

104TH GENERAL ASSEMBLY State of Illinois 2025 and 2026 SB2370

Introduced 2/7/2025, by Sen. Jason Plummer

SYNOPSIS AS INTRODUCED:

New Act

Creates the Military Installation and Critical Infrastructure Protection Act. Prohibits a foreign principal from a foreign adversary country from directly or indirectly owning, having an interest of greater than 25% in, or acquire by purchase, grant, devise, or descent agricultural land or any interest except a de minimis indirect interest. Prohibits a foreign principal from a foreign adversary from leasing or purchasing land within 25 miles of a military installation. Voids any current contract in conflict with this Act. Prohibits a foreign principal from accessing critical infrastructure of the State unless approved by the Illinois Emergency Management Agency and bans certain software from being used in the State infrastructure. Defines terms. Makes other changes. Effective July 1, 2025.

LRB104 03774 JRC 13798 b

1 AN ACT concerning civil law.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- 4 Section 1. Short title; purpose.
- 5 (a) This Act may be cited as the Military Installation and
 6 Critical Infrastructure Protection Act.
- 7 (b) The purpose of this Act is to protect military 8 installations and State critical infrastructure by prohibiting 9 foreign adversaries from purchasing land near military bases 10 and from investing in and accessing State critical infrastructure.

12 Section 2. Definitions. In this Act:

(a) "Agricultural land" means a land area that is either 13 14 arable, under permanent crops, or under permanent pastures. Arable land includes land under temporary crops such as 15 16 cereals, temporary meadows for mowing or pasture, land under 17 market or kitchen gardens, and land temporarily fallow. Land abandoned as a result of shifting cultivation is excluded. 18 19 Land under permanent crops is cultivated with crops that 20 occupy the land for long periods and need not be replanted after each harvest, such as orchards or vineyards. This 21 22 category excludes land under trees grown for wood or timber. Permanent pasture land is land used for 5 or more years for 23

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- 1 forage, including natural and cultivated crops.
- (b) "Company" means 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 non-profit organization.

- 9 (c) "Critical infrastructure" means systems and assets, 10 whether physical or virtual, so vital to Illinois or the 11 United States of America that the incapacity or destruction of 12 such systems and assets would have a debilitating impact on 13 State or national security, State or national economic security, State or national public health, or any combination 14 15 of those matters. A critical infrastructure may be publicly or 16 privately owned, and includes, but is not limited to:
- 17 (1) gas and oil production, storage, or delivery 18 systems;
- 19 (2) water supply, refinement, storage, or delivery 20 systems;
 - (3) telecommunications networks;
- 22 (4) electrical power delivery systems;
- 23 (5) emergency services;
- 24 (6) transportation systems and services; or
- 25 (7) personal data or otherwise classified information 26 storage systems, including cybersecurity.

- 1 (d) "Cybersecurity" means the measures taken to protect a 2 computer, computer network, computer system, or other 3 technology infrastructure against unauthorized use or access.
 - (e) "Domicile" means either the country in which a company is registered, or where the company's affairs are primarily completed, or where the majority of ownership share is held.
 - (f) "Foreign adversary" means the People's Republic of China, the Russian Federation, the Islamic Republic of Iran, the Democratic People's Republic of Korea, the Republic of Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian Arab Republic, including any agent of or any other entity under significant control of such foreign adversary, or any other entity deemed by the Governor in consultation with the Attorney General of Illinois.
 - (g) "Foreign entity" means any corporation, business association, partnership, trust, society, or any other entity or group that is not incorporated or organized to do business in the United States, as well as international organizations, foreign governments, and any agency or subdivision of foreign governments.
 - (h) "Foreign principal" means:
 - (1) the government or any official of the government of a foreign adversary;
- (2) a political party or member of a political party
 or any subdivision of a political party of a foreign
 adversary;

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- (3) 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;
- (4) any person who is domiciled in a foreign adversary and is not a citizen or lawful permanent resident of the United States: or
- (5) any person, entity, or collection of persons or entities, described in paragraphs (a) through (d) 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.
- (i) "Non-notified transactions" means 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. 4565.
- (j) "Operational software" means computer programs used for the operation, control, maneuver or maintenance of State infrastructure, or any other computer program applications related to State infrastructure.
- (k) "Software" means any program or routine, or any set of 26 one or more programs or routines, which are used or intended

