One-Pager: Louisiana H.B. 125, H.B. 537, and S.B. 91

Last Updated: August 15th, 2023

Background on Land Laws in Louisiana

Louisiana first passed its own version of an "alien land law" in 1921 which placed land ownership restrictions on those it deemed to be "ineligible to citizenship."¹ This was modeled after California's version, which took effect in 1913.²

Topline Points

- Over the course of just one month, Louisiana lawmakers introduced three land law bills in the state legislature.
- All three bills sought to target foreign adversaries (whether they are governments, entities, or individuals) from China, Cuba, Iran, North Korea, Russia, and Venezuela by relying on a federal provision called <u>15 C.F.R. § 7.4</u> "Determination of Foreign Adversaries."
- On June 20th, AAJC issued a <u>press release</u> calling on Gov. John Bel Edwards (D) to veto both H.B. 125 and 537. On June 29th, he signed H.B. 537 into law but vetoed H.B. 125 because he believed it 1) overstepped its authority on national security matters and 2) did not properly define a "foreign adversary."³ S.B. 91 was voted out of the Senate Judiciary Committee but has not progressed through the chamber since May 15th.

AAJC Analysis

The three Louisiana land laws included the following:

- <u>H.B. 125</u> Introduced on March 16, 2023, this bill sought to place property restrictions on agricultural land from those deemed to be "foreign adversaries."
- <u>H.B. 537</u> Introduced on March 31, 2023, this bill duplicated the restrictions laid out in H.B. 125 with respect to real or "immovable" property.
- <u>S.B. 91</u> This bill proposed to prohibit foreign adversaries from purchasing, possessing, leasing or even controlling immovable property. This also includes property within 50 miles of critical infrastructure such as federal or state military land such as bases, ports, or even weather stations operated by the U.S. military. S.B. 91 only explicitly provided protections for people who are legal permanent

² A More Perfect Union: Japanese Americans & the U.S. Constitution, Nat'l Museum of Am. Hist., <u>https://amhistory.si.edu/perfectunion/resources/history.html</u> (last visited Jul. 5, 2023).

¹ La. Const. art. XIX, section 21 (1921); see also Dudley O. McGovney, *The Anti-Japanese Land Laws of California and Ten Other States*, Calif. L. Rev. 35, 7-8 (1947).

³ Notice: Gov. Edwards Concludes Action on the 2023 Legislative Session Bills, June 30, 2023, https://gov.louisiana.gov/index.cfm/newsroom/detail/4183.

residents of the U.S. but does not contain any mentions to visa holders, refugees, asylum seekers, and asylees.⁴

AAJC views any discriminatory land law on non-US individuals to be legally problematic and likely unconstitutional. Moreover, we are deeply concerned about the xenophobic message this sends to the Chinese and Asian American community in Louisiana, as well as other immigrant communities who are impacted by these bills.

Chinese Americans voiced their concerns about these laws such as discriminating against visa holders and freezing them out of the real estate market.⁵ Despite the fact that some protestors were prevented from providing hearing testimony, some amendments were still made to H.B. 537 to narrow its scope.⁶ In fact, it was H.B. 537's own primary sponsor, Rep. Valerie Hodges (R), who later introduced <u>an amendment</u> that provided protections for those who are "lawfully present" in the U.S.

It is also important to note that these bills did not properly anticipate the extent to which Venezuelan and Russian oil and gas interests are connected to the state's economy.⁷ Historically, anywhere from 40 to 50 percent of Venezuelan crude oil makes its way to Louisiana so that it can be refined in the state by companies such as Citgo and Valero.⁸ After sanctions were placed on Venezuela's state-owned oil company by the Trump administration in 2019, many refineries in Louisiana shifted to using Russian oil.⁹

AAJC strongly agrees that discriminatory land laws passed at the state level overstep the federal government's authority on national security matters. This is why we are supporting the <u>Preemption of Real Property Discrimination Act</u> introduced by Rep. Judy Chu (D-CA) and Rep. Al Green (D-TX). This bill would preempt state laws that seek to deny foreign citizens the right to acquire real property in the United States at the federal level.

⁴ Id.

⁵ Sam Karlin, *Bill Targeting Foreign Land Ownership Approved by Legislature After Tweaks*, Nola.com (June 7, 2023), <u>https://www.nola.com/news/politics/legislature/louisiana-passes-foreign-land-ownership-ban-over-protests/article_baa803a2-055c-11ee-a301-f31c7b0054a1.html</u>. ⁶ *Id*.

⁷ Id.

⁸ Louisiana 'Disproportionately Exposed' to Venezuelan Oil Targeted in U.S. Sanctions, Nola.com (Jan. 29, 2019), <u>https://www.nola.com/louisiana-disproportionately-exposed-to-venezuelan-oil-targeted-in-u-s-sanctions/article_d131e222-8b57-5ad6-aa89-8b04a5fecec9.html</u>.

⁹ Timothy Boone and Robert Stewart, *Russian Oil Ban to have Outsized Impact on Louisiana Refineries*, The Advocate (Mar. 9, 2022), <u>https://www.theadvocate.com/baton_rouge/news/business/russian-oil-ban-to-have-outsized-impact-on-louisiana-refineries/article_9a417772-9fc5-11ec-a263-77225d4ab46d.html</u>.