

FROM CEIUS TO THE STATES: PROTECTING OUR MILITARY BASES, LAND, AND INFRASTRUCTURE FROM THE CCP

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AFPI

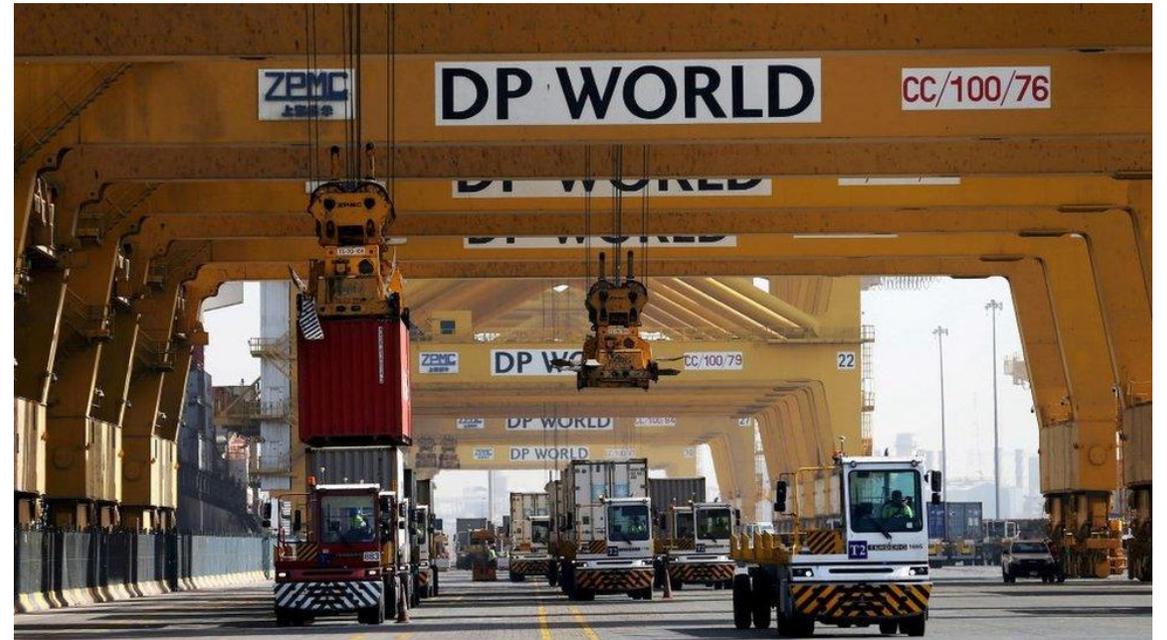
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WORKS**



CFIUS: COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES

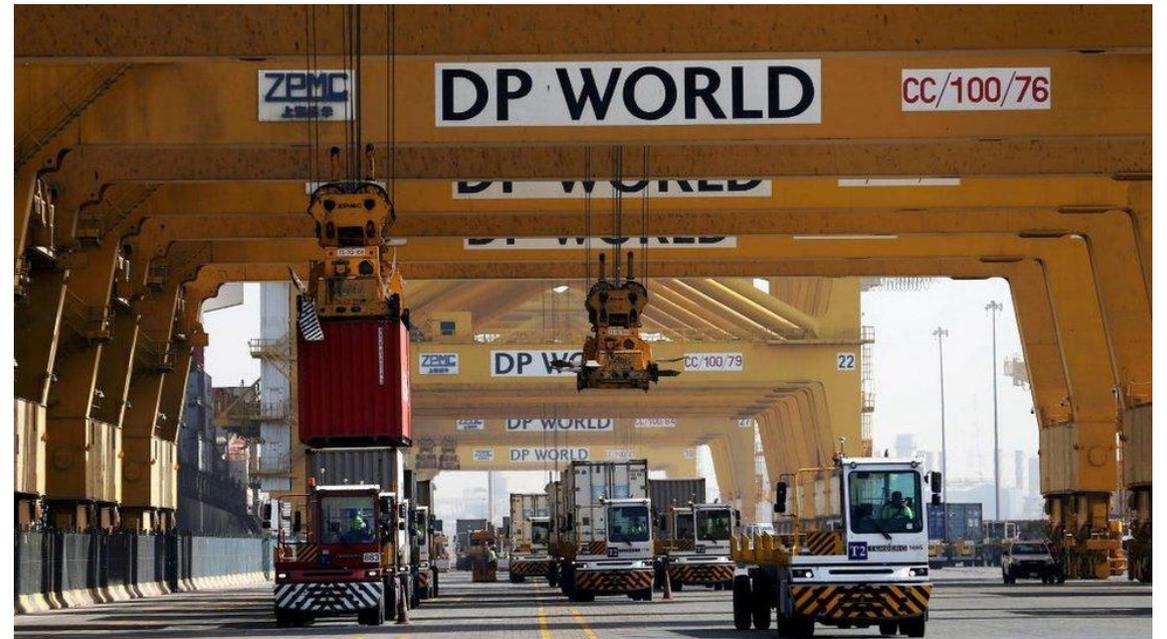
- CFIUS was founded in 1975 to monitor and collect data on foreign purchasers of U.S. corporations with an eye to national security risks.
- In the 1980s, several executive orders expanded its powers to governance and oversight of these transactions.
- From 2006-2007, DP World, a Dubai government-controlled port management company, purchased several U.S. ports, with Congress eventually ordering their divestment to an American company on security grounds.



