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## Farm Ownership & Corporate Farming Laws: *Louisiana*



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# A National Agricultural Law Center Research Publication

## Farm Ownership & Corporate Farming Laws: Louisiana

### Fast Find:

- 1) Prohibition: La. Stat. Ann. §§ 3:3613 to 3:619; 9:2717.1
- 2) Permission: La. Const. Ann. art. I, § 4
- 3) Reporting: None
- 4) Corporate Farming: La. Stat. Ann. §§ 3:3613 to 3:3619; 9:2717.1

### La. Const. Ann. art. I, § 4

### La. Stat. Ann. §§ 3:3613 to 3:3619

### La. Stat. Ann. § 9:2717.1

*Current through laws passed by the Louisiana State Legislature through the 2024 First Extraordinary Session, Second Extraordinary and Regular Sessions.*

#### § 4. Right to Property

(A) Every person has the right to acquire, own, control, use, enjoy, protect, and dispose of private property. This right is subject to reasonable statutory restrictions and the reasonable exercise of the police power.

(B)(1) Property shall not be taken or damaged by the state or its political subdivisions except for public purposes and with just compensation paid to the owner or into court for his benefit. Except as specifically authorized by Article VI, Section 21 of this Constitution property shall not be taken or damaged by the state or its political subdivisions: (a) for predominant use by any private person or entity; or (b) for transfer of ownership to any private person or entity.

(2) As used in Subparagraph (1) of this Paragraph and in Article VI, Section 23 of this Constitution, “public purpose” shall be limited to the following:

- (a) A general public right to a definite use of the property.
- (b) Continuous public ownership of property dedicated to one or more of the following objectives and uses:
  - (i) Public buildings in which publicly funded services are administered, rendered, or provided.
  - (ii) Roads, bridges, waterways, access to public waters and lands, and other public transportation, access, and navigational systems available to the general public.



- (iii) Drainage, flood control, levees, coastal and navigational protection and reclamation for the benefit of the public generally.
  - (iv) Parks, convention centers, museums, historical buildings and recreational facilities generally open to the public.
  - (v) Public utilities for the benefit of the public generally.
  - (vi) Public ports and public airports to facilitate the transport of goods or persons in domestic or international commerce.
- (c) The removal of a threat to public health or safety caused by the existing use or disuse of the property.
- (3) Neither economic development, enhancement of tax revenue, or any incidental benefit to the public shall be considered in determining whether the taking or damaging of property is for a public purpose pursuant to Subparagraph (1) of this Paragraph or Article VI, Section 23 of this Constitution.
- (4) Property shall not be taken or damaged by any private entity authorized by law to expropriate, except for a public and necessary purpose and with just compensation paid to the owner; in such proceedings, whether the purpose is public and necessary shall be a judicial question.
- (5) In every expropriation or action to take property pursuant to the provisions of this Section, a party has the right to trial by jury to determine whether the compensation is just, and the owner shall be compensated to the full extent of his loss. Except as otherwise provided in this Constitution, the full extent of loss shall include, but not be limited to, the appraised value of the property and all costs of relocation, inconvenience, and any other damages actually incurred by the owner because of the expropriation.
- (6) No business enterprise or any of its assets shall be taken for the purpose of operating that enterprise or halting competition with a government enterprise. However, a municipality may expropriate a utility within its jurisdiction.
- (C) Personal effects, other than contraband, shall never be taken.
- (D) The following property may be forfeited and disposed of in a civil proceeding, as provided by law: contraband drugs; property derived in whole or in part from contraband drugs; property used in the distribution, transfer, sale, felony possession, manufacture, or transportation of contraband drugs; property furnished or intended to be furnished in exchange for contraband drugs; property used or intended to be used to facilitate any of the above conduct; or other property because the above-described property has been rendered unavailable.
- (E) This Section shall not apply to appropriation of property necessary for levee and levee drainage purposes.
- (F) Further, the legislature may place limitations on the extent of recovery for the taking of, or loss or damage to, property rights affected by coastal



wetlands conservation, management, preservation, enhancement, creation, or restoration activities.

