

One-Pager: Michigan H.B. 4233

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Background on Land Laws

In the early 20th century, approximately 15 states implemented laws primarily designed to discourage Asian immigrants from settling permanently in the U.S. by restricting land ownership and leasing rights. Though many of these laws were later struck down or repealed, their legacy persists in modern policies that target foreign nationals from specific countries (primarily China) under the guise of national security. Last legislative session in Michigan, [H.B. 4283](#) was introduced by State Representative Gina Johnsen as one of these discriminatory land laws, and later died in committee. Most recently, Rep. Johnsen introduced [H.B. 4233](#).

Summary of H.B. 4233

- **Land Ownership Prohibition:** H.B 4234 states that a foreign person shall not purchase or acquire agricultural land in Michigan. If they already own agricultural land in the state, they can continue to own it but may not acquire any new agricultural land.
 - *Carveouts:* The bill exempts acquisitions through a will, an individual dying without a will, or anyone acting in good faith who purchases the agricultural land taken for security, or agricultural land that has been acquired through a collection of some type of debt.
- **Key Definitions:**
 - “Agricultural land” is defined as land suitable for farming.
 - “Foreign business” is defined as a corporation incorporated in a foreign country or a business entity with a majority interest directly or indirectly owned by a foreign government. This determination **does not** include trusts, holding companies, multiple corporations.
 - “Foreign government” is defined as any government other than the U.S. or its states and territories.
 - “Foreign person” is defined as any foreign business, government, agent, trustee, or fiduciary of a foreign business or foreign government.
- **Registration and Divestiture Compliance and Enforcement**
 - H.B 4233 states that foreign persons must divest any agricultural land interest if the purchase of the agricultural land and status changes from person to foreign person within 2 years after the enactment of the bill.
 - If the foreign person already holds agricultural land when the bill is enacted, they must register it with the Michigan Secretary of State within 60 days of the bill’s enactment or within 60 days of acquiring the land (whichever date comes first) and contain the name, location, acreage, and if necessary, any foreign principal involved in the land ownership.
 - If there is a violation of the law, the Secretary of State must report it to the Michigan Attorney General who shall initiate court proceedings. If the court finds a violation has occurred, then the land will be sold. Sale proceeds will go to court costs and if applicable, the foreign person divested of the land.

- If there is an untimely registration, a court can impose a civil fine up to \$2,000 for each violation. Violations remain as long as the foreign person holds interest in the agricultural land.

Topline Talking Points

- If enacted, this bill would ignite racism, stoke xenophobia, and encourage racial profiling against covered minority communities. This bill is substantively very similar to many other bills introduced at the state and federal levels in response to largely unsubstantiated concerns of Chinese ownership of property.
- If enacted, this bill would also have a chilling effect for the real estate and farming market in Michigan. Farmland accounts for [more than a quarter](#) of all land in the state, or almost 10 million acres, and passage of this legislation would signal to members of those communities that they are not welcome.
- The scope of this bill could still capture individuals, especially Section 35(9)(f) which specifies that a “foreign person” could be an agent, trustee or fiduciary of a foreign business or government. Without more concise language, this has the potential to capture millions of individuals worldwide who are otherwise simply pursuing commerce.