DP World branding alongside Chinese cranes at an African port.

FINSA: CFIUS CODIFIED

- Disagreements between legislative and executive oversight led to the **Foreign Investment and National Security Act of 2007 (FINSA)**.
 - Codified CFIUS from EO to statute
 - Created expectations of closed-door briefings, reports, and congressional oversight power



DP World branding alongside Chinese cranes at an African port.

FINSA AND PRESIDENTIAL POWERS

Most importantly, FINSA expanded factors for CFIUS review:

- Effects on infrastructure or the defense industrial base
- Effects on homeland security or counterintelligence
- Cases where foreign governments themselves were direct parties

The White House

Office of the Press Secretary

For Immediate Release

September 28, 2012

Order Signed by the President regarding the Acquisition of Four U.S. Wind Farm Project Companies by Ralls Corporation

ORDER

REGARDING THE ACQUISITION OF FOUR U.S. WIND FARM PROJECT
COMPANIES BY RALLS CORPORATION

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 721 of the Defense Production Act of 1950, as amended (section 721), 50 U.S.C. App. 2170,

President Obama's order that forced the divestment of a Chinese-owned wind farm in Oregon.

FIRRMMA: ADDING “PROXIMITY”

Further reform came in 2018 under the **Foreign Investment Risk Review and Modernization Act (FIRRMMA)**.

Major changes included:

- Review power over real estate transactions with proximity to government facilities or military installations
- Reviewing acquisition of “critical infrastructure or technologies”
- Permission for CFIUS to discriminate based on a country of origin for purchasers



President Trump with Senators Crapo (middle), Rubio (bottom right), and Cornyn (bottom middle), meeting about FIRRMMA in August of 2018.

CASE 1: BLUE HILLS WIND FARM

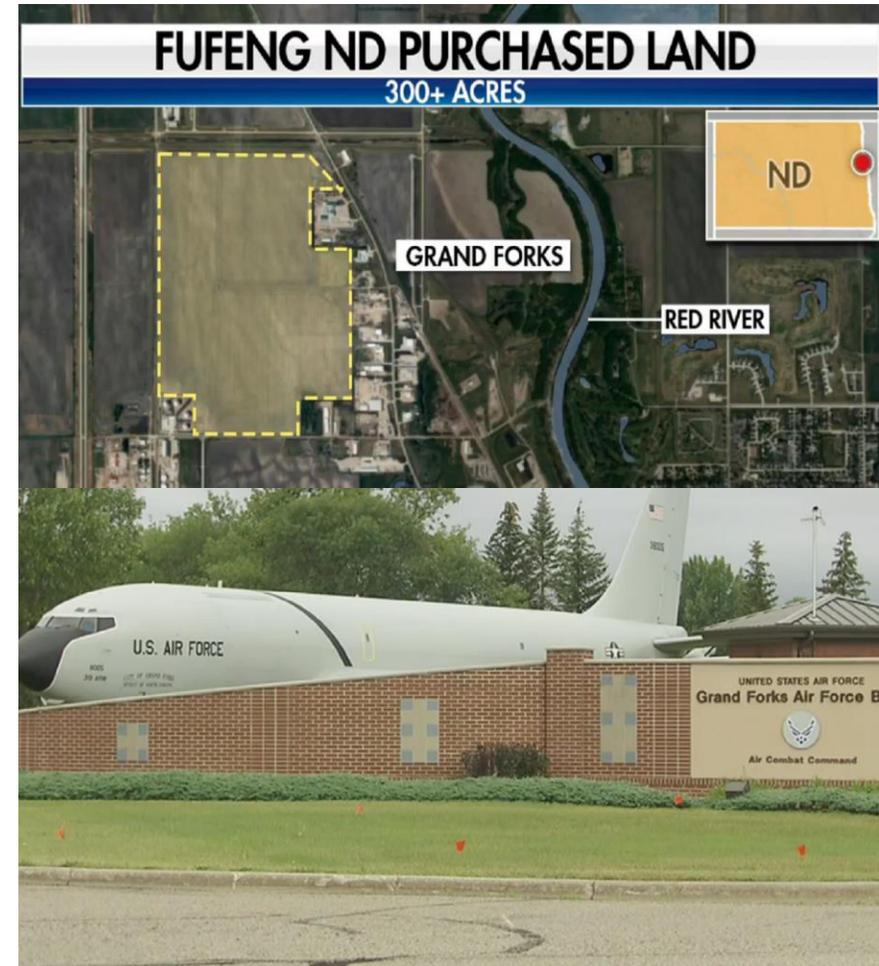
- In 2019, Chinese billionaire Sun Guangxin purchased an estimated 15,000 acres of ag land near Laughlin AFB in Val Verde County, Texas for \$110 million
- He planned to build a windfarm on the property, and then connect it to Texas' power grid
- CFIUS approved of the purchase in December 2020, but it was deterred by state legislative action Lone Star Infrastructure Protection Act (LSIPA) and local opposition



Sun Guangxin.

