

Testimony from Karla Jones, Vice President ALEC Center for International Freedom American Legislative Exchange Council To: Ohio House of Representatives Public Safety Committee Re: Ohio HB1 Date: April 29, 2025

Thank you so much for this invitation, Representative King to address this hearing of the Ohio House of Representatives Public Safety Committee. ALEC has a long history of supporting subnational efforts to defend the states and the nation from foreign adversarial influence, infiltration and interference.

I am submitting this testimony 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. It references **HB1** to modify the Ohio law prohibiting certain governments, businesses, and individuals from acquiring certain real property as a way to protect Ohio land that is itself considered critical infrastructure and that is adjacent to critical infrastructure and US military installations. With **HB1**, Ohio would take an important step in defending against adversarial nations that could pose a threat to the critical infrastructure of your state, and by extension to the United States.

**HB1's** objective of preventing the acquisition of real property by potential adversaries, including but not limited to the People's Republic of China (PRC) is warranted. Using a structured process to identify adversarial nations is a sound way to determine countries of concern that should be prohibited from purchasing certain parcels of land. Engaging state officials who have expertise on the location of critical infrastructure and an understanding of Ohio's homeland and national security landscape is an important element as the Committee on Foreign Investment in the United States (CFIUS) has an imperfect track record of recognizing land purchases that compromise homeland and national security. Additionally, local officials are often unaware that the Chinese Communist Party's United Front is operating in their localities to acquire territory and invest in their communities making state government institutions an indispensable bulwark.

While the United States has more than one significant adversary, it is important to emphasize that the threat posed by the PRC is unique and more challenging than other countries of concern. China 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 Ohio, are recognizing the importance of developing such safeguards at the subnational level to reduce their vulnerability to PRC and other nations of concern's homeland security threats, interference, and influence. States that do not act to bolster their defenses compromise 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. <u>Ensuring our nation's food</u> <u>security is a national security imperative</u> and the acquisition of US agricultural land by potential global strategic competitors 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 PRC is particularly problematic.

- While the PRC currently <u>owns just a fraction of US farmland</u>, its acquisition of American and other overseas agricultural land has accelerated rapidly over the last decade as addressing its own <u>food insecurity challenges figure prominently in its long-term goals</u> and at least <u>one PRC national billionaire is the second largest foreign landowner in the</u> <u>US</u> with 200,000 acres in rural Oregon.
- <u>A combination</u> of the unreliability of the USDA's data and the fact that the USDA is not a full member of the Committee on Foreign Investment in the US (CFIUS) results in inaccurate federal government records on how much agricultural land the PRC holds.
- PRC purchases of agricultural land that is <u>adjacent to military installations</u>, <u>critical</u> <u>infrastructure</u> and other strategically sensitive sites are clear a national security vulnerability.
- The PRC has a history of <u>weaponizing economic relationships</u>, and in the wake of food shocks resulting from the COVID 19 pandemic and Russia's invasion of Ukraine, China <u>"quickly moved to lock down half the world's grain reserves driving up"</u> 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 exposures with roughly half passing laws restricting purchases of agricultural land by PRC nationals and companies domiciled in China and a handful including <u>Hawaii, Iowa, Minnesota, Mississippi, North Dakota, and Oklahoma banning foreign farmland ownership entirely</u>. If **HB1** passes, Ohio will be one of many states addressing this challenge.

**HB1** also recognizes that what appear to be unremarkable land purchases can also serve as a mechanism for a foreign adversary to acquire land adjacent to critical infrastructure and military installations. Fufeng's attempted acquisition of land near Grand Forks, ND is a notable case in point, and it is my understanding that Fufeng is currently considering an Ohio real property



purchase. Texas' <u>Lone Star Infrastructure Protection Act</u> was passed to prevent just such an event, and ALEC subsequently adopted the model <u>State Infrastructure Protection Act</u>.

As an American who cares about national and homeland security, I am proud to be here as you consider these important policy ideas and am happy that Ohio is working to address these security vulnerabilities in such a comprehensive and prudent manner.