

WEST VIRGINIA LEGISLATURE

2025 REGULAR SESSION

ENROLLED

Committee Substitute

for

House Bill 2961

BY DELEGATES RIDENOUR, MAYNOR, WARD, BUTLER,
HILLENBRAND, MALLOW, ROOP, JENNINGS, PETITTO,
AKERS, AND PHILLIPS

[Passed April 12, 2025; in effect 90 days from
passage (July 10, 2025)]

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

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1 AN ACT to amend the Code of West Virginia, 1931, as amended by adding a new article,
2 designated §37-3A-1, §37-3A-2, §37-3A-3, §37-3A-4, and §37-3A-5, relating to prohibiting
3 ownership and possession of real property by foreign adversaries; providing definitions;
4 prohibiting the People's Republic of China and its citizens who are not resident aliens or
5 citizens of the United States from acquiring, owning, or transferring any real estate or
6 mineral interests in West Virginia; prohibiting foreign governments, entities, and
7 individuals that have been identified by a majority of Governor, Treasurer, Agriculture
8 Commissioner, Auditor, Attorney General, and Secretary of State, in consultation with the
9 Secretary of Homeland Security, as hostile to the interests of the United States or the
10 State of West Virginia from owning real estate or mineral interests in the state; providing
11 Governor with tie-breaking vote; requiring forbidden entities that own real estate on
12 effective date of article to divest within six months; requiring prohibited businesses that
13 acquire property in violation of article to divest that property within six months; designating
14 judicial sale process to force sale of illegally owned real estate; requiring notice of judicial
15 sale; and establishing good faith protections.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 3A. PREVENTING FOREIGN ADVERSARIES FROM OWNING REAL
ESTATE IN WEST VIRGINIA.**

§37-3A-1. Ownership of real estate in West Virginia.

1 Except as otherwise provided in this article, any resident alien or citizen may acquire,
2 hold, and transfer real estate in this state by deed, will, or other instrument, including in fee simple
3 or any lesser estate.

§37-3A-2. Definitions.

1 As used in this article:

2 “Control” means the power, direct or indirect, whether or not exercised, to determine,
3 direct, or decide important matters affecting an entity, including but not limited to through
4 ownership of at least 20 percent of the total outstanding voting interest, board representation, the
5 ability to appoint or remove board members, proxy voting rights, special shares, contractual
6 arrangements, legal obligations, or other formal or informal mechanisms to act in concert.

7 “Controlling interest” means an ownership interest of 50 percent or more in the aggregate.

8 “Owned or operated in whole or in part” means:

9 (A) For a publicly traded company, the person or entity has the ability to control the
10 company, access any material nonpublic technical information in the possession of the company,
11 or exercise any other rights or involvement in substantive decision-making beyond those of a
12 retail investor holding an equivalent ownership share;

13 (B) For a privately held company, the person or entity possesses any ownership interest.

14 “People’s Republic of China” means all provinces and autonomous regions of the People’s
15 Republic of China, including the Hong Kong Special Administrative Region and the Macao Special
16 Administrative Region, but does not include Taiwan.

17 “Prohibited foreign party” means:

18 (A) A citizen or resident of the People’s Republic of China who is not a resident alien or
19 citizen of the United States;

20 (B) The government of the People’s Republic of China or any of its political subdivisions;

21 (C) Any party other than an individual or government:

22 (i) Created or organized under the laws of any state or foreign country; and

23 (ii) In which a significant interest or substantial control is held directly or indirectly by:

24 (I) A person described in paragraph (A) of this subdivision;

25 (II) A government described in paragraph (B) of this subdivision;

26 (III) Any combination of the above; or

27 (IV) An agent, trustee, fiduciary, or other entity acting on behalf of any of the foregoing;

28 (D) Any foreign government, entity, or individual identified by a majority of the Governor,
29 Treasurer, Agriculture Commissioner, Auditor, Attorney General, and Secretary of State, in
30 consultation with the Secretary of Homeland Security, as hostile to the interests of the United
31 States or the State of West Virginia: *Provided*, That in the event of a tie, the Governor's vote shall
32 serve as the tie-breaking vote.

33 "Prohibited foreign-party-controlled business" means a corporation, company,
34 association, firm, partnership, joint-stock company, trust, estate, or other legal entity in which a
35 controlling interest is owned or operated, in whole or in part, by a prohibited foreign party.

§37-3A-3. Prohibition on Ownership by Prohibited Foreign Parties.

1 (a) A prohibited foreign-party-controlled business may not acquire or own, directly or
2 indirectly, any interest in any real estate in this state, including mineral rights.

3 (b) A person may not hold any interest in real estate as an agent, trustee, or fiduciary on
4 behalf of a prohibited foreign-party-controlled business.

5 (c) Any interest in any real estate that is held on the effective date of this article shall be
6 divested within six months of the effective date of this article.

§37-3A-4. Enforcement; Judicial Sale.

1 (a) A prohibited foreign-party-controlled business that acquires real estate in violation of
2 this article shall divest that interest within six months of acquisition.

3 (b) If the business fails to divest, the Attorney General shall file a civil action in the circuit
4 court of the county where the real estate is located.

5 (c) Upon a circuit court finding by a preponderance of the evidence that a violation of the
6 provisions of this article have occurred, the circuit court shall order the real estate to be sold
7 through judicial sale under terms and conditions that are to be set by the circuit court.

8 (d) Proceeds of the sale shall first be distributed to lienholders according to priority,
9 excluding liens that remain on the real estate under the terms of the sale, and any remaining
10 funds shall be remitted to the prohibited foreign party. Lienholders may credit bid at the sale.

11 (e) If there are no liens against the property, then the full proceeds shall be remitted to the
12 prohibited foreign party.

13 (f) The Attorney General shall promptly file in the office of the county clerk where the real
14 estate is located the following:

15 (1) A notice of the pending action in the county in which the real estate is located upon
16 commencement of the civil action filed pursuant to this article; and

17 (2) Once all appellate rights have been exhausted by the parties, the circuit court's final
18 order that directs the sale of the real estate.

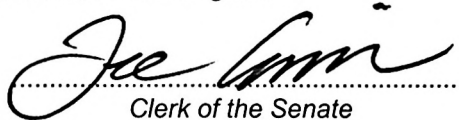
§37-3A-5. Good-Faith Protections.

1 (a) Title to real estate is not rendered invalid or subject to divestiture solely due to a prior
2 violation of this article by a previous owner.

3 (b) A person who is not subject to the prohibitions contained in this article is not required
4 to investigate whether another person or entity is subject to the prohibitions contained in this
5 article.

The Clerk of the House of Delegates and the Clerk of the Senate hereby certify that the foregoing bill is correctly enrolled.


.....
Clerk of the House of Delegates


.....
Clerk of the Senate

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SECRETARY OF STATE

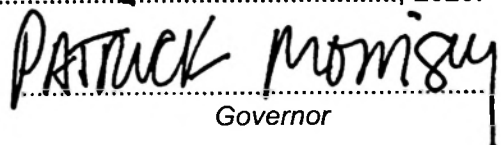
Originated in the House of Delegates.

In effect 90 days from passage.


.....
Speaker of the House of Delegates


.....
President of the Senate

The within is approved this the 28th
Day of April, 2025.


.....
Governor

Arbeitszeugnis

PRESENTED TO THE GOVERNOR

APR 21 2025

Time 11:55am