CASE 2: FUFENG CONTROVERSY

- In 2022, Chinese food manufacturing conglomerate FuFeng Group purchased land near Grand Forks AFB in Grand Forks, North Dakota.
- Despite the proximity, CFIUS claimed no jurisdiction and did not act
- Media exposure and local pressure defeated the proposed development



Planned development area, 12 miles from GFAFB.

CASE 3: WYOMING CRYPTO MINE

- In April 2024, Biden's CFIUS rightfully received credit for compelling the divestment of a CCP-owned cryptocurrency farm only one mile from an ICBM base in Wyoming
- However, *the property was purchased in 2022*. It had been operating for nearly two years without any restrictions.
- CFIUS was only alerted to the transaction because of a *public tip*.
- The energy usage of this plant could have threatened the stability of the whole grid – and that of the military base



Overhead drone video frame of the cryptocurrency farm.

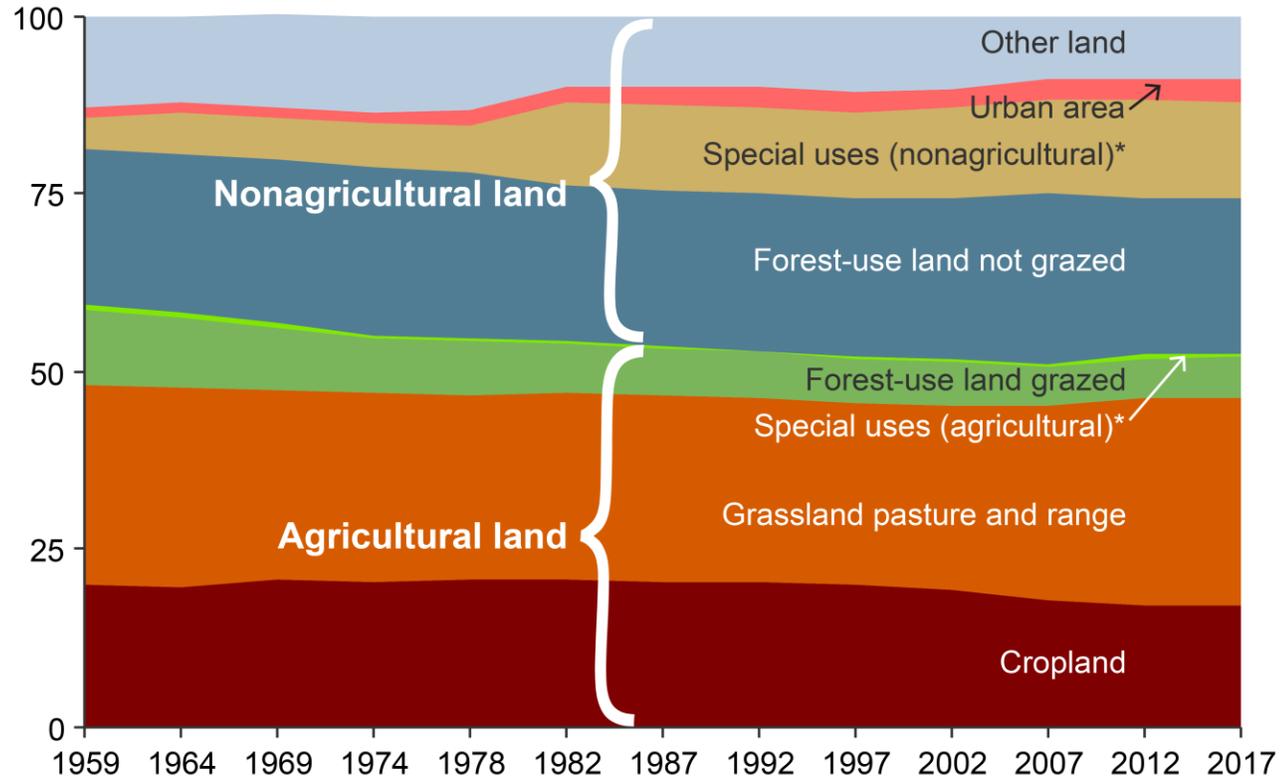
CCP CONTROL OF U.S. AGRICULTURAL LAND

- **Why did the ag focus catch on? Populist appeal.**
 - Agriculture evokes a sense of community, prosperity, and independence
 - Farmers are a connection to historical traditions of the United States
 - Farms provide food, something every human needs
 - China connection: deliberate undermining of our food security, including Belt and Road Initiative

U.S LAND USAGE

Major land uses in the United States, 1959–2017

Percent of U.S. acres



2.26 billion acres total

1.20 billion acres ag land

Source: USDA

Ag land includes:

