

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 447

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**Version:** First Engrossment

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**Subject:** Ag land ownership or lease by aliens

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### Overview

Minnesota alien farm law (like corporate farm law) places restrictions on the persons and entities allowed to have an interest in agricultural land in Minnesota or to engage in the practice of farming. Generally, alien persons or business organizations are allowed to have no more than 20 percent ownership in a farming enterprise. Likewise, a person who is not a citizen of the United States or a "permanent resident alien of the United States" cannot hold an interest in agricultural land, including a leasehold interest. House File 447 amends the alien farm law to allow holders of "E-2" visas to own or lease farm land and engage in farming. The E-2 visa is issued only to citizens of countries with which the United States has certain treaties. The purpose of an E-2 visa is to allow persons to relocate to a treaty country and make economic investments in the country where they are not citizens.

### Section

- 1 Definitions.** For purposes of alien farm law, the definition of "permanent resident alien of the United States" is broadened to include a holder of an E-2 investment visa. As with other permanent resident aliens, holders of the E-2 must actually maintain their principal dwelling place within the United States for at least 6 months of every year.
- 2 Determination of alien status.** A permanent resident alien, including a holder of an E-2 visa, will now be required to report to the commissioner of agriculture within 30 days after purchasing or leasing agricultural property.
- 3 Aliens and non-American corporations.** Creates a permanent grandfathering of farm land purchased or leased by a holder of an E-2 investment visa between the effective date of this

act and July 1, 2008, when the new provisions of the law are scheduled to expire.

**4     Penalty.** Expands an existing penalty (for failure of an alien to register) to cover the act of failing to file a report within 30 days of the purchase or lease of farm property.

**5     Report to the Legislature.** Requires the commissioner of agriculture to report to the legislature by February 15, 2008, on the number of E-2 aliens who have used the provisions of section 1 to acquire an interest in Minnesota agricultural land. The report will include acreage and location information.

**6     Expiration.** The amendments to section 1 expire June 30, 2008.

**7     Effective date.** Sections 1 to 3 are effective the day following final enactment.