

104TH GENERAL ASSEMBLY State of Illinois 2025 and 2026 SB0048

Introduced 1/13/2025, by Sen. Sue Rezin

SYNOPSIS AS INTRODUCED:

New Act 765 ILCS 60/7

from Ch. 6, par. 7

Creates the Foreign Countries of Concern Act. Prohibits governmental entities from entering into contracts with certain prohibited entities that would give those prohibited entities access to an individual's personal identifying information. Prohibits certain entities from receiving economic incentives. Provides that certain prohibited entities may not own interests in agricultural land or land on or around military installations or critical infrastructure facilities. Prohibits the purchase or acquisition of real property by certain entities associated with the People's Republic of China. Amends the Property Owned By Noncitizens Act to make conforming changes.

LRB104 03754 HLH 13778 b

1 AN ACT concerning State government.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- 4 Section 1. Short title. This Act may be cited as the
- 5 Foreign Countries of Concern Act.
- Section 5. Contracting with entities of foreign countries of concern prohibited.
- 8 (a) As used in this Section:
- 9 "Controlling interest" means possession of the power to direct or cause the direction of the management or policies of 10 a company, whether through ownership of securities, by 11 contract, or otherwise. A person or entity that directly or 12 indirectly has the right to vote 25% or more of the voting 13 14 interests of the company or is entitled to 25% or more of the company's profits is presumed to possess a controlling 15 16 interest.
- "Department" means the Department of Central Management
 Services.
- "Foreign country of concern" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, Venezuela, or the Syrian Arab Republic, including any agency of or any other entity of significant control of such

- 1 foreign country of concern.
- 2 "Governmental entity" means any legislative, executive,
- 3 administrative, or advisory body of the State, any State
- 4 university or college, any county, township, city, village,
- 5 incorporated town, or school district, and any other municipal
- 6 corporation, board, bureau, committee, or commission of the
- 7 State.
- 8 (b) Beginning on the effective date of this Act, a
- 9 governmental entity may not knowingly enter into a contract
- 10 with an entity that would give the entity access to an
- individual's personal identifying information if:
- 12 (1) the entity is owned by the government of a foreign
- 13 country of concern;
- 14 (2) the government of a foreign country of concern has
- a controlling interest in the entity; or
- 16 (3) the entity is organized under the laws of or has
- its principal place of business in a foreign country of
- 18 concern.
- 19 (c) Beginning on the effective date of this Act, a
- 20 governmental entity may not extend or renew a contract with an
- 21 entity listed in subsection (b) if the contract would give
- 22 that entity access to an individual's personal identifying
- 23 information.
- 24 (d) Beginning on the effective date of this Act, a
- 25 governmental entity may not accept a bid on a contract, accept
- 26 a proposal for a contract, or enter into a contract with an

entity if that contract would grant the entity access to an individual's personal identifying information unless the entity provides the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity does not meet any of the criteria in subsection (b).

If an entity extends or renews a contract with a governmental entity that would grant the entity access to an individual's personal identifying information, then the entity must provide the governmental entity with an affidavit signed by an officer or representative of the entity under penalty of perjury attesting that the entity does not meet any of the criteria in subsection (b).

- (e) The Attorney General may bring a civil action in any court of competent jurisdiction against an entity that violates this Section. Violations of this Section may result in:
- (1) a civil penalty equal to twice the amount of the subject contract;
 - (2) ineligibility to enter into, renew, or extend any contract, including any grant agreements, with any governmental entity for up to 5 years; and
 - (3) ineligibility to receive or renew any license, certification, or credential issued by a governmental entity for up to 5 years.
 - (f) Any penalties collected under subsection (e) must be

