

SB3040



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB3040

Introduced 1/28/2026, by Sen. Sue Rezin

SYNOPSIS AS INTRODUCED:

New Act
765 ILCS 60/7

from Ch. 6, par. 7

Creates the Foreign Countries of Concern Act. Prohibits governmental entities from entering into contracts with certain prohibited entities that would give those prohibited entities access to an individual's personal identifying information. Prohibits certain entities from receiving economic incentives. Provides that certain prohibited entities may not own interests in agricultural land or land on or around military installations or critical infrastructure facilities. Prohibits the purchase or acquisition of real property by certain entities associated with the People's Republic of China. Amends the Property Owned By Noncitizens Act to make conforming changes.

LRB104 18749 HLH 32192 b

A BILL FOR

1 AN ACT concerning State government.

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

4 Section 1. Short title. This Act may be cited as the
5 Foreign Countries of Concern Act.

6 Section 5. Contracting with entities of foreign countries
7 of concern prohibited.

8 (a) As used in this Section:

9 "Controlling interest" means possession of the power to
10 direct or cause the direction of the management or policies of
11 a company, whether through ownership of securities, by
12 contract, or otherwise. A person or entity that directly or
13 indirectly has the right to vote 25% or more of the voting
14 interests of the company or is entitled to 25% or more of the
15 company's profits is presumed to possess a controlling
16 interest.

17 "Department" means the Department of Central Management
18 Services.

19 "Foreign country of concern" means the People's Republic
20 of China, the Russian Federation, the Islamic Republic of
21 Iran, the Democratic People's Republic of Korea, the Republic
22 of Cuba, Venezuela, or the Syrian Arab Republic, including any
23 agency of or any other entity under significant control of

1 such foreign country of concern.

2 "Governmental entity" means any legislative, executive,
3 administrative, or advisory body of the State, any State
4 university or college, any county, township, city, village,
5 incorporated town, or school district, and any other municipal
6 corporation, board, bureau, committee, or commission of the
7 State.

8 (b) Beginning on the effective date of this Act, a
9 governmental entity may not knowingly enter into a contract
10 with an entity that would give the entity access to an
11 individual's personal identifying information if:

12 (1) the entity is owned by the government of a foreign
13 country of concern;

14 (2) the government of a foreign country of concern has
15 a controlling interest in the entity; or

16 (3) the entity is organized under the laws of or has
17 its principal place of business in a foreign country of
18 concern.

19 (c) Beginning on the effective date of this Act, a
20 governmental entity may not extend or renew a contract with an
21 entity described in subsection (b) if the contract would give
22 that entity access to an individual's personal identifying
23 information.

24 (d) Beginning on the effective date of this Act, a
25 governmental entity may not accept a bid on a contract, accept
26 a proposal for a contract, or enter into a contract with an

1 entity if that contract would grant the entity access to an
2 individual's personal identifying information unless the
3 entity provides the governmental entity with an affidavit
4 signed by an officer or representative of the entity under
5 penalty of perjury attesting that the entity does not meet any
6 of the criteria in subsection (b).

7 If an entity extends or renews a contract with a
8 governmental entity that would grant the entity access to an
9 individual's personal identifying information, then the entity
10 must provide the governmental entity with an affidavit signed
11 by an officer or representative of the entity under penalty of
12 perjury attesting that the entity does not meet any of the
13 criteria in subsection (b).

14 (e) The Attorney General may bring a civil action in any
15 court of competent jurisdiction against an entity that
16 violates this Section. Violations of this Section may result
17 in:

18 (1) a civil penalty equal to twice the amount of the
19 subject contract;

20 (2) ineligibility to enter into, renew, or extend any
21 contract, including any grant agreements, with any
22 governmental entity for up to 5 years; and

23 (3) ineligibility to receive or renew any license,
24 certification, or credential issued by a governmental
25 entity for up to 5 years.

26 (f) Any penalties collected under subsection (e) must be

1 deposited into the General Revenue Fund.

2 (g) The Department shall adopt rules to implement this
3 Section, including rules establishing the form for the
4 affidavit required under subsection (d).

5 Section 10. Economic incentives to foreign countries of
6 concern prohibited.

7 (a) As used in this Section:

8 "Controlled by" means having possession of the power to
9 direct or cause the direction of the management or policies of
10 a company, whether through ownership of securities, by
11 contract, or otherwise. A person or entity that directly or
12 indirectly has the right to vote 25% or more of the voting
13 interests of the company or that is entitled to 25% or more of
14 the company's profits is presumed to control the company.

