

REFERENCE TITLE: **designated countries; land ownership; prohibition**

State of Arizona
Senate
Fifty-seventh Legislature
First Regular Session
2025

SB 1109

Introduced by
Senators Shamp: Angius, Carroll, Gowan, Payne, Rogers, Shope;
Representatives Blackman, Bliss, Carbone, Diaz, Griffin, Montenegro

AN ACT

**AMENDING TITLE 33, CHAPTER 4, ARTICLE 3, ARIZONA REVISED STATUTES, BY
ADDING SECTION 33-443; RELATING TO PROPERTY CONVEYANCES AND DEEDS.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 33, chapter 4, article 3, Arizona Revised
3 Statutes, is amended by adding section 33-443, to read:

4 33-443. Prohibition against land ownership; foreign
5 principals; enforcement; exceptions; definitions

6 A. NOTWITHSTANDING ANY OTHER LAW AND EXCEPT AS PROVIDED IN
7 SUBSECTIONS F AND G OF THIS SECTION, A FOREIGN PRINCIPAL FROM A DESIGNATED
8 COUNTRY MAY NOT, DIRECTLY OR INDIRECTLY, PURCHASE, OWN, ACQUIRE BY GRANT
9 OR DEVISE OR HAVE A SUBSTANTIAL INTEREST IN REAL PROPERTY IN THIS STATE.

10 B. THE ATTORNEY GENERAL SHALL ENFORCE THIS SECTION. IF THE
11 ATTORNEY GENERAL REASONABLY SUSPECTS A VIOLATION OF THIS SECTION OCCURRED,
12 THE ATTORNEY GENERAL SHALL COMMENCE AN ACTION IN SUPERIOR COURT IN THE
13 COUNTY IN WHICH THE REAL PROPERTY IS LOCATED.

14 C. IF THE SUPERIOR COURT FINDS THAT TITLE OR A SUBSTANTIAL INTEREST
15 IN REAL PROPERTY WAS OBTAINED IN VIOLATION OF SUBSECTION A OF THIS
16 SECTION, THE COURT SHALL ENTER AN ORDER:

17 1. STATING THE COURT'S FINDINGS.

18 2. DIVESTING THE PERSON'S INTEREST.

19 3. DIRECTING THE BOARD OF SUPERVISORS TO SELL THE REAL PROPERTY IN
20 A MANNER THAT IS CONSISTENT WITH TITLE 42, CHAPTER 18, ARTICLE 7, EXCEPT
21 THAT THE BOARD OF SUPERVISORS SHALL DISTRIBUTE THE REMAINING PROCEEDS
22 AFTER PAYING TAXES, INTERESTS, PENALTIES, FEES AND COSTS IN THE FOLLOWING
23 ORDER OF PRIORITY:

24 (a) TO ANY VALID LIENHOLDER FOR THE VALUE OF THE LIENHOLDER'S
25 OUTSTANDING LIEN THAT IS ATTACHED TO THE REAL PROPERTY.

26 (b) TO THE APPROPRIATE COUNTY TREASURER AND THE ATTORNEY GENERAL TO
27 REIMBURSE THE ATTORNEY GENERAL AND THE APPROPRIATE BOARD OF SUPERVISORS
28 FOR EXPENSES INCURRED IN THE PROSECUTION OF A VIOLATION OF THIS SECTION.

29 (c) TO THE PROPERTY OWNER IN AN AMOUNT EQUAL TO THE REMAINING
30 PROCEEDS OF THE SALE, IF ANY.

31 D. A TITLE INSURER, TITLE AGENT, ESCROW AGENT OR REAL ESTATE
32 LICENSEE MAY NOT BE HELD LIABLE FOR ANY VIOLATION OF THIS SECTION.

33 E. A VIOLATION OF THIS SECTION MAY NOT BE THE BASIS FOR A TITLE
34 INSURANCE CLAIM FOR ANY TITLE INSURANCE POLICY ISSUED FOR PROPERTY IN THIS
35 STATE.

36 F. A FOREIGN PRINCIPAL MAY PURCHASE, OWN, ACQUIRE BY GRANT OR
37 DEVISE OR HAVE AN INTEREST IN LAND IN THIS STATE IF ALL OF THE FOLLOWING
38 CONDITIONS APPLY:

39 1. THE PARCEL IS RESIDENTIAL REAL PROPERTY.

40 2. THE PARCEL IS TWO ACRES OR LESS.

41 3. THE FOREIGN PRINCIPAL IS A NATURAL PERSON.

42 4. THE PARCEL THE FOREIGN PRINCIPAL OWNS OR IS PURCHASING OR
43 ACQUIRING AN INTEREST IN IS THE FOREIGN PRINCIPAL'S SOLE REAL PROPERTY
44 INTEREST IN THIS STATE.

1 5. THE PARCEL IS LOCATED FIFTY MILES OR MORE FROM ANY MILITARY
2 INSTALLATION, CRITICAL INFRASTRUCTURE OR KNOWN VECTOR ROUTE IN THIS STATE.