(G) Compensation paid for the taking of, or loss or damage to, property rights for the construction, enlargement, improvement, or modification of federal or non-federal hurricane protection projects, including mitigation related thereto, shall not exceed the compensation required by the Fifth Amendment of the Constitution of the United States of America. However, this Paragraph shall not apply to compensation paid for a building or structure that was destroyed or damaged by an event for which a presidential declaration of major disaster or emergency was issued, if the taking occurs within three years of such event. The legislature by law may provide procedures and definitions for the provisions of this Paragraph.

(H)(1) Except for the removal of a threat to public health or safety caused by the existing use or disuse of the property, and except for leases or operation agreements for port facilities, highways, qualified transportation facilities or airports, the state or its political subdivisions shall not sell or lease property which has been expropriated and held for not more than thirty years without first offering the property to the original owner or his heir, or, if there is no heir, to the successor in title to the owner at the time of expropriation at the current fair market value, after which the property can be transferred only by competitive bid open to the general public. After thirty years have passed from the date the property was expropriated, the state or political subdivision may sell or otherwise transfer the property as provided by law.

(2) Within one year after the completion of the project for which the property was expropriated, the state or its political subdivision which expropriated the property shall identify all property which is not necessary for the public purpose of the project and declare the property as surplus property.

(3) All expropriated property identified as surplus property shall be offered for sale to the original owner or his heir, or, if there is no heir, to the successor in title to the owner at the time of expropriation at the current fair market value, within two years after completion of the project. If the original owner, heir, or other successor in title refuses or fails to purchase the surplus property within three years from completion of the project, then the surplus property may be offered for sale to the general public by competitive bid.

(4) After one year from the completion of the project for which property was expropriated, the original owner or his heir, or, if there is no heir, the successor in title to the owner at the time of expropriation may petition the state or its political subdivision which expropriated the property to have all or any portion of his property declared surplus. If the state or its political subdivision refuses or fails to identify all or any portion of the expropriated property as surplus, the original owner or the successor in title may petition any court of competent jurisdiction to have the property declared surplus.



### **§ 3:3613. Ownership of agricultural lands by foreign adversaries restricted**

A. No foreign adversary or prohibited foreign actor shall directly or indirectly own, acquire, lease, or otherwise obtain any interest in agricultural land defined by R.S. 3:3602.

B. A prohibited foreign actor may sell or convey an ownership interest in agricultural land in this state.

C. A person may conclusively rely upon an affidavit made by a person intending to acquire or holding an interest in immovable property to the effect that the person is not a foreign adversary or a prohibited foreign actor, and the correctness of those facts may not be controverted against any person relying on the affidavit, unless actual fraud by such person is proven. A person who gives a false affidavit shall be responsible for any loss or damage suffered by any person whose rights are adversely affected.

### **§ 3:3614. Definitions**

For purposes of this Part, the following definitions shall apply:

(1) "Controlling interest means possession of the power to direct or cause the direction of the management or policies of a company, whether through ownership of securities, by contract or otherwise. A person or entity that directly or indirectly has the right to vote fifty percent or more of the voting interests of an entity or is entitled to fifty percent or more of its profits is presumed to possess a controlling interest.

(2) "Foreign adversary" means a foreign nongovernment person or foreign government identified as a foreign adversary pursuant to 15 CFR 7.4 including the People's Republic of China and the Hong Kong Special Administrative Region, Republic of Cuba, Islamic Republic of Iran, Democratic People's Republic of Korea, Russian Federation, and Venezuela under the leadership of Nicolas Maduro. It shall not include a person who is a legal permanent resident with lawful presence in the United States.

(3) "Immovable property" means agricultural land as defined in R.S. 3:3602.

(4) "Prohibited foreign actor" means a corporation, limited liability company, pension or investment fund, trust, or limited partnership in which a foreign adversary has a controlling interest.

