testimony favorable SB392 agra land 2024.pdf Uploaded by: Emily Tarsel

Position: FAV

Favorable Vote for SB392 Agricultural Land - Adversarial Foreign Governments - Restrictions on Property Interests

Dear Senators on the EEE Committee. I ask your favorable vote on SB392 "Prohibiting adversarial foreign governments from purchasing, acquiring, leasing, or holding any property interest in agricultural land in the State; and requiring the Attorney General to enforce the Act in a certain manner."

This bill is in the best interests of Marylanders and the US in general. Thank you. Emily Tarsell, LCPC 2314 Benson Mill Rd. Sparks, MD 21152 410-472-1466

SB 392 FAV Testimony.pdf Uploaded by: Senator Gallion Position: FWA

JASON C. GALLION Legislative District 35 Harford and Cecil Counties

Education, Energy, and the Environment Committee



Annapolis Office James Senate Office Building 11 Bladen Street, Room 414 Annapolis, Maryland 21401 410-841-3603 · 301-858-3603 800-492-7122 Ext. 3603 Fax 410-841-3115 · 301-858-3115 Jason.Gallion@senate.state.md.us

District Office 64 S. Main Street Port Deposit, Maryland 21904

THE SENATE OF MARYLAND Annapolis, Maryland 21401

February 12th, 2024

The Honorable Brian Feldman, Chair

Senate Education, Energy and the Environment Committee

RE: SB530 – Agricultural Land – Adversarial Foreign Governments – Restrictions on Property Interests

Position: Favorable w/ Amendments

Dear Chairman Feldman,

This commonsense bill would prohibit adversarial foreign governments, which means a state-controlled enterprise or government of a country that the U.S. Secretary of Commerce has determined to be a foreign adversary from purchasing, acquiring, leasing, or holding any property interest in agricultural land in the State of Maryland.

In the legislation a state-controlled enterprise would be a business enterprise in which a foreign government possesses more than 50% of the ownership interests or directs the business and affairs of the enterprise without the requirement or consent of any other person.

Currently, 24 other states ban the foreign ownership of farmland (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.)

The intent of this legislation is to make certain that we are safeguarding our farmland and food supply from foreign adversaries that don't always have our best interests in mind. Unfortunately, on a federal level the tracking data of these purchases has fallen behind and there doesn't seem to be any urgency to provide accurate results of these purchases.

"According to a GAO (U.S. Government Accountability Office) report detailing the findings of its investigation, the Department of Agriculture (USDA) has failed to consistently share timely data on foreign investments in U.S. agricultural land as required under the 1978 Agricultural Foreign Investment Disclosure Act (AFIDA). Further, Pentagon officials told investigators, according to the report, that USDA needs to regularly provide more up-to-date and specific AFIDA data.

"The GAO investigation concluded that USDA collects AFIDA (Agricultural Foreign Investment Disclosure Act) data on paper forms filed with county or federal offices, but that its process is "unclear and challenging to implement." And USDA also has no plans and timelines to create an online AFIDA database despite Congress mandating the agency create one by 2025." <u>Foreign Investments in U.S.</u>

Education, Energy, and the Environment Committee



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THE SENATE OF MARYLAND Annapolis, Maryland 21401

Agricultural Land: Enhancing Efforts to Collect, Track, and Share Key Information Could Better Identify National Security Risks | U.S. GAO

We're proposing two amendments to the legislation that will create a more narrowly tailored product, the first will exempt property that is used for Agricultural research and development or the testing, development or production of crop production inputs for sale or relate to farmers including seeds, plants, pesticides, soil amendments, biologicals and fertilizers.

The second amendment proposed from the Maryland Realtors would exclude real estate licensees from any damages or harm arising from the enforcement under this law.

I respectfully ask the committee for favorable passage of SB 392.

Sincerely,

Jasa Dallion

Jason Gallion Senator, District 35

Support with Amendments SB392 Agricultural Land -Uploaded by: Tyler Hough

Position: FWA



February 12th, 2024

To: Senate Education, Energy, and the Environment Committee

From: Maryland Farm Bureau, Inc.

