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## HOUSE OF REPRESENTATIVES - FLOOR VERSION

## STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

COMMITTEE SUBSTITUTE FOR ENGROSSED SENATE BILL NO. 893

By: Howard and Pederson of the

Senate

and

Caldwell (Chad) and Manger of the House

## COMMITTEE SUBSTITUTE

An Act relating to property and critical infrastructure; creating the Military Installation & Military Operating Areas and Critical Infrastructure Protection Act of 2025; providing short title; defining terms; prohibiting foreign principals from foreign adversary countries from owning, having an interest in, or acquiring agricultural land; describing scope of de minimis indirect interest; directing the sale, transfer, or divestiture of agricultural land under certain circumstances; establishing registration requirements; allowing for the acquisition of agricultural land under certain circumstances; deeming contracts, deeds, or other agreements invalid; assigning the Office of the Attorney General with the responsibility of making certain determinations; granting the Attorney General the authority to commence certain actions in district court; providing for the sale of land through judicial foreclosure; providing payment of a reward to whistleblowers; providing for the disbursement of proceeds; providing for the adoption of rules; prohibiting foreign principals from foreign adversary countries from purchasing, holding, renting, or controlling any property near military bases or installations; requiring the sale, transfer, or

1 divestiture of property within certain time period; deeming contracts, deeds, or other agreements invalid; granting the Attorney General the authority 2 to commence certain actions in district court; providing for the sale of land through judicial 3 foreclosure; providing payment of a reward to whistleblowers; providing for the disbursement of 4 proceeds; assigning the Office of the Attorney 5 General with the responsibility of making certain determinations; establishing guidelines for whistleblowers; providing for referrals to the Office 6 of the Attorney General; establishing rewards for whistleblowers; setting effective date for 7 whistleblower enforcement provision; prohibiting entities and governmental entities from entering into 8 agreements relating to critical infrastructure with 9 foreign principals from foreign adversary countries; authorizing entities and governmental entities to enter into agreements under certain circumstances; 10 requiring companies to file a certification form prior to accessing critical infrastructure; 11 establishing guidelines for maintaining registrations; setting fee for administering 12 certification process; providing for the revocation of certifications; prohibiting the use of certain 13 software in state infrastructure; providing for the replacement of prohibited software; providing 14 software removal and notification requirements; directing the Office of the Attorney General to 15 establish reporting process for non-notified transactions; authorizing the Attorney General to 16 submit memorandums or reports to certain committee; directing the Attorney General to retain certain 17 documents and notify the Legislature and Governor; providing for noncodification; providing for 18 codification; and providing an effective date.

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BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 22

SECTION 1. NEW LAW A new section of law not to be 23

codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Military Installation & Military Operating Areas and Critical Infrastructure Protection Act of 2025".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 128.1 of Title 60, unless there is created a duplication in numbering, reads as follows:

- A. As used in this act:
- 1. "Agricultural land" shall mean a land area that is either arable, under permanent crops, or under permanent pastures. Arable land includes land under temporary crops such as cereals, temporary meadows for mowing or pasture, land under market or kitchen gardens, and land temporarily fallow. Land abandoned as a result of shifting cultivation is excluded. Land under permanent crops is cultivated with crops that occupy the land for long periods and need not be replanted after each harvest, such as orchards or vineyards. This category excludes land under trees grown for wood or timber.

  Permanent pasture land is land used for five (5) or more years for forage, including natural and cultivated crops;
- 2. "Company" shall mean a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or

business associations, that exists to make a profit; or a nonprofit
organization;

- 3. "Critical infrastructure" shall mean systems and assets, whether physical or virtual, so vital to Oklahoma or the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on state or national security, state or national economic security, state or national public health, or any combination of those matters. A critical infrastructure may be publicly or privately owned and includes, but is not limited to:
  - a. gas and oil production, storage, or delivery systems,
  - b. water supply, refinement, storage, or delivery systems,
  - c. telecommunications networks,
  - d. electrical power delivery systems,
  - e. emergency services,
  - f. transportation systems and services, or
  - g. personal data or otherwise classified information storage systems, including cybersecurity;
- 4. "Cybersecurity" shall mean the measures taken to protect a computer, computer network, computer system, or other technology infrastructure against unauthorized use or access;

