paragraph having a controlling interest in a part-
 39 nership, association, corporation, organization, trust, or any
 40 other legal entity or subsidiary formed for the purpose of owning
 41 real property.

42 ~~(f)~~ (h) "Mineral right" shall have the same meaning as provided in sec-
 43 tion 47-701, Idaho Code.

44 ~~(g)~~ (i) "Mining claim" means a portion of land containing minerals that
 45 a miner has a right to occupy and possess for the purpose of extracting
 46 minerals.

47 ~~(h)~~ (j) "State-controlled enterprise" means a business enterprise,
 48 however denominated, sovereign wealth fund, or state-backed investment
 49 fund in which a foreign government has a controlling interest.

1 ~~(i)~~ (k) "Water right" shall have the same meaning as provided in section
2 42-230, Idaho Code.

3 SECTION 3. That Chapter 1, Title 55, Idaho Code, be, and the same is
4 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
5 ignated as Section 55-115, Idaho Code, and to read as follows:

6 55-115. PROHIBITIONS ON LEASE OR PURCHASE OF LAND OR DWELLINGS --
7 WITHIN CERTAIN GEOGRAPHIC BOUNDARIES. (1) A foreign principal from a foreign
8 adversary country shall not be allowed to directly or indirectly purchase,
9 hold, rent, or otherwise control any property in Idaho within the geographic
10 boundaries described by the following coordinates: N4200 W11700, N4320
11 W11700, N4320 W11600, N4300 W11600, N4300 W11500, N4200 W11500.

12 (2) A foreign principal that directly or indirectly controls any prop-
13 erty covered by subsection (1) of this section must sell, transfer, or other-
14 wise divest itself of control of the property within one hundred eighty (180)
15 days of the effective date of this act.

16 (3) A foreign principal from a foreign adversary country that acquires,
17 directly or indirectly, control of property covered by subsection (1) of
18 this section after July 1, 2025, by devise, descent, through the enforcement
19 of security interests, or the collection of debts must sell, transfer, or
20 otherwise divest itself of the property within one hundred eighty (180) days
21 of acquiring control of the property.

22 (4) If a foreign principal from a foreign adversary country does not di-
23 vest the public or private lands as required by this section, the attorney
24 general shall commence an action in the district court within the jurisdic-
25 tion of the public or private land.

26 (5) If the public or private land is held in violation of this sec-
27 tion, the district court shall order that the public or private land be sold
28 through judicial foreclosure.

29 (6) Proceeds of the sale shall be disbursed to lienholders, in the order
30 of priority, except for liens that, under the terms of the sale, are to remain
31 on the public or private land.

32 (7) Any individual may act as a whistleblower and provide a referral to
33 the office of the attorney general for violations of this section.

34 (8) If a whistleblower referral results in a divestiture of land or
35 other assets held in violation of this section, the whistleblower shall be
36 entitled to a reward equal to thirty percent (30%) of the proceeds of the land
37 sale resulting from a violation of this section. Proceeds of the sale shall
38 be disbursed in the following order:

39 (a) The payment of authorized costs of the sale, including all approved
40 fees and expenses of the referee and any taxes and assessments due;

41 (b) The payment, in an amount approved by the court, to the attorney
42 general for reimbursement of investigation and litigation costs and ex-
43 penses;

44 (c) To bona fide lienholders, in the order of priority, except for liens
45 that, under the terms of the sale, are to remain on the property;

46 (d) To whistleblowers; and

47 (e) To the restricted foreign entity.

48 (9) The whistleblower enforcement provision takes effect one hundred
49 eighty (180) days after the effective date of this section.

1 (10) As used in this section, "military base" or "installation" means
2 any land, structure, or property owned or controlled by any division of the
3 department of defense, Idaho national guard, or any other department of gov-
4 ernment, state or federal, vital to the safety and security of the state of
5 Idaho or the United States.

6 (11) The responsibility for determining whether an entity is subject to
7 this section rests solely with the foreign entity, the attorney general, or
8 any qualifying whistleblower, and no other individual or entity. An indi-
9 vidual or entity who is not a foreign entity shall not be required to deter-
10 mine or inquire whether another person or entity is or may be subject to this
11 section and shall bear no civil or criminal liability under this section.

12 SECTION 4. SEVERABILITY. The provisions of this act are hereby declared
13 to be severable and if any provision of this act or the application of such
14 provision to any person or circumstance is declared invalid for any reason,
15 such declaration shall not affect the validity of the remaining portions of
16 this act.

17 SECTION 5. An emergency existing therefor, which emergency is hereby
18 declared to exist, this act shall be in full force and effect on and after
19 July 1, 2025.