# Alaska State Legislature

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# **Senator Shelley Hughes**

District M – Palmer, Butte, Lazy Mountain, Gateway, Knik-Fairview, Settlers Bay

April 2, 2025

# SB 139 Sectional Analysis

#### Section 1 - AS 34

Adds new chapter, AS 34.87, "Holding of Land by Nonresident Persons," to regulate land ownership and leasing by certain foreign nationals and entities in Alaska.

#### AS 34.87.010 – Prohibited Land Acquisition/Leasing Near Military Sites:

- (a) Bans citizens of U.S.-designated adversary countries (15 C.F.R. 791.4) from buying/leasing land within 100 miles of military installations, unless exempted in (c).
- (b) AG can seek forfeiture of violations per AS 34.87.020; prior violations by past owners don't affect current title.
- (c) Exempts: (1) residential property or dwelling unit leases; (2) acquisitions by U.S. citizens who
  are also citizens of the listed countries.
- (d) Defines "dwelling unit" and "military installation".

## AS 34.87.020 – Violation Investigation/Enforcement:

- (a) AG must investigate likely violations of AS 34.87.010.
- (b) AG shall file forfeiture actions in relevant judicial district; title vests in state post-judgment, subject to liens, proceeds to lienholders, then general fund (violator gets nothing).
- o (c) Protects individuals from liability for not verifying status under AS 34.87.010.
- o (d) Forfeiture doesn't impact valid liens/mortgages.

# • AS 34.87.030 - Nonresident Alien Land Rights:

- (a) Nonresident aliens (except those barred by AS 34.87.010/.050) have same land rights as U.S. citizens.
- (b) Prior alien ownership doesn't invalidate title.

#### AS 34.87.040 – Ag Land Ownership Limits:

- (a) Bans citizens of U.S.-designated adversary countries (15 C.F.R. 791.4) and their entities from acquiring/leasing ag land, unless exempted.
- (b) Extends ban to mineral/water/riparian rights tied to ag land, except per (c)/(d).
- o (c) Exempts U.S. citizens with dual citizenship in adversary countries.
- o (d) Allows pre-July 1, 2025, leases to continue/renew if unchanged.
- (e) Protects individuals from liability for not verifying status.
- o (f) Violations subject to AG forfeiture per AS 34.87.070.

#### AS 34.87.050 – Ag Land Violation Enforcement:

(a) AG investigates AS 34.87.040 violations, with subpoena/oath/hearing powers.

- o (b) AG shall seek forfeiture in relevant judicial district; title vests in state post-judgment, subject to liens, proceeds to lienholders then general fund (violator excluded). Case recorded.
- o (c) No liability for not verifying eligibility.
- o (d) Prior violations don't trigger forfeiture/title issues.
- o (e) Valid liens/mortgages unaffected by forfeiture.

#### • AS 34.87.090 – Definitions:

Defines key terms: (1) "agricultural land;" (2) "confined feeding operation;" (3) "crop farming";
 (4) "foreign business entity."

#### Section 2 - AS 45

Adds a new chapter, AS 45.46, "Critical Infrastructure Agreements," to restrict certain foreign entities from controlling critical infrastructure.

#### • AS 45.46.010 – Critical Infrastructure Restrictions

- (a) Bans agreements giving control/access to critical infrastructure or cybersecurity to companies owned/controlled by citizens/governments of U.S.-designated adversary countries (15 C.F.R. 791.4) or headquartered there.
- o (b) Applies regardless of public trading or stock listing status.
- (c) Defines: (1) "company;" (2) "critical infrastructure facility;" (3) "cybersecurity system;" (4) "military installation."

## Section 3 - Effective Date

Sets the effective date of the Act as July 1, 2025.