DRAFT ONLY NOT APPROVED FOR INTRODUCTION

HOUSE BILL NO.

Protecting critical infrastructure from foreign adversaries.

Sponsored by: HDraft Committee

A BILL

for

1 AN ACT relating to property; prohibiting conveyances near 2 critical infrastructure to prohibited foreign adversaries as specified; requiring review and approval of specified 3 conveyances; authorizing the office of homeland security to 4 5 review and investigate specified conveyances; authorizing 6 actions for divestiture; providing an exception for 7 resident aliens; requiring notice in assessment schedules and tax statements; providing and amending definitions; 8 9 requiring rulemaking; authorizing positions; providing an appropriation; and providing for effective dates. 10

11

12 Be It Enacted by the Legislature of the State of Wyoming:

1 2 **Section 1.** W.S. 19-13-503 through 19-13-506 and 34-3 15-201 through 34-15-203 are created to read: 4 5 19-13-503. Conveyances to prohibited foreign parties; authority; rulemaking. 6 7 8 office of homeland security shall review The and 9 investigate conveyances that require approval under W.S. 10 19-13-504 through 19-13-506 to prevent prohibited foreign parties from gaining access or proximity to critical 11 12 infrastructure. The director shall promulgate any rules 13 necessary to implement W.S. 19-13-504 through W.S. 19-13-14 506. 15 16 19-13-504. Conveyances to prohibited foreign parties; application; form; initial determination; review 17 and 18 investigation period. 19 20 (a) On and after July 1, 2025, a prohibited foreign 21 party seeking a conveyance in the state of Wyoming shall apply to the office of homeland security for approval of 22

the conveyance, except as provided in W.S. 19-13-506.

1									
2	(b) An application for approval of a conveyance shall								
3	be in a form and manner prescribed by the office of								
4	homeland security and shall include all of the following:								
5									
6	(i) The name and complete legal address of the								
7	prohibited foreign party filing the application;								
8									
9	(ii) The name and complete legal address of each								
10	party seeking to hold an interest in the real property;								
11									
12	(iii) A description of each party's proposed								
13	interest in the real property;								
14									
15	(iv) The location of the real property;								
16									
17	(v) The current and intended use of the real								
18	property;								
19									
20	(vi) All documents provided in any review of the								
21	conveyance conducted by the committee on foreign investment								
22	in the United States;								

1 (vii) Any other documentation or information the 2 office of homeland security deems necessary.

3

4 (C) After receipt of an application, the office of homeland security shall determine if the applicant is a 5 prohibited foreign party and if the real property subject 6 to conveyance is located on, within or partially within a 7 8 critical infrastructure zone. Any conveyance 9 prohibited foreign party of real property located on, 10 within or partially within a critical infrastructure zone 11 shall be require approval by the office of homeland 12 security, except as provided in W.S. 19-13-506. Not later 13 than ninety (90) days after receipt of an application, the office of homeland security shall notify the applicant in 14 15 writing whether the conveyance requires its approval. 16 date the applicant is notified that a conveyance requires 17 approval shall commence the review and investigation period for the conveyance of real property. 18

19

20 (d) The review and investigation period for the 21 conveyance of real property shall not exceed one hundred 22 eighty days (180), except as provided in this subsection 23 and subsection (e) of this section. Upon good cause, the

- 1 office of homeland security may reserve an additional
- 2 ninety (90) days for review and investigation. Upon written
- 3 request from an applicant specifying the need for an
- 4 accelerated review, the office of homeland security may
- 5 expedite its review and investigation.

- 7 (e) The office of homeland security shall not approve
- 8 or deny a conveyance that is a covered transaction under
- 9 the jurisdiction and review of the committee on foreign
- 10 investment in the United States, as provided by 50 U.S.C.
- 11 Section 4565, until final action for the covered
- 12 transaction is complete. This subsection shall not prohibit
- 13 the office of homeland security from conducting review or
- 14 investigation of a conveyance or reporting information to
- 15 the committee on foreign investment in the United States.

16

- 17 19-13-505 Conveyances to prohibited foreign parties;
- 18 authority to investigate; factors for approval; letters of
- 19 approval; appeal.