- deposited into the General Revenue Fund.
- 2 (g) The Department shall adopt rules to implement this
- 3 Section, including rules establishing the form for the
- 4 affidavit required under subsection (d).
- 5 Section 10. Economic incentives to foreign countries of
- 6 concern prohibited.
- 7 (a) As used in this Section:
- 8 "Controlled by" means having possession of the power to
- 9 direct or cause the direction of the management or policies of
- 10 a company, whether through ownership of securities, by
- 11 contract, or otherwise. A person or entity that directly or
- indirectly has the right to vote 25% or more of the voting
- interests of the company or that is entitled to 25% or more of
- the company's profits is presumed to control the company.
- "Department" means the Department of Commerce and Economic
- 16 Opportunity.
- "Economic incentive" means all programs administered by,
- 18 or for which an applicant for the program must seek
- 19 certification, approval, or other action by, the Department,
- 20 and all economic development programs, grants, or financial
- 21 benefits administered by a political subdivision of the State.
- "Foreign country of concern" has the same meaning as in
- 23 Section 5.
- "Government entity" means a State agency, a political
- 25 subdivision of the State, or any other public or private

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- agency, person, partnership, corporation, or business entity
- 2 acting on behalf of any public agency.
- 3 "Prohibited entity" means an entity that is:
- 4 (1) owned or controlled by the government of a foreign country of concern; or
- 6 (2) a partnership, association, corporation,
 7 organization, or other combination of persons organized
 8 under the laws of or having its principal place of
 9 business in a foreign country of concern, or a subsidiary
 10 of such an entity.
- 11 (b) A government entity may not knowingly enter into an
 12 agreement or contract for an economic incentive with a
 13 prohibited entity.
 - (c) Before providing any economic incentive, a government entity must require the recipient or applicant to provide the government entity with an affidavit signed under penalty of perjury attesting that the recipient or applicant is not a prohibited entity.
- 19 (d) The Department shall adopt rules to administer this 20 Section, including rules establishing the form for the 21 affidavit required under subsection (c).
- 22 Section 15. Purchase of agricultural land by foreign 23 principals prohibited.
- 24 (a) As used in this Section:
- 25 "Agricultural land" means any land located in this State

- 1 and used for agricultural, forestry, or timber production
- 2 purposes.

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- 3 "Department" means the Department of Agriculture.
- 4 "Foreign country of concern" has the same meaning as in Section 5.
- 6 "Prohibited entity" means:
- 7 (1) the government or any official of the government 8 of a foreign country of concern;
 - (2) a political party or member of a political party or any subdivision of a political party in a foreign country of concern;
 - (3) a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country of concern, or a subsidiary of such entity;
 - (4) any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States; or
 - (5) any person, entity, or collection of persons or entities, described in paragraphs (1) through (4) having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in this State.
- "Real property" means land, buildings, fixtures, and all

- 1 other improvements to land.
 - (b) A prohibited entity may not directly or indirectly own, have a controlling interest in, or acquire by purchase, grant, devise, or descent agricultural land or any interest, except a de minimis indirect interest, in agricultural land in this State. A prohibited entity has a de minimis indirect interest if any ownership is the result of the entity's ownership of registered equities in a publicly traded company owning the land and if the entity's ownership interest in the company is either:
 - (1) less than 5% of any class of registered equities or less than 5% in the aggregate in multiple classes of registered equities; or
 - (2) a noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940 and is not a foreign entity.
 - (c) A prohibited entity that directly or indirectly owns or acquires agricultural land in this State or any interest in agricultural land in this State before the effective date of this Act may continue to own or hold that land or interest but, except as provided in subsection (d), may not purchase or otherwise acquire by grant, devise, or descent any additional agricultural land in this State or any interest in agricultural land in this State on or after the effective date

1 of this Act.

A prohibited entity that directly or indirectly owns or acquires agricultural land in this State or owns or acquires any interest in agricultural land in this State before the effective date of this Act must register with the Department within 6 months after the effective date of this Act. The Department must establish a form for those registrations that, at minimum, includes all of the following:

- (1) the name of the owner of the agricultural land or the owner of the interest in that land;
- (2) the address of the agricultural land, the property appraiser's parcel identification number, and the property's legal description; and
 - (3) the number of acres of the agricultural land.

