NACo PRIMER FOR COUNTIES: FOREIGN OWNERSHIP OF U.S. AGRICULTURAL LAND

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EXECUTIVE SUMMARY

Foreign ownership of agricultural land is receiving increasing attention from Capitol Hill and state and county governments across the country, especially ownership and transactions involving individuals and entities associated with the People's Republic of China (PRC). While the total amount of foreign-owned agricultural land has increased over the past decade, the percentage of agricultural land owned by foreign individuals or business entities sits at just over 3 percent of all U.S. agricultural land. Entities from Canada and European nations represent the largest foreign owners of U.S. agricultural land. Although Chinese holdings account for less than one percent of total foreign-owned U.S. agricultural land, the amount of land owned or leased by Chinese-associated individuals or entities has increased by over 400 percent from 2010 to 2021.

While no federal laws restrict foreign agricultural land ownership, the U.S. Department of Agriculture (USDA) must regularly report on foreign investments in U.S. agriculture under the Agricultural Foreign Investment Disclosure Act (AFIDA). In turn, the Fiscal Year (FY) 2024 Agriculture-FDA Appropriations Bill included a provision adding USDA to the Committee on Foreign Investment in the United States (CFIUS), requiring USDA to report all agricultural land transactions under AFIDA that may pose a risk to national security. In turn, several pieces of bipartisan legislation that would enact additional reporting requirements for land transactions involving foreign entities or restrictions on foreign ownership are currently under consideration in Congress, including provisions within the House and Senate proposals for the 2024 Farm Bill.

24 states restrict foreign ownership of agricultural land in some form, while 15 states have implemented reporting requirements for foreign transactions using mechanisms similar to AFIDA. While there are currently no local laws banning or restricting foreign ownership, county governments may be directly involved in reporting land transactions involving foreign entities. The impact of foreign ownership on counties and local communities has continued to receive significant national media attention over the past ten years.

Despite the legislative attention being paid to this issue at the federal and state levels, major agriculture and forestry stakeholder groups have largely declined to take a stance on limits on foreign ownership. Nevertheless, the issue is being hotly debated in Congress, specifically as a part of broader national security discussions, and will likely be addressed in some way in the 2024 Farm Bill.

KEY HIGHLIGHTS

- Foreign holdings account for 3.4 percent of all U.S. agricultural land, with Chinese holdings accounting for less than one percent of total foreign-owned agricultural land. However, total acreage of foreign-owned agricultural land has risen sharply over the last decade, particularly for Chinese-associated holdings.
- While USDA is required to track foreign ownership and investments in agricultural land, there are no federal restrictions on foreign agricultural land ownership. 24 states have put restrictions on foreign ownership of agricultural land in place, and more are currently considering them.
- Congress is paying increasing attention to the question of foreign agricultural land ownership. The FY 2024 Agriculture-FDA Appropriations Bill included a provision strengthening reporting requirements for land transactions involving foreign entities and are likely to address the issue in the 2024 Farm Bill.