- 21 (a) The office of homeland security, the attorney
- 22 general and the division of criminal investigation may take
- 23 any action authorized by law to review and investigate a

1	conveyance that requires approval by the office of homeland									
2	security. Any investigation and information obtained during									
3	the review and investigation shall not be considered a									
4	public record and shall not be open to public inspection									
5	but may be released to any other state or federal									
6	governmental entity when necessary to protect the public									
7	interest.									
8										
9	(b) In determining whether to approve or deny a									
10	conveyance of real property, the office of homeland									
11	security shall consider the following factors:									
12										
13	(i) The proposed ownership or controlling									
14	interests of the real property subject to conveyance;									
15										
16	(ii) The potential impact of the conveyance to									
17	state security or critical infrastructure;									
18										
19	(iii) The proximity of the real property subject									
20	to conveyance to any critical infrastructure;									

1	(iv) Any other factor reasonably related to the									
2	protection of state security or critical infrastructure									
3	that is deemed relevant by the office of homeland security.									
4										
5	(c) The director shall issue an applicant an approval									
6	letter for a conveyance subject to the approval of the									
7	office of homeland security if any of the followin									
8	conditions are met:									
9										
10	(i) The office of homeland security determines									
11	the conveyance does not pose a risk to state security or									
12	critical infrastructure;									
13										
14	(ii) The office of homeland security failed									
15	without good cause to complete the review and investigation									
16	of a conveyance during the review and investigation period;									
17										
18	(iii) The applicant is issued a safe harbor with									
19	respect to a covered transaction, as described in 31 C.F.R.									
20	§ 800.508(d) and section 7(f) of presidential executive									
21	order 11858, as amended, for the same conveyance.									

1	(d) Upon notification that a conveyance does not									
2	require the approval of the office of homeland security or									
3	upon the issuance of an approval letter, a conveyance shall									
4	not be subject to any further review or investigation under									
5	W.S. 19-13-503 through 19-13-506 unless the applican-									
6	provided false or misleading information to the office of									
7	homeland security, omitted material information in its									
8	application or is subject to W.S. 19-13-506(b).									
9										
10	(e) An applicant may appeal the denial of a									
11	conveyance by the office of homeland security in accordance									
12	with the Wyoming Administrative Procedure Act.									
13										
14	19-13-506. Conveyances to prohibited foreign parties;									
15	exception for resident aliens.									
16 17 18 19 20 21 22 23 24 25 26	*********** STAFF COMMENT Article 1, Section 29 Rights of aliens reads: No distinction shall ever be made by law between resident aliens and citizens as to the possession, taxation, enjoyment and descent of property. ***********************************									
27										

alien shall have the right to be conveyed real property in

1	the state of Wyoming upon the same terms as a citizen of								
2	the United States during the continuance of the alien's								
3	residence in the state of Wyoming.								
4									
5	(b) If a party exempted under subsection (a) of this								
6	section ceases to be a resident alien or to have residence								
7	in the state of Wyoming, and the party acquired rea								
8	property on or after July 1, 2025, the prohibited foreign								
9	party's interest in the real property shall require								
10	approval by the office of homeland security in the manner								
11	provided for a conveyance under W.S. 19-13-503 through 19-								
12	13-505 and may be subject to divestiture as provided in								
13	W.S. 34-15-201 through 34-15-203.								
14									
15	ARTICLE 2								
16	CONVEYANCES NEAR CRITICAL INFRASTRUCTURE								
17									
18	34-15-201. Definitions.								
19									

20

21

article.

The definitions in W.S. 19-13-501 shall apply to this

1 34-15-202. Conveyances to prohibited foreign parties

2 near critical infrastructure zones; prohibition;

3 violations; enforcement.

4

5 (a) On and after July 1, 2025, no conveyance of real

6 property located on, within or partially within a critical

7 infrastructure zone shall be made to a prohibited foreign

8 party unless the prohibited foreign party obtains an

9 approval letter from the office of homeland security if

10 required under W.S. 19-13-503 through 19-13-506.

11

23

12 (b) A prohibited foreign party that is conveyed real property in the state of Wyoming on or after July 1, 2025 13 in violation of subsection (a) of this section shall divest 14 of the real property that is the subject of the conveyance 15 16 within an amount of time determined reasonable in rule of 17 the office of homeland security for different classes of real property. The office of homeland security shall 18 19 provide notice to the prohibited foreign party stating that 20 the party is in violation of this section and specifying 21 the date by which divestiture shall be complete. When the prohibited foreign party voluntarily divests of the real 22

property either before or after receiving notice from the

1 office of homeland security or when the prohibited foreign

2 party's interest is involuntarily divested under subsection

3 (c) of this section, the proceeds of any conveyance of the

4 real property, together with the proceeds of any conveyance

5 of personal property on or within the real property, shall

6 be held in escrow by the office of state lands and

7 investments until satisfactory arrangements are made by the

8 prohibited foreign party to compromise, satisfy and pay any

9 liens on the real property.

