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Testimony before the Senate Committee on Agriculture and Revenue

Senator André Jacque

Senate Bill 7

June 4, 2025

Chairman Testin and Colleagues on the Senate Committee on Agriculture and Revenue:

Thank you for the opportunity to testify today in support of Senate Bill 7, which I have reintroduced in partnership with Representative Penterman. This legislation seeks to prohibit land ownership in Wisconsin—both agricultural and non-agricultural—by foreign adversaries.

Over the past decade, foreign ownership of U.S. farmland has nearly doubled. This troubling trend has sparked bipartisan concern at both the federal and state level, as lawmakers across the country recognize the threat it poses to national security, economic stability, and food independence.

Wisconsin, like 23 other states—including our neighbors Minnesota and Iowa—has existing limits on foreign ownership of agricultural land. But these laws don't go far enough. They fail to distinguish between countries with whom we share strategic alliances and those that actively work against our national interests.

Senate Bill 7 addresses that gap. It focuses on a specific threat: land purchases by foreign adversaries—countries that include China, Russia, Iran, North Korea, Venezuela, and Cuba—identified under federal law as actively undermining the security and sovereignty of the United States.

Other states are taking similar action. In 2023, Virginia passed bipartisan legislation that this bill was modeled after—through a Republican-controlled General Assembly and a Democrat-controlled Senate—banning land purchases by foreign adversaries. That kind of cooperation reflects the urgency and importance of this issue.

Let me be clear: this is not about closing our state to international investment. It is about drawing a necessary line to protect Wisconsin's critical resources—our farmland, our food systems, and our communities—from regimes that have demonstrated hostile intent.

The numbers are stark. According to the U.S. Department of Agriculture, foreign agricultural interests now own over 500,000 acres of land in Wisconsin. That number continues to rise by tens of thousands of acres each year. And while Wisconsin currently caps foreign ownership at 640 acres per entity, those limits are not tailored to national security threats.

More alarming still, yesterday's news serves as a wake-up call. Two Chinese nationals—one an avowed loyal member of the Chinese Communist Party—were arrested for smuggling a dangerous fungus, *Fusarium graminearum*, into the Midwest. This fungus, which causes wheat and grain blight, is considered a potential agroterrorism weapon and has been responsible for billions in economic losses worldwide. The pair were conducting research at the University of Michigan allegedly funded in part by the Chinese government.

This is not a hypothetical threat. It is real. It is here. And we must respond accordingly.