BILL SUMMARY 2nd Session of the 59th Legislature

Bill No.:	HB3125
Version:	INT
Request Number:	9241
Author:	Williams
Date:	2/15/2024
Impact:	ODAFF: See analysis below
-	OAG: \$720,000/yr

Research Analysis

HB 3125, as introduced, prohibits foreign ownership of real property and agricultural land. The measure outlines groups to be considered prohibited parties. Resident aliens are exempt from this provision and allowed to purchase agricultural land in the state during their stay, but they must divest upon losing residency.

The measure establishes a two-year period for divestment, and if a prohibited foreign party or a prohibited foreign-party-controlled business fails to comply, they will be subject to penalties. County clerks will not accept and record deeds without an affidavit ensuring compliance.

Additionally, the measure creates the Office of Agricultural Intelligence within the Oklahoma Department of Agriculture, Food, and Forestry to collect and analyze information related to unlawful sales and enforce the provisions of the act.

Finally, the measure repeals the following:

- <u>60. O.S. Section 121</u> relating to Ownership of Personal and Real Property by Aliens;
- <u>60. O.S. Section 122</u> relating to Inapplicability of Article;
- <u>60. O.S. Section 123</u> relating to Five-Year Limitation;
- <u>60. O.S. Section 124</u> relating to Alien Holding Lands in Contravention to Provisions of This Article;
- <u>60. O.S. Section 125</u> relating to Initiation of Suit;
- <u>60. O.S. Section 126</u> relating to Minors and Incompetents as Defendants; and
- <u>60. O.S. Section 127</u> relating to Trial and Judgment.

Prepared By: Autumn Mathews

Fiscal Analysis

This measure creates new law related to property ownership.

Oklahoma Department of Agriculture, Food, and Forestry (ODAFF): Officials from ODAFF have provided the following annual cost estimates for their agency:

Administrative			
Salary	\$95,000.00		
FICA	\$5,890.00		
Medicare	\$1,377.50		
Retirement	\$15,675.00		
Health Insurance	\$20,949.36		
Workers Comp	\$145.84		
Estimated Payroll w/Benefits	\$139,037.70		
Number of Attorneys Needed	2		
		\$278,075.40	Total payroll estimate
Travel*			
Lodging Rate (used \$110 per night)	\$110.00		
Estimated Travel Days	120		
		\$13,200.00	Total lodging estimate
Per Diem Rate (used \$64 per day)	\$64.00		
Estimated Travel Days	120		
		\$7,680.00	Total per diem estimate
Vehicle			
Estimated Cost per Vehicle (2 Wheel Drive P/up)	\$42,500.00		
Quantity Needed	2		
		\$85,000.00	Total vehicle cost estimated
		\$383,955.40	Grand Total Estimate

* Travel costs assume 260 weekdays per year less 21 days (11 holidays, 10 vacation days) = 239 working days per attorney, of which 25% are spent traveling; thus an estimated 60 travel days for 2 attorneys = 120 total travel days per year.

Therefore, ODAFF estimates that HB3125 will cost an estimated \$298,955.40 in annual administrative and travel costs, plus \$85,000 in vehicle purchases, for a grand total of \$383,955.40 of first year costs which may require additional funding to the agency.

Office of the Attorney General (OAG): According to officials from the OAG, the agency would need to hire 4 additional Assistant Attorneys General and a Paralegal for a total cost of \$720,000 per year to implement the provisions of HB3125. The OAG would seek appropriations to defray these costs.

Prepared By: Robert Flipping IV, House Fiscal Staff

Other Considerations

None.

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