Senate Bill 420

16

By: Senators Anavitarte of the 31st, Goodman of the 8th, Beach of the 21st, Cowsert of the 46th, Gooch of the 51st and others

**AS PASSED** 

## A BILL TO BE ENTITLED AN ACT

To amend Code Section 1-2-11 of the Official Code of Georgia Annotated, relating to rights 1 2 of aliens generally, purchase, holding, and conveyance of realty, so as to provide for a 3 limitation regarding property rights for certain foreign persons and entities; to amend 4 Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general provisions 5 relative to agriculture, so as to prohibit the acquisition of possessory interest in certain land 6 by certain foreign persons and entities; to provide for definitions; to provide for exceptions; 7 to provide for civil actions; to provide for rules and regulations; to provide for disclosures; 8 to provide for penalties; to provide for statutory construction; to amend Title 44 of the 9 Official Code of Georgia Annotated, relating to property, so as to provide for 10 transfer-on-death deeds; to provide for definitions; to provide for execution and recording 11 of such deeds; to provide for a deed form; to provide for revocation or changing of grantee 12 beneficiaries; to provide that such deeds shall not be revoked by wills; to provide for taking 13 of interests free and clear of claims; to provide for lapsing of transfers; to provide for record 14 owners to retain title; to provide for joint ownership; to provide for related matters; to 15 provide for an effective date; to repeal conflicting laws; and for other purposes.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

17	SECTION 1.			
18	Code Section 1-2-11 of the Official Code of Georgia Annotated, relating to rights of aliens			
19	generally, purchase, holding, and conveyance of realty, is amended by revising subsection			
20	(b) as follows:			
21	"(b) Aliens who are subjects of governments at peace with the United States and this state,			
22	as long as their governments remain at peace with the United States and this state, shall be			
23	entitled to all the rights of citizens of other states who are temporarily in this state and shall			
24	have the privilege of purchasing, holding, and conveying real estate in this state except as			
25	provided by Code Section 2-1-7.			
26	SECTION 2.			
27	Chapter 1 of Title 2 of the Official Code of Georgia Annotated, relating to general provisions			
28	relative to agriculture, is amended by adding a new Code section to read as follows:			
29	" <u>2-1-7.</u>			
30	(a) As used in this Code section, the term:			
31	(1) 'Agent of a foreign government' means:			
32	(A) Any person who acts as an agent, representative, employee, or servant, or any			
33	person who acts in any other capacity at the order, request, or under the direction or			
34	control, of a foreign government or of a person any of whose activities are directly or			
35	indirectly supervised, directed, controlled, financed, or subsidized in whole or in major			
36	part by a foreign government, and who directly or through any other person:			
37	(i) Engages within the United States in political activities for or in the interests of			
38	such foreign government;			
39	(ii) Acts within the United States as a public relations counsel, publicity agent.			
40	information service employee, or political consultant for or in the interests of such			
41	foreign government;			

42	(111) Within the United States solicits, collects, disburses, or dispenses contributions,
43	loans, money, or other things of value for or in the interests of such foreign
44	government; or
45	(iv) Within the United States represents the interests of such foreign government
46	before any agency or official of the government of the United States; and
47	(B) Any person who agrees, consents, assumes, or purports to act as, or who is or holds
48	himself or herself out to be, whether or not pursuant to a contractual relationship, a
49	person described in subparagraph (A) of this paragraph.
50	(2) 'Agricultural land' means any land capable of use in the production of agricultural
51	crops, timber, livestock or livestock products, poultry or poultry products, milk or dairy
52	products, or fruit or other horticultural products, but does not include any land zoned by
53	a local governmental unit for a use other than and nonconforming with agricultural use.
54	(3) 'Nonresident alien' means:
55	(A)(i) Any natural person described in subsection (a) of Code Section 1-2-11 who is
56	not a United States citizen or legal resident, is an agent of a foreign government
57	designated as a foreign adversary by the United States Secretary of Commerce
58	pursuant to 15 C.F.R. Section 7.4, and:
59	(I) Has been physically absent from the United States for more than six months out
60	of the most recent 12 months preceding the acquisition of a possessory interest
61	described in this Code section; or
62	(II) Has been physically absent from Georgia for more than two months out of the
63	most recent 12 months preceding the acquisition of a possessory interest described
64	in this Code section.
65	(ii) The provisions of this subparagraph shall not be in conflict with the federal Fair
66	Housing Act.
67	(B) A corporation, partnership, limited partnership, trustee, or other business entity that
68	<u>is:</u>

