

BILL ANALYSIS: HB 191

BY **Judge Shepard**, Texas Public Policy Foundation
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ISSUE

Foreign ownership of land in Texas has become an increasingly hot-button issue, especially as consumption grows. “In Texas, foreign ownership of ag land is at about 5.3 million acres or 3.41%, which is slightly higher than the national average of 3.1%,” according to the Texas Farm Bureau (2023). This trend has raised concerns among lawmakers, agricultural organizations, and local communities, as many are concerned about the potential impact that foreign ownership could have on food security, economic stability, and national security. Texas, with its vast and fertile land, remains a prime target for foreign investment, attracting buyers from countries like China, Canada, and the Netherlands. As the debate over foreign landownership intensifies, policymakers are considering stricter regulations and transparency measures to ensure that Texas remains safeguarded for future generations. House Bill 191 (2025) seeks to prevent certain foreign entities from purchasing real property here in Texas.

ANALYSIS

Section 1 begins by defining specific terms listed in the bill, including “control” and “designated country,” while also identifying the types of real property and ownership rights that will be subject to the bill. Most important of these definitions is the definition of a “designated country,” which means “a country identified by the United States Director of National Intelligence as a country that poses a risk to the national security of the United States in each of the three most recent Annual Threat Assessments of the U.S. Intelligence Community” (HB 191, 2025 p. 1).

Section 2 prohibits certain foreign entities from purchasing or otherwise acquiring title to real property. These entities include: a governmental entity of a designated country; an organization that is headquartered in a designated country or directly/indirectly under control of a government of a designated country; or an organization that is under the control of an organization that is headquartered in a designated country or directly/indirectly under control of the government of a designated country. The bill does not void purchases, even if the purchase of the real property was in violation of this bill. The validity or enforceability by any person of a purchase contract for or the conveyance of real property is not affected by a violation.

Section 3 calls for the Office of the Attorney General (OAG) to adopt rules for the implementation of the provisions of HB 191.

Section 4 clarifies that the changes in the law made by this bill only apply to the purchase or other acquisition of real property on or after the effective date of September 1, 2025.

continued

RECOMMENDATIONS FOR IMPROVEMENT

- Clarification of definitions, such as the term “control,” so that complex corporate structures do not find ways to circumvent the intent of the bill.
- The prohibitions listed in the bill could include more information about enforcement, exceptions (if any), and any appeals processes for entities that are wrongly designated.
- Include express provisions to protect current property owners who may have entered contracts unknowingly with now-restricted entities.
- More accurately outline the timeline and procedures regarding the district court’s involvement.
- Include a requirement that court-appointed receivers are subject to periodic review to ensure that the receivership is being managed effectively, in a timely manner, and according to law.

REFERENCES

HB 191. Filed. 89th Texas Legislature. Regular. (2025). <https://capitol.texas.gov/BillLookup/history.aspx?LegSess=89R&Bill=HB191>

Texas Farm Bureau. (2023). *Foreign-owned ag land in U.S. increases by 1.6 million acres*. <https://texasfarmbureau.org/foreign-owned-ag-land-in-u-s-increases-by-1-6-million-acres/>

ABOUT THE AUTHOR



Judge A. Shepard is a Policy Analyst for the Taxpayer Protection Project with Texas Public Policy Foundation, where he focuses on Private Property Rights.

Judge holds a B.S. in Forensic Chemistry from the University of Mississippi and a J.D. from Mississippi College School of Law. While attending MC Law, he held the position of Senator for the Law Student-Body Association, was selected as a member of the Dean’s Ambassadors, and served as an intern at the Reuben V. Anderson Center for Justice.

Although born and raised in West Monroe, Louisiana, Judge’s family roots are deeply embedded in Texas. He is the paternal great-grandson of J.W. Shepard of Plano, Texas, and his maternal ascendants are of The Old 300. Prior to joining the Foundation, Judge held positions including Residential Appraiser for Travis Central Appraisal District, Associate at Breithaupt, DuBos & Wolleson, LLC, as well as Director of Ground Operations for his family’s farm in Morehouse Parish, Louisiana.

