



Kansas Corn Growers Association

To: Senate Committee on Federal and State Affairs
Senator Mike Thompson, Chair

From: Kansas Corn Growers Association

Re: **Opposition to SB 446 – Prohibiting acquisitions of ownership interests in certain Kansas real property by foreign individuals and entities unless authorized by the state land council and establishing the state land council.**

Date: Wednesday, February 7, 2024

Thank you, Chairman Thompson and members of the committee, for the opportunity to address the above organization's views on SB 446. The Kansas Corn Growers Association (KCGA) represents more than 1,100 members on state and national legislative and regulatory issues and actively works with other organizations to maximize the voice of Kansas corn producers.

Private land ownership and property rights are some of the biggest priorities for corn growers throughout our state. Kansas farmers planted over five million acres of corn yearly over the past decade, making up over 10 percent of the area of Kansas. Agricultural land accounts for 87 percent of the entire land mass of Kansas. Any bill that changes who can or cannot hold private property will be felt primarily by farmers and corn growers.

To this end, KCGA opposes SB 446 on the grounds of private property rights. Banning the ownership of private property by foreign businesses is out of line with the interests of Kansas farmers. Our farmers work multiple generations to build up their businesses. When it comes time for them to sell, should they choose to do so, they should not be limited to who they can sell it to.

Congress at the federal level has been concerned with possible foreign ownership of land for a long time. This is why Congress enacted the Agriculture Foreign Investment Disclosure Act in 1978. Under AFIDA, the USDA obtains information on U.S. agricultural holdings of foreign individuals and businesses. In essence, AFIDA is a reporting statute rather than a regulatory statute. AFIDA defines "agricultural land" as "any land located in one or more states and used for agricultural, forestry, or timber production purposes..." (7 U.S.C. § 3508(1)).

Thanks to AFIDA, we know how much agricultural land is being held by foreign entities, and it is a very small portion. According to a report from the Kansas State University Department of Agricultural Economics Extension entitled "Foreign Holdings of Kansas Agricultural Land," foreign interests held 1.1 million acres of agricultural land in Kansas, just 2.4 percent of all

agricultural acres. Of that, only 67 thousand acres of land were held by foreign interests that were not related to energy production, or 0.1 percent of total agricultural land in Kansas. This is a tiny component of privately held land.

Kansas farmers also rely on foreign-owned companies operating in the United States. Companies like DuPont, Bimbo Bakeries, Syngenta, and Smithfield have operations in Kansas, employ tens of thousands of Kansans, and provide a significant contribution to the Kansas economy. SB 446 would ensure that these companies, which employ Kansans, feed Kansans, supply Kansans, and often have some form of ownership by Kansans, cannot expand their operations in Kansas. Tire repair shops, fueling stations, fast food restaurants, hotels, and more could also be put in jeopardy.

Further, foreign-owned companies contribute to agricultural innovation through research farms and experimentation. Agricultural research led to the green revolution in the 20th century and will be the way that farmers continue to be more efficient, cleaner, and more productive in the 21st century. Private research farms in Kansas bring new corn varieties onto the market, giving farmers better adaptability and resistance to changing pests and weather conditions. This research is vital to the existence of Kansas agriculture.

Overall, SB 446 is bad public policy. It sets limitations on who private landowners can and cannot sell their land to. This is a slippery slope and government overreach. It also could put the future of Kansas jobs in jeopardy as companies may decide to abandon current investments in the state. For these reasons, the Kansas Corn Growers Association opposes SB 446.

Submitted on behalf of the Kansas Corn Growers Association by Taylor Williamson, Director of Public Policy, and Regulatory Affairs.