### **§ 3:3615. Exceptions**

The provisions of this Part shall not apply to foreign business entities that might otherwise qualify as a foreign adversary owning agricultural lands under the following circumstances:



- (1) If the right is guaranteed by a treaty or if the person's country of origin affords certain real estate rights to United States citizens.
- (2) If a title to agricultural land is held as a security to indebtedness or real estate acquired upon collection of a debt.
- (3) If such foreign business entity is a religious, educational, charitable, or scientific corporation.
- (4) If inherited land, or land received by such foreign business entity as payment for a debt, is sold or transferred within five years.

### **§ 3:3616. Civil penalties; actions**

A.(1) A prohibited foreign actor that violates the provisions of this Part shall be subject to a civil penalty of fifty thousand dollars and forfeiture if such entity does not divest itself of agricultural land acquired in violation of this Part within one year after judgment is entered in this action.

(2) Any civil penalty collected pursuant to this Section shall be paid to the attorney general to offset costs associated with enforcement of provisions contained in this Section.

B. A party to the contract to purchase, lease, or otherwise acquire immovable property may rescind the contract prior to the transfer of the immovable property if the party determines that a foreign adversary has an ownership interest that violates the provisions of this Part.

C. The attorney general may bring an action for injunctive relief in the name of the state against the foreign adversary or prohibited foreign actor to restrain and enjoin the sale or lease prior to the transfer of the immovable property or to restrain or enjoin the lease. The attorney general shall serve the petition for injunctive relief upon the parties to the transaction. Upon receipt of the petition, a party may rescind the contract to purchase, lease, or otherwise acquire immovable property pursuant to Subsection B of this Section. The attorney general shall file a notice of lis pendens in the mortgage records of the parish in which the property is located no later than three business days after instituting the proceeding. The institution of the action and the filing of the notice of lis pendens shall have no effect on persons obtaining rights in the immovable property prior to the filing of the notice of the pending action.

D.(1) The attorney general may serve an investigative demand or subpoena for deposition testimony to any person who is believed to have information, documentary material, or physical evidence relevant to the alleged or suspected attempt to enter into, conspiracy to enter into, or entering into a contract to purchase, lease, or otherwise acquire immovable property in this state if all of the following exist:

(a) The attorney general has evidence that a foreign adversary or a prohibited foreign actor is attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire immovable property in this state.





(b) The attorney general believes it to be in the public interest that an investigation should be made to ascertain whether a foreign adversary or a prohibited foreign actor in fact is attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire immovable property in this state.

(2)(a) Such investigative demand or subpoena for deposition testimony shall contain a description of the attempt to enter into, conspiracy to enter into, or entering into a contract to purchase, lease, or otherwise acquire immovable property in this state under investigation and shall require such person to furnish, under oath or otherwise, a report in writing setting forth the relevant facts and circumstances of which he has knowledge, or to produce relevant documentary material or physical evidence for examination, at such reasonable time and place as may be stated in the investigative demand that is the subject matter of the investigation. Nonpublic personal information may be excluded from the report, deposition, or other testimony.

(b) Any subpoena for deposition testimony issued pursuant to this Section shall include a notice informing the prospective deponent of the deponent's right to counsel at the deposition with an opportunity for cross-examination, and the deposition shall be conducted at the deponent's principal place of business, deponent's place of residence, deponent's domicile, or, if agreeable to the deponent, at some other place convenient to the attorney general and the deponent's attorney.

(c) Any such deposition shall be held at a reasonable time, as may be stated in the investigative subpoena. At any time before the return date specified in the investigative demand or before the noticed deposition, or within twenty days after the demand or deposition notice has been served, whichever is shorter, a petition stating good cause for a protective order to extend the return date, or to modify or set aside the demand or deposition notice, may be filed in the district court having civil jurisdiction in the parish where the person served with the demand resides, is domiciled, or has his principal place of business located.

(d) If no protective order from the court is secured and the written request by the attorney general is not complied with by the return date thereof, the attorney general may apply to the court for an order compelling compliance with the investigative demand or deposition notice.