- 1 for use to cause one or more computers or pieces of computer
- 2 related peripheral equipment, or any combination thereof, to
- 3 perform a task or set of tasks, as it relates to State
- 4 infrastructure, or any operational software.
- 5 (1) "State infrastructure" means Critical Infrastructure
- 6 and Transportation Infrastructure.
- 7 (m) "Transportation infrastructure" includes, but is not
- 8 limited to:
- 9 (1) Airports, including but not limited to commercial 10 and intermodal airports and heliports; and all airport
- infrastructure.
- 12 (2) Roadways, including but not limited to publicly
 13 accessible streets, roads, highways, and bridges; and all
 14 roadway infrastructure, including but not limited to
- signage, toll booths, weigh stations, and traffic signals.
- 16 (3) Railways, including but not limited to all classes
- of freight rail and passenger rail; and all railway
- infrastructure, including but not limited to intermodal
- 19 rail yards and signals.
- 20 (4) Ports, including but not limited to inland ports,
- seaports, deepwater ports, inland waterways, and levees;
- and all port infrastructure, including but not limited to
- 23 intermodal stations.
- 24 (5) Public transit, including bus, ferry, cable car,
- 25 tram, trolley, and other types of publicly accessible
- transportation; and all public transit infrastructure.

- (n) "Military base or installation" means any land, structure, or property owned or controlled by any division of the Department of Defense, Illinois National Guard, or any other department of government, State or federal, critical to the safety and security of Illinois or the United States of America.
- 7 Section 3. Agricultural land purchases.
 - (a) A foreign principal from a foreign adversary country may not directly or indirectly own, have an interest of greater than 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 foreign principal's ownership in the country is either:
 - (1) less than 5% of any class of registered equities or less than 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 subsection (a), in this State must sell, transfer, or otherwise divest itself of the agricultural land within 180 days 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 must register with the Department of Agriculture within 60 days of the enactment of this Act or the date of acquisition, whichever is latest. The Department must establish a form for such registration, which, at minimum, must 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 property appraiser's parcel identification number, and the property's legal description; and
 - (3) The number of acres of the agricultural land.
 - (d) Notwithstanding subsection (a), a foreign principal from a foreign adversary country may acquire agricultural land on or after the passage 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 180 days of acquiring the agricultural land.

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- 1 (e) Any current deeds, contracts, rental agreements, or 2 other legal agreements in conflict with this Act shall be 3 deemed invalid from the date of adoption unless otherwise 4 provided.
- 5 (f) The Department of Agriculture shall adopt rules to 6 implement this Section.
 - (g) The responsibility for determining whether an entity is subject to this Section rests solely with the foreign entity, the Attorney General of Illinois, 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 this Section.
 - (h) If a foreign principal from a foreign adversary country does not divest the public or private lands as required by this Section, the Attorney General shall commence an action in the circuit court within the jurisdiction of the public or private land.
 - (i) If the public or private land is held in violation of this Section, the circuit court shall order that the public or private land be sold through judicial foreclosure.
 - (j) If a whistleblower referral results in a divestiture of land or other assets held in violation of this Section, the whistleblower shall be entitled to a reward equal to 30% of the proceeds of the land sale that results from the violation of

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- 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 Attorney General for reimbursement of investigation and litigation costs and expenses.
 - (3) To bona fide lien holders, in their order of priority, except for liens which under the terms of the sale are to remain on the property.
 - (4) To whistleblowers.
- 13 (5) To the restricted foreign entity.
- Section 4. Prohibited lease or purchase of land or dwellings near military installations.
 - (a) A foreign principal from a foreign adversary country shall not be allowed to directly or indirectly purchase, hold, rent, or otherwise control any property within 25 miles of a military base or installation.
 - (b) A foreign principal that directly or indirectly controls any property covered by subsection (a), excluding temporary contractual agreements such as rental or lease agreements, must sell, transfer, or otherwise divest itself of the property within 180 days of the passage of this Act.
- 25 (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 public or private lands as required by this Section, the Attorney General shall commence an action in the circuit court within the jurisdiction of the public or private land.
 - (e) If the public or private land is held in violation of this Section, the circuit court shall order that the public or private land be sold through judicial foreclosure.
 - (f) If a whistleblower referral results in a divestiture of land or other assets held in violation of this Section, the whistleblower shall be entitled to a reward equal to 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 Attorney General for reimbursement of investigation and litigation costs and expenses.
 - (3) To bona fide lien holders, in their order of priority, except for liens which under the terms of the sale are to remain on the property.

