



## 103RD GENERAL ASSEMBLY

### State of Illinois

2023 and 2024

SB3543

Introduced 2/9/2024, 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. "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 Illinois Attorney General. 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, 2024.

LRB103 39057 JRC 69194 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**  
3 **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  
11 infrastructure.

12 Section 2. Definitions. In this Act:

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

1 forage, including natural and cultivated crops.

2 (b) "Company" means a for-profit sole proprietorship,  
3 organization, association, corporation, partnership, joint  
4 venture, limited partnership, limited liability partnership,  
5 or limited liability company, including a wholly owned  
6 subsidiary, majority-owned subsidiary, parent company, or  
7 affiliate of those entities or business associations that  
8 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  
14 security, State or national public health, or any combination  
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;

21 (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.

4 (e) "Domicile" means either the country in which a company  
5 is registered, or where the company's affairs are primarily  
6 completed, or where the majority of ownership share is held.

7 (f) "Foreign adversary" means the People's Republic of  
8 China, the Russian Federation, the Islamic Republic of Iran,  
9 the Democratic People's Republic of Korea, the Republic of  
10 Cuba, the Venezuelan regime of Nicolas Maduro, or the Syrian  
11 Arab Republic, including any agent of or any other entity  
12 under significant control of such foreign adversary, or any  
13 other entity deemed by the Governor in consultation with the  
14 Attorney General of Illinois.

15 (g) "Foreign entity" means any corporation, business  
16 association, partnership, trust, society, or any other entity  
17 or group that is not incorporated or organized to do business  
18 in the United States, as well as international organizations,  
19 foreign governments, and any agency or subdivision of foreign  
20 governments.

21 (h) "Foreign principal" means:

22 (1) the government or any official of the government  
23 of a foreign adversary;

24 (2) a political party or member of a political party  
25 or any subdivision of a political party of a foreign  
26 adversary;

1           (3) a partnership, association, corporation,  
2 organization, or other combination of persons organized  
3 under the laws of or having its principal place of  
4 business in a foreign adversary, or a subsidiary of such  
5 entity, or owned or controlled wholly or in part by any  
6 person, entity, or collection of persons or entities of a  
7 foreign adversary;

8           (4) any person who is domiciled in a foreign adversary  
9 and is not a citizen or lawful permanent resident of the  
10 United States; or

11           (5) any person, entity, or collection of persons or  
12 entities, described in paragraphs (a) through (d) having a  
13 controlling interest in a partnership, association,  
14 corporation, organization, trust, or any other legal  
15 entity or subsidiary formed for the purpose of owning real  
16 property.

17           (i) "Non-notified transactions" means foreign investments  
18 in the United States that are not voluntarily submitted to the  
19 Committee on Foreign Investment in the United States for  
20 review under 50 U.S.C. 4565.

21           (j) "Operational software" means computer programs used  
22 for the operation, control, maneuver or maintenance of State  
23 infrastructure, or any other computer program applications  
24 related to State infrastructure.

25           (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 (l) "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  
11 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  
15 signage, toll booths, weigh stations, and traffic signals.

16 (3) Railways, including but not limited to all classes  
17 of freight rail and passenger rail; and all railway  
18 infrastructure, including but not limited to intermodal  
19 rail yards and signals.

20 (4) Ports, including but not limited to inland ports,  
21 seaports, deepwater ports, inland waterways, and levees;  
22 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  
26 transportation; and all public transit infrastructure.

1           (n) "Military base or installation" means any land,  
2 structure, or property owned or controlled by any division of  
3 the Department of Defense, Illinois National Guard, or any  
4 other department of government, State or federal, critical to  
5 the safety and security of Illinois or the United States of  
6 America.