A prohibited entity that fails to timely file a registration with the Department is subject to a civil penalty of \$1,000 for each day that the registration is late. The Department may place a lien against the unregistered agricultural land for the unpaid balance of any penalties assessed under this Section.

(d) Notwithstanding the provisions of this Section, a prohibited entity may acquire agricultural land on or after the effective date of this Act by devise or descent, through the enforcement of security interests, or through the collection of debts, provided that the entity sells, transfers, or otherwise divests itself of the agricultural

- 1 land within 3 years after acquiring the agricultural land.
- 2 (e) At the time of purchase, a buyer of agricultural land
- 3 or an interest in agricultural land must provide an affidavit
- 4 signed under penalty of perjury attesting that the buyer is:
- 5 (1) not a prohibited entity; and
- 6 (2) in compliance with the requirements of this
- 7 Section.
- 8 (f) The failure to obtain or maintain the affidavit does
- 9 not affect the title or insurability of the title for the
- 10 agricultural land or subject the closing agent to civil or
- 11 criminal liability, unless the closing agent has actual
- 12 knowledge that the transaction will result in a violation of
- 13 this Section.
- 14 (g) The Department may initiate a civil action in the
- 15 circuit court of the county in which the property is located
- for the forfeiture of the agricultural land or any interest in
- 17 that land.
- 18 (h) The Department shall adopt rules to implement this
- 19 Section, including rules establishing the form for the
- affidavit required under subsection (e).
- 21 Section 20. Purchase of real property on or around
- 22 military installations or critical infrastructure facilities
- 23 by foreign principals prohibited.
- 24 (a) As used in this Section:
- 25 "Critical infrastructure facility" means any of the

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1	following,	if	it	employs	measures	such	as	fences,	barriers,	or
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- 2 guard posts that are designed to exclude unauthorized persons:
- 3 (1) a chemical manufacturing facility;
- 4 (2) a refinery;
- 5 (3) an electrical power plant;
- 6 (4) a water treatment facility or wastewater treatment 7 plant;
- 8 (5) a liquid natural gas terminal;
 - (6) a telecommunications central switching office;
- 10 (7) a gas processing plant, including a plant used in 11 the processing, treatment, or fractionation of natural 12 gas; and
- 13 (8) an airport.

Section 5.

- "Department" means the Department of Commerce and Economic
 Opportunity.
- "Foreign country of concern" has the same meaning as in
- 18 "Foreign principal" means:
- 19 (1) the government or any official of the government 20 of a foreign country of concern;
- 21 (2) a political party or member of a political party
 22 or any subdivision of a political party in a foreign
 23 country of concern;
- 24 (3) a partnership, association, corporation, 25 organization, or other combination of persons organized 26 under the laws of or having its principal place of

business in a foreign country of concern, or a subsidiary

of such entity;

- (4) any person who is domiciled in a foreign country of concern and is not a citizen or lawful permanent resident of the United States; or
- (5) any person, entity, or collection of persons or entities, described in paragraphs (1) through (4) having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in this State.

"Military installation" means a base, camp, post, station, yard, or center encompassing at least 10 contiguous acres that is under the jurisdiction of the Department of Defense or its affiliates.

- (b) A foreign principal may not directly or indirectly own, have a controlling interest in, or acquire by purchase, grant, devise, or descent any interest, except a de minimis indirect interest, in real property on or within 10 miles of any military installation in this State or critical infrastructure facility in this State. A foreign principal has a de minimis indirect interest if the ownership is the result of the foreign principal's ownership of registered equities in a publicly traded company owning the land and if the foreign principal's ownership interest in the company is either:
 - (1) less than 5% of any class of registered equities