15 "Department" means the Department of Commerce and Economic
16 Opportunity.

17 "Economic incentive" means all programs administered by,
18 or for which an applicant for the program must seek
19 certification, approval, or other action by, the Department,
20 and all economic development programs, grants, or financial
21 benefits administered by a political subdivision of the State.

22 "Foreign country of concern" has the same meaning as in
23 Section 5.

24 "Governmental entity" means a State agency, a political
25 subdivision of the State, or any other public or private

1 agency, person, partnership, corporation, or business entity
2 acting on behalf of any public agency.

3 "Prohibited entity" means an entity that is:

4 (1) owned or controlled by the government of a foreign
5 country of concern; or

6 (2) a partnership, association, corporation,
7 organization, or other combination of persons organized
8 under the laws of or having its principal place of
9 business in a foreign country of concern, or a subsidiary
10 of such an entity.

11 (b) A government entity may not knowingly enter into an
12 agreement or contract for an economic incentive with a
13 prohibited entity.

14 (c) Before providing any economic incentive, a government
15 entity must require the recipient or applicant to provide the
16 government entity with an affidavit signed under penalty of
17 perjury attesting that the recipient or applicant is not a
18 prohibited entity.

19 (d) The Department shall adopt rules to administer this
20 Section, including rules establishing the form for the
21 affidavit required under subsection (c).

22 Section 15. Purchase of agricultural land by foreign
23 principals prohibited.

24 (a) As used in this Section:

25 "Agricultural land" means any land located in this State

1 and used for agricultural, forestry, or timber production
2 purposes.

3 "Department" means the Department of Agriculture.

4 "Foreign country of concern" has the same meaning as in
5 Section 5.

6 "Prohibited entity" means:

7 (1) the government or any official of the government
8 of a foreign country of concern;

9 (2) a political party or member of a political party
10 or any subdivision of a political party in a foreign
11 country of concern;

12 (3) a partnership, association, corporation,
13 organization, or other combination of persons organized
14 under the laws of or having its principal place of
15 business in a foreign country of concern, or a subsidiary
16 of such entity;

17 (4) any person who is domiciled in a foreign country
18 of concern and is not a citizen or lawful permanent
19 resident of the United States; or

20 (5) any person, entity, or collection of persons or
21 entities, described in paragraphs (1) through (4), having
22 a controlling interest in a partnership, association,
23 corporation, organization, trust, or any other legal
24 entity or subsidiary formed for the purpose of owning real
25 property in this State.

26 "Real property" means land, buildings, fixtures, and all

1 other improvements to land.

2 (b) A prohibited entity may not directly or indirectly
3 own, have a controlling interest in, or acquire by purchase,
4 grant, devise, or descent agricultural land or any interest,
5 except a de minimis indirect interest, in agricultural land in
6 this State. A prohibited entity has a de minimis indirect
7 interest if any ownership is the result of the entity's
8 ownership of registered equities in a publicly traded company
9 owning the land and if the entity's ownership interest in the
10 company is either:

11 (1) less than 5% of any class of registered equities
12 or less than 5% in the aggregate in multiple classes of
13 registered equities; or

14 (2) a noncontrolling interest in an entity controlled
15 by a company that is both registered with the United
16 States Securities and Exchange Commission as an investment
17 adviser under the Investment Advisers Act of 1940 and is
18 not a foreign entity.

19 (c) A prohibited entity that directly or indirectly owns
20 or acquires agricultural land in this State or any interest in
21 agricultural land in this State before the effective date of
22 this Act may continue to own or hold that land or interest but,
23 except as provided in subsection (d), may not purchase or
24 otherwise acquire by grant, devise, or descent any additional
25 agricultural land in this State or any interest in
26 agricultural land in this State on or after the effective date

1 of this Act.

2 A prohibited entity that directly or indirectly owns or
3 acquires agricultural land in this State or owns or acquires
4 any interest in agricultural land in this State before the
5 effective date of this Act must register with the Department
6 within 6 months after the effective date of this Act. The
7 Department must establish a form for those registrations that,
8 at a minimum, includes all of the following:

9 (1) the name of the owner of the agricultural land or
10 the owner of the interest in that land;

11 (2) the address of the agricultural land, the property
12 appraiser's parcel identification number, and the
13 property's legal description; and

14 (3) the number of acres of the agricultural land.

