

1.1 A bill for an act

1.2 relating to real property; regulating interests in agricultural lands by aliens and
1.3 non-American corporations; excepting interests in certain lands involved in wind
1.4 energy production; requiring the payment of the wind energy production tax;
1.5 amending Minnesota Statutes 2006, section 500.221, subdivision 2.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2006, section 500.221, subdivision 2, is amended to read:

1.8 Subd. 2. **Aliens and non-American corporations.** Except as hereinafter provided,
1.9 no natural person shall acquire directly or indirectly any interest in agricultural land unless
1.10 the person is a citizen of the United States or a permanent resident alien of the United
1.11 States. In addition to the restrictions in section 500.24, no corporation, partnership,
1.12 limited partnership, trustee, or other business entity shall directly or indirectly, acquire
1.13 or otherwise obtain any interest, whether legal, beneficial or otherwise, in any title to
1.14 agricultural land unless at least 80 percent of each class of stock issued and outstanding or
1.15 80 percent of the ultimate beneficial interest of the entity is held directly or indirectly by
1.16 citizens of the United States or permanent resident aliens. This section shall not apply:

1.17 (1) to agricultural land that may be acquired by devise, inheritance, as security for
1.18 indebtedness, by process of law in the collection of debts, or by any procedure for the
1.19 enforcement of a lien or claim thereon, whether created by mortgage or otherwise. All
1.20 agricultural land acquired in the collection of debts or by the enforcement of a lien or
1.21 claim shall be disposed of within three years after acquiring ownership;

1.22 (2) to citizens or subjects of a foreign country whose rights to hold land are secured
1.23 by treaty;

1.24 (3) to lands used for transportation purposes by a common carrier, as defined in
1.25 section 218.011, subdivision 10;

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2.1 (4) to lands or interests in lands acquired for use in connection with (i) the production
2.2 of timber and forestry products by a corporation organized under the laws of Minnesota,
2.3 or (ii) mining and mineral processing operations. Pending the development of agricultural
2.4 land for the production of timber and forestry products or mining purposes the land may
2.5 not be used for farming except under lease to a family farm, a family farm corporation or
2.6 an authorized farm corporation;

2.7 (5) to agricultural land operated for research or experimental purposes if the
2.8 ownership of the agricultural land is incidental to the research or experimental objectives
2.9 of the person or business entity and the total acreage owned by the person or business
2.10 entity does not exceed the acreage owned on May 27, 1977;

2.11 (6) to the purchase of any tract of 40 acres or less for facilities incidental to pipeline
2.12 operation by a company operating a pipeline as defined in section 216G.01, subdivision 3;

2.13 (7) to agricultural land and land capable of being used as farmland in vegetable
2.14 processing operations that is reasonably necessary to meet the requirements of pollution
2.15 control law or rules; ~~or~~

2.16 (8) to an interest in agricultural land held on the August 1, 2003, by a natural person
2.17 with a nonimmigrant treaty investment visa, pursuant to United States Code, title 8,
2.18 section 1101(a)15(E)(ii), if, within five years after August 1, 2003, the person:

2.19 (i) disposes of all agricultural land held; or

2.20 (ii) becomes a permanent resident alien of the United States or a United States
2.21 citizen; or

2.22 (9) to any interest in lands, other than ownership in fee, acquired for use only in
2.23 connection with the development, construction, ownership, and operation of large wind
2.24 energy conversion systems located in Mower County. The non-American corporation is
2.25 expressly prohibited from conducting any farming or other agriculture activity not related
2.26 to wind energy production on such lands. Construction of any such systems must be
2.27 commenced after January 1, 2007, and before July 31, 2008. Such large wind energy
2.28 conversion systems must have a combined nameplate capacity that exceeds 80 megawatts,
2.29 must pay taxes in accordance with the wind energy production tax as defined in section
2.30 272.029, and utilize a substation for which a conditional use permit was approved by the
2.31 Board of Commissioners of Mower County between December 1, 2006, and April 1, 2007.