(e) If any person fails or refuses to file any statement, report, documentary material or physical evidence, or obey any investigative subpoena or demand issued by the attorney general, except as permitted by a protective order issued by an appropriate court, the attorney general may apply to the district court having civil jurisdiction in the parish where the person served with the demand or subpoena resides, is domiciled, or has his principal place of business located, for a rule to show cause why an order compelling compliance should not be issued.



(f) Any disobedience of an order compelling compliance under this Section by any courts shall be punished as a contempt of court.

E. Service of any demand, subpoena, or petition shall be made in the manner provided by law.

F. Any immovable property acquired by a foreign adversary or a prohibited foreign actor is subject to divestiture or civil forfeiture to the state.

G. In the enforcement of this Part, the attorney general may use all other procedures and authority for investigation, supervision, and conduct of actions on behalf of the state as provided by law.

H. A court petitioned by the attorney general may issue such additional orders or render judgments against the foreign adversary or the prohibited foreign actor as may be necessary to protect the public. Such orders shall include but not be limited to the following:

(1) Revocation, forfeiture, or suspension of any license, charter, franchise, certificate, or other evidence of authority of any person to do business in the state.

(2) Appointment of a receiver.

(3) Dissolution of domestic corporations or associations.

(4) Suspension or termination of the right of foreign corporations or associations to do business in this state.

(5) Restitution to compensate any person who did not knowingly enter into a transaction with the foreign adversary or a prohibited foreign actor for any loss, expenses, court costs, or attorney fees which may have been incurred because of the sale being void or enjoined.

(6) Civil forfeiture of any immovable property acquired by the foreign adversary or the prohibited foreign actor in accordance with the provisions of this Section.

I.(1) If, after examining the evidence, the attorney general concludes that a violation of this Part occurred, the attorney general may order the foreign adversary or prohibited foreign actor to divest himself of all interests in the land within ninety days after service of the order upon the foreign adversary or prohibited foreign actor.

(2) The order of divestiture, as described in Paragraph (1) of this Subsection, shall be served personally or by certified mail.

J.(1) If the holder of the interest that is ordered to be divested disputes the determination of the attorney general that a violation of this Part occurred, the holder may submit a written request for a judicial determination to the attorney general.

(2) The written request, as described in Paragraph (1) of this Subsection, shall be delivered to the attorney general within sixty days after service of the order of divestiture. If no written request is received within this time, the determination of the attorney general shall become final.





(3) A foreign adversary, prohibited foreign actor, or any holder of interest may seek judicial review after the attorney general's final determination.

(4) Any appeal from the final determination of the attorney general shall be in accordance with the Administrative Procedure Act.

K.(1) If the foreign adversary or prohibited foreign actor fails to divest himself of all interests pursuant to Paragraph (I)(1) of this Section or if a holder of the interest submits a written request pursuant to Subsection J of this Section, the attorney general may bring an action to divest the interest.

(2) The attorney general may initiate a civil action pursuant to this Section in either the parish of East Baton Rouge or a parish where a portion of the immovable property is located.

(3) The attorney general shall record in the public mortgage records of the parish clerk of court of each parish in which any portion of the immovable property is located a notice of pendency of the action pursuant to Book VII, Title II, Chapter 4 of the Code of Civil Procedure.

L. If the holder of the interest in immovable property has submitted a written request pursuant to Subsection J of this Section, the court shall conduct an evidentiary hearing to determine, by a preponderance of the evidence, if a violation of this Part occurred, prior to taking any other action. If the court determines that there has been no violation, the court shall dismiss the action and expunge the notice of pending action.

M. If a court of competent jurisdiction determines that a violation of this Part occurred, the court shall order that such immovable property be sold by the sheriff in the parish where the immovable property is located in the same manner as a judicial sale in accordance with the requirements of Book IV, Title II, Chapter 2 of the Code of Civil Procedure.