15 A prohibited entity that fails to timely file a
16 registration with the Department is subject to a civil penalty
17 of \$1,000 for each day that the registration is late. The
18 Department may place a lien against the unregistered
19 agricultural land for the unpaid balance of any penalties
20 assessed under this Section.

21 (d) Notwithstanding the provisions of this Section, a
22 prohibited entity may acquire agricultural land on or after
23 the effective date of this Act by devise or descent, through
24 the enforcement of security interests, or through the
25 collection of debts, provided that the entity sells,
26 transfers, or otherwise divests itself of the agricultural

1 land within 3 years after acquiring the agricultural land.

2 (e) At the time of purchase, a buyer of agricultural land
3 or an interest in agricultural land must provide an affidavit
4 signed under penalty of perjury attesting that the buyer is:

5 (1) not a prohibited entity; and

6 (2) in compliance with the requirements of this
7 Section.

8 (f) The failure to obtain or maintain the affidavit does
9 not affect the title or insurability of the title for the
10 agricultural land or subject the closing agent to civil or
11 criminal liability, unless the closing agent has actual
12 knowledge that the transaction will result in a violation of
13 this Section.

14 (g) The Department may initiate a civil action in the
15 circuit court of the county in which the property is located
16 for the forfeiture of the agricultural land or any interest in
17 that land.

18 (h) The Department shall adopt rules to implement this
19 Section, including rules establishing the form for the
20 affidavit required under subsection (e).

21 Section 20. Purchase of real property on or around
22 military installations or critical infrastructure facilities
23 by foreign principals prohibited.

24 (a) As used in this Section:

25 "Critical infrastructure facility" means any of the

1 following, if it employs measures such as fences, barriers, or
2 guard posts that are designed to exclude unauthorized persons:

3 (1) a chemical manufacturing facility;

4 (2) a refinery;

5 (3) an electrical power plant;

6 (4) a water treatment facility or wastewater treatment
7 plant;

8 (5) a liquid natural gas terminal;

9 (6) a telecommunications central switching office;

10 (7) a gas processing plant, including a plant used in
11 the processing, treatment, or fractionation of natural
12 gas; and

13 (8) an airport.

14 "Department" means the Department of Commerce and Economic
15 Opportunity.

16 "Foreign country of concern" has the same meaning as in
17 Section 5.

18 "Foreign principal" means:

19 (1) the government or any official of the government
20 of a foreign country of concern;

21 (2) a political party or member of a political party
22 or any subdivision of a political party in a foreign
23 country of concern;

24 (3) a partnership, association, corporation,
25 organization, or other combination of persons organized
26 under the laws of or having its principal place of

1 business in a foreign country of concern, or a subsidiary
2 of such entity;

3 (4) any person who is domiciled in a foreign country
4 of concern and is not a citizen or lawful permanent
5 resident of the United States; or

6 (5) any person, entity, or collection of persons or
7 entities, described in paragraphs (1) through (4) having a
8 controlling interest in a partnership, association,
9 corporation, organization, trust, or any other legal
10 entity or subsidiary formed for the purpose of owning real
11 property in this State.

12 "Military installation" means a base, camp, post, station,
13 yard, or center encompassing at least 10 contiguous acres that
14 is under the jurisdiction of the Department of Defense or its
15 affiliates.

16 (b) A foreign principal may not directly or indirectly
17 own, have a controlling interest in, or acquire by purchase,
18 grant, devise, or descent any interest, except a de minimis
19 indirect interest, in real property on or within 10 miles of
20 any military installation in this State or critical
21 infrastructure facility in this State. A foreign principal has
22 a de minimis indirect interest if the ownership is the result
23 of the foreign principal's ownership of registered equities in
24 a publicly traded company owning the land and if the foreign
25 principal's ownership interest in the company is either:

26 (1) less than 5% of any class of registered equities

1 or less than 5% in the aggregate in multiple classes of
2 registered equities; or

3 (2) a noncontrolling interest in an entity controlled
4 by a company that is both registered with the United
5 States Securities and Exchange Commission as an investment
6 adviser under the Investment Advisers Act of 1940 and is
7 not a foreign entity.

