STATE OF NEW YORK

5301

2023-2024 Regular Sessions

IN ASSEMBLY

March 7, 2023

Introduced by M. of A. SLATER, GANDOLFO, E. BROWN, BRABENEC, BENDETT, LEMONDES, TAGUE, MAHER, DURSO, GRAY, BEEPHAN, MIKULIN, DeSTEFANO, MANKTELOW -- read once and referred to the Committee on Judiciary

AN ACT to amend the real property law, in relation to prohibiting the acquisition of real property by foreign countries and entities of particular concern

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 10 of the real property law, as amended by chapter 272 of the laws of 1944, subdivision 2 as amended by chapter 669 of the laws of 2022, and subdivision 3 as added by chapter 740 of the laws of 1954, is amended to read as follows:

§ 10. Capacity to hold real property. 1. A citizen of the United States is capable of holding real property within this state, and of taking the same by descent, devise or purchase.

2. Noncitizens**, other than those prohibited under subdivision four of this section,** are empowered to take, hold, transmit, and dispose of real property within this state in the same manner as native-born citizens and their heirs and devisees take in the same manner as citizens.

3. For the purpose of maintaining offices and places of residence for its ambassadors and consular officers and for its representatives at the United Nations, a foreign government**, other than those prohibited under subdivision four of this section,** is empowered to hold, transmit and dispose of real property within this state. Title to such property may be taken either in the name of the foreign government or in the name of its ambassador or consul or in the name of its minister to the United Nations. If a conveyance of real property is made to an ambassador or consul or minister of a foreign government as such, or contains appropriate words showing the intention to vest the title in the holder of the office rather than in the named individual, the title to the real property shall pass from time to time without any further conveyance to

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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the respective successors in such office, who shall have full power to dispose of such property.

4. On and after the effective date of the chapter of the laws of two thousand twenty-three that amended this section, the following noncitizens, foreign governments, and foreign entities shall not take real property within this state and shall only transfer or dispose of real property within this state to a person or entity eligible to take such real property under this section:

(a) a governmental entity of a foreign country of particular concern or an entity of particular concern, as identified by the United States department of state;

(b) a company or other entity that is owned by or the majority of stock or other ownership interest of which is held or controlled by a company or entity that is:

(i) headquartered in any foreign country of particular concern, as identified by the United States department of state;

(ii) directly or indirectly held or controlled by the government of any foreign country of particular concern or entity of particular concern, as identified by the United States department of state; or

(iii) owned by or the majority of stock or other ownership interest of which is held or controlled by individuals who are citizens of any foreign country of particular concern or members of an entity of particular concern, as identified by the United States department of state; or

(c) an individual who is a citizen of any foreign country of particular concern or is a member of an entity of particular concern, as identified by the United States department of state.

§ 2. If any clause, sentence, paragraph, section or part of this act shall be adjudged by any court of competent jurisdiction to be invalid and after exhaustion of all further judicial review, the judgment shall not affect, impair or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, section or part of this act directly involved in the controversy in which the judgment shall have been rendered.

§ 3. This act shall take effect immediately.