or less than 5% in the aggregate in multiple classes of registered equities; or

- (2) a noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940 and is not a foreign entity.
- (c) A foreign principal that directly or indirectly owns or acquires any interest in real property on or within 10 miles of any military installation or critical infrastructure facility in this State before the effective date of this Act may continue to own or hold that real property but, except as provided in subsections (e) and (f), may not purchase or otherwise acquire by grant, devise, or descent any additional real property on or within 10 miles of any military installation or critical infrastructure facility in this State.
- (d) A foreign principal must register with the Department if the foreign principal owns or acquires real property on or within 10 miles of any military installation or critical infrastructure facility in this State as authorized under subsection (e) or if the foreign principal owned or acquired an interest, other than a de minimis indirect interest, in that property before the effective date of this Act. The Department must establish a form for such registration which, at a minimum, includes the following:

- (1) the name of the owner of the real property; and
- 2 (2) the address of the real property, the property
 3 appraiser's parcel identification number, and the
 4 property's legal description.

A foreign principal that fails to timely file a registration with the Department is subject to a civil penalty of \$1,000 for each day that the registration is late. A foreign principal must register a property interest owned before the effective date of this Act within 90 days after the effective date of this Act. A foreign principal who owns or acquires real property on or after the effective date of this Act must register the real property within 30 days after the property is owned or acquired. The Department may place a lien against the unregistered real property for the unpaid balance of any penalties assessed under this paragraph.

- (e) Notwithstanding the provisions of this Section, a foreign principal who is a natural person may purchase one residential real property that is up to 2 acres in size if all of the following apply:
 - (1) the parcel is not on or within 5 miles of any military installation in this State;
 - (2) the person has a current verified United States visa that is not limited to authorizing tourist-based travel or official documentation confirming that the person has been granted asylum in the United States, and that visa or documentation authorizes the person to be

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- 1 legally present within this State; and
- 2 (3) The purchase is in the name of the person who holds 3 the visa or official documentation described in paragraph 4 (2).
 - (f) Notwithstanding the provisions of this Section, a foreign principal may acquire real property or any interest therein which is on or within 10 miles of any military installation or critical infrastructure facility in this State on or after the effective date of this Act, by devise or descent, through the enforcement of security interests, or through the collection of debts, provided that the foreign principal sells, transfers, or otherwise divests itself of such real property within 3 years after acquiring the real property.
 - (g) At the time of purchase, a buyer of the real property that is on or within 10 miles of any military installation or critical infrastructure facility in this State must provide an affidavit signed under penalty of perjury attesting that the buyer is:
 - (1) not a foreign principal or not a foreign principal prohibited from purchasing the subject real property; and
- 22 (2) in compliance with the requirements of this Section.

24 The failure to obtain or maintain the affidavit does not 25 affect the title or insurability of the title for the real 26 property or subject the closing agent to civil or criminal

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- liability, unless the closing agent has actual knowledge that 1 2 the transaction will result in a violation of this Section.
- (h) The Department shall adopt rules to implement this 3 Section, including rules establishing the form for the 5 affidavit required under this Section.
- (i) The Department may initiate a civil action in the 7 circuit court of the county in which the property is located for the forfeiture of the real property or any interest in the property.
- 10 Section 25. Purchase or acquisition of real property by 11 the People's Republic of China prohibited.
 - (a) The following persons or entities may not directly or indirectly own, have a controlling interest in, or acquire by purchase, grant, devise, or descent any interest, except a de minimis indirect interest, in real property in this State:
 - The People's Republic of China, the Chinese (1)Communist Party, or any official or member of the People's Republic of China or the Chinese Communist Party.
 - (2) Any other political party or member of a political party or a subdivision of a political party in the People's Republic of China.
 - (3) A partnership, an association, a corporation, an organization, or any other combination of organized under the laws of or having its principal place of business in the People's Republic of China, or a