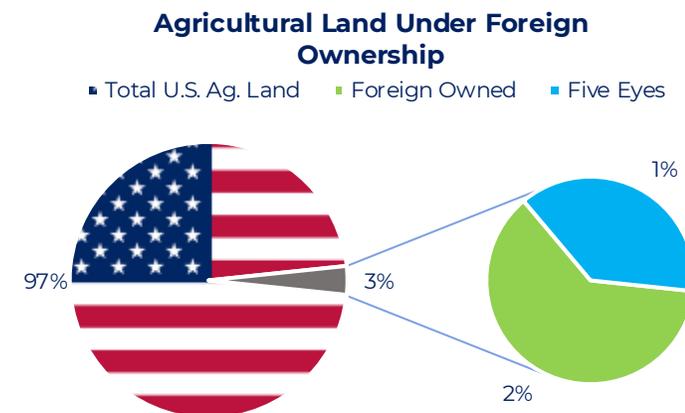
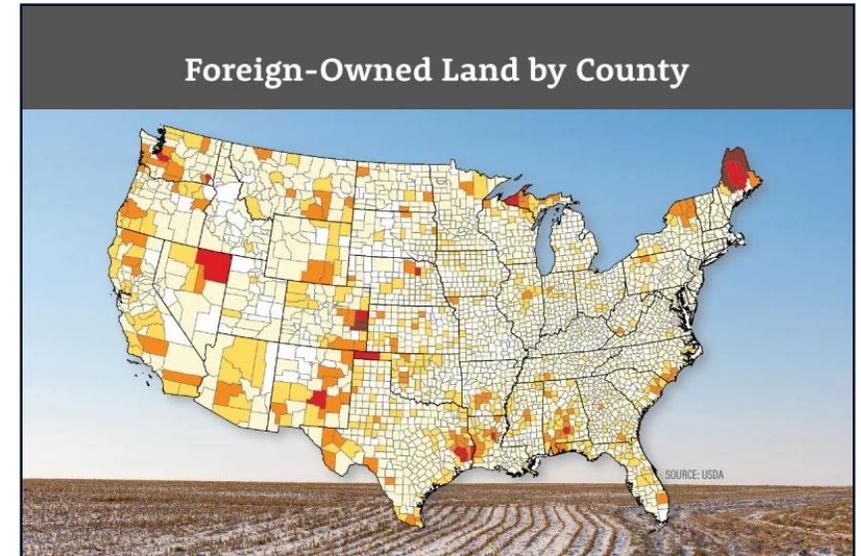
- **Cropland**
- **Pastureland**
- **Ranch land**
- **Forestry Land**

*Special uses include rural parks and wilderness areas, rural transportation areas, defense/industrial lands (all nonagricultural uses), and farmsteads/farm roads (agricultural uses).
Source: USDA, Economic Research Service using data from the Major Land Uses series.

FOREIGN OWNERSHIP OF U.S. LAND

As of 2021:

- 40.8 million acres (3.4%) of agricultural land is owned by non-Americans
- Most of that land is owned by allies or neutral countries
- E.g. Five Eyes nations (Canada, U.K., Australia, New Zealand) own 15.7 million acres (38.4% of that 3.4%).
- Canadian-owned forestry land in border states accounts for 6.7 million acres.



PRC OWNERSHIP OF U.S. LAND

Chinese-owned agricultural land is low in percentage terms:

- China holds only 1% of the *foreign total* (1% of 3.4%)

China's total is substantial and increasing rapidly in absolute terms:

- 13,720 acres in 2010
- 191,652 acres in 2019
- 346,915 acres in 2022



RECIPROCITY

AFPI China Policy Initiative guiding principle:

Enforce **reciprocity in economic interaction with the PRC.**

Examples of current Chinese non-reciprocal behavior include:

- **Business** (IP theft, espionage, and arbitrary legal action against foreign businesses)
- **Education** (Visa access, spying, pressure on diaspora abroad)
- **Property Ownership** (Property not truly “ownable,” severe scrutiny on foreigners)

*“[Restrictions on investment], I submit, is merely a softer version of exactly the policy that China has towards America. In a way, I am just calling for **reciprocity**.”*

- Ambassador Robert E. Lighthizer

LACK OF RECIPROCITY

Would an American citizen, connected to the defense industry, be allowed found an agribusiness near a PLA Air Force base?

- Of course not. But the opposite has happened here in the U.S.