10

11 (c) If a prohibited foreign party does not divest of

12 the real property within the time required by subsection

13 (a) of this section, the attorney general shall commence an

14 action for divestiture in a court of appropriate

15 jurisdiction to enforce this section. If the court

16 determines that the real property interest is held in

17 violation of law, the court shall order that the real

18 property be sold at auction.

19

20 (d) The proceeds of any sale at auction of real

21 property ordered by a court under subsection (c) of this

22 section shall be disbursed to lien holders, in the order of

23 priority, except for liens which under the terms of any

1 sale are to remain on the real property. Any remaining 2 proceeds shall be remitted to the prohibited foreign party. 3 4 (e) When pursuing an action for divestiture under subsection (c) of this section, the attorney general shall 5 promptly record a copy of the following with the county 6 clerk in the county where the real property is located: 7 8 9 (i) Notice of the pendency of an action brought 10 under this section; 11 12 (ii) Any court order for the sale of the real 13 property under this section. 14 34-15-203. Validity of title. 15 16 17 Title to real property shall not be invalid or subject to divestiture due to a violation of this article by any 18 former owner or by another person holding or owning a 19 20 former interest in the real property. 21 Section 2. W.S. 19-13-105(c) by creating a new 22

23 paragraph (viii), 19-13-501(a)(i), (iv)(intro) and by

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1
    creating new paragraphs (vi) through (xii), 19-13-502(d)
 2
    and (e), 39-13-103(b)(viii) and 39-13-107(b)(i)(C) are
 3
    amended to read:
 4
         19-13-105. Homeland security program.
 5
 6
 7
         (c) The director is the administrative head of the
8
    Wyoming office of homeland security. In addition to the
9
    duties described in W.S. 19-13-104(d) the director:
10
11
             (viii) Shall, in conjunction with the attorney
12
    general, enforce the prohibition specified in W.S. 34-15-
    202(a) for the conveyance of real property to a prohibited
13
    foreign party that is located on, within or partially
14
15
    within a critical infrastructure zone unless the prohibited
16
    foreign party obtains an approval letter from the office of
17
    homeland security if required under W.S. 19-13-503 through
18
    19-13-506.
19
20
         19-13-501. Definitions.
21
         (a) As used in this article:
22
23
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1
            (i) "Conveyance" means as defined by W.S. 34-1-
 2
   102 and includes conveyances of real property, surface
 3
   interests, mineral interests and pore space interests every
 4
   instrument in writing by which any interest in real
5
   property is created, alienated, mortgaged, leased or
 6
   assigned, or by which the title to any real property may be
   affected in law or in equity. "Conveyance" shall not
7
8
   include wills;
9
    ******************
                      ******
10
11
                        STAFF COMMENT
12
   W.S. 34-1-102 is copied below:
13
14
   The term "conveyance", as used in this act, shall be
15
   construed to embrace every instrument in writing by which
16
        estate or
                   interest
                            in real
                                      estate
                                            is
   alienated, mortgaged or assigned, or by which the title to
17
18
   any real estate may be affected in law or in equity, except
19
   wills, leases for a term not exceeding three (3) years,
   executory contracts for the sale or purchase of lands, and
20
   certificates which show that the purchaser has paid the
21
   consideration and is entitled to a deed for the lands, and
22
23
   contain a promise or agreement to furnish said deed at some
2.4
   future time.
25
    *******************
                      ******
26
27
28
            (iv) "Designated country or person Foreign
29
   adversary" means:
30
31
                 (A) A foreign government or
32
   nongovernment person now or in the future determined to be
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1
    a foreign adversary by the United States secretary of
 2
    commerce and specified in 15 C.F.R. 7.4(a) 15 C.F.R.
 3
    791.4(a);
4
5
                  (B) A country or government now or in the
    future designated as a state sponsor of terrorism by the
 6
7
    United States secretary of state under the federal Export
8
    Administration Act of 1979, the Foreign Assistance Act of
    1961, the Arms Export Control Act or any other provision of
9
10
    federal law.
11
12
             (vi) "Foreign government" means any government
    other than the United States federal government or any
13
    government of a state, territory, district or political
14
15
    subdivision thereof;
16
17
             (vii) "Party" means any natural person, business
    entity, corporation, company, association, firm,
18
19
    partnership, society, joint-stock company, trust, estate or
20
    any other legal entity;
21
             (viii) "Prohibited foreign party" means:
22
23
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1	(A) A citizen or resident of a foreign
2	adversary, who is not a citizen of the United States;
3	
4	(B) A foreign government formed within a
5	foreign adversary;
6	
7	(C) A party other than a natural person or
8	a government, that is created or organized under the laws
9	of a foreign government within a foreign adversary;
10	
11	(D) Any party other than a natural person
12	or a government:
13	
14	(I) That is created or organized under
15	the laws of any state of the United States; and
16	
17	(II) In which a significant interest
18	or substantial control is directly or indirectly held or is
19	capable of being exercised by any one (1) or more of the
20	following:
21	