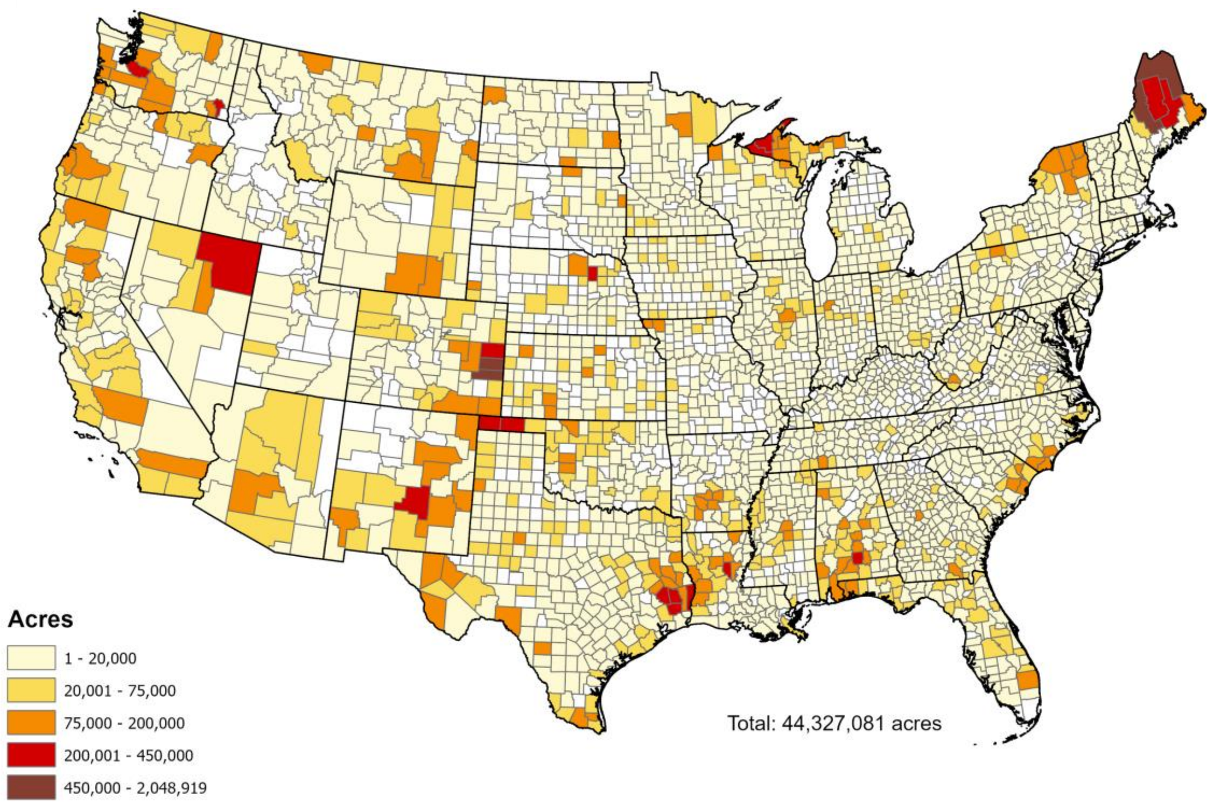
OVERVIEW OF FOREIGN OWNERSHIP OF U.S. AGRICULTURAL LAND

How much U.S. agricultural land is foreign-owned?

The most recent USDA reporting on foreign holdings of U.S. agricultural land states that foreign persons and entities held an interest in 43.4 million acres of U.S. agricultural land as of December 31, 2022, accounting for 3.4 percent of total U.S. agricultural land and nearly 2 percent of all land within the U.S. Of these 43.4 million acres:

- 48.3 percent is forestland,
- 28.3 percent is cropland,
- 21.3 percent is pasture and other agricultural land, and
- 2 percent is nonagricultural land like roads, homesteads and other related infrastructure.

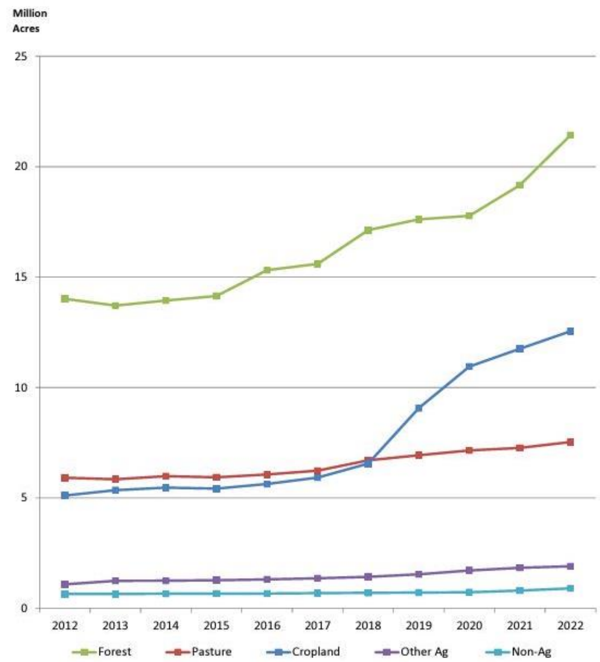
Figure 1: Foreign Holdings of Agricultural Land by County as of December 31, 2022



How does the federal government track foreign ownership of U.S. agricultural land?

The Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA; P.L. 95-460, 7 U.S.C. §§3501-3508) established a nationwide system for monitoring and regulating foreign ownership of U.S. agricultural land, requiring foreign persons or entities to disclose their holdings and transactions to the U.S. Department of Agriculture (USDA). Overall, AFIDA aims to balance the participation of foreign entities in U.S. agriculture while safeguarding against potential risks associated with foreign ownership of agricultural land. AFIDA broadly defines foreign persons and mandates reporting any ownership or land use changes. While foreign entities may be eligible for certain USDA farm program benefits if they meet domestic eligibility requirements, they are ineligible for USDA disaster assistance programs. AFIDA imposes no restrictions on foreign-owned or operated farms' eligibility for crop and livestock insurance premium subsidies, and some programs have no explicit citizenship requirements.

Figure 2: [Trends in Foreign Holdings of Agricultural Land by Type of Use, 2012-2022]



Typically, foreign individuals must disclose their interest in U.S. farmland by submitting an FSA-153 report to the relevant FSA county office within 90 days of acquisition or transfer. However, certain transactions, especially those involving complex scenarios such as land located in multiple counties or acquisitions of separate tracts in various counties by a foreign individual, may necessitate multiple filings. In such cases, the USDA Farm Service Agency's [AFIDA handbook] outlines that the USDA may grant permission for foreign individuals to submit their reports directly to the agency.

