

South Carolina General Assembly
125th Session, 2023-2024

Bill 576

~~Indicates Matter Stricken~~

Indicates New Matter

(Text matches printed bills. Document has been reformatted to meet World Wide Web specifications.)

Indicates New Matter

February 28, 2023

S. 5

[SEC 3/24/2023 1:20 PM]

Read the first time February 28, 2023

TO AMEND THE SOUTH CAROLINA CODE OF LAWS BY AMENDING SECTION 27-13-30, RELATING TO LIMITATION ON ALIEN LAND OWNERSHIP, SO AS TO PROVIDE THAT CORPORATIONS CONTROLLED BY A FOREIGN ADVERSARY CANNOT ACQUIRE AN INTEREST IN REAL PROPERTY IN THIS STATE; TO DEFINE NECESSARY TERMS; AND TO REDUCE THE AMOUNT OF REAL PROPERTY THAT AN ALIEN CORPORATION MAY ACQUIRE AN INTEREST IN FROM FIVE HUNDRED THOUSAND ACRES TO ONE THOUSAND ACRES.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 27-13-30 of the S.C. Code is amended to read:

Section 27-13-30. (A) For the purposes of this section:

(1) "Alien" means a person who is not a citizen of the United States.

(2) "Corporation controlled by a foreign adversary" means a legal entity engaged in commerce that:

(a) is wholly owned by a foreign adversary;

(b) has a foreign adversary as a dominant shareholder, directly or indirectly;

(c) is wholly owned by a citizen of a foreign adversary; or

(d) has one or a number of citizens of a foreign adversary whose cumulative ownership is as a dominant shareho

(3) "Foreign adversary" means any foreign government or nongovernment person determined by the United States Secretary of Commerce to have engaged in a long-term pattern or serious instances of conduct significantly adverse to national security of the United States or the security and safety of United States citizens.

(4) "Dominant shareholder" means the single owner of ten percent or more of a legal entity engaged in commerce, stock, securities, or other indicia of ownership; or multiple owners of twenty percent or more of a legal entity engaged in commerce, stock, securities, or other indicia of ownership.

commerce's stock, securities, or other indicia of ownership.

(5) "Interest" means any estate, remainder, or reversion, or portion of the estate, remainder, or reversion, or an interest pursuant to which one party has a right to acquire, receive, access, enjoy, or control legal or equitable title to real property.

(B) Subject to the provisions contained in subsection (C), no alien or corporation controlled by aliens, either in his own right or as trustee, cestui que trust or agent, shall own or control within the limits of this State more than five hundred thousand acres of land. Nothing in this subsection shall apply to lands owned or controlled by any such person or corporation nor to lands mortgaged to such a person or corporation on March 9, 1896, nor shall this section apply to lands conveyed by an alien to a corporation controlled by such alien.

(C) A citizen of a foreign adversary or a corporation controlled by a foreign adversary may not acquire any interest in real property within the limits of this State. The provisions of this subsection do not apply to businesses and industries operating within the limits of the State on December 31, 2022, if the land or real property is acquired for expansion purposes and the expansion is approved by the Secretary of Commerce and the Governor. The provisions of this subsection also do not apply to businesses that on or before March 23, 2023, have received commitments or proposals from the Department of Commerce related to discretionary state incentives, and such businesses shall be eligible to acquire land and real property to establish operations or later expand in the State with the approval of the Secretary of Commerce and the Governor.

(D) The provisions of subsection (C) do not apply to a citizen of a foreign adversary who:

(1) also is a citizen of the United States; or

(2) resides in the United States, and

(a) has been granted lawful permanent resident status by the United States government, and

(b) acquires no more than five acres for residential use.

SECTION 2. Article 1, Chapter 35, Title 15 of the S.C. Code is amended by adding:

Section 15-35-190. (A) For the purposes of this section:

(1) "Party controlled by a foreign adversary" means a legal entity engaged in litigation that:

(a) is wholly owned by a foreign adversary;

(b) is wholly owned by a citizen of a foreign adversary;

(c) is subject to the jurisdiction of a foreign adversary;

(d) has a foreign adversary as a dominant shareholder, directly or indirectly; or

(e) has one or a number of citizens of a foreign adversary whose cumulative ownership is as a dominant shareholder.

(2) "Foreign adversary" means any foreign government or nongovernment person determined by the United States Secretary of Commerce to have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or the security and safety of United States citizens.

(3) "Dominant shareholder" means the single owner of ten percent or more of a legal entity engaged in commerce's stock, securities, or other indicia of ownership; or multiple owners of twenty percent or more of a legal entity engaged in commerce's stock, securities, or other indicia of ownership.

(4) "Abuse of process" means the misuse of the legal process for an ulterior purpose, improper purpose, or a purpose different than the proceeding's intended purpose.

(B) In a civil action initiated by or funded by a party controlled by a foreign adversary, or initiated by any party for the purpose of a foreign adversary deriving some benefit, the party adverse to the party controlled by a foreign adversary is entitled to summary judgment in his favor upon all or any part of the civil action if that party shows to the court that the party controlled by a foreign adversary is engaged in an abuse of process including, but not limited to, the purpose

advancing the foreign adversary's economic, competitive, military, or political advantage rather than settling a dispute between private parties.

(C) If a summary judgment is entered against a party controlled by a foreign adversary, then the party controlled by the foreign adversary may appeal the summary judgment directly to the Supreme Court. The Supreme Court shall hear the appeal on an expedited schedule.

SECTION 3. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 4. This act takes effect upon approval by the Governor.

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