

Kansas Bureau of Investigation

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Before the Senate Federal and State Affairs Committee Regarding SB 446 (Proponent) Bob Stuart, Executive Officer Kansas Bureau of Investigation February 7th, 2024

Chairman Thompson and members of the Committee:

The Kansas Bureau of Investigation (KBI) supports SB 446 which will prohibit acquisition of certain Kansas lands by foreign nationals, foreign businesses and foreign governments without review and approval by a newly formed Kansas Land Council (KLC).

The KBI, together with our federal, state, local and tribal partners understand that our nation and our state are under unprecedented levels of attack. These unorthodox attacks come from foreign countries, their puppet states, companies owned by them and their citizens. This nontraditional warfare is being waged for the purpose of disrupting our way of life and taking control of our natural resources, infrastructure and work product. The KBI is aware of recent nationally observed trends in this regard. Acquiring land ownership, either overtly or covertly, with that kind of hidden malicious intent is something our state and our laws are ill equipped to address.

To that end, the KBI believes SB 446 is a moderate and even handed response which will continue to allow the free and fair trade of Kansas land by people of any nationality but with a layer of protection and oversight via the KLC. By including the Attorney General, the Adjutant General and the Director of the KBI as KLC members SB 446 will ensure the Council has current, valuable data and trend analysis regarding this new asymmetric warfare.

According to USDA's latest Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA) report, which is based on 2021 data, over 50 million acres of U.S. agricultural land are owned by foreign investors and companies. This corresponds to 3.1% of all privately held agricultural land and 1.8% of all land in the United States.

Ag Land is defined as land used for forestry production, farming, ranching or timber production. Foreign Person is defined as any individual corporation, company, association, partnership, society, joint stock company, trust, estate, or another legal entity-including any foreign government. US citizens and permanent resident aliens are explicitly excluded from AFIDA requirement.



FIGURE 4: CONCENTRATION OF FOREIGN-OWNED AG LAND BY LAND USE TYPE



Foreign Investment in U.S. Ag Land – The Latest Numbers | Market Intel | American Farm Bureau Federation (fb.org)

Pursuant to the Center for Strategic and International Studies (CSIS) foreign investors owned at least 35.2 million acres of U.S. agricultural land in 2019. This is 2.7 percent of U.S. farmland (**almost the size of Iowa**). While foreign land ownership has been reported in all 50 states and Puerto Rico, holdings are concentrated in the following states. Texas has the greatest share with over 4.4 million acres, Maine 3.3 million acres and Alabama 1.8 million acres. Over 40 percent of the additional 3.4 million acres acquired by foreign investors in 2019 were located in Texas, Oklahoma, and Colorado.

Foreign Purchases of U.S. Agricultural Land: Facts, Figures, and an Assessment of Real Threats (csis.org)

According to the National Agricultural Law Center there are no states with an absolute prohibition of foreign ownership. State laws restricting foreign ownership vary widely and are without a general or uniform approach, likely because many of these states' laws developed at a different significant points in our nation's history. Those flashpoints include:

-Colonial Period/Signing of the Declaration of Independence

-Late 1880's through the turn of the century, including the enactment of the Territorial Land Act of 1887.

-Early 20th Century through post WWII

-1970's which resulted in the enactment of the federal reporting statute known as the Agricultural Foreign Investment Disclosure Act (AFIDA) of 1978 -2021-Present

Recent reemerging interest in restricting foreign investments in U.S. land, **especially agricultural land**, is partly due to a Chinese-owned company purchasing over 130,000 acres near a U.S. Air Force base in Texas. Another transaction that raised concerns among some federal and state lawmakers is the purchase of 300 acres near an Air Force base in North Dakota by the Chinese company Fufeng Group.

The asymmetric warfare concept coupled with the large amount of foreign owned land and the trends showing a design to acquire more cause the KBI concern. We therefore support passage of SB 466 as a reasonable measure to address these matters.

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