69 (i) Domiciled in a country whose government is designated as a foreign adversary by 70 the United States Secretary of Commerce pursuant to 15 C.F.R. Section 7.4; or 71 (ii) Domiciled within the United States, but the ownership of at least 25 percent of 72 which is composed of any corporation, partnership, limited partnership, trustee, or 73 other business entity that is domiciled in a country whose government is designated as a foreign adversary by the United States Secretary of Commerce pursuant to 15 74 75 C.F.R. Section 7.4: 76 provided, however, that this subparagraph shall not include a corporation, partnership, limited partnership, trustee, or other business entity leasing land from its owner and 77 78 using such land for agricultural research and development or experimental purposes, 79 including testing, developing, or producing crop production inputs, including, but not limited to, seeds, plants, pesticides, soil amendments, biologicals, and fertilizers, for 80 81 sale or resale to farmers; or 82 (C) A foreign government designated as a foreign adversary by the United States 83 Secretary of Commerce pursuant to 15 C.F.R. Section 7.4. (4) 'Residential property' means real estate intended to be used as the purchaser's 84 85 dwelling, as such term is defined in Code Section 8-3-201. 86 (b)(1) Except as provided by subsections (c) and (d) of this Code section, no nonresident 87 alien shall acquire directly or indirectly any possessory interest in agricultural land or 88 land within a ten-mile radius of any military base, military installation, or military airport. 89 (2) This subsection shall not apply to residential property. 90 (c)(1)(A) A nonresident alien may acquire a possessory interest in agricultural land or land within a ten-mile radius of any military base, military installation, or military 91 airport by devise or inheritance, as security for indebtedness, in the collection of debts, 92 or by any procedure for the enforcement of a lien or claim thereon, whether created by 93 94 mortgage or otherwise.

95 (B) Any such possessory interest in agricultural land or land within a ten-mile radius 96 of any military base, military installation, or military airport acquired by a nonresident 97 alien in the collection of debts or by any procedure for the enforcement of a lien or 98 claim thereon shall be disposed of within two years after acquiring such possessory 99 interest. 100 (C) Any such possessory interest in agricultural land or land within a ten-mile radius 101 of any military base, military installation, or military airport acquired by a nonresident 102 alien by devise or inheritance shall be disposed of within one year after acquiring such 103 possessory interest. 104 (2) A nonresident alien with any possessory interest in agricultural land or land within a ten-mile radius of any military base, military installation, or military airport as of 105 June 30, 2024, shall dispose of such possessory interest no later than June 30, 2027. 106 107 (d) A nonresident alien that acquires a possessory interest in agricultural land or land 108 within a ten-mile radius of any military base, military installation, or military airport 109 pursuant to subsection (c) of this Code section may avoid disposing of such interest if, within the time required for disposal, such nonresident alien terminates said nonresident 110 111 alien status. 112 (e) A broker who is engaged by client who is a prospective buyer or seller of a possessory 113 interest in agricultural land or land within a ten-mile radius of any military base, military 114 installation, or military airport shall timely disclose to said client the requirements and 115 limitations of this Code section. For purposes of this subsection, the terms 'broker,' 'client,' 116 and 'timely' shall have the same meanings as provided in Code Section 10-6A-3. 117 (f) A nonresident alien that purports to acquire any interest in agricultural land or land within a ten-mile radius of any military base, military installation, or military airport in 118 violation of this Code section shall be barred from making any claim against any party for 119 restitution of the purchase price paid by such nonresident alien in connection with such 120 121 interest in agricultural land or land within a ten-mile radius of any military base, military

installation, or military airport or for any other kind of payment relating to the nonresident 122 alien's loss or lack of title to such interest in agricultural land or land within a ten-mile 123 124 radius of any military base, military installation, or military airport. The legal counsel of 125 any county, municipality, or consolidated government in which the agricultural land or land within a ten-mile radius of any military base, military installation, or military airport is 126 located, the Attorney General, or any person that is not a nonresident alien that was a party 127 to the void transaction or is a subsequent holder of such interest may file an action to void 128 129 the conveyance and have the interest revert to the previous owner. (g) An individual who intentionally violates the provisions of this Code section shall be 130 guilty of a felony and shall be punished by a fine of not more than \$15,000.00 and 131 132 imprisonment for not less than one year nor more than two years."

SECTION 3.