RE: <u>Support with Amendment of SB0392 - Agricultural Land - Adversarial Foreign</u> <u>Governments - Restrictions on Property Interests</u>

On behalf of the nearly 9,500 Farm Bureau families in Maryland, I submit this written testimony in support with amendments of SB0392. This bill prohibits adversarial foreign governments from purchasing, acquiring, leasing, or holding any property interest in agricultural land in the State. The Attorney General is required to enforce the bill, as specified, and is authorized to bring an action to enjoin a threatened or prospective violation of the bill in any manner provided by law.

Agricultural land in Maryland is certainly a hot commodity, and we are seeing competitive bidding that drives the price per acre up. The members of the Maryland Farm Bureau encourage the utilization of productive farmland to be used by our Maryland Farm families. Due to our state's proximity to Washington D.C., we are the proud home of many fundamental government, military, and intelligence agencies. When hostile foreign actors can purchase large amounts of agricultural land, there is a chance that they can achieve access to the same public services shared by these entities, presenting a worrisome point of entry.

Maryland has 59,627 acres of foreign-investor-held agricultural land (0.007% of Maryland's total land acreage). German investors own the largest share (31%) of this acreage in Maryland with 18,544 acres, followed by Japan – 11% (6,398 acres), France – 10% (6,235 acres) and Canada – 10% (5,834) to round out the top 4 countries. China is number 7 in Maryland with 2,139 acres or 3.5% of Maryland's total foreign-investor-held agricultural land. The biggest Chinese investor is Walton International Group, and they have 2,008 acres across Prince Georges and Charles counties. The Walton International Group is the land asset management and global real estate investment company headquartered in Scottsdale, Arizona who has some Chinese investors.

Currently in Maryland, we have valuable Agriculture research companies that would be affected by this bill. We ask for an amendment that would exempt companies involved in Agricultural Research in Maryland.

MDFB Policy: Foreign investment in Maryland assets is a concern. The impact of foreign investment in agriculture, banking, insurance, and other business institutions in the United States should be monitored. Foreign government ownership of utility companies and natural



Maryland Farm Bureau 3358 Davidsonville Road | Davidsonville, MD 21035 410-922-3426 | www.mdfarmbureau.com

resource businesses, including agricultural land, should be limited to less than a controlling interest. We oppose preferential treatment of foreign investments in agriculture and insist that foreign investors be required to conform to the same tax laws, import and export regulations as American producers.

Maryland Farm Bureau Supports SB0392 with Amendment

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Tyler Hough Director of Government Relations Please contact Tyler Hough at (443) 878-4045 with any questions

SB 392_realtors_fwa.pdf Uploaded by: William Castelli

Position: FWA



Senate Bill 392 – Agricultural Land – Adversarial Foreign Governments – Restrictions on Property Interests

Position: Favorable with Amendments

Maryland REALTORS® support SB 392 but recommend a change to clarify the enforcement of this policy.

The United States government through the U.S. Department of Treasury has classified certain countries as foreign adversaries and reviews the national security impacts of investments from these countries, including investments in real estate.

SB 392 would seek to strengthen the current federal framework by empowering the Maryland Attorney General to also take action when a federally designated foreign adversary acquires an ownership interest in Maryland Agricultural land. The REALTORS® propose adding language to clarify that real estate licensees engaged in bona fide real estate transactions do not bear liability for transactions that are voided under the law.

As the bill contemplates, the entity acquiring the real estate is likely to be a business entity controlled by a foreign government. It would be practically impossible depending on the structure of the business for real estate licensees to know whether a business entity is actually a "state-controlled enterprise." Clarifying liability for licensees would not impair the Attorney General from acting under the law and achieving the bill's purpose.

With these changes, the Maryland REALTORS® recommend support.

For more information contact lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org

Amendment

On page 3, after 19, insert:

(4) A REAL ESTATE LICENSEE ENGAGED IN A REAL ESTATE TRANSACTION SUBJECT TO ENFORCEMENT UNDER THIS SUBTITLE IS NOT LIABLE TO ANY PARTY IN THE TRANSACTION FOR DAMAGES OR HARM ARISING FROM ENFORCEMENT ACTIONS UNDER THE LAW.