1	(1) A citizen or resident of a								
2	foreign adversary, who is not a citizen of the United								
3	States;								
4									
5	(2) A foreign government formed								
6	within a foreign adversary;								
7									
8	(3) A party other than a natural								
9	person or a government, that is created or organized under								
10	the laws of a foreign government within a foreign								
11	adversary.								
12									
13	(E) An agent, trustee, subsidiary or other								
14	fiduciary of a person or entity enumerated in subparagraphs								
15	(A) through (D) of this paragraph.								
16									
17	(ix) "Real property" means all interests in land								
18	and appurtenances, including structures, affixed thereto,								
19	and any intangible characteristic that contributes to the								
20	fair market value thereof. "Real property" includes surface								
21	interests, mineral interests and pore space interests;								
22									

1	***************
2	********
3	STAFF COMMENT
4	The definition in the prior version of the bill and in
5	Senate File 102 read: "Real property" means all interests
6	in real property, including but not limited to, the fee
7	estate, leasehold interests, easements, rights of way,
8	subsurface interests, airspace interests and mineral
9 10	interests;"
11	The new definition is based on "real property" as defined
12	in the taxation statutes, W.S. 39-11-101(a)(xv) with the
13	addition of surface interests, mineral interests and pore
14	space interests, which are moved from the definition of
15	"conveyance".
16	****************
17	********
18	
19	(x) "Residence" means a natural person's
10	(x) Residence means a natural person s
20	principal dwelling place where the person intends to remain
21	permanently for an indefinite period of time;
22	
22	
23	(xi) "Resident alien" means a natural person who
23	(MI) Resident differ medis d'indeutal person who
24	is not a citizen of the United States and is a resident of
25	a state, territory, trusteeship or protectorate of the
26	This and Charles
26	United States;
27	
۵,	
28	(xii) "Significant interest" or "substantial
29	control" means any of the following:
2.6	
30	

1	(A) An interest of twenty-five percent								
2	(25%) or more held by a natural person referred to in								
3	subparagraph (viii)(A) of this subsection, a foreign								
4	government referred to in subparagraph (viii)(B) of this								
5	subsection or a party referred to in subparagraphs								
6	(viii)(C) and (D) of this subsection;								
7									
8	(B) An interest of twenty-five percent								
9	(25%) or more held whenever the parties, natural persons or								
10	governments referred to in paragraph (A) of this subsection								
11	are acting in concert with respect to the interest even								
12	though no single natural person, party or government holds								
13	an interest of twenty-five percent (25%) or more;								
14									
15	(C) An interest of twenty-five percent								
16	(25%) or more, in the aggregate, held by natural persons,								
17	parties or governments referred to in paragraph (A) of this								
18	subsection even though the natural persons, parties or								
19	foreign governments may not be acting in concert;								
20									
21	(D) An interest of less than twenty-five								
22	percent (25%), if the natural person, party or government								

1 referred to in paragraph (A) of this subsection actually
2 directs the business and affairs of the party.

3

4 19-13-502. Critical infrastructure zones; reporting 5 of conveyances; investigations; rulemaking.