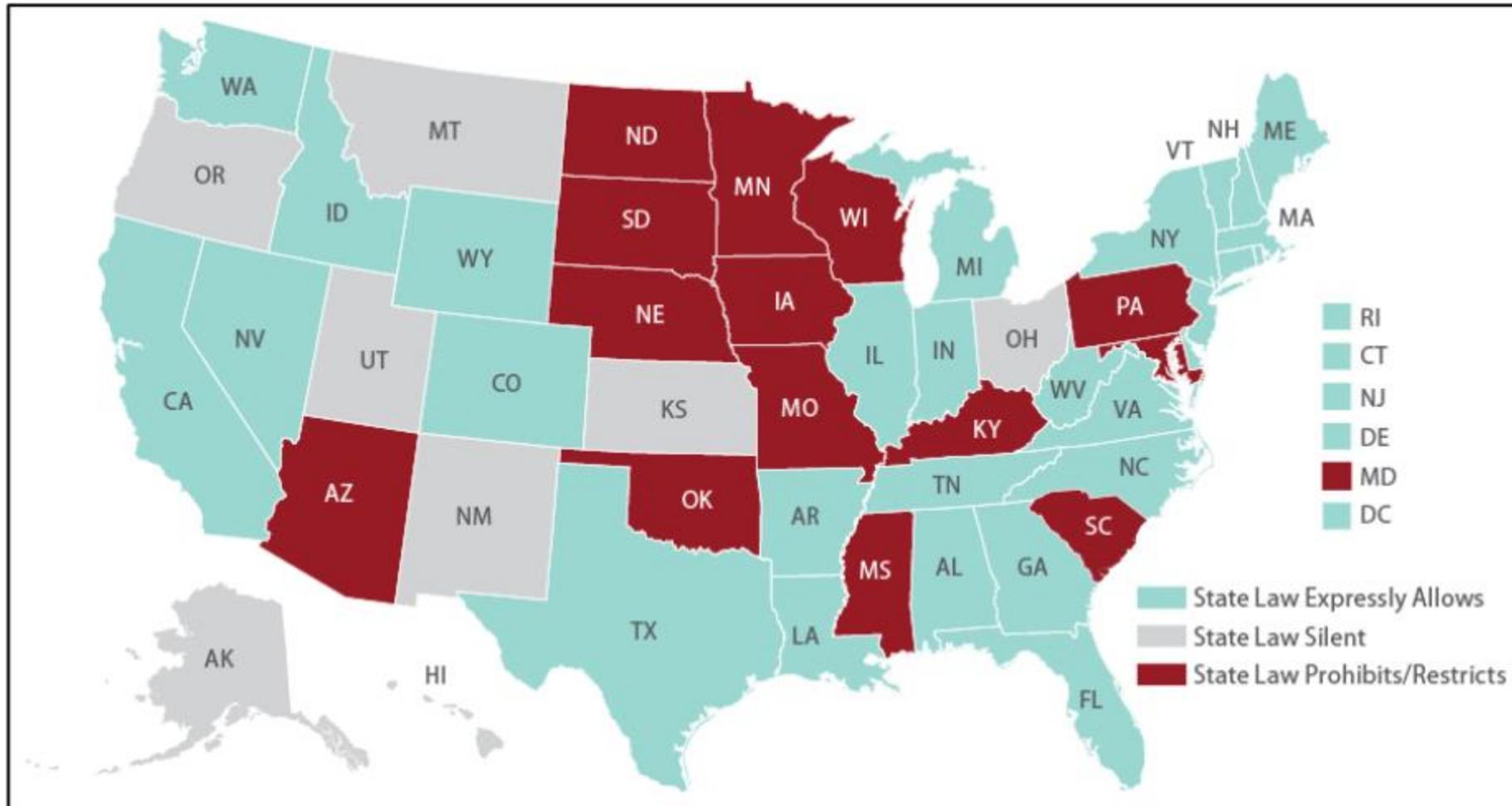
Even Chinese citizens lack meaningful property or personal rights in the PRC.

- Jack Ma, chair of Alibaba Group, made a *single speech* criticizing the Bank of China's governance
- His companies were attacked by regulatory agencies
- Forced to live in exile until returning to PRC as a teacher



Jack Ma of Alibaba Group.

2021: PRE-EXISTING STATE LAW

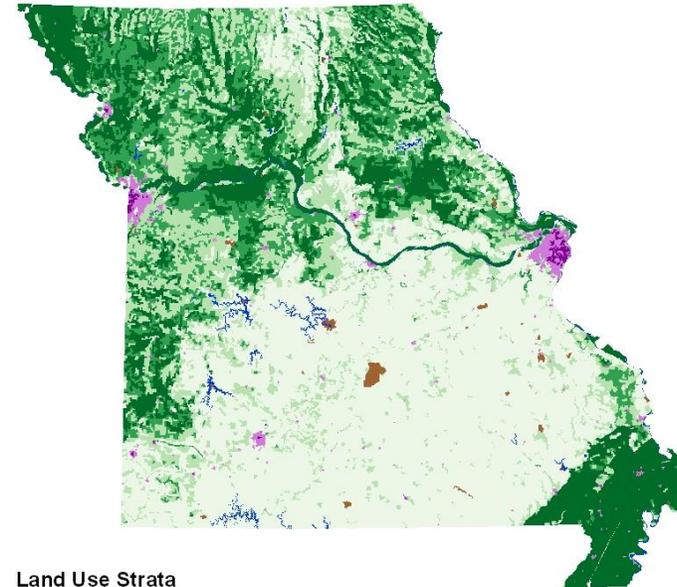


MO: PRE-EXISTING LAW

In **Missouri (Missouri Statutes 442.571):**

- Only “restriction” was a cap on total land owned by foreign nationals: 1% of the total acreage in the state.
- Since Missouri has 27.5 million acres of farmland, that means foreigners may own 275,000 acres!
- Presumably the CCP may buy 275,000 acres.