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- 5. "Domicile" shall mean either the country in which a company is registered, where the affairs of the company are primarily completed, or where the majority of ownership share is held;
- 6. "Foreign adversary" shall mean China, Russia, Iran, and North Korea;
  - 7. "Foreign principal" shall mean:
    - a. the government or any official of the government of a foreign adversary,
    - b. a political party or member of a political party or any subdivision of a political party of a foreign adversary,
    - c. 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 adversary, or a subsidiary of such entity, or owned or controlled wholly or in part by any person, entity, or collection of persons or entities of a foreign adversary,
    - d. any person who is domiciled in a foreign adversary and is not a citizen or lawful permanent resident of the United States, or
    - e. any person, entity, or collection of persons or entities, described in subparagraphs a through d of this paragraph 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;

- 8. "Military base or installation" shall mean any land,
  Military Operating Areas structures, or property owned or controlled
  by any division of the United States Department of Defense, Oklahoma
  National Guard, or any other department of government, state or
  federal, critical to the safety and security of Oklahoma or the
  United States;
- 9. "Non-notified transactions" shall mean foreign investments in the United States that are not voluntarily submitted to the Committee on Foreign Investment in the United States for review under 50 U.S.C., Section 4565;
- 10. "Operational software" shall mean computer programs used for the operation, control, maneuver or maintenance of state infrastructure, or any other computer program applications related to state infrastructure;
- 11. "Software" shall mean any program or routine, or any set of one or more programs or routines, which are used or intended for use to cause one or more computers or pieces of computer related peripheral equipment, or any combination thereof, to perform a task or set of tasks, as it relates to state infrastructure;
- 12. "State infrastructure" shall mean critical infrastructure and transportation infrastructure; and

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- 13. "Transportation infrastructure" shall include, but not be limited to:
  - a. airports including, but not limited to, commercial and intermodal airports and heliports and all airport infrastructure,
  - b. roadways including, but not limited to, publicly accessible streets, roads, highways, and bridges and all roadway infrastructure including, but not limited to, signage, toll booths, weigh stations, and traffic signals,
  - c. railways including, but not limited to, all classes of freight rail and passenger rail and all railway infrastructure including, but not limited to, intermodal rail yards and signals,
  - d. ports including, but not limited to, inland ports, seaports, deepwater ports, inland waterways, and levees and all port infrastructure including, but not limited to, intermodal stations, and
  - e. public transit including bus, ferry, cable car, tram, trolley, and other types of publicly accessible transportation and all public transit infrastructure.
- B. This act does not apply to a company, including third-party vendor, that is in compliance with the Secure and Trusted Communications Networks Act of 2019.

- in the Oklahoma Statutes as Section 128.2 of Title 60, unless there is created a duplication in numbering, reads as follows:
- A. A foreign principal from a foreign adversary country may not directly or indirectly own, have an interest of greater than twenty-five percent (25%) in, or acquire by purchase, grant, devise, or descent agricultural land or any interest, except a de minimis indirect interest, in such land in this state. A foreign principal has a de minimis indirect interest if any ownership is the result of the foreign principal's ownership of registered equities in a publicly traded company owning the land and if the ownership of the foreign principal in the country is either:
- 1. Less than five percent (5%) of any class of registered equities or less than five percent (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 advisor under the Investment Advisers Act of 1940, as amended, and is not a foreign entity.
- B. A foreign principal that directly or indirectly owns or otherwise controls agricultural land, as defined in Section 2 of this act, in this state must sell, transfer, or otherwise divest

- 1 itself of the agricultural land within one hundred eighty (180) days
  2 of the effective date of this act.
  - C. A foreign principal that directly or indirectly owns or acquires agricultural land or any interest in such land in this state shall register with the Oklahoma Department of Agriculture, Food, and Forestry within sixty (60) days of the effective date of this act or the date of acquisition, whichever is latest. The Department shall establish a form for such registration which, at minimum, shall include all of the following:
  - 1. The name of the owner of the agricultural land or the owner of the interest in such land;
  - 2. The address of the agricultural land, the parcel identification number of the property appraiser, and the legal description of the property; and
    - 3. The number of acres of the agricultural land.
  - D. Notwithstanding the provisions of subsection A of this section, a foreign principal from a foreign adversary country 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 foreign principal sells, transfers, or otherwise divests itself of the agricultural land within one hundred eighty (180) days of acquiring the agricultural land.