3 6. THE PARCEL IS LOCATED TWENTY-FIVE MILES OR MORE FROM AN AIR
4 FORCE RANGE WITH A TOTAL LAND AREA BETWEEN ONE-HALF AND TWO AND ONE-HALF
5 MILLION ACRES.

6 7. THE FOREIGN PRINCIPAL POSSESSES A CURRENT VERIFIED UNITED STATES
7 VISA THAT IS NOT LIMITED TO TOURIST-BASED TRAVEL OR OFFICIAL DOCUMENTATION
8 THAT THE UNITED STATES GOVERNMENT HAS GRANTED THE FOREIGN PRINCIPAL ASYLUM
9 IN THE UNITED STATES. FOR THE PURPOSES OF THIS PARAGRAPH, ANY
10 DOCUMENTATION SHALL BE IN THE NAME OF THE NATURAL PERSON.

11 G. A FOREIGN PRINCIPAL MAY ACQUIRE REAL PROPERTY OR ANY INTEREST IN
12 REAL PROPERTY IN THIS STATE BY DEVISE OR DESCENT, THE ENFORCEMENT OF
13 SECURITY INTERESTS OR THE COLLECTION OF DEBT, IF THE FOREIGN PRINCIPAL
14 SELLS, TRANSFERS OR OTHERWISE DIVESTS FROM THE REAL PROPERTY WITHIN THREE
15 YEARS AFTER ACQUIRING THE REAL PROPERTY.

16 H. FOR THE PURPOSES OF THIS SECTION:

17 1. "CRITICAL INFRASTRUCTURE" HAS THE SAME MEANING PRESCRIBED IN
18 SECTION 41-1801.

19 2. "DESIGNATED COUNTRY" MEANS A COUNTRY THAT IS IDENTIFIED BY THE
20 UNITED STATES DIRECTOR OF NATIONAL INTELLIGENCE AS A COUNTRY THAT POSES A
21 RISK TO THE NATIONAL SECURITY OF THE UNITED STATES IN EACH OF THE THREE
22 MOST RECENT ANNUAL THREAT ASSESSMENTS OF THE UNITED STATES INTELLIGENCE
23 COMMUNITY ISSUED PURSUANT TO SECTION 108B OF THE NATIONAL SECURITY ACT OF
24 1947 (50 UNITED STATES CODE SECTION 3043b).

25 3. "FOREIGN PRINCIPAL" MEANS ANY OF THE FOLLOWING:

26 (a) THE GOVERNMENT OR ANY OFFICIAL OF THE GOVERNMENT FROM A
27 DESIGNATED COUNTRY.

28 (b) A POLITICAL PARTY OR MEMBER OF A POLITICAL PARTY FROM A
29 DESIGNATED COUNTRY.

30 (c) ANY PERSON WHO IS DOMICILED IN A DESIGNATED COUNTRY AND WHO IS
31 NOT A CITIZEN OR LAWFUL PERMANENT RESIDENT OF THE UNITED STATES.

32 (d) ANY BUSINESS OR OTHER ENTITY THAT IS DOMICILED IN A DESIGNATED
33 COUNTRY.

34 (e) ANY BUSINESS OR OTHER ENTITY IN WHICH MORE THAN THE MAJORITY OF
35 THE BUSINESS'S OR ENTITY'S OWNERSHIP BELONGS TO AN ENTITY DOMICILED IN A
36 DESIGNATED COUNTRY.

37 (f) ANY BUSINESS OR OTHER ENTITY IN WHICH THE MAJORITY OF THE BOARD
38 OF DIRECTORS IS CONTROLLED BY AN ENTITY DOMICILED IN A DESIGNATED COUNTRY.

39 4. "MILITARY INSTALLATION" HAS THE SAME MEANING PRESCRIBED IN
40 SECTION 26-261.

41 5. "SUBSTANTIAL INTEREST" MEANS AN INTEREST OF THIRTY PERCENT OR
42 MORE.

1 Sec. 2. Applicability

2 A. A foreign principal that directly or indirectly owns or acquires
3 any interest in real property in this state on or before the effective
4 date of this act may continue to own or hold such real property.

5 B. A foreign principal that directly or indirectly owns or acquires
6 any interest in real property in this state on or before the effective
7 date of this act may not purchase or acquire any additional real property
8 in this state except as provided in section 33-443, subsections F and G,
9 Arizona Revised Statutes, as added by this act.

10 Sec. 3. Legislative findings

11 The legislature finds:

12 1. This act is necessary to protect this state from global security
13 threats and halt or reverse the influence operation of the Chinese
14 Communist Party or other adverse nations or entities that pose a risk to
15 the national security of the United States.

16 2. This act is necessary to protect the critical infrastructure of
17 this state.

18 3. This act's protection of this state's military, commercial and
19 agricultural assets from foreign espionage and sabotage will place this
20 state in a significantly stronger position to withstand national security
21 threats.

22 4. This act is necessary to protect this state's F-35 equipment and
23 technology and the F-35's squadron's critical mission to protect our
24 national security.