

By: Little

H.B. No. 1743

A BILL TO BE ENTITLED

AN ACT

relating to the holding or acquisition of an interest in real property by or on behalf of certain foreign individuals or entities; establishing an agricultural intelligence office; creating a criminal offense.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. This Act may be cited as the Protect Texas Land Act.

Section 2. Section 5.005, Property Code, is amended to read as follows:

Sec. 5.005. ALIENS. Except as provided by Subchapter H, an ~~An~~ alien has the same real and personal property rights as a United States citizen.

SECTION 3. Chapter 5, Property Code, is amended by adding Subchapter H to read as follows:

SUBCHAPTER H. HOLDING OR ACQUISITION OF REAL PROPERTY INTERESTS BY
FOREIGN INDIVIDUALS OR ENTITIES

Sec. 5.251. DEFINITIONS. In this subchapter:

(1) "Agricultural land" means land located in this state that is suitable for:

(A) use in production of plants and fruits grown for human or animal consumption, or plants grown for the production of fibers, floriculture, viticulture, horticulture, or planting seed; or

1 (B) domestic or native farm or ranch animals kept
2 for use or profit.

3 (2) "Control" means ownership of at least 50 percent
4 of the voting ownership interest of an organization necessary to
5 elect a governing person or governing authority of an organization.

6 (3) "Governing authority," "governing person," and
7 "organization" have the meanings assigned by Section 1.002,
8 Business Organizations Code.

9 (4) "Real property" means:

10 (A) land, including agricultural land;

11 (B) an improvement;

12 (C) a mine or quarry;

13 (D) a mineral in place; or

14 (E) standing timber.

15 (5) "Significant interest" and "substantial control"
16 mean:

17 (A) ownership of at least 33 percent of the
18 voting ownership interest of an organization necessary to elect a
19 governing person or governing authority of an organization, whether
20 held by:

21 (i) one individual, organization, or
22 entity; or

23 (ii) more than one individual,
24 organization, or entity acting in concert with respect to the
25 interest; or

26 (B) ownership of at least 50 percent of the
27 voting ownership interest described by Paragraph (A) held by more

1 than one individual, organization, or entity regardless of whether
2 the individuals, organizations, or entities are acting in concert
3 with respect to the interest.

4 Sec. 5.252. REPORT OF HOLDING OR TRANSACTION REQUIRED;
5 OFFENSE. (a) The following persons shall report to the attorney
6 general any interest in real property in this state held, acquired,
7 or sold by the person:

8 (1) an individual who is not a citizen of the United
9 States;

10 (2) an organization that:

11 (A) is organized under the laws of a foreign
12 government; or

13 (B) has its principal place of business outside
14 of the United States;

15 (3) an organization in which a significant interest or
16 of which substantial control is directly or indirectly held or
17 capable of being exercised by:

18 (A) an individual who is not a citizen or lawful
19 permanent resident of the United States; or

20 (B) a governmental entity of a foreign
21 government; or

22 (4) a governmental entity of a foreign government.

23 (b) A person described by Subsection (a) shall report to the
24 attorney general any interest in real property acquired or sold by
25 the person not later than the 90th day after the date of the
26 acquisition or sale that is the subject of the report.

27 (b-1) A person described by Subsection (a) shall, not later

1 than April 1, 2026, report to the attorney general any interest in
2 agricultural land or other real property held by the person on
3 September 1, 2025. This subsection expires September 1, 2029.

4 (c) A report under this section must:

5 (1) identify the person holding, acquiring, or selling
6 the interest in real property that is the subject of the report; and

7 (2) include any other relevant information required by
8 the attorney general.

9 (d) The attorney general shall prescribe a form for the
10 report required by this section.

11 (e) A person commits an offense if the person intentionally
12 or knowingly:

13 (1) fails to report an interest in real property held,
14 acquired, or sold by the person as required by this section; or

15 (2) makes a report under this section that conceals or
16 falsely represents the identity of a person holding, acquiring, or
17 selling an interest in real property.

18 (f) An offense under this section is a state jail felony.

19 Sec. 5.253. PROHIBITION ON HOLDING OR ACQUISITION OF
20 INTEREST IN AGRICULTURAL LAND BY CERTAIN PERSONS. (a) Subject to
21 Subsection (b) and notwithstanding any other law, the following
22 persons may not hold or acquire an interest in agricultural land in
23 this state:

24 (1) an individual citizen or resident of a country
25 that is subject to an arms embargo under 22 C.F.R. Section 126.1 who
26 is:

27 (A) not a citizen of the United States; and

1 (B) not a resident of this state;

2 (2) a governmental entity of or organization organized
3 under the law of a country that is subject to an arms embargo under
4 22 C.F.R. Section 126.1;

5 (3) an organization in which a significant interest or
6 of which substantial control is directly or indirectly held or
7 capable of being exercised by an individual, organization, or
8 governmental entity described by Subdivision (1) or (2);

9 (4) an entity of particular concern designated in the
10 United States secretary of state's most recent designations under
11 the International Religious Freedom Act of 1998 (22 U.S.C. Section
12 6401 et seq.); or

13 (5) an agent, trustee, or other fiduciary of an
14 individual, organization, or entity described by this subsection.

