



February 7, 2024

To: Senate Committee on Federal and State Affairs
From: Scott Gigstad, President Kansas Soybean Association
RE: Written Opponent Testimony on Senate Bill 446

Chairman Thompson and members of the Senate Federal and State Affairs Committee:

Thank you for the opportunity to submit written testimony from the Kansas Soybean Association (KSA) in opposition to senate bill SB 446

Kansas was the thirteenth ranked state for soybean production at 105 million bushels in 2023. The Kansas Department of Agriculture (KDA) reports that oilseeds, mainly soybean, in Kansas have a direct output of more than \$2.67 billion on the Kansas economy. 97% of soybean meal is fed to livestock bringing essential and quality protein to their diets. The Kansas livestock industry is vital to the success of Kansas soybean farmers.

The Kansas Soybean Association (KSA) opposes SB 446 because it unnecessarily restricts agricultural land markets and persons who can invest in agricultural operations. KSA understands that it might be necessary for the legislature to restrict foreign adversaries from owning land in Kansas due to national security risks posed by these nations. However, prohibiting all foreign nationals, especially those from neighboring and allied countries is unnecessary and restricts access to capital to Kansas agricultural producers that must function in a modern and dynamic industry.

In addition, KSA is concerned that SB 446 does not contain an exemption for lending institutions from foreclosing on mortgages in default. Under the current bill, a lending institution with a foreign shareholder could immediately be in violation of this bill if it were to foreclose on a property. Such a policy could restrict or make more expensive agricultural credit while not advancing a legitimate national security interest. We suggest the committee add an exemption, such as the one contained in Senate Substitute to HB 2069 or HB 2638. This exemption is similar to an exemption in Iowa and would allow a lending institution with a foreign interest, two years to get through the foreclosure process and resell the land.

Thank you for the opportunity to share KSA's concerns with the Committee. KSA suggests the Committee not advance SB 446 and instead consider alternative approaches like those found in Senate Substitute to HB 2069 or HB 2638.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Scott Gigstad", written in a cursive style.

Scott Gigstad, President
Everest, Kansas