6

7 (d) Upon receiving a report from a county clerk under 8 subsection (c) of this section, the director and the 9 division of criminal investigation shall, upon reasonable 10 suspicion, investigate the conveyance to determine if the 11 conveyance involves a designated country or person foreign 12 adversary or if the conveyance poses a threat to national 13 or state security or to critical infrastructure. If a conveyance requires approval by the office of homeland 14 15 security under W.S. 19-13-503 through 19-13-506, but 16 application has not been made, the director shall notify 17 all parties to the conveyance.

18

19 (e) The director, the attorney general and the
20 division of criminal investigation may take any action
21 authorized by law to determine the actual identity of any
22 party to a conveyance reported under this section if the
23 party's actual identity is not clear from the conveyance.

- 1 Any investigation and information obtained during the
- 2 investigation shall remain confidential not be a public
- 3 record and shall not be open to public inspection but may
- 4 be released to any other state or federal governmental
- 5 entity when necessary to protect the public interest.

7 **39-13-103.** Imposition.

8

9 (b) Basis of tax. The following shall apply:

10

22

23

11 (viii) Every assessment schedule sent to 12 taxpayer shall contain the property's estimated fair market 13 value for the current and previous year, or, productive value in the case of agricultural property. The schedule 14 shall also contain the assessment ratio as provided by 15 16 paragraph (b)(iii) of this section for the 17 property, the amount of taxes assessed on the taxable 18 property from the previous year, and an estimate of the 19 taxes which will be due and payable for the current year 20 based on the previous year's mill levies. The schedule shall also contain a statement describing the requirement 21

in W.S. 19-13-503 through 19-13-506 that a prohibited

foreign party shall apply to the office of homeland

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security to determine if a conveyance of real property in
 1
    the state of Wyoming is located on, within or partially
 2
 3
    within a critical infrastructure zone. The schedule shall
 4
    contain a statement of the process to contest assessments
 5
    as prescribed by W.S. 39-13-109(b)(i);
 6
         39-13-107. Compliance; collection procedures.
 7
 8
 9
         (b) The following provisions shall apply to the
    payment of taxes, distraint of property and deferral:
10
11
12
             (i) The following shall apply to the payment of
13
    taxes due:
14
                  (C) Annually, on or before October 10 the
15
16
    county treasurer shall send a written statement to each
    taxpayer by mail at his last known address or, if offered
17
18
    by the county and upon request of the taxpayer, by
    electronic transmission of the total tax due, itemized as
19
20
    to property description, assessed value and mill levies.
    The notice shall contain information, including contact
21
22
    information, of any property tax relief program authorized
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by state law. The notice shall also contain a statement

- 1 describing the requirement in W.S. 19-13-503 through 19-13-
- 2 506 that a prohibited foreign party shall apply to the
- 3 office of homeland security to determine if a conveyance of
- 4 real property in the state of Wyoming is located on, within
- 5 or partially within a critical infrastructure zone.
- 6 Failure to send notice, or to demand payment of taxes, does
- 7 not invalidate any taxes due;

9 Section 3.

10

- 11 (a) The office of homeland security is authorized up
- 12 to two (2) full-time positions for the purposes of this
- 13 act. It is the intent of the legislature that the office of
- 14 homeland security include these positions in its standard
- 15 budget request for the immediately succeeding fiscal
- 16 biennium.

- 18 (b) There is appropriated two hundred nine thousand
- 19 eight hundred dollars (\$209,800.00) from the general fund
- 20 to the office of homeland security for the positions
- 21 authorized in subsection (a) of this section and the
- 22 purposes of this act. This appropriation shall be for the
- 23 period beginning with the effective date of this section

1	and	ending	June	30,	2026.	This	appropriation	shall	not	be

- 2 transferred or expended for any other purpose and any
- 3 unexpended, unobligated funds remaining from this
- 4 appropriation shall revert as provided by law on June 30,
- 5 2026. It is the intent of the legislature that this
- 6 appropriation be included in the standard budget request of
- 7 the office of homeland security for the immediately
- 8 succeeding fiscal biennium.

10 Section 4.

11

- 12 (a) Except as otherwise provided by subsection (b) of
- 13 this section, this act is effective July 1, 2025.

14

- 15 (b) Sections 3 through 4 of this act are effective
- 16 immediately upon completion of all acts necessary for a
- 17 bill to become law as provided by Article 4, Section 8 of
- 18 the Wyoming Constitution.

19

20 (END)