134 Title 44 of the Official Code of Georgia Annotated, relating to property, is amended by adding a new chapter to read as follows:

136 "<u>CHAPTER 17</u>

- 137 <u>44-17-1.</u>
- 138 As used in this chapter, the term:
- (1) 'Interest in real estate' means any estate or interest in, over or under land, including
- surface, minerals, structures, fixtures, and easements.
- (2) 'Joint owner' means a person that owns an interest in real estate as a joint tenant with
- right of survivorship.

- 143 <u>44-17-2.</u>
- (a) An interest in real estate may be titled in a transfer-on-death form by recording a deed,
- signed by the record owner of the interest, designating a grantee beneficiary or
- beneficiaries of the interest. Such deed shall transfer ownership of such interest upon the
- death of the record owner. A transfer-on-death deed need not be supported by
- consideration.
- 149 (b) The signature, consent, or agreement of or notice to a grantee beneficiary or
- beneficiaries of a transfer-on-death deed shall not be required for any purpose during the
- lifetime of the record owner.
- 152 (c) To accept real estate pursuant to a transfer-on-death deed, a designated grantee
- beneficiary shall execute an affidavit affirming:
- (1) Verification of the record owner's death;
- 155 (2) Whether the record owner and the designated grantee beneficiary were married at the
- time of the record owner's death; and
- 157 (3) A legal description of the real estate.
- 158 (d) The designated grantee beneficiary shall attach a copy of the record owner's death
- certificate to the affidavit provided for in subsection (c) of this Code section. For a record
- owner's death occurring on or after July 1, 2024, the designated grantee beneficiary shall
- record such affidavit and related documents with the office of the clerk of superior court
- of the county where the real estate is located within nine months of the record owner's
- death or the interest in the property shall revert to the deceased record owner's estate;
- provided, however, that for a record owner's death occurring before July 1, 2024, such
- recording of the affidavit provided for in subsection (c) of this Code section and related
- documents by the designated grantee beneficiary or beneficiaries shall not be subject to the
- nine-month time limitation.

168	<u>44-17-3.</u>		
169	An interest in real estate may be titled in a transfer-on-death form by executing, attesting.		
170	and recording in the office of the clerk of superior court of the county where the real estate		
171	is located, prior to the death of the record owner, a deed in substantially the following		
172	<u>form:</u>		
173	'AFTER RECORDING, PLEASE RETURN TO:		
174			
175	(Name)		
176			
177			
178	(Address)		
179	STATE OF		
180	COUNTY OF		
181	TRANSFER-ON-DEATH DEED UNDER O.C.G.A. § 44-17-3		
182	THIS INDENTURE is made the day of, 20, between		
183	(name of record owner), a resident of (hereinafter		
184	called "Grantor"), and, a resident of (hereinafter called		
185	"Grantee").		
186	WITNESSETH:		
187	Grantor, being of competent mind and having the legal capacity to execute this		
188	document, as record owner, does hereby grant, bargain, sell, transfer, alien, convey, and		

189 confirm on death to Grantee, as beneficiary, the following described interest in real 190 estate: 191 (insert description of the interest in real estate). 192 TO HAVE AND TO HOLD the said described property, with all and singular the rights, 193 members and appurtenances thereof, to the same being, belonging, or in anywise 194 appertaining, to the only proper use, benefit and behoof of the said Grantee forever in 195 FEE SIMPLE, but subject to the following limitations: THIS TRANSFER-ON-DEATH 196 DEED IS REVOCABLE. IT DOES NOT TRANSFER ANY OWNERSHIP UNTIL THE DEATH OF THE GRANTOR. IT REVOKES ALL PRIOR BENEFICIARY 197 198 DESIGNATIONS BY THIS GRANTOR FOR THIS INTEREST IN REAL ESTATE. 199 THE GRANTOR HAS THE RIGHT TO WITHDRAW OR RESCIND THIS DEED AT 200 ANY TIME. ANY BENEFICIARY NAMED IN THIS DEED IS HEREBY ADVISED 201 THAT THIS DEED MAY BE WITHDRAWN OR RESCINDED WHETHER OR NOT 202 MONEY OR ANY OTHER CONSIDERATION WAS PAID OR GIVEN. 203 Grantor will warrant and forever defend the right and title to the said described property 204 unto the said Grantee against the claims of all persons claiming by, under or through 205 Grantor, subject to the restrictions and limitations set forth in this instrument. 206 IN WITNESS WHEREOF, the Grantor(s) declare(s) that this deed is a revocable 207 transfer-on-death deed of the real property described herein and has(ve) signed and sealed 208 this deed, the day and year above written. 209 (SEAL) (Signature of Grantor) 210