- E. Any current deeds, contracts, rental agreements, or other legal agreements in conflict with the provisions of this act shall be deemed invalid from the date of adoption unless otherwise provided.
- F. The responsibility for determining whether an entity is subject to the provisions of this section rests solely with the foreign entity, the Attorney General, any qualifying whistleblower, and no other individual or entity. An individual or entity who is not a foreign entity shall not be required to determine or inquire whether another person or entity is or may be subject to this section, and shall bear no civil or criminal liability under the provisions of this section.
- G. If a foreign principal from a foreign adversary country does not divest the real property as required by this section, the Attorney General shall commence an action in district court within the jurisdiction of the real property.
- H. If the real property is held in violation of the provisions of this section, the district court shall order that the real property be sold through judicial foreclosure.
- I. If a whistleblower referral results in a divestiture of land or other assets held in violation of the provisions of this section, the whistleblower shall be entitled to a reward equal to thirty percent (30%) of the proceeds of the land sale that results from the violation of this section after payments to lienholders. Proceeds

of the sale shall be disbursed in the following order, as applicable:

- 1. The payment of authorized costs of the sale, including all approved fees and expenses of the referee and any taxes and assessments due;
- 2. The payment, in an amount approved by the court, to the
  Office of the Attorney General for reimbursement of investigation
  and litigation costs and expenses;
  - 3. To bona fide lienholders, in their order of priority, except for liens which under the terms of the sale are to remain on the property;
  - 4. To whistleblowers; and

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- 5. To the restricted foreign entity.
- J. The Oklahoma Department of Agriculture, Food, and Forestry
  shall adopt rules to implement the provisions of this section.
  - K. Any entity that has a national security agreement with the Committee on Foreign Investment in the United States and continues to maintain that national security agreement may purchase, lease, or acquire a maximum of three hundred and fifty (350) acres of agricultural land for the purposes of:
    - 1. Agricultural research and development; or
- 2. Experimental purposes, including testing, development, or production of any crop production inputs for sale or resale to farmers, including but not limited to:

1 a. seeds,

- 2 b. plants,
  - c. pesticides,
    - d. soil amendments,
    - e. biologicals, or
    - f. fertilizers.
  - SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 128.3 of Title 60, unless there is created a duplication in numbering, reads as follows:
  - A. A foreign principal from a foreign adversary country shall not be allowed to directly or indirectly purchase, hold, rent, or otherwise control any real property within ten (10) miles of a military base or installation and to include military operating areas of each Oklahoma Military base or installation.
  - B. A foreign principal that directly or indirectly controls any real property covered by the provisions of subsection A of this section, excluding temporary contractual agreements such as rental or lease agreements, must sell, transfer, or otherwise divest itself of the property within one hundred eighty (180) days of the effective date of this act.
  - C. Any current deeds, contracts, rental agreements, or other legal agreements in conflict with this act shall be deemed invalid from the date of adoption unless otherwise provided.

- D. If a foreign principal from a foreign adversary country does not divest the real property as required by the provisions of this section, the Attorney General shall commence an action in the district court within the jurisdiction of the real property.
- E. If the real property is held in violation of the provisions of this section, the district court shall order that the real property be sold through judicial foreclosure.
- F. If a whistleblower referral results in a divestiture of land or other assets held in violation of the provisions of this section, the whistleblower shall be entitled to a reward equal to thirty percent (30%) of the proceeds of the land sale that results from the violation of the provisions of this section after payments to lienholders. Proceeds of the sale shall be disbursed in the following order, as applicable:
- 1. The payment of authorized costs of the sale, including all approved fees and expenses of the referee and any taxes and assessments due;
- 2. The payment, in an amount approved by the district court, to the Attorney General for reimbursement of investigation and litigation costs and expenses;
- 3. To bona fide lienholders, in their order of priority, except
  for liens which under the terms of the sale are to remain on the
  property;
  - 4. To whistleblowers; and

- 5. To the restricted foreign entity.
- G. The responsibility for determining whether an entity is subject to this section rests solely with the foreign entity, the Attorney General, any qualifying whistleblower, and no other individual or entity. An individual or entity who is not a foreign entity shall not be required to determine or inquire whether another person or entity is or may be subject to the provisions of this section, and shall bear no civil or criminal liability under the provisions of this section.
- SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 128.4 of Title 60, unless there is created a duplication in numbering, reads as follows:
- A. Any individual may act as a whistleblower and provide a referral to the Office of the Attorney General for violations of the provisions of Section 3 and Section 4 of this act.
- B. If a whistleblower referral results in a divestiture of land or other assets held in violation of the provisions of this act, the whistleblower shall be entitled to a reward equal to thirty percent (30%) of the proceeds of the land sale that results from violation of this act.
- C. The whistleblower enforcement provision shall take effect one hundred eighty (180) days after the effective date of this act.

- SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 13001 of Title 74, unless there is created a duplication in numbering, reads as follows:
  - A. An entity constructing, repairing, operating, or otherwise having significant access to critical infrastructure may not enter into an agreement relating to critical infrastructure in this state with a foreign principal from a foreign adversary country, or use products or services produced by a foreign principal from a foreign adversary country.
  - B. A governmental entity may not enter into a contract or other agreement relating to critical infrastructure in this state with a company that is a foreign principal from a foreign adversary country, or use products or services produced by a foreign principal from a foreign adversary country.
  - C. Notwithstanding the provisions of subsection A and B of this section, an entity or governmental entity may enter into a contract or agreement relating to critical infrastructure with a foreign principal from a foreign adversary country or use products or services produced by a foreign principal from a foreign adversary country if:
  - 1. There is no other reasonable option for addressing the need relevant to state critical infrastructure;
- 23 2. The contract is preapproved by the Office of the Attorney
  24 General; and

- 3. Not entering into such a contract or agreement would pose a greater threat to the state than the threat associated with entering into the contract.
- SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 13002 of Title 74, unless there is created a duplication in numbering, reads as follows:
- A. In order to access critical infrastructure, a company must file a certification form with and pay a certification fee to the Office of the Attorney General. The Office of the Attorney General shall prescribe the registration form to be filed pursuant to the provisions of this section.
- B. To maintain registration as a company with access to critical infrastructure, a company shall:
- 1. Identify all employee positions in the organization that have access to critical infrastructure;
- 2. Before hiring a person described in paragraph 1 of this subsection, obtain from the Oklahoma State Bureau of Investigation or a private vendor criminal history record information relating to the prospective employee and any other background information considered necessary by the company or required by the Office of the Attorney General to protect critical infrastructure from foreign adversary infiltration or interference;
- 3. Prohibit foreign nationals from a foreign adversary from access to critical infrastructure; and

- 4. Be compliant with the provisions of Section 6 of this act.
- C. The Office of the Attorney General shall set the fee in an amount sufficient to cover the costs of administering the certification process but not to exceed One Hundred Fifty Dollars (\$150.00).
- D. The Office of the Attorney General shall provide that a company is compliant with all requirements of this section or revoke certification.
- SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 13003 of Title 74, unless there is created a duplication in numbering, reads as follows:
- A. All software used in state infrastructure located within or serving Oklahoma shall not include any software produced by a federally banned corporation, nor any software banned at the federal level.
- B. All software used in state infrastructure located within or serving Oklahoma shall not include any software produced in or by a foreign adversary, a state-owned enterprise of a foreign adversary, or a company domiciled within a foreign adversary.
- C. All software used in state infrastructure in operation
  within or serving Oklahoma, to include any state infrastructure
  which is not permanently disabled, shall have all software
  prohibited by subsection A or B of this section removed and replaced

- 1 with software which is not prohibited by subsection A or B of this section.
- Any state infrastructure provider that removes, 3 discontinues, or replaces any prohibited software shall not be
- 5 required to obtain any additional permits from any state agency or
- political subdivision for the removal, discontinuance, or 6
- replacement of such software as long as the state agency or 7
- political subdivision is properly notified of the necessary
- 9 replacements and the replacement software is similar to the existing
- 10 software.

- SECTION 9. A new section of law to be codified 11 NEW LAW
- 12 in the Oklahoma Statutes as Section 13004 of Title 74, unless there
- is created a duplication in numbering, reads as follows: 13
- The Office of the Attorney General shall establish a process 14 Α.
- by which local officials, states officials, or other persons may 15
- submit information or concerns to the Office regarding non-notified 16
- 17 transactions in Oklahoma. The Office of the Attorney General may
- adopt any necessary rules to implement the provisions of this 18
- subsection. 19

- The Office of the Attorney General may submit a memorandum 20
- or report concerning non-notified transactions the Attorney General 21
- has identified in Oklahoma to the Committee on Foreign Investment in 22
- the United States. 23
  - The Office of the Attorney General shall:

| 1  | 1. Retain a copy of any documents submitted to the Committee on   |
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| 2  | Foreign Investment in the United States that are included with a  |
| 3  | memorandum or report submitted under the provisions of subsection B   |
| 4  | of this section; and  |
| 5  | 2. Notify the Legislature and the Governor as soon as   |
| 6  | practicable after submitting a memorandum, report, or other   |
| 7  | information pursuant to the provisions of subsection B of this  |
| 8  | section.  |
| 9  | SECTION 10. This act shall become effective November 1, 2025.   |
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| 11 | COMMITTEE REPORT BY: COMMITTEE ON HEALTH AND HUMAN SERVICES OVERSIGHT, dated 04/16/2025 - DO PASS, As Amended and Coauthored. |
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