15 (a-1) Notwithstanding Subsection (a), a person described by
16 Subsection (a) may continue to hold an interest in agricultural
17 land acquired before September 1, 2025, until September 1, 2027,
18 but must divest the person's interest in the agricultural land
19 before that date. This subsection expires January 1, 2028.

20 (b) An individual who holds an interest in agricultural land
21 in this state while a resident of this state is not required to
22 divest the individual's interest in the agricultural land before
23 the second anniversary of the date the individual no longer resides
24 in this state if the individual's change in residence makes the
25 individual ineligible to hold an interest in agricultural land
26 under Subsection (a).

27 Sec. 5.254. PROHIBITION ON HOLDING OR ACQUISITION OF

1 INTEREST IN ANY REAL PROPERTY BY CERTAIN ORGANIZATIONS. (a)
2 Notwithstanding any other law, an organization that is under the
3 control of an individual, organization, or entity described by
4 Section 5.253(a) may not hold or acquire an interest in any real
5 property in this state.

6 (b) A person may not hold or acquire any interest in real
7 property in this state as an agent, trustee, or other fiduciary of
8 an organization described by Subsection (a).

9 (c) Notwithstanding Subsections (a) and (b), a person
10 described by Subsection (a) or (b) may continue to hold an interest
11 in real property acquired before September 1, 2025, until September
12 1, 2027, but must divest the person's interest in the real property
13 before that date. This subsection expires January 1, 2028.

14 Sec. 5.255. ATTORNEY GENERAL ENFORCEMENT; FORCED SALE. (a)
15 If the attorney general receives a report of a violation of Section
16 5.253 or 5.254 from the office of agricultural intelligence under
17 Section 12.052, Agriculture Code, or any other person, the attorney
18 general:

19 (1) may issue subpoenas requiring the appearance of
20 witnesses, production of relevant records, or giving of relevant
21 testimony; and

22 (2) if the attorney general determines that a
23 violation of Section 5.253 or 5.254 has occurred, shall bring an
24 action as provided by Subsection (b).

25 (b) If the attorney general determines that a person holds
26 an interest in real property in this state in violation of Section
27 5.253 or 5.254, the attorney general shall bring an action in a

1 district court in a county in which all or part of the real property
2 is located.

3 (c) If the district court finds that the interest in real
4 property that is the subject of the action is held in violation of
5 Section 5.253 or 5.254, the court shall enter an order that:

6 (1) states the court's finding;

7 (2) divests the person's interest in the real
8 property; and

9 (3) directs the sheriff or constable for each county
10 where any part of the real property is located to seize and conduct
11 a public sale of the property in the manner that similar property is
12 sold under execution.

13 (d) The attorney general shall record in the real property
14 records of each county in which any part of the real property is
15 located:

16 (1) notice of the filing of the action; and

17 (2) a copy of the district court's order under
18 Subsection (c).

19 Sec. 5.256. OFFENSES. (a) A person commits an offense if
20 the person intentionally or knowingly holds or acquires an interest
21 in real property in this state in violation of Section 5.253 or
22 5.254.

23 (b) An individual director, officer, agent, or employee of
24 an organization described by Section 5.253(a) or 5.254(a) commits
25 an offense if the individual intentionally or knowingly causes the
26 organization to hold or acquire an interest in real property in this
27 state in violation of Section 5.253 or 5.254.

1 (c) An offense under this section is a state jail felony.

2 Sec. 5.257. VALIDITY OF TITLE NOT AFFECTED. The validity of
3 title to real property in this state held by a person who is not
4 prohibited by this subchapter from acquiring or holding an interest
5 in the property is not affected by this subchapter because of a
6 violation of Section 5.253 or 5.254 by a former owner or holder of
7 an interest in the property.

8 Sec. 5.258. NO DUTY TO INQUIRE. This subchapter does not
9 require a person to determine or inquire into whether another
10 person is or may be subject to this subchapter.

11 SECTION 4. Chapter 12, Agriculture Code, is amended by
12 adding Section 12.052 to read as follows:

13 Sec. 12.052. AGRICULTURAL INTELLIGENCE OFFICE. (a) The
14 department shall establish and maintain an agricultural
15 intelligence office that operates under the direction of the
16 commissioner.

17 (b) The agricultural intelligence office:

18 (1) shall collect and analyze information concerning
19 the holding or acquisition of agricultural land in this state in
20 violation of Subchapter H, Chapter 5, Property Code;

21 (2) shall administer and enforce the provisions of
22 Subchapter H, Chapter 5, Property Code, with respect to
23 agricultural land;

24 (3) shall report to the attorney general a violation
25 of Subchapter H, Chapter 5, Property Code, if the office determines
26 that a violation has occurred with respect to agricultural land;

27 and

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1 (4) may designate employees who are peace officers to
2 perform the duties provided under this subsection.

3 SECTION 5. This Act takes effect September 1, 2025.