7           Section 3. Agricultural land purchases.

8           (a) A foreign principal from a foreign adversary country  
9 may not directly or indirectly own, have an interest of  
10 greater than 25% in, or acquire by purchase, grant, devise, or  
11 descent agricultural land or any interest, except a de minimis  
12 indirect interest, in such land in this State. A foreign  
13 principal has a de minimis indirect interest if any ownership  
14 is the result of the foreign principal's ownership of  
15 registered equities in a publicly traded company owning the  
16 land and if the foreign principal's ownership in the country  
17 is either:

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

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

1           (b) A foreign principal that directly or indirectly owns  
2 or otherwise controls agricultural land, as defined in  
3 subsection (a), in this State must sell, transfer, or  
4 otherwise divest itself of the agricultural land within 180  
5 days of the effective date of this Act.

6           (c) A foreign principal that directly or indirectly owns  
7 or acquires agricultural land or any interest in such land in  
8 this State must register with the Department of Agriculture  
9 within 60 days of the enactment of this Act or the date of  
10 acquisition, whichever is latest. The Department must  
11 establish a form for such registration, which, at minimum,  
12 must include all of the following:

13                 (1) The name of the owner of the agricultural land or  
14                 the owner of the interest in such land;

15                 (2) The address of the agricultural land, the property  
16                 appraiser's parcel identification number, and the  
17                 property's legal description; and

18                 (3) The number of acres of the agricultural land.

19           (d) Notwithstanding subsection (a), a foreign principal  
20 from a foreign adversary country may acquire agricultural land  
21 on or after the passage of this Act, by devise or descent,  
22 through the enforcement of security interests, or through the  
23 collection of debts, provided that the foreign principal  
24 sells, transfers, or otherwise divests itself of the  
25 agricultural land within 180 days of acquiring the  
26 agricultural land.



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.

7           (g) The responsibility for determining whether an entity  
8 is subject to this Section rests solely with the foreign  
9 entity, the Attorney General of Illinois, any qualifying  
10 whistleblower, and no other individual or entity. An  
11 individual or entity who is not a foreign entity shall not be  
12 required to determine or inquire whether another person or  
13 entity is or may be subject to this Section, and shall bear no  
14 civil or criminal liability under this Section.

15           (h) If a foreign principal from a foreign adversary  
16 country does not divest the public or private lands as  
17 required by this Section, the Attorney General shall commence  
18 an action in the circuit court within the jurisdiction of the  
19 public or private land.

20           (i) If the public or private land is held in violation of  
21 this Section, the circuit court shall order that the public or  
22 private land be sold through judicial foreclosure.

23           (j) If a whistleblower referral results in a divestiture  
24 of land or other assets held in violation of this Section, the  
25 whistleblower shall be entitled to a reward equal to 30% of the  
26 proceeds of the land sale that results from the violation of

1 this Section after payments to lienholders. Proceeds of the  
2 sale shall be disbursed in the following order, as applicable:

3 (1) The payment of authorized costs of the sale,  
4 including all approved fees and expenses of the referee  
5 and any taxes and assessments due.

6 (2) The payment, in an amount approved by the court,  
7 to the Attorney General for reimbursement of investigation  
8 and litigation costs and expenses.

9 (3) To bona fide lien holders, in their order of  
10 priority, except for liens which under the terms of the  
11 sale are to remain on the property.

12 (4) To whistleblowers.

13 (5) To the restricted foreign entity.

14 Section 4. Prohibited lease or purchase of land or  
15 dwellings near military installations.

16 (a) A foreign principal from a foreign adversary country  
17 shall not be allowed to directly or indirectly purchase, hold,  
18 rent, or otherwise control any property within 25 miles of a  
19 military base or installation.

20 (b) A foreign principal that directly or indirectly  
21 controls any property covered by subsection (a), excluding  
22 temporary contractual agreements such as rental or lease  
23 agreements, must sell, transfer, or otherwise divest itself of  
24 the property within 180 days of the passage of this Act.

25 (c) Any current deeds, contracts, rental agreements, or

1 other legal agreements in conflict with this Act shall be  
2 deemed invalid from the date of adoption unless otherwise  
3 provided.

4 (d) If a foreign principal from a foreign adversary  
5 country does not divest the public or private lands as  
6 required by this Section, the Attorney General shall commence  
7 an action in the circuit court within the jurisdiction of the  
8 public or private land.