Stratification of Missouri
2004



Land Use Strata

- > 75% Cultivated
- 51 - 75% Cultivated
- 15 - 50% Cultivated
- < 15% Cultivated
- Agri-Urban > 100 Homes Per Sq. Mi.
- Commercial/Dense Urban > 100 Homes Per Sq. Mi.
- Non-Agriculture
- Water

Projection: NAD 1983, UTM Zone 15



Prepared by Area Frame Section, 2006

2023: WHICH COUNTRIES WERE DESIGNATED?

1. **Only China**, citizens thereof, and entities linked to the CCP
2. **“Problem countries”**
 - By name, usually: China, Russia, Iran, North Korea, sometimes Cuba, Venezuela and others, or
 - Using the Commerce Department list in *15 C.F.R. § 791.4*.
3. **Blanket ban for all foreign nations.**
Most problematic legally and politically.

§ 791.4 Determination of foreign adversaries.

- (a) The Secretary has determined that the following foreign governments or foreign non-government persons have engaged in a long-term pattern or serious instances of conduct significantly adverse to the national security of the United States or security and safety of United States persons and, therefore, constitute foreign adversaries solely for the purposes of the Executive Order, this rule, and any subsequent rule:
- (1) The People's Republic of China, including the Hong Kong Special Administrative Region (China);
 - (2) Republic of Cuba (Cuba);
 - (3) Islamic Republic of Iran (Iran);
 - (4) Democratic People's Republic of Korea (North Korea);
 - (5) Russian Federation (Russia); and
 - (6) Venezuelan politician Nicolás Maduro (Maduro Regime).

ECFR text of 15 C.F.R. § 791.4.

WHAT TYPES OF PROPERTY ARE USUALLY RESTRICTED?

1. All agricultural land

2. All real property

- TX SB147 – caused much controversy, allegations of racism

3. Qualified/limited subset of property

- NC HB463 restricted purchases within 25 miles of a military installation.
- This type became the most important in 2024.



2023/5: TEXAS

SB147 (2023):

- Homestead exemption: introduced vs. amended
- Accusations of xenophobia, racism
- Issue amplified by PRC embassy; compared to exclusion act
- Died in House

SB17 (2025):

- New version introduced in 2025; same complaints
- Passed Senate, House TBD



2023/4/5: OHIO

2023:

- SB226 passed with agricultural proximity restrictions
- Infrastructure proximity was line-item vetoed for "economic concerns"

2024:

- Tried again to propose infrastructure proximity and add military bases
- Bill died in House

2025:

- Trying to propose infrastructure proximity restrictions again
- Bill underway in Senate



Testimony at Ohio State Capitol

Adam Savit, Senator Terry Johnson, Michael Lucci

2023 ARKANSAS

Some states passed laws effectively preventing the CCP from controlling ag land:

- October 2023: Arkansas Governor Sarah Huckabee-Sanders ordered Syngenta, an agribusiness owned by ChemChina, to divest from 160 acres
- Other states with actionable legislation include:
 - Florida, Montana, North Dakota, Tennessee, Virginia, and Utah



Governor Huckabee-Sanders announces Syngenta divestment.

2024: INDIANA



- Passed a law prohibiting foreign adversaries from purchasing any property within 10 miles of a military installation
- Effectively blocked a pending proposal by FuFeng group, the same company that attempted to build near Grand Forks AFB in North Dakota

2024: KANSAS

- We engaged directly with Majority Leader Chris Croft
- Originally, HB2766 would have been a blanket ban within 150 miles of military installations.
- That bill failed, but SB172 revised it down to 100 miles, and passed with carveouts for federal CFIUS and DOD
 - Vetoed by Democratic governor, Republican supermajority failed to overturn the veto
- Further action is coming in 2025



Information session in Kansas State Capitol

AN OPPORTUNITY (AND AN OBLIGATION) TO “EXPERIMENT”

1. No perfect solution exists on the federal or state level
 2. The threat is critical and time-sensitive
 3. We need to start implementing solutions
 4. If it needs to be a patchwork of experiments, so be it
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RECOMMENDATIONS: STATE

We support measures that effectively prevent the CCP from acquiring American farmland and land near military bases and critical infrastructure.