	(SEAL)	
(Signature of Grantor)		
Signed, sealed, declared and delivered		
in the presence of:		
<u>Unofficial Witness</u>	_	
	<u> </u>	
Notary Public		
My Commission Expires:		
(SEAL)'		
44-17-4.		
(a) A record owner of an interest in real estate who has titled such interest in a		
transfer-on-death deed form and designated a beneficiary or beneficiaries in the manner		
provided in this chapter may revoke such designation of the grantee beneficiary or		
beneficiaries at any time prior to the death of such record owner, by executing,		
acknowledging, and recording in the office of the clerk of superior court of the county		
where the real estate is located an instrument revoking such designation. The instrument		
of revocation shall refer to the initial transfer-on-death deed, shall be signed by the record		
owner or such record owner's duly authorized attorney-in-fact, and such signature shall be		
attested by an officer as provided in Code Section 44-2-15 and attested by two other		

231 witnesses. Such revocation may be included in another deed or other instrument of 232 conveyance that is recorded. The signature, consent, or agreement of or notice to the designated grantee beneficiary or beneficiaries to the revocation shall not be required. 233 234 (b) A record owner of an interest in real estate who has titled such interest in a transfer-on-death deed form and designated a beneficiary or beneficiaries in accordance 235 with this chapter may change such designation of the grantee beneficiary or beneficiaries 236 237 at any time prior to the death of such record owner, by executing, acknowledging, and recording in the office of the clerk of superior court of the county where the real estate is 238 239 located a subsequent transfer-on-death deed in accordance with this chapter. The signature, 240 consent, or agreement of or notice to the designated grantee beneficiary or beneficiaries shall not be required. A subsequent transfer-on-death beneficiary designation revokes all 241 prior designations of grantee beneficiary or beneficiaries by the record owner for the 242 243 interest in real estate. (c) A transfer-on-death deed executed, acknowledged, and recorded in accordance with 244 245 this chapter may not be revoked by the provisions of a will.

- 246 <u>44-1</u>7-5.
- 247 (a) A grantee beneficiary or the beneficiaries of a transfer-on-death deed shall take the 248 interest in real estate of the record owner at the death of such record owner, free and clear 249 of any claims or interest as to a person who became the spouse of the record owner 250 subsequent to the execution of the transfer-on-death deed, subject to all recorded 251 conveyances, assignments, contracts, mortgages, liens, and security pledges made by the 252 record owner or to which the record owner was subject during the lifetime of such record 253 owner including, but not limited to, any recorded executory contract of sale, option to purchase, lease, license, easement, mortgage, deed of trust or lien, and to any interest 254 255 conveyed by the record owner that is less than all of the record owner's interest in the 256 property; provided, however, that a nonconsensual lien against the grantee beneficiary or

beneficiaries shall not attach to the property until the recording of the affidavit described 257 258 in Code Section 44-17-2. 259 (b) If one or more of the designated grantee beneficiaries dies prior to the death of the record owner, the transfer to those beneficiaries who predecease the record owner shall 260 lapse and shall be deemed revoked. In the event the grantee beneficiary or beneficiaries 261 are designated in the deed to be joint tenants with right of survivorship, the death of one 262 263 or more of the designated grantee beneficiaries prior to the death of the record owner shall 264 not invalidate an otherwise validly created joint tenancy estate as to those designated 265 grantee beneficiaries who are living at the time of the death of the record owner. 266 44-17-6. A record joint owner of an interest in real estate may use the provisions of this chapter to 267 title the interest in a transfer-on-death form; provided, however, that title to the interest 268 shall vest in the designated grantee beneficiary or beneficiaries only if the record joint 269 270 owner is the last to die of all of the record joint owners of the interest. A deed in a 271 transfer-on-death form shall not sever a joint tenancy. 272 44-17-7. 273 A record owner who executes a transfer-on-death deed shall remain the legal and equitable owner until the death of such record owner, and during his or her lifetime shall be 274 275 considered an absolute owner with regard to creditors and purchasers." 276 **SECTION 4.** 277 This Act shall become effective on July 1, 2024. 278 **SECTION 5.** 

All laws and parts of laws in conflict with this Act are repealed.

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