### **§ 3:3617. Protection of ownership interests**

A. All forfeitures or dispositions under this Part shall be made with due provisions for the rights of any person who did not knowingly enter into a transaction with the foreign adversary or the prohibited foreign actor.

B. No mortgage, lien, privilege, or other security interest recognized under the laws of this state and no ownership interest in indivision, lease, servitude, usufruct, right of use, bond for deed, or other real right shall be affected by the forfeiture, seizure, or divestiture provisions of this Part.

C. No forfeiture or disposition under this Part shall affect the rights of any person who did not knowingly enter into a transaction with the foreign adversary or a prohibited foreign actor.

D. The attorney general shall, within three business days of instituting any action under this Part, file a copy of the petition or other pleading instituting



the action in the mortgage records of the parish in which any related immovable property is situated.

E. Notice of pending forfeiture, seizure, or divestiture shall be provided by the attorney general to the holder of each mortgage, lien, or security interest in the same manner as provided in R.S. 40:2608(3) or R.S. 14:90.1(B)(3).

F. Notice of pending forfeiture, seizure, or divestiture shall be provided by the attorney general to the holder of any interest in the immovable property being seized.

G. The attorney general may cause the petition or other pleading to be cancelled from the mortgage records no later than three business days after judgment is rendered or after a request for cancellation is made by any interested party seeking to transfer the property to a person other than a foreign adversary or a prohibited foreign actor. If the petition or other pleading relates to a property interest vested in a foreign adversary or a prohibited foreign actor, the attorney general may petition the court for an order requiring the proceeds of the sale attributable to the property interest of the foreign adversary or a prohibited foreign actor after the deduction of payments to mortgagees, lienholders, person providing services in connection with the transfer of the property, and credits to the purchaser relating to tax and other customary prorations, be deposited in the registry of the court in which the proceeding is pending.

### **§ 3:3618. Limitation of liability for failure to identify a foreign adversary or prohibited foreign actor**

No attorney, title insurer, title insurance producer, title insurance agency producer, lender, mortgage servicer, notary public, real estate agent, real estate broker, seller, or lessor, or any of their directors, officers, or employees shall have a duty to make any investigation as to whether a party to a transaction involving immovable property is a foreign adversary or prohibited foreign actor, nor shall any such person be liable for failing to identify that a party to a transaction involving immovable property is a foreign adversary or prohibited foreign actor.

### **§ 3:3619. Applicability**

Except as otherwise provided in this Part, the provisions contained in this Part shall apply only to immovable property acquired by a foreign adversary or prohibited foreign actor after August 1, 2024. If a foreign adversary or prohibited foreign actor acquires immovable property despite the prohibitions contained in this Part, the property shall be subject to forfeiture only during the period in which the foreign adversary or prohibited foreign actor owns the property. Rights in immovable property shall not be void or voidable because the property or right therein previously was held by a foreign adversary or prohibited foreign actor.



**§ 9:2717.1. Prohibition of acquisition of immovable property by a foreign adversary or a person connected with a foreign adversary**

A.(1) No foreign adversary or person connected with a foreign adversary may purchase, lease, or otherwise acquire immovable property in this state.

(2) A party to a contract to purchase, lease, or otherwise acquire immovable property may rescind the contract prior to the transfer of the immovable property if the party determines that the purchaser or lessee is a foreign adversary or a person connected with a foreign adversary.

(3) The provisions of this Section are applicable to contracts entered into by a foreign adversary or person connected with a foreign adversary to purchase, lease, or otherwise acquire immovable property after August 1, 2023. These provisions are not applicable to existing contracts to purchase, lease, or otherwise acquire immovable property or the renewal of existing leases that were in place prior to August 1, 2023.

(4) A person may conclusively rely upon an affidavit made by a person intended to acquire or holding an interest in immovable property to the effect that the person is neither a foreign adversary nor a person connected with a foreign adversary, and the correctness of those facts may not be controverted against a person relying on the affidavit, unless actual fraud by such person is proved. A person who gives a false affidavit shall be responsible for any loss or damage suffered by any person whose rights are adversely affected.