8 (c) A foreign principal that directly or indirectly owns
9 or acquires any interest in real property on or within 10 miles
10 of any military installation or critical infrastructure
11 facility in this State before the effective date of this Act
12 may continue to own or hold that real property but, except as
13 provided in subsections (e) and (f), may not purchase or
14 otherwise acquire by grant, devise, or descent any additional
15 real property on or within 10 miles of any military
16 installation or critical infrastructure facility in this
17 State.

18 (d) A foreign principal must register with the Department
19 if the foreign principal owns or acquires real property on or
20 within 10 miles of any military installation or critical
21 infrastructure facility in this State as authorized under
22 subsection (e) or if the foreign principal owned or acquired
23 an interest, other than a de minimis indirect interest, in
24 that property before the effective date of this Act. The
25 Department must establish a form for such registration, which,
26 at a minimum, includes the following:

1 (1) the name of the owner of the real property; and

2 (2) the address of the real property, the property
3 appraiser's parcel identification number, and the
4 property's legal description.

5 A foreign principal that fails to timely file a
6 registration with the Department is subject to a civil penalty
7 of \$1,000 for each day that the registration is late. A foreign
8 principal must register a property interest owned before the
9 effective date of this Act within 90 days after the effective
10 date of this Act. A foreign principal who owns or acquires real
11 property on or after the effective date of this Act must
12 register the real property within 30 days after the property
13 is owned or acquired. The Department may place a lien against
14 the unregistered real property for the unpaid balance of any
15 penalties assessed under this paragraph.

16 (e) Notwithstanding the provisions of this Section, a
17 foreign principal who is a natural person may purchase one
18 residential real property that is up to 2 acres in size if all
19 of the following apply:

20 (1) the parcel is not on or within 5 miles of any
21 military installation in this State;

22 (2) the person has a current verified United States
23 visa that is not limited to authorizing tourist-based
24 travel or official documentation confirming that the
25 person has been granted asylum in the United States, and
26 that visa or documentation authorizes the person to be

1 legally present within this State; and

2 (3) The purchase is in the name of the person who holds
3 the visa or official documentation described in paragraph
4 (2).

5 (f) Notwithstanding the provisions of this Section, a
6 foreign principal may acquire real property or any interest
7 therein which is on or within 10 miles of any military
8 installation or critical infrastructure facility in this State
9 on or after the effective date of this Act, by devise or
10 descent, through the enforcement of security interests, or
11 through the collection of debts, provided that the foreign
12 principal sells, transfers, or otherwise divests itself of
13 such real property within 3 years after acquiring the real
14 property.

15 (g) At the time of purchase, a buyer of the real property
16 that is on or within 10 miles of any military installation or
17 critical infrastructure facility in this State must provide an
18 affidavit signed under penalty of perjury attesting that the
19 buyer is:

20 (1) not a foreign principal or not a foreign principal
21 prohibited from purchasing the subject real property; and

22 (2) in compliance with the requirements of this
23 Section.

24 The failure to obtain or maintain the affidavit does not
25 affect the title or insurability of the title for the real
26 property or subject the closing agent to civil or criminal

1 liability, unless the closing agent has actual knowledge that
2 the transaction will result in a violation of this Section.

3 (h) The Department shall adopt rules to implement this
4 Section, including rules establishing the form for the
5 affidavit required under this Section.

6 (i) The Department may initiate a civil action in the
7 circuit court of the county in which the property is located
8 for the forfeiture of the real property or any interest in the
9 property.

10 Section 25. Purchase or acquisition of real property by
11 the People's Republic of China prohibited.

12 (a) The following persons or entities may not directly or
13 indirectly own, have a controlling interest in, or acquire by
14 purchase, grant, devise, or descent any interest, except a de
15 minimis indirect interest, in real property in this State:

16 (1) The People's Republic of China, the Chinese
17 Communist Party, or any official or member of the People's
18 Republic of China or the Chinese Communist Party.

19 (2) Any other political party or member of a political
20 party or a subdivision of a political party in the
21 People's Republic of China.

22 (3) A partnership, an association, a corporation, an
23 organization, or any other combination of persons
24 organized under the laws of or having its principal place
25 of business in the People's Republic of China, or a

1 subsidiary of one of those entities.

2 (4) Any person who is domiciled in the People's
3 Republic of China and who is not a citizen or lawful
4 permanent resident of the United States.