9 (e) If the public or private land is held in violation of  
10 this Section, the circuit court shall order that the public or  
11 private land be sold through judicial foreclosure.

12 (f) If a whistleblower referral results in a divestiture  
13 of land or other assets held in violation of this Section, the  
14 whistleblower shall be entitled to a reward equal to 30% of the  
15 proceeds of the land sale that results from the violation of  
16 this Section after payments to lienholders. Proceeds of the  
17 sale shall be disbursed in the following order, as applicable:

18 (1) The payment of authorized costs of the sale,  
19 including all approved fees and expenses of the referee  
20 and any taxes and assessments due.

21 (2) The payment, in an amount approved by the court,  
22 to the Attorney General for reimbursement of investigation  
23 and litigation costs and expenses.

24 (3) To bona fide lien holders, in their order of  
25 priority, except for liens which under the terms of the  
26 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

1 may not enter into an agreement relating to critical  
2 infrastructure in this State with a foreign principal from a  
3 foreign adversary country, or use products or services  
4 produced by a foreign principal from a foreign adversary  
5 country.

6 (b) A governmental entity may not enter into a contract or  
7 other agreement relating to critical infrastructure in this  
8 State with a company that is a foreign principal from a foreign  
9 adversary country, or use products or services produced by a  
10 foreign principal from a foreign adversary country.

11 (c) Notwithstanding subsections (a) and (b), an entity or  
12 governmental entity may enter into a contract or agreement  
13 relating to critical infrastructure with a foreign principal  
14 from a foreign adversary country or use products or services  
15 produced by a foreign principal from a foreign adversary  
16 country if:

17 (1) there is no other reasonable option for addressing  
18 the need relevant to State critical infrastructure;

19 (2) the contract is pre-approved by Illinois Emergency  
20 Management Agency and Office of Homeland Security; and

21 (3) not entering into such a contract or agreement  
22 would pose a greater threat to the State than the threat  
23 associated with entering into the contract.

24 Section 7. Requirements for access to critical  
25 infrastructure.

1           (a) In order to access critical infrastructure, a company  
2 must file a certification form with and pay a certification  
3 fee to the Illinois Emergency Management Agency and Office of  
4 Homeland Security. The Agency shall prescribe the registration  
5 form to be filed pursuant to this Section.

6           (b) To maintain registration as a company with access to  
7 critical infrastructure, a company must:

8           (1) identify all employee positions in the  
9 organization that have access to critical infrastructure;

10           (2) before hiring a person described in subdivision  
11 (a) or allowing such person to continue to have access to  
12 critical infrastructure, obtain from the Illinois State  
13 Police or a private vendor criminal history record  
14 information relating to the prospective employee and any  
15 other background information considered necessary by the  
16 company or required by the Agency to protect critical  
17 infrastructure from foreign adversary infiltration or  
18 interference;

19           (3) prohibit foreign nationals from an adversary  
20 nation from access to critical infrastructure; and

21           (4) be compliant with Section 6 of this Act.

22           (c) The Agency shall set the fee in an amount sufficient to  
23 cover the costs of administering the certification process but  
24 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.

1           Section 8. Prohibitions on certain software in critical  
2 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.

7           (b) All software used in State infrastructure located  
8 within or serving Illinois shall henceforth not include any  
9 software produced in or by a foreign adversary, a State-owned  
10 enterprise of a foreign adversary, or a company domiciled  
11 within a foreign adversary.

12           (c) All software used in State infrastructure in operation  
13 within or serving Illinois, to include any State  
14 infrastructure which is not permanently disabled, shall have  
15 all software prohibited by subsection (a) or (b) removed and  
16 replaced with software that is not prohibited by subsection  
17 (a) or (b).

18           (d) 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 agency or political subdivision for the removal,  
22 discontinuance, or replacement of such software as long as the  
23 State agency or political subdivision is properly notified of  
24 the necessary replacements and the replacement software is  
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  
14 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,  
19 or other information under subsection (b).

20 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  
23 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           2024.