

**Testimony from Karla Jones, Sr. Director, Federalism, Homeland Security and International Relations  
American Legislative Exchange Council  
Re: Maryland HB885**

Thank you for the invitation to testify on behalf of the American Legislative Exchange Council (ALEC), America's largest nonprofit, nonpartisan organization of state lawmakers dedicated to the principles of limited government, free markets and federalism to offer nonpartisan research and analysis on HB885 *An Act Concerning Agricultural Land and Programs – Scrutinized Entities*. This legislation calls for a prohibition on agricultural land purchases as well as on participation in specific agricultural programs by nonresident aliens who are citizens of countries subject to an embargo under the International Traffic in Arms Regulations (ITAR) or commercial enterprises that are incorporated in countries subject to ITAR embargoes. Acquisition of US companies that have sizeable agricultural landholdings must be monitored closely to prevent countries of concern from accessing land by purchasing such an enterprise.

Preventing the outsize acquisition of US agricultural land by potential adversaries, including but not limited to the People's Republic of China (PRC) is warranted and using the ITAR list as a guide is a sound way to prevent countries of concern from purchasing Maryland's agricultural land. A similar list of potential adversaries was the basis of the original version of the 2024 National Defense Authorization Act (NDAA) that [failed to make it into the final Act](#). It is important to emphasize, however, that the threat posed by China is unique and more challenging than other ITAR countries of concern. The PRC is widely recognized as America's greatest and most complicated national and homeland security challenge and while there is a robust, although not infallible, federal national security infrastructure responsible for protecting the nation, the states, including Maryland, often lack such safeguards making them particularly vulnerable to PRC and other nations of concern's homeland security threats, interference, and influence. The states' lack of readiness compromises US national security as well their own.

The COVID 19 pandemic and Russia's attack against Ukraine revealed the fragility of America's international supply chains including for agricultural products. [Ensuring our nation's food security is a national security imperative](#) and the acquisition of US agricultural land by countries on ITAR's list of countries of concern poses a potential homeland and national security risk. Since Congress has been unable to secure farmland at the federal level, it is incumbent upon the states to fill the security gap.

Agricultural land acquisition by the People's Republic of China (PRC) is particularly problematic.

- While the PRC currently [owns just a fraction of US farmland](#), its acquisition of American and other overseas agricultural land has accelerated rapidly over the last decade as addressing its own [food insecurity challenges figure prominently in its long-term goals](#) and at least [one PRC national billionaire is the second largest foreign landowner in the US](#) with 200,000 acres in rural Oregon. The rate at which the PRC is acquiring land, and the location of the parcels is more alarming than the amount of territory being purchased.
- PRC purchases of agricultural land that is [adjacent to military installations, critical infrastructure](#) and other strategically sensitive sites are clear a national security vulnerability. ALEC State [Infrastructure Protection Act](#) model policy is designed to protect critical infrastructure when Committee on Foreign Investment in the US (CFIUS) fails to identify a clear national security risk.
- [A combination](#) of the unreliability of the USDA's data and the fact that the USDA is not a full member of CFIUS results in inaccurate federal government records on how much agricultural land the PRC holds.
- The PRC has a history of [weaponizing economic relationships](#), and in the wake of food shocks resulting from the COVID 19 pandemic and Russia's invasion of Ukraine, China ["quickly moved to lock down half the world's grain reserves driving up"](#) global food prices. Agricultural goods are particularly vulnerable to attempts at economic coercion.

- There are no opportunities for reciprocity as PRC laws prohibit property ownership generally as well as foreign involvement in agriculture.

States have begun to recognize these vulnerabilities with more than a dozen passing laws restricting purchases of agricultural land by PRC nationals and companies domiciled in China and a handful including [Hawaii, Iowa, Minnesota, Mississippi, North Dakota, and Oklahoma banning foreign farmland ownership entirely](#).

I am sorry that I am not able to be there in person as you consider these important policy ideas, however, I am happy that Maryland is working to address these security vulnerabilities and invite you to contact me with any questions at [kjones@alec.org](mailto:kjones@alec.org).