September 10, 2024

Re: Vote "No" on H.R. 9456, the Protecting American Agriculture from Foreign Adversaries Act of 2024

Dear Representative:

The American Civil Liberties Union strongly urges you to oppose H.R. 9456, the Protecting American Agriculture from Foreign Adversaries Act of 2024. This legislation mandates the reporting of any agricultural land transaction by a foreign person from China, North Korea, Iran, and Russia to the Committee on Foreign Investment in the United States (CFIUS), who must then decide whether to initiate a review of the reported transaction. This reporting requirement includes lawful permanent residents and visa holders who have been lawfully admitted to the United States who live and work here and would likely expose many of these individuals to the burdens and scrutiny of CFIUS review based solely on their country of citizenship. We urge you to vote no on this legislation and will score the vote.

Congress has no evidentiary record supporting a claim of any national security risks of these purchases, which are in fact not a substantial share of foreign-held agricultural land in the United States. As of the most recent data from the Department of Agriculture, less than one percent of foreign held agriculture land in the United States is held by Chinese foreign persons or entities. The Department of Agriculture reported 73 total acres of farmland owned by Russian foreign persons or entities, while Iranian foreign persons or entities owned less than one hundredth of a percent of foreign-held agricultural land. There was no ownership of farmland reported by the Department of Agriculture of North Korean foreign persons or entities. In fact, many such transactions involving Iranian, Russian, or North Korean foreign citizens and entities would already be prohibited through existing sanctions regimes. By contrast, Canadian investors own the largest amount of foreign-held agriculture land at 32 percent, followed by Netherlands at 12 percent, Italy at 6 percent, the United Kingdom at 6 percent, and Germany at 5 percent.

This bill would likely result in discrimination that would cause financial harm to lawful permanent residents and other immigrants, based solely on the prospective buyer's citizenship. The bill would add uncertainty to whether a prospective farmland sale would go through and thus could result in higher prices for legal permanent residents and visa holders affected by the legislation's new CFIUS

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¹ "Foreign Holdings of U.S. Agricultural Land," U.S. Department of Agriculture. December 31, 2022. https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/EPAS/PDF/2022_afida_annual_report_12_14_23.pdf
² Id.

³ Id. Other countries with aggregate owner holdings of more than 500,000 acres were Portugal, France, Denmark, Luxembourg, Mexico, Switzerland, the Cayman Islands, Japan, and Belgium.

reporting and review requirements. It could also lead to discrimination against anyone perceived by a broker to possibly be a member of the affected groups, with brokers questioning the nationality and citizenship of prospective buyers—or avoiding working with them altogether.

The failure of House leadership to follow regular procedure with the bill is resulting in a discriminatory bill going to the floor. There has not been a single hearing in the House of Representatives on this bill, nor was it marked up in committee. Indeed, it was introduced just this week. The complete lack of legislative process on this bill means that there has been no opportunity for a robust debate regarding its shortcomings and whether alternative approaches could avoid the clear and wrongful discrimination the bill would cause. Further, Congress already legislated on this subject in H.R. 4366, the Consolidated Appropriations Act for 2024 and added the Secretary of Agriculture to CFIUS for transactions that could pose a risk to national security.

This legislation recalls past efforts to use false claims of national security to prohibit Asian immigrants and other marginalized communities from becoming landowners, or to put onerous barriers to land ownership in their way. In the early 1900s, for instance, states used similar arguments to justify the passage of alien land laws to prevent Asian immigrants from owning land. While over time many of these laws were struck down by the courts or repealed by state legislatures, they only served to exacerbate discrimination against Asian communities living in the United States.

This legislation discriminates and targets individuals solely because of their citizenship and tends to conflate individuals from covered countries with their governments. It does this despite the lack of any showing that it is necessary or that passing this bill would do anything to protect U.S. national security interests. The ACLU urges you to vote no on this legislation and will score the vote. If you have questions, please contact Senior Policy Counsel Kia Hamadanchy at khamadanchy@aclu.org or (734)-649-2929.

Sincerely,

Christopher Anders

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Director, Democracy & Technology

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