- 1 subsidiary of one of those entities.
 - (4) Any person who is domiciled in the People's Republic of China and who is not a citizen or lawful permanent resident of the United States.
 - (5) Any person, entity, or collection of persons or entities described in paragraphs (1) through (4) having a controlling interest in a partnership, association, corporation, organization, trust, or any other legal entity or subsidiary formed for the purpose of owning real property in this State.
 - (b) A person or entity has a de minimis indirect interest if any ownership is the result of the person's or entity's ownership of registered equities in a publicly traded company owning the land and if the person's or entity's ownership interest in the company is either:
 - (1) less than 5% of any class of registered equities or less than 5% in the aggregate in multiple classes of registered equities; or
 - (2) a noncontrolling interest in an entity controlled by a company that is both registered with the United States Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940 and is not a foreign entity.
 - (c) A natural person described in subsection (a) may purchase one residential real property that is up to 2 acres in size if all of the following apply:

- 1 (1) The parcel is not on or within 5 miles of any 2 military installation in this State.
 - (2) The person has a current verified United States visa that is not limited to authorizing tourist-based travel or official documentation confirming that the person has been granted asylum in the United States and such visa or documentation authorizes the person to be legally present within this State.
 - (3) The purchase is in the name of the person who holds the visa or official documentation described in paragraph (2).
 - (d) A person or entity described in subsection (a) that directly or indirectly owns or acquires any interest in real property in this State before the effective date of this Act may continue to own or hold such real property but, except as provided in subsection (g), may not purchase or otherwise acquire by grant, devise, or descent any additional real property in this State.
 - (e) A person or entity described in subsection(a) must register with the Department if the person or entity owns or acquires more than a de minimis indirect interest in real property in this State. The Department must establish a form for such registration which, at a minimum, must include the following:
 - (1) The name of the owner of the real property.
 - (2) The address of the real property, the property

- appraiser's parcel identification number, and the property's legal description.
 - (f) A person or entity that fails to timely file a registration with the Department is subject to a civil penalty of \$1,000 for each day that the registration is late. The Department may place a lien against the unregistered real property for the unpaid balance of any penalties assessed under this paragraph.
 - (g) Notwithstanding subsection (a), a person or an entity described in subsection (a) may acquire real property in this State on or after the effective date of this Act, by devise or descent, through the enforcement of security interests, or through the collection of debts, provided that the person or entity sells, transfers, or otherwise divests itself of that real property within 3 years after acquiring the real property.
 - (h) At the time of purchase, a buyer of real property in this State must provide an affidavit signed under penalty of perjury attesting that the buyer is:
 - (1) not a person or entity described in subsection (a) or that the buyer is a person described in subsection (a) but is authorized to purchase the subject property; and
- 23 (2) in compliance with the requirements of this 24 Section.
- The failure to obtain or maintain the affidavit does not affect the title or insurability of the title for the real

- 1 property or subject the closing agent to civil or criminal
- 2 liability, unless the closing agent has actual knowledge that
- 3 the transaction will result in a violation of this Section.
- 4 (i) If any real property is owned or acquired in violation
- of this Section, the real property may be forfeited to the
- 6 State.
- 7 (j) The Department shall adopt rules to implement this
- 8 Section.
- 9 Section 900. The Property Owned By Noncitizens Act is
- 10 amended by changing Section 7 as follows:
- 11 (765 ILCS 60/7) (from Ch. 6, par. 7)
- 12 Sec. 7. Real property held by noncitizens. Except as
- 13 provided in the Foreign Countries of Concern Act, all All
- 14 noncitizens may acquire, hold, and dispose of real and
- personal property in the same manner and to the same extent as
- 16 natural born citizens of the United States, and the personal
- 17 estate of a noncitizen dying intestate shall be distributed in
- 18 the same manner as the estates of natural born citizens, and
- 19 all persons interested in such estate shall be entitled to
- 20 proper distributive shares thereof under the laws of this
- 21 state, whether they are noncitizens or not.
- 22 This amendatory Act of 1992 does not apply to the
- 23 Agricultural Foreign Investment Disclosure Act.
- 24 (Source: P.A. 102-1030, eff. 5-27-22.)