



**SENATE BILL 2424**

By Crowe

AN ACT to amend Tennessee Code Annotated, Title 66, Chapter 2, Part 3, relative to real property ownership.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 66-2-305, is amended by deleting the section and substituting instead:

(a)

(1) A prohibited foreign-party-controlled business or a prohibited foreign party shall not acquire by grant, purchase, devise, descent, or otherwise an interest in non-agricultural land in this state.

(2) A party shall not hold an interest in non-agricultural land as an agent, trustee, or other fiduciary for a prohibited foreign-party-controlled business or a prohibited foreign party.

(3) A prohibited foreign-party-controlled business or a prohibited foreign party that acquires non-agricultural land in violation of this section remains in violation as long as the prohibited foreign-party-controlled business or the prohibited foreign party holds an interest in the non-agricultural land.

(b)

(1) A prohibited foreign-party-controlled business or a prohibited foreign party in violation of this section shall divest itself of the interest in non-agricultural land within two (2) years of the date the entity is found to be in violation.

(2) If a prohibited foreign-party-controlled business or a prohibited foreign party does not divest itself of the interest in non-agricultural land as prescribed in

subdivision (b)(1), then the attorney general and reporter may commence an action pursuant to § 66-2-307.

(c) A violation of this section is a Class A misdemeanor, punishable by a fine of one thousand five hundred dollars (\$1,500) or confinement for not more than eleven (11) months and twenty-nine (29) days, or both.

SECTION 2. Tennessee Code Annotated, Section 66-2-306, is amended by deleting the section and substituting instead:

(a) A prohibited foreign-party-controlled business or a prohibited foreign party that holds an interest in non-agricultural land in this state on or after January 1, 2025, shall register the interest in such land with the secretary of state.

(b) Registration pursuant to subsection (a) must be made:

(1) In such form and manner as prescribed by the secretary of state; and

(2) Within the later of sixty (60) days after:

(A) January 1, 2025; or

(B) The date the prohibited foreign-party-controlled business or the prohibited foreign party acquires the interest in non-agricultural land.

(c) The secretary of state shall require that registration pursuant to this section includes:

(1) The legal name, street address, mailing address, if different, and the birthplace and nationality of the prohibited foreign party or the prohibited foreign party that owns a controlling interest in the prohibited foreign-party-controlled business that owns the interest in non-agricultural land;

(2) The legal name, street address, mailing address, if different, and the birthplace and nationality of the agent, trustee, or fiduciary of the prohibited

foreign party or prohibited foreign-party-controlled business described in subdivision (c)(1), if specifically authorized to:

(A) Purchase the non-agricultural land; or

(B) Supervise the daily operations on the non-agricultural land;

(3) A statement of the purpose for conducting business in this state;

(4) A description of the purpose of the interest in non-agricultural land in this state as it relates to the stated business purpose of subdivision (c)(3);

(5) The legal name, street address, and mailing address of any parent of the registering party, including the legal name, street address, and mailing address of any subsidiary or intermediary of the parent;

(6) The legal name, street address, and mailing address of any subsidiary of the registering party; and

(7) A listing of all other interests in non-agricultural land that are held directly or indirectly by the registering party, parent of the registering party, or subsidiary or intermediary of the parent in the United States that exceeds, in the aggregate, two hundred fifty (250) acres.

(d) If the secretary of state finds that a prohibited foreign-party-controlled business or a prohibited foreign party has acquired or holds title to or an interest in non-agricultural land in this state in violation of this part, then the secretary of state shall report the violation to the attorney general and reporter.

(e) If the secretary of state finds that a prohibited foreign-party-controlled business or a prohibited foreign party violated this part by failing to timely register as required under this section, then the secretary of state shall assess a civil penalty not to exceed two thousand dollars (\$2,000) for each violation.

SECTION 3. This act takes effect July 1, 2026, the public welfare requiring it.

Amendment No. 1 to SB2424

Bailey  
Signature of Sponsor

**AMEND Senate Bill No. 2424**

**House Bill No. 1788\***

by deleting all language after the enacting clause and substituting:

SECTION 1. Tennessee Code Annotated, Title 66, Chapter 2, Part 3, is amended by adding the following as a new section:

This part is known and may be cited as the "Sen. Frank Niceley National Security and Economic Protection Act."