(5) No seller or lessor shall be liable pursuant to this Section, except a foreign adversary or a person connected with a foreign adversary that is required to forfeit or dispose of property pursuant to a court order as provided for in Subsection C of this Section.

B.(1) The attorney general may bring an action for injunctive relief in the name of the state against the foreign adversary or the person connected with a foreign adversary to enjoin the property transfer prior to the transfer of the immovable property. The attorney general shall serve the petition for injunctive relief upon all parties to the transaction.

(2) If the transfer or lease of the property has been completed, the attorney general may bring an action in the name of the state against the foreign adversary or a person connected with a foreign adversary.

(3) Any action by the attorney general may be brought in the district court having civil jurisdiction in any parish in which a portion of the immovable property is located, and the attorney general may recover reasonable attorney fees and court costs.

(4) The attorney general may open an investigation if any of the following exist:

(a) The attorney general has evidence that a foreign adversary or a person connected with a foreign adversary is



attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire immovable property in this state.

(b) The attorney general believes it to be in the public interest that an investigation needs to be made to ascertain whether a foreign adversary or a person connected with a foreign adversary in fact is attempting to enter into, conspiring to enter into, or has entered into a contract to purchase, lease, or otherwise acquire immovable property in this state.

(5) If an action is brought pursuant to this Section then no later than one business day after filing the action, the attorney general shall record in the public mortgage records of the parish clerk of court of each parish in which any portion of the immovable property is located a notice of pendency of the action pursuant to Code of Civil Procedure Article 3751 et seq. The institution of the action and the recordation of the notice of pendency of the action shall have no effect on persons obtaining rights in the immovable property prior to the recordation of the petition. The attorney general shall cause the notice of pendency of action to be cancelled from the mortgage records no later than one business day after judgment is rendered or after a request for cancellation is made by any interested party in connection with the transfer of the property to a person other than a foreign adversary or person connected with a foreign adversary. If the notice of pendency of action relates to a property interested vested in a foreign adversary or person connected with a foreign adversary, the attorney general may petition the court for an order requiring the proceeds of the sale attributable to the property interest of the foreign adversary or person connected with a foreign adversary after the deduction of payments to mortgagees, lienholders, person providing services in connection with the transfer of the property, and credits to the purchaser relating to tax and other customary prorations, be deposited in the registry of the court in which the proceeding is pending.

(6) Prior to bringing an action pursuant to this Section, the attorney general shall provide written notice to the holder of each mortgage, lien, privilege, and other encumbrance encumbering the subject immovable property, which is filed in the public mortgage records in the parish where the immovable property is located. Such notice shall be provided in the same manner as provided in R.S. 40:2608 or R.S. 14:90.1.

C.(1) If the court finds that a foreign adversary or person connected with a foreign adversary has purchased, leased, or otherwise acquired property in Louisiana after August 1, 2023, the court may do one of the following:

(a) Order that the foreign adversary's interest in the property be sold to a person who is not a foreign adversary or to a person who is not connected to a foreign adversary.

(b) Order that the foreign adversary or person connected with a foreign adversary's interest in the property be sold at a judicial sale in accordance with the requirements of Code of Civil Procedure Article 2331 et seq.



(c) Under Subparagraphs (a) and (b) of this Paragraph, the court shall order that the price of the sale be not less than the sum of all of the following:

- (i) Ad valorem taxes and other liens payable to a political subdivision of the State which are due or past due and attributable to the property.
- (ii) Indebtedness, including interests, penalties, attorney fees, court costs, and other expenses, secured by a conventional mortgage on the property or any portion of the property.
- (iii) Indebtedness, including interest, penalties, attorney fees, and court costs, secured by a judicial or legal mortgage on the property.
- (iv) Indebtedness, including interest, penalties, attorney fees, and court costs, secured by a lien or privilege on the property.
- (v) Commissions due to a real estate broker or real estate agent.
- (vi) Costs related to the perfection of the sale.