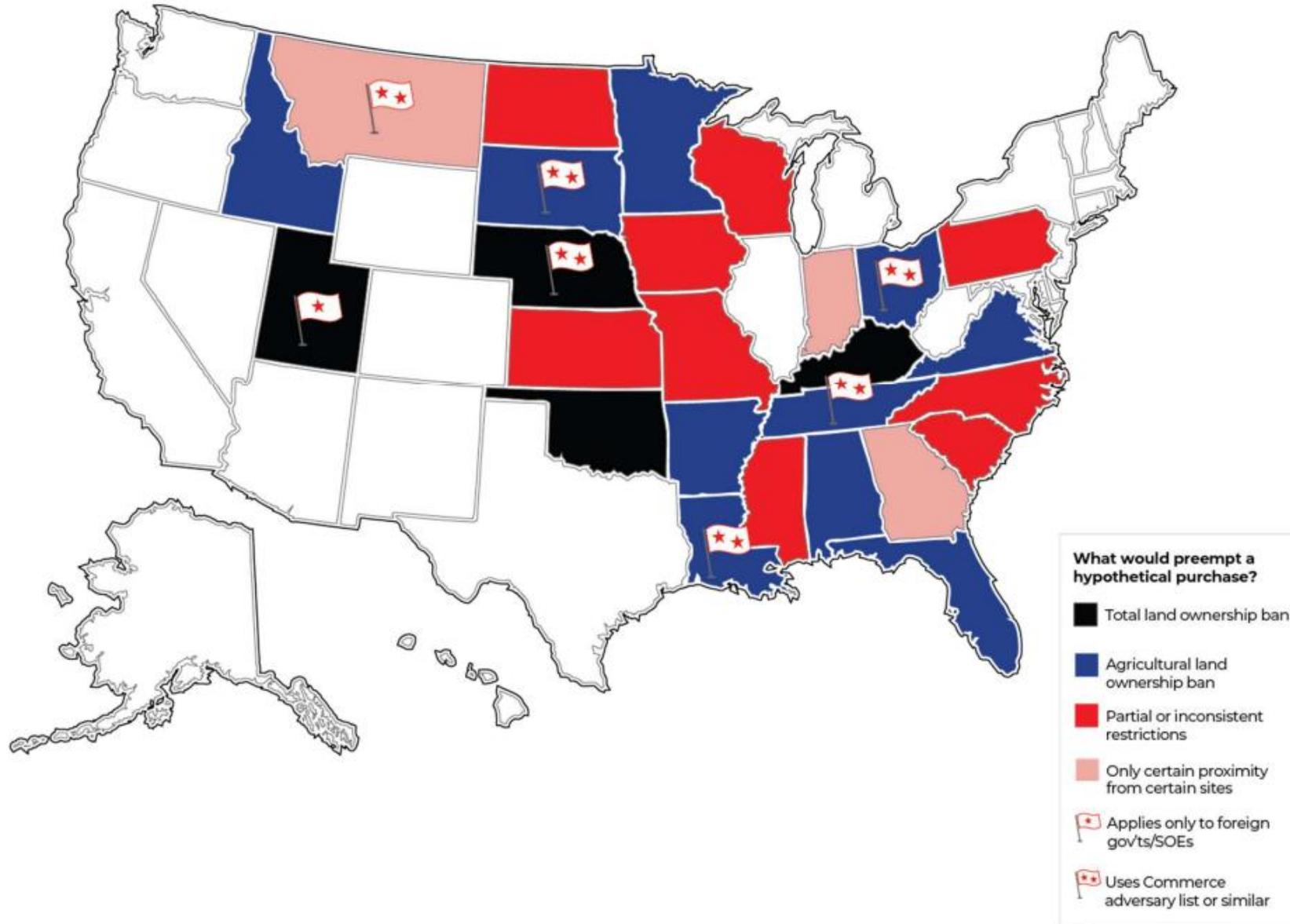
1. It is preferable to specifically target the CCP or a list of adversary nations, including the CCP. If a state decides that it is practical and politically viable to ban the CCP from controlling all real property, that also gets the job done.
 2. The specifics of the law must be customized to the particularities of the state's agricultural sector, geography, and disposition of military bases and infrastructure. New Jersey may do with a 25-mile radius. A large state like Texas may assess that it needs a 150-mile radius.
 3. The bill must cover both ownership and leasing and include prudent measures to prevent cutouts from third countries or shell corporations from controlling land.
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RECOMMENDATIONS: FEDERAL