- 1 (4) To whistleblowers.
- 2 (5) To the restricted foreign entity.
- 3 (g) The responsibility for determining whether an entity
 4 is subject to this Section rests solely with the foreign
 5 entity, the Attorney General of Illinois, any qualifying
 6 whistleblower, and no other individual or entity. An
 7 individual or entity who is not a foreign entity shall not be
 8 required to determine or inquire whether another person or
 9 entity is or may be subject to this Section, and shall bear no
 10 civil or criminal liability under this Section.
- 11 Section 5. Whistleblower enforcement reward.
- 12 (a) Any individual may act as a whistleblower and provide 13 a referral to the Office of the Illinois Attorney General for 14 violations of Section 3 and Section 4 of this Act.
- 15 (b) If a whistleblower referral results in a divestiture 16 of land or other assets held in violation of this Act, the 17 whistleblower shall be entitled to a reward equal to 30% of the 18 proceeds of the land sale that results from violation of this 19 Act.
- 20 (c) The whistleblower enforcement provision takes effect
 21 180 days after the effective date of this Act.
- 22 Section 6. Prohibited access to critical infrastructure.
- 23 (a) An entity constructing, repairing, operating, or 24 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 subsections (a) and (b), 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;
 - (2) the contract is pre-approved by Illinois Emergency Management Agency and Office of Homeland Security; 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. Requirements for access to critical infrastructure.

- (a) In order to access critical infrastructure, a company must file a certification form with and pay a certification fee to the Illinois Emergency Management Agency and Office of Homeland Security. The Agency shall prescribe the registration form to be filed pursuant to this Section.
- (b) To maintain registration as a company with access to critical infrastructure, a company must:
 - (1) identify all employee positions in the organization that have access to critical infrastructure;
 - (2) before hiring a person described in subdivision (a) or allowing such person to continue to have access to critical infrastructure, obtain from the Illinois State Police 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 Agency to protect critical infrastructure from foreign adversary infiltration or interference;
 - (3) prohibit foreign nationals from an adversary nation from access to critical infrastructure; and
 - (4) be compliant with Section 6 of this Act.
 - (c) The Agency shall set the fee in an amount sufficient to cover the costs of administering the certification process but not to exceed \$150.
- 25 (d) The Agency shall provide that a company is compliant 26 with all requirements of this Section or revoke certification.

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- Section 8. Prohibitions on certain software in critical infrastructure.
- 3 (a) All software used in State infrastructure located 4 within or serving Illinois shall henceforth not include any 5 software produced by a federally banned corporation, nor any 6 software banned at the federal level.
 - (b) All software used in State infrastructure located within or serving Illinois shall henceforth 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 Illinois, to include any State infrastructure which is not permanently disabled, shall have all software prohibited by subsection (a) or (b) removed and replaced with software that is not prohibited by subsection (a) or (b).
- 18 Any State infrastructure provider that removes, 19 discontinues, or replaces any prohibited software shall not be 20 required to obtain any additional permits from any State 21 political subdivision for the agency or removal, 22 discontinuance, or replacement of such software as long as the State agency or political subdivision is properly notified of 23 the necessary replacements and the replacement software is 24 25 similar to the existing software.

- 1 Section 9. Reporting non-notified transactions.
- 2 (a) The Office of the Illinois Attorney General shall
- 3 establish a process by which local officials, states
- 4 officials, or other persons may submit information or concerns
- 5 to the Office regarding non-notified transactions in Illinois.
- 6 The Office of the Illinois Attorney General may adopt any
- 7 necessary rules to implement this subsection.
- 8 (b) The Illinois Attorney General may submit a memorandum
- 9 or report concerning non-notified transactions the Office of
- 10 the Attorney General has identified in Illinois to the
- 11 Committee on Foreign Investment in the United States.
- 12 (c) The Office of the Illinois Attorney General shall:
- 13 (1) retain a copy of any documents submitted to the
- committee described in subsection (b) that are included
- 15 with a memorandum or report submitted under that
- 16 subsection; and
- 17 (2) notify the General Assembly and the Governor as
- 18 soon as practicable after submitting a memorandum, report,
- or other information under subsection (b).
- Section 10. Severability. If any provision of this Act, or
- 21 the application of any provision to any person or
- 22 circumstance, is held to be invalid, the remainder of this Act
- and the application of its provisions to any other person or
- 24 circumstance shall not be affected thereby.

1 Section 99. Effective date. This Act takes effect July 1,

2 2025.