(2) After satisfying all mortgages, liens, privileges, and other encumbrances encumbering the property subject to this Section, and payment of all persons providing services in connection with the transfer of the property, sheriff's fees, and credits to the purchaser relating to tax and other customary prorations, the remaining proceeds of the sale provided by this Subsection shall be considered a civil asset forfeiture and the money shall be paid to the Department of Justice to fund services for veterans of foreign wars. The attorney general may also enter into cooperative endeavor agreements with other state agencies or local governments to provide services for veterans who suffer from injury or disability as a result of a foreign war.

D.(1) All proceedings under this Section shall be made with due provisions to protect the rights of any person unless the attorney general proves beyond a reasonable doubt that the person entered into the transaction with the foreign adversary or person connected with a foreign adversary for the purpose of aiding such foreign adversary or person connected with a foreign adversary in compromising the security of the United States.

(2) No mortgage, lien, privilege, or other security interest recognized under the laws of this state and no ownership interest in indivision, lease, servitude, usufruct, right of use, bond for deed, or other real right shall be affected by a forfeiture or disposition pursuant to this Section.

(3) No forfeiture or disposition under this Section shall affect the rights of any person unless the attorney general proves beyond a reasonable doubt that the person entered into the transaction with the foreign adversary or person connected with a foreign adversary with the purpose of aiding such foreign adversary or person connected with a foreign adversary in compromising the security of the United States.





E. No attorney, title insurer, title insurance producer, title insurance agency producer, lender, mortgage loan servicer, notary public, real estate agent, real estate broker, seller, or lessor shall have a duty to make any investigation as to whether a party to a transaction involving immovable property is a foreign adversary, nor shall any such person be liable for failing to identify that a party to a transaction involving immovable property is a foreign adversary.

F. The provisions of this Section shall not apply to any of the following:

- (1) A natural person who is an American citizen, regardless of whether the United States citizenship was acquired by birth or the United States citizenship was granted to a person after meeting the requirements established by the United States Congress in the Immigration and Nationality Act, 8 U.S.C. 1158, et seq.
- (2) A person who is not a United States citizen but is a permanent legal resident or is lawfully present in the United States by virtue of authorization by the United States Department of Homeland Security.
- (3) A juridical person, as defined in Civil Code Article 24, that is wholly owned by persons who qualify under Paragraphs (1) and (2) of this Subsection.
- (4) Immovable property purchased, leased, or otherwise acquired by a natural person that is used as a one to four family residential property.
- (5) A juridical person that owned and conducted oil and gas operations located in Louisiana prior to July 1, 2023, and that is granted permissions by a General License issued by the United States Department of the Treasury, Office of Foreign Assets Control (OFAC General License) and that purchases or acquires property in Louisiana with a party or parties that are subject to the OFAC General License.

G. For the purposes of this Section:

- (1) "Foreign adversary" means an individual or a government identified as a foreign adversary in 15 CFR 7.4(a) and identified in the database maintained by the United States Department of Treasury, Office of Foreign Assets Control.
- (2) "Person connected with a foreign adversary" means the juridical person, as defined in Civil Code Article 24, in which the foreign adversary has the power to direct or cause the direction of the management or policies of the juridical person whether through ownership of securities, by contract, or otherwise. A person or entity that directly or indirectly has the right to vote fifty percent or more of the voting interests of an entity or is entitled to fifty percent or more of its profits is presumed to have the power to direct or cause the direction of the management or policies of the juridical person.

H. This Act shall apply only to property acquired by a foreign adversary or person connected with a foreign adversary on or after August 1, 2023. If a foreign adversary or person connected with a foreign adversary acquires immovable property despite the prohibitions as provided in this Section, the property shall only be subject to forfeiture during the period in which the prohibited foreign adversary or person connected with a foreign





adversary owns the property. Rights in immovable property shall not be void or voidable because the property or right held in the property was previously held by a prohibited foreign adversary or person connected with a foreign adversary.