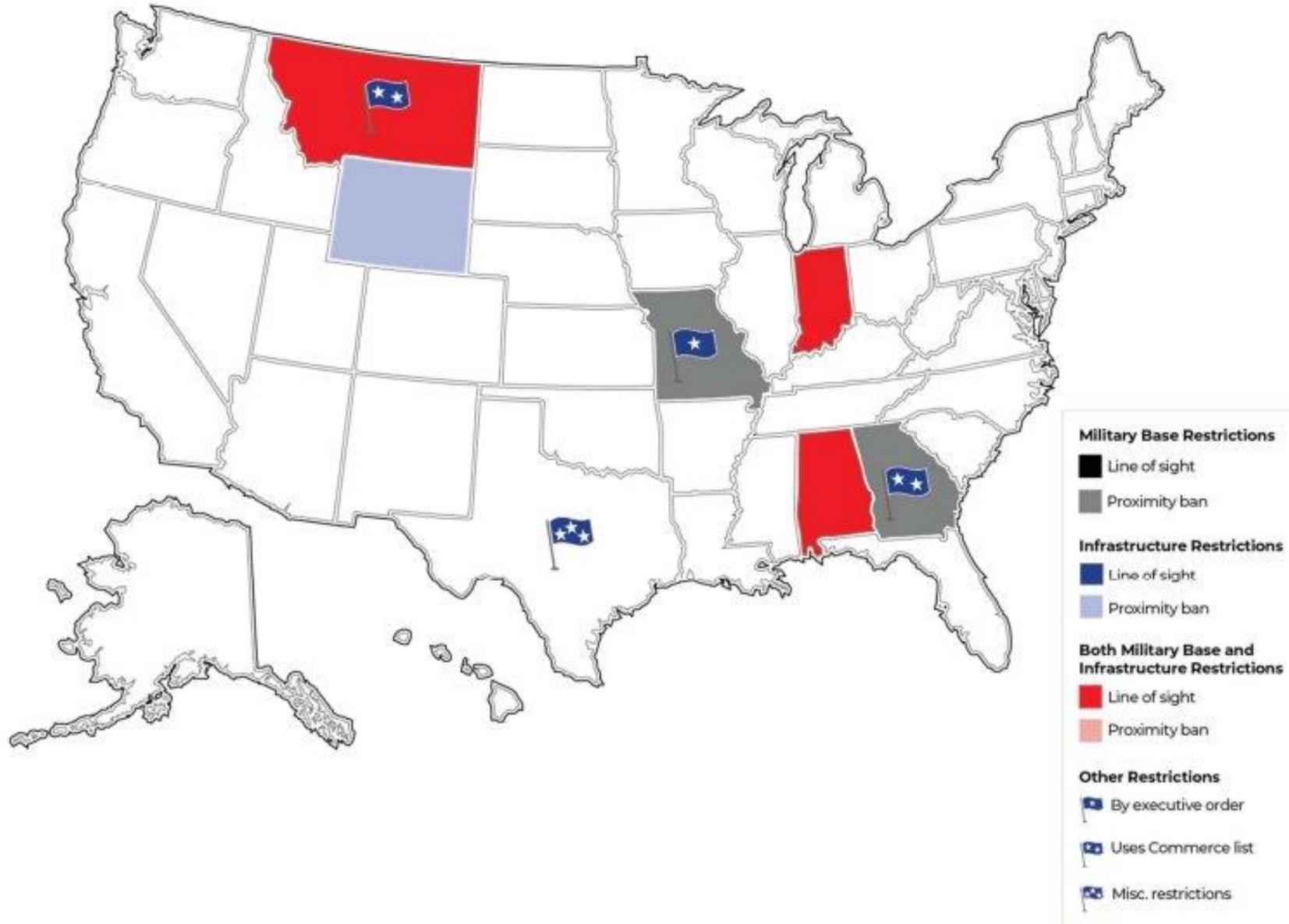
Select modifications to CFIUS:

1. We support legislation that House China Committee members have introduced to require screening of all land purchases of foreign adversarial nations and mandating filings for transactions concerning all land near sensitive sites.
 2. The list of those sensitive sites must be simplified and made far more comprehensive. Sensitive sites must be defined categorically to include military installations, flight paths, firing ranges, and facilities operated by the Department of Defense or the intelligence community.
 3. Cooperation with state governments in these areas must be encouraged and expanded.
- 

Restrictions on Agricultural Land Purchase by China



Restrictions on Infrastructure and Military Base Proximity



FACT SHEETS

FACT SHEET | CHINA POLICY INITIATIVE



CHINESE COMMUNIST PARTY (CCP) OWNERSHIP OF AGRICULTURAL LAND IS A THREAT TO NORTH CAROLINA

February 27, 2023

The CCP **DOES NOT** have a right to own U.S. agricultural land, but it is taking advantage of our Nation's vulnerabilities.



8.3 million acres

IN NORTH CAROLINA
Open to CCP Control

ACCORDING TO USDA REPORTS, CCP HOLDINGS OF U.S. AGRICULTURAL LAND SURGED BY MORE THAN **5,300%** FROM 2010 TO 2020

THE CCP NOW OWNS **352,140 acres** OF U.S. LAND VALUED AT **\$1.9 billion**

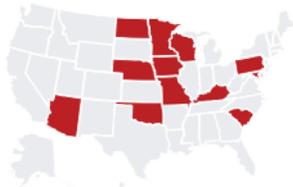
★ The 352,140 acres now controlled by the CCP could instead potentially be farmed by **800 American families**.

★ **12 states** (AZ, IA, KY, MD, MN, MO, NE, ND, OK, PA, SC, and WI) have passed laws effectively restricting the CCP from owning agricultural land, and another 3 have introduced legislation.

★ U.S. citizens and companies may **NOT** own agricultural land in China.



State legislation must protect North Carolina agricultural land from the CCP and any company, entity, or individual associated with the CCP.



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FACT SHEET | CHINA POLICY INITIATIVE



CHINESE COMMUNIST PARTY (CCP) OWNERSHIP OF AGRICULTURAL LAND IS A THREAT TO ARIZONA

February 27, 2023

The CCP **DOES NOT** have a right to own U.S. agricultural land, but it is taking advantage of our Nation's vulnerabilities.



26.2 million acres

IN ARIZONA
Open to CCP Control

ACCORDING TO USDA REPORTS, CCP HOLDINGS OF U.S. AGRICULTURAL LAND SURGED BY MORE THAN **5,300%** FROM 2010 TO 2020

THE CCP NOW OWNS **352,140 acres** OF U.S. LAND VALUED AT **\$1.9 billion**

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★ U.S. citizens and companies may **NOT** own agricultural land in China.



State legislation must protect Arizona agricultural land from the CCP and any company, entity, or individual associated with the CCP.



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