To facilitate tracking of foreign investment, holdings are recorded by the primary investor on the FSA-153 form; however, if investors from multiple countries are listed and no predominant country can be determined, the holding is categorized as "no predominant country." Consequently, the total acreage of foreign holdings should be considered a minimum, particularly in cases involving complex multi-country investment groups where a country's interest may be under-represented.

A [2024 report] from the Government Accountability Office (GAO) identified several flaws in the USDA's reporting system on foreign investments in agricultural land as stipulated under AFIDA. According to USDA officials, the Department collects the required data on paper forms from county or federal offices and reviews them for accuracy. However, its processes to do so are unclear and challenging to implement and may have resulted in reporting errors. In recent years, agencies that are part of the Committee on Foreign Investment in the United States (CFIUS) have noted that while USDA makes AFIDA data available to CFIUS annually, the Committee needs more up-to-date information delivered more frequently. A policy rider included in the FY 2024 Agriculture-Rural Development-FDA Appropriations Bill addresses these challenges by adding USDA to CFIUS and allocating discretionary funding to USDA to establish a modernized data collection and reporting system for AFIDA compliance.

How has the percentage of foreign-owned land changed since 2000?

The total percentage of U.S. farmland owned by foreign persons and entities has increased from around 1 percent in 2000 to 3.4 percent in 2022. Data cover foreign-owned (29.1 million acres) and U.S. subsidiary-owned land (11.7 million acres). The 2000s saw relatively constant levels of foreign ownership for the first half of the decade before seeing slight increases each year between 2007 and 2010. 2010 to 2017 saw modest increases in foreign holdings, averaging 0.6 million acres annually. Since 2017, foreign land holdings have increased by an average of nearly 2.9 million acres annually. Cropland ownership is growing the fastest, followed by forestland ownership. Pastureland ownership is increasing at a much slower rate. Most recent acquisitions in foreign-owned crop and pastureland are used primarily for wind farm deployment rather than direct agricultural activities.

Which countries own the most land? What kind of production is involved on this land, and where is it located?

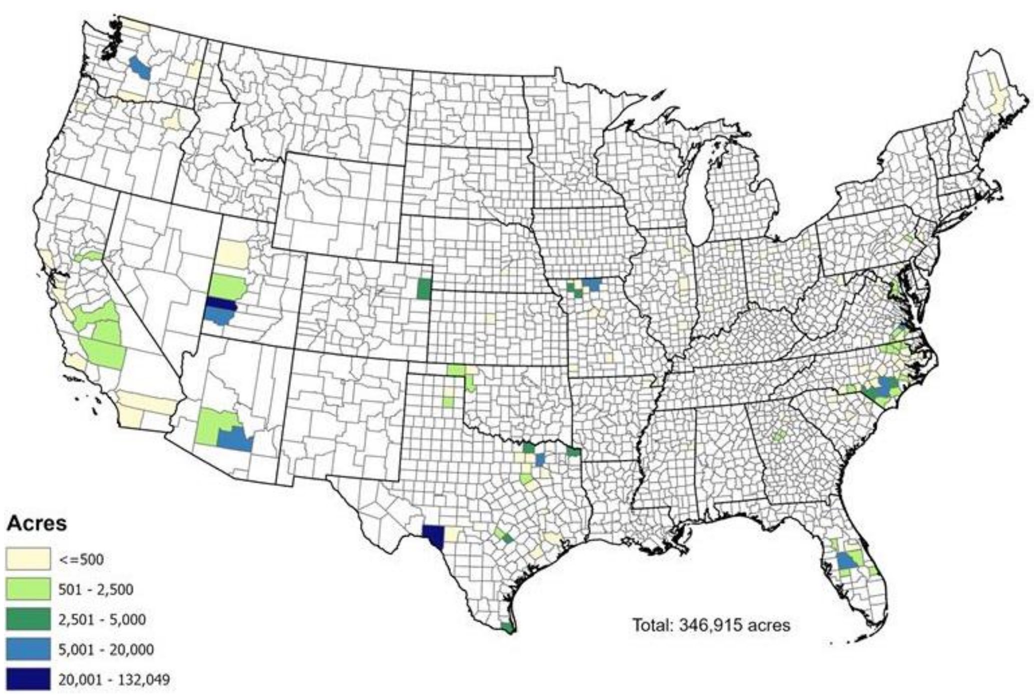
Five countries accounted for approximately 62 percent of all foreign-owned U.S. agricultural land in 2021. By share of all foreign-owned land, these were Canada (32 percent, mostly forestland), the Netherlands (12 percent), Italy (6 percent), the United Kingdom (6 percent) and Germany (5 percent). Portugal, France, Denmark, Luxembourg, Mexico, Switzerland, the Cayman Islands, Japan and Belgium are the other countries with over 500,000 acres of U.S. agricultural land ownership.