5 (5) Any person, entity, or collection of persons or
6 entities described in paragraphs (1) through (4) having a
7 controlling interest in a partnership, association,
8 corporation, organization, trust, or any other legal
9 entity or subsidiary formed for the purpose of owning real
10 property in this State.

11 (b) A person or entity has a de minimis indirect interest
12 if any ownership is the result of the person's or entity's
13 ownership of registered equities in a publicly traded company
14 owning the land and if the person's or entity's ownership
15 interest in the company is either:

16 (1) less than 5% of any class of registered equities
17 or less than 5% in the aggregate in multiple classes of
18 registered equities; or

19 (2) a noncontrolling interest in an entity controlled
20 by a company that is both registered with the United
21 States Securities and Exchange Commission as an investment
22 adviser under the Investment Advisers Act of 1940 and is
23 not a foreign entity.

24 (c) A natural person described in subsection (a) may
25 purchase one residential real property that is up to 2 acres in
26 size if all of the following apply:

1 (1) The parcel is not on or within 5 miles of any
2 military installation in this State.

3 (2) The person has a current verified United States
4 visa that is not limited to authorizing tourist-based
5 travel or official documentation confirming that the
6 person has been granted asylum in the United States, and
7 such visa or documentation authorizes the person to be
8 legally present within this State.

9 (3) The purchase is in the name of the person who holds
10 the visa or official documentation described in paragraph
11 (2).

12 (d) A person or entity described in subsection (a) that
13 directly or indirectly owns or acquires any interest in real
14 property in this State before the effective date of this Act
15 may continue to own or hold such real property but, except as
16 provided in subsection (g), may not purchase or otherwise
17 acquire by grant, devise, or descent any additional real
18 property in this State.

19 (e) A person or entity described in subsection (a) must
20 register with the Department if the person or entity owns or
21 acquires more than a de minimis indirect interest in real
22 property in this State. The Department must establish a form
23 for such registration, which, at a minimum, must include the
24 following:

25 (1) The name of the owner of the real property.

26 (2) The address of the real property, the property

1 appraiser's parcel identification number, and the
2 property's legal description.

3 (f) A person or entity that fails to timely file a
4 registration with the Department is subject to a civil penalty
5 of \$1,000 for each day that the registration is late. The
6 Department may place a lien against the unregistered real
7 property for the unpaid balance of any penalties assessed
8 under this subsection.

9 (g) Notwithstanding subsection (a), a person or an entity
10 described in subsection (a) may acquire real property in this
11 State on or after the effective date of this Act, by devise or
12 descent, through the enforcement of security interests, or
13 through the collection of debts, provided that the person or
14 entity sells, transfers, or otherwise divests itself of that
15 real property within 3 years after acquiring the real
16 property.

17 (h) At the time of purchase, a buyer of real property in
18 this State must provide an affidavit signed under penalty of
19 perjury attesting that the buyer is:

20 (1) not a person or entity described in subsection (a)
21 or that the buyer is a person described in subsection (a)
22 but is authorized to purchase the subject property; and

23 (2) in compliance with the requirements of this
24 Section.

25 The failure to obtain or maintain the affidavit does not
26 affect the title or insurability of the title for the real

1 property or subject the closing agent to civil or criminal
2 liability, unless the closing agent has actual knowledge that
3 the transaction will result in a violation of this Section.

4 (i) If any real property is owned or acquired in violation
5 of this Section, the real property may be forfeited to the
6 State.

7 (j) The Department shall adopt rules to implement this
8 Section.

9 Section 900. The Property Owned By Noncitizens Act is
10 amended by changing Section 7 as follows:

11 (765 ILCS 60/7) (from Ch. 6, par. 7)

12 Sec. 7. Real property held by noncitizens. Except as
13 provided in the Foreign Countries of Concern Act, all ~~All~~
14 noncitizens may acquire, hold, and dispose of real and
15 personal property in the same manner and to the same extent as
16 natural born citizens of the United States, and the personal
17 estate of a noncitizen dying intestate shall be distributed in
18 the same manner as the estates of natural born citizens, and
19 all persons interested in such estate shall be entitled to
20 proper distributive shares thereof under the laws of this
21 state, whether they are noncitizens or not.

22 This amendatory Act of 1992 does not apply to the
23 Agricultural Foreign Investment Disclosure Act.

24 (Source: P.A. 102-1030, eff. 5-27-22.)