SECTION 2. Tennessee Code Annotated, Section 66-2-305, is amended by deleting the section and substituting instead:

(a)

(1) A prohibited foreign-party-controlled business or a prohibited foreign party shall not acquire by grant, purchase, devise, descent, or otherwise an interest in non-agricultural land in this state.

(2) A party shall not hold an interest in non-agricultural land as an agent, trustee, or other fiduciary for a prohibited foreign-party-controlled business or a prohibited foreign party.

(3) A prohibited foreign-party-controlled business or a prohibited foreign party that acquires non-agricultural land in violation of this section remains in violation as long as the prohibited foreign-party-controlled business or the prohibited foreign party holds an interest in the non-agricultural land.

(b)

(1) A prohibited foreign-party-controlled business or a prohibited foreign party in violation of this section shall divest itself of the interest in non-agricultural land within two (2) years of the date the entity is found to be in violation.

(2) If a prohibited foreign-party-controlled business or a prohibited foreign party does not divest itself of the interest in non-agricultural land as prescribed in subdivision (b)(1), then the attorney general and reporter may commence an action pursuant to § 66-2-307.

(c) A violation of this section is a Class A misdemeanor, punishable by a fine of one thousand five hundred dollars (\$1,500) or confinement for not more than eleven (11) months and twenty-nine (29) days, or both.

SECTION 3. Tennessee Code Annotated, Section 66-2-306, is amended by deleting the section and substituting instead:

(a) A prohibited foreign-party-controlled business or a prohibited foreign party that holds an interest in non-agricultural land in this state on or after January 1, 2025, shall register the interest in such land with the secretary of state.

(b) Registration pursuant to subsection (a) must be made:

(1) In such form and manner as prescribed by the secretary of state; and

(2) Within the later of sixty (60) days after:

(A) For a prohibited foreign-party-controlled business, January 1, 2025;

(B) For a prohibited foreign party, January 1, 2027; or

(C) The date the prohibited foreign-party-controlled business or the prohibited foreign party acquires the interest in non-agricultural land.

(c) The secretary of state shall require that registration pursuant to this section includes:

(1) The legal name, street address, mailing address, if different, and the birthplace and nationality of the prohibited foreign party or the prohibited foreign

party that owns a controlling interest in the prohibited foreign-party-controlled business that owns the interest in non-agricultural land;

(2) The legal name, street address, mailing address, if different, and the birthplace and nationality of the agent, trustee, or fiduciary of the prohibited foreign party or prohibited foreign-party-controlled business described in subdivision (c)(1), if specifically authorized to:

(A) Purchase the non-agricultural land; or

(B) Supervise the daily operations on the non-agricultural land;

(3) A statement of the purpose for conducting business in this state;

(4) A description of the purpose of the interest in non-agricultural land in this state as it relates to the stated business purpose of subdivision (c)(3);

(5) The legal name, street address, and mailing address of any parent of the registering party, including the legal name, street address, and mailing address of any subsidiary or intermediary of the parent;

(6) The legal name, street address, and mailing address of any subsidiary of the registering party; and

(7) A listing of all other interests in non-agricultural land that are held directly or indirectly by the registering party, parent of the registering party, or subsidiary or intermediary of the parent in the United States that exceeds, in the aggregate, two hundred fifty (250) acres.

(d) If the secretary of state finds that a prohibited foreign-party-controlled business or a prohibited foreign party has acquired or holds title to or an interest in non-agricultural land in this state in violation of this part, then the secretary of state shall report the violation to the attorney general and reporter.

(e) If the secretary of state finds that a prohibited foreign-party-controlled business or a prohibited foreign party violated this part by failing to timely register as

required under this section, then the secretary of state shall assess a civil penalty not to exceed two thousand dollars (\$2,000) for each violation.

SECTION 4. Tennessee Code Annotated, Section 66-2-302(9)(B), is amended by deleting the subdivision and substituting instead:

(B) Does not mean a qualified alien;

SECTION 5. Tennessee Code Annotated, Section 66-2-302, is amended by adding the following as a new subdivision:

( ) "Qualified alien" means a qualified alien as defined by 8 U.S.C. § 1641(b);

SECTION 6. This act takes effect July 1, 2026, the public welfare requiring it.