Figure 3: Foreign Holdings of Agricultural Land by Country, 2021

Country	Total	Foreign Entities	U.S. Entities w/ Foreign Shares	% of U.S. Private Land
	(million acres)			(percent)
Canada	12.8	9.7	3.2	1.0%
Netherlands	4.9	4.4	0.5	0.4%
Italy	2.7	2.6	0.1	0.2%
United Kingdom	2.5	1.5	1.0	0.2%
Germany	2.3	1.4	0.9	0.2%
Subtotal	**25.2**	**19.6**	**5.7**	**2.0%**
Other Countries	12.4	7.1	5.3	1.0%
Not Listed	3.2	2.4	0.8	0.3%
Total	**40.8**	**29.1**	**11.7**	**3.1%**

Chinese presence in the U.S. agricultural land market is small relative to other nations, accounting for 0.9 percent of foreign-owned agricultural land in 2021 with 349,442 total acres. However, Chinese holdings have notably increased from the 69,120 acres owned by Chinese persons or entities in 2010. Chinese investments in U.S. agricultural land are spread across the

Figure 4: Chinese Holdings of Agricultural and Non-Agricultural Land by County as of December 31, 2022



country. The states with the largest Chinese holdings are Texas (162,167 acres), North Carolina (44,776 acres), Missouri (43,071 acres), Utah (32,447 acres), and Virginia (14,382 acres). These five states accounted for 85 percent of Chinese filings associated with U.S. agricultural land. Ownership figures for other adversary nations like the Russian Federation and Iran are negligible.

All U.S. states and Puerto Rico report some foreign land ownership or investment. As of year-end 2021, the states with the most foreign-owned agricultural acreage were Texas (5.3 million acres), Maine (3.6 million acres), Colorado (1.9 million acres), Alabama (1.8 million acres), and Oklahoma (1.7 million acres). Other states with more than 1 million foreign-owned acres were Arkansas, California, Florida, Georgia, Kansas, Louisiana, Michigan, New Mexico, Oregon, and Washington.

Which foreign firms play major roles in the U.S. agricultural supply chain?

The importance of foreign firms to U.S. agricultural supply chains varies widely by commodity and sector. Chinese firm WH Group, which acquired Smithfield Foods in 2013, now controls a significant share of the U.S. pork market due to the Group's vertical integration throughout the industry. Throughout the COVID-19 pandemic, this concentration raised concerns as Smithfield's exports to China increased as the U.S. faced widespread meat shortages.

However, this concentration is not unique to the pork industry or Chinese firms. Brazilian-owned U.S. poultry firm Pilgrim's Pride Corp similarly increased exports to China during the pandemic despite similar poultry shortages affecting the domestic market. While the poultry industry is not consolidated around Pilgrim's Pride Corp, its substantial market share is still large enough to affect domestic prices based on export shares. Pilgrim's Pride's parent company, Brazilian-owned JBS SA, is also one of the largest beef processing firms operating in the U.S. National Beef Packing Co, owned by Brazilian firm Marfrig Global Foods SA, also occupies a spot in the top-four beef producers in the United States.

With timberland accounting for nearly half of foreign-owned agricultural land, it is unsurprising that foreign-owned, primarily Canadian, lumber firms have a major role in the U.S. market. Major Canadian firms like Canfor Corp., Interfor Corp. and West Fraser Timber Company own large proportions of timberland throughout the South as well as in regions near the Canadian border.

Nevertheless, USDA has not identified foreign-owned firms' presence and role in the domestic market as a cause for concern in their most recent Agri-Food Supply Chain Assessment. While there may be distinct concerns in certain sectors of the agri-food industry, USDA does not hold the position that foreign-owned firms or agricultural land present concerns for U.S. agricultural resilience.

STATE AND FEDERAL LEGISLATIVE LANDSCAPE

Are there federal laws restricting foreign ownership or investment in agricultural land?

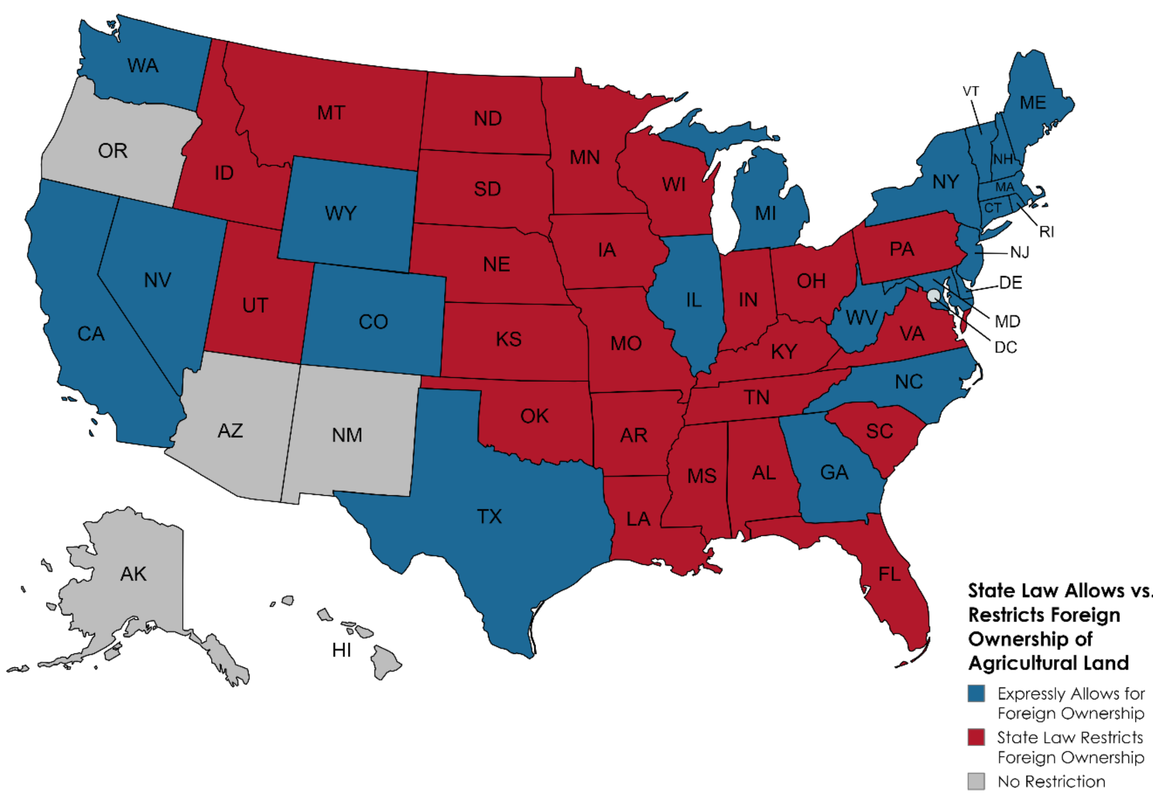
There are no federal laws restricting foreign ownership of agricultural land. However, the Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA; P.L. 95-460, 7 U.S.C. §§3501-3508) requires foreign persons and entities to disclose information related to foreign investment and ownership of U.S. agricultural land to USDA. AFIDA requires foreign individuals and companies who buy, sell, or gain interest in U.S. agricultural land to disclose their holdings and transactions to USDA directly or to the relevant Farm Service Agency (FSA) county office or face penalties and fines. After the original disclosure (Form FSA-153), each subsequent change of ownership or use must be reported. USDA compiles these data, with the most recent AFIDA report covering 2022.

Are there state laws restricting foreign ownership or investment in agricultural land?

In some states, foreign persons and entities can purchase, sell and invest in agricultural land on equal footing with U.S. citizens. In other states, however, foreign ownership of agricultural land is restricted in some way. While no state has an absolute prohibition on foreign agricultural land ownership, 24 states specifically limit nonresident aliens, foreign businesses and corporations, and foreign governments from acquiring or owning an interest in agricultural land within their state. Restrictions are not uniform; however, as definitions of agricultural land and the categories of foreign individuals and businesses subject to restrictions vary between each of the 24 states, please see the National Agricultural Law Center's analysis for precise details on each state's regulations.

15 states also have reporting requirements for foreign investment similar to federal requirements under AFIDA. These states are Alabama, Arkansas, Florida, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Minnesota, Mississippi, Missouri, Montana, Nebraska, North Dakota, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Utah, Virginia, and Wisconsin.

Figure 6: State Legal Landscape on Foreign Agricultural Land Ownership



Certain states' regulations concerning foreign ownership delegate enforcement authority to either the state's attorney general or a district attorney within the county where the foreign-owned land is situated. Alternatively, some states allow for private enforcement of these laws, enabling residents of the state where the farmland is located to initiate legal action against foreign entities. Enforcement mechanisms typically involve the initiation of escheat or forfeiture actions against suspected violators, potentially resulting in the loss of legal interest in the agricultural land for foreign parties. In contrast, others may impose civil penalties for noncompliance.

How have state laws related to foreign ownership or investment in agricultural land changed over time?

Most current state restrictions stem from the 1970s and Cold War-era worries over foreign land ownership, which ultimately helped pressure the federal government into passing AFIDA. Some states have even older restrictions dating to World War II, westward expansion or the colonial era.

State legislatures have seen an uptick in legislative activity seeking to restrict foreign ownership and investment in agricultural land since 2021. The reasons for this vary; analyses from researchers at the University of Arkansas tracking public perceptions of foreign agricultural holdings have cited concerns related to Chinese purchases of agricultural land located near sensitive Department of Defense facilities as well as a well-documented incident involving a high-altitude balloon originating from China that flew across U.S. airspace in late January/early February 2023.

Since January 2024, most state governments have proposed at least one piece of legislation to prohibit or restrict foreign holdings of agricultural land. Fourteen states have enacted legislation placing restrictions on foreign ownership of agricultural land since 2022 alone. The state governments of Idaho, Indiana, and Utah have all tightened existing restrictions since 2021. Foreign agricultural land ownership restrictions will likely remain on the state policy agenda as media outlets and the public continue to maintain interest in this issue.

IMPACT ON COUNTIES

Are there local or county laws restricting foreign ownership or investment in agricultural land?

At present, there are no local or county laws restricting foreign agricultural land ownership. All restrictions exist at the state level.

How have counties been impacted by foreign ownership and investment in agricultural land?

As the first point of contact for farmers, ranchers, foresters and other agricultural and forestry industry professionals, county governments are on the frontlines of foreign agricultural land ownership issues. Counties are responsible for many of the tracking requirements under AFIDA, which are then reported to USDA. County prosecutors may also have jurisdiction over potential violations in states with foreign ownership restrictions.

Despite the controversy over foreign ownership, the economic benefits to communities are often very tangible. Chinese-owned Smithfield Foods' Putnam County, Missouri plant not only employs many Putnam County residents and provides a crucial market for smaller local pork producers, but it also repurposes methane from farm manure into natural gas that is used to heat an average of 14,000 homes per year. Smithfield has spent $47 million since 2020 upgrading its numerous facilities across Missouri alone, showing that foreign-owned corporations still play an important role in local economies.

However, foreign-owned agricultural land can also negatively impact counties and local communities by siphoning limited resources away from local residents to produce commodities for foreign markets overseas.
Local stories related to the impacts of foreign agricultural land acquisition have received national media attention in recent years. The first is the aforementioned acquisition by WH Group of Smithfield Foods in 2013. The deal received attention not only due to Smithfield's position as the largest U.S. pork producer but also because Missouri's state legislature loosened restrictions on foreign ownership only a week before the deal closed to allow the company to continue to operate in the state. County officials had little power to stop the deal or impose their own restrictions in the Smithfield case, as the state government's actions superseded the county's authority.

Another recent example of a local debate on foreign agricultural land ownership receiving national attention is the case of Fufeng Group's 2021 attempt to purchase 300 acres of land near the Grand Forks Air Force Base in Grand Forks County, North Dakota. Initially lauded for the deal's potential benefits, local sentiments quickly turned sour as residents questioned the implications for national security. These concerns then spread to the state and federal governments, inspiring the recent push in Bismarck to tighten North Dakota's foreign land ownership restrictions. Unlike in the Missouri case, the Grand Forks city government ultimately had the authority to block the construction of a corn mill on the Chinese-owned land.

In La Paz County, Arizona, the United Arab Emirates-owned Al Dahra alfalfa farm has drawn down the local aquifer to irrigate their water-intensive crops during a record drought. Shallower wells used by local households and small local farmers subsequently ran dry during the drought. Still, the Emirati-owned farms continued to use water to cultivate alfalfa to be exported back to the UAE and other Middle Eastern countries for livestock feed. Al Dahra's attempts to invest in the community through internship programs and donations have been appreciated but have mostly fallen flat.

SURVEY OF MAJOR STAKEHOLDERS

What positions have major stakeholders in the U.S. agricultural sector taken on this issue?

Stakeholders in the agricultural sector have been slow to take official positions on foreign agricultural land ownership. The only major agricultural organization that has taken a stance as of April 2023 is the National Farmers Union, which supports a full federal prohibition on foreign ownership of agricultural land and access to grazing allotments or commercial fishing rights, as well as establishing a right of individual farmers to sue foreign actors that fail to disclose their ownership of "any U.S. business, financial, energy or real estate assets." Until a ban is passed, the NFU says it will also support AFIDA reporting requirements.

No other agricultural organization has taken a stance on foreign agricultural land ownership or made it a federal policy priority. For example, the National Cattlemen's Beef Association does not mention foreign ownership anywhere in its policy documents. The Specialty Crop Farm Bill Alliance, composed of over 200 specialty crop organizations, similarly does not touch on the issues in their Farm Bill priorities. The National Corn Growers Association and American Soybean Association voted down measures that would take positions in favor of restrictions on foreign holdings to their 2024 legislative priorities.

The forestry sector displays similar patterns. No major forestry association or organization mentions foreign ownership as a priority or concern. For instance, the National Association of State Foresters does not cover the topic in its Farm Bill priorities document. No forestry organization has taken an official stance on the issue, which is especially notable given that forestland accounts for nearly half of foreign-owned agricultural land in the United States.

The lack of concrete positions on foreign agricultural land ownership by stakeholders does not mean the issue has not been discussed. As the rejected NCGA and ASA resolutions show, the discussion of foreign agricultural land ownership is very much on stakeholders' agendas. The American Farm Bureau Federation and National Association of Wheat Growers have also clarified that they have discussed the issue but so far declined to take a stance. The lack of urgency and concrete positioning reflects a consensus among agriculture and forestry stakeholders that foreign agricultural land ownership is not a priority issue or concern for the near future.

Has there been any action within the Executive Branch on the issue of foreign ownership of agricultural land?

After an internal department memo obtained by Agri-Pulse in early 2023 showed that USDA had not assessed any penalties related to AFIDA between 2015 and 2018 due to a lack of staff, Secretary of Agriculture Tom Vilsack announced that USDA has doubled its AFIDA compliance and tracking staff and is reexamining all transactions from the 2015-2018 period. Vilsack further specified that the USDA has little power to investigate AFIDA beyond assessing penalties for late or erroneous filings since it does not have a role in reviewing purchases of U.S. agricultural land. There are, however, no plans at USDA or in other federal agencies to further restrict foreign agricultural land ownership.

Has there been any action within U.S. Congress on the issue of foreign ownership of agricultural land?

The FY 2024 Agriculture-Rural Development-Food and Drug Administration, and Related Agencies (Ag-FDA) Appropriations, which set discretionary funding for USDA, included a policy rider adding the U.S. Department of Agriculture to the Committee on Foreign Investment in the United States (CFIUS) for issues involving "agricultural land, biotechnology and industry." This designation requires USDA to notify CFIUS of any agricultural land transactions reported under the Agricultural Foreign Investment Disclosure Act (AFIDA) that "may pose a risk to national security." In turn, the rider also allocated $2 million to USDA to improve its tracking and reporting processes related to foreign ownership of agricultural land.

A similar policy rider in the FY 2023 Consolidated Appropriations Act (P.L. 117- 328, §773) directed USDA to report on the impact of foreign investments in U.S. agricultural land on "family farms, rural communities, and the domestic food supply." It directs USDA to establish a "streamlined process for electronic submission and retention of disclosures" under AFIDA and to provide an "internet database" with "disaggregated data from each disclosure submitted." USDA has three years to implement some of these directives.

The 118th Congress has seen the introduction of several standalone bills on the subject of foreign agricultural land ownership. The Congressional Research Service divides these legislative efforts into three broad categories based on their policy approach:

- **Tighten USDA Foreign Investment Disclosure Requirements:** The current USDA disclosure requirements under AFIDA mandate that any foreign individual or entity acquiring or transferring agricultural land must report to USDA within 90 days of the transaction. USDA annually provides Congress with data collected from these reports. Bills in the 118th Congress that would amend AFIDA include H.R. 344, H.R. 809, H.R. 1789, S. 926/H.R.3357,

S. 1136, S. 1066, S. 2382/H.R. 6469, and S. 2060/H.R.5078. These bills generally aim to update disclosure requirements, expand the scope of who must report, increase penalties for non-disclosure, and mandate additional reporting and analysis by USDA.

- **Restrict Access to USDA Farm Support Programs by Foreign Persons and Entities:** Foreign persons are restricted from participating in some USDA farm support programs but not others. For example, current law imposes no specific eligibility restrictions on foreign persons for crop and livestock insurance premium subsidies. However, foreign persons are not eligible for Supplemental Disaster Assistance. Foreign persons (other than registered aliens) must meet certain criteria to receive USDA commodity and conservation program benefits. Bills in the 118th Congress that would further limit access to USDA programs include S. 926/H.R.3357 and S. 1066.

- **Prohibit U.S. Agricultural Land Purchases by Certain Foreign Adversaries or Establish Other Restrictions:** Current federal law does not impose restrictions on the amount of private U.S. agricultural land that can be foreign-owned. Bills in the 118th Congress that would establish additional restrictions include H.R. 212, H.R. 344, S.168/H.R.683, H.R. 809, H.R. 840, S. 369/H.R. 917, H.R. 1448, H.R. 3357/S. 926, S. 684, and S. 1136.

Which bills related to foreign ownership of U.S. agricultural land might see legislative action in 2024?

Four bills have garnered bipartisan support and may make their way into the 2024 Farm Bill or later omnibus packages. Summaries of these bills are included below:

Promoting Agriculture Safeguards and Security (PASS) Act of 2023 (S. 168/H.R. 683)

- **Sponsor:** Senator Mike Rounds (R-S.D.) / Rep. Elise Stefanik (R-N.Y.-21)

- **Cosponsors:** Senate – 10 (9 Rs/1 D); House – 42 (41 Rs/1 D)

- **Committee of Jurisdiction:** Senate Committee on Banking, Housing and Urban Affairs / House Financial Services Committee; House Foreign Affairs Committee; House Energy and Commerce Committee

- **Description:** The PASS Act would prohibit persons who are acting on behalf of China, Russia, Iran, or North Korea from purchasing or investing in U.S. agricultural land and companies. The President may waive this prohibition on a case-by-case basis if the President determines that the waiver is vital to U.S. national security interests.

  The bill also places the Secretary of Agriculture on the Committee on Foreign Investment in the United States (CFIUS) and requires CFIUS to review certain transactions involving investments by foreign persons in the U.S. agricultural sector. Additionally, the Department of Agriculture must report on the risks that foreign purchases of U.S. businesses engaged in agriculture pose to the agricultural sector of the United States.

Protecting America's Agricultural Land from Foreign Harm Act (S. 926/H.R. 3357)

- **Sponsor:** Senator Mike Braun (R-Ind.) / Rep. Dale Strong (R-Ala.-5)
- **Cosponsors:** Senate – 3 (2 Rs/1 D); House – 33 (30 Rs/3 Ds)
- **Committee of Jurisdiction:** Senate Committee on Agriculture, Nutrition and Forestry / House Agriculture Committee
- **Description:** This bill would prohibit the purchase or lease of U.S. agricultural land by individuals and companies associated with the Chinese, Russian, North Korean, or Iranian governments. A person who violates or attempts to violate this prohibition is subject to civil and criminal penalties. This prohibition does not require a person who owns or leases agricultural land as of the date of this bill's enactment to sell that land.

  Further, the President must prohibit a person associated with these foreign governments who leases or has full or partial ownership of agricultural land in the United States from participating in Department of Agriculture (USDA) programs. Exceptions are included to allow participation in USDA programs related to food safety, individuals' health and labor safety, or certain reporting and disclosure requirements.

  The bill also amends the agriculture foreign investment disclosure reporting requirements to include reporting on security interests and leases.

Security and Oversight for International Landholdings (SOIL) Act of 2023 (S. 1066)

- **Sponsor:** Senator James Lankford (R-Okla.)
- **Cosponsors:** Senate – 3 (2 Rs/1 D)
- **Committee of Jurisdiction:** Senate Committee on Agriculture, Nutrition and Forestry
- **Description:** The SOIL Act would establish and expand requirements for reviewing and disclosing transactions regarding foreign investments in agricultural land.

  The Committee on Foreign Investment in the United States (CFIUS) must review certain investments in agricultural land held by a person (i.e., individual or entity) that is a national of, or subject to the jurisdiction of, a country (1) designated as a nonmarket economy, or (2) identified as posing a risk to the national security of the United States. Under current law, CFIUS reviews the national security implications of certain foreign investments in U.S. businesses or real estate, including critical infrastructure or technologies.

  CFIUS must also review certain real estate acquisitions or transfers of interest, other than security, for nonresidential properties located within 50 miles of a military installation.

  The bill also prohibits federal assistance, including subsidies, from being provided to a person for an agricultural real estate holding owned by any of the foreign persons specified above.

The bill requires any foreign person who enters into a leasing agreement for agricultural land that is longer than five years to report the lease to the Department of Agriculture (USDA). Current requirements only apply to agricultural land acquired or transferred.

Further, the USDA must prepare and make an annual report describing agricultural land holdings by foreign persons, including specific information related to foreign persons from China and Russia, publicly available. Both include the Secretary of Agriculture on the Committee on Foreign Investment in the United States and require review of certain foreign agricultural land purchases under the Defense Production Act.

Farmland Security Act of 2023 (S. 2382/H.R. 6469)

- **Sponsor:** Senator Tammy Baldwin (D-Wis.) / Rep. Marie Gluesenkamp Perez (D-Wash.-03)

- **Cosponsors:** Senate – 1 (1 R) / House – 5 (5 Rs)

- **Committee of Jurisdiction:** Senate Committee on Agriculture, Nutrition and Forestry / House Agriculture Committee

- **Description:** The Farmland Security Act of 2023 would require USDA to conduct research into foreign ownership of agricultural production capacity and foreign participation in agricultural economic activity in the United States, enhance compliance audits on AFIDA data, report to Congress on foreign entities' agricultural leasing activities, research foreign shell corporations.

  The bill would also require USDA to provide annual training to state and county-level staff regarding identifying non-reporting foreign-owned agricultural land.

  The bill would increase fees levied on foreign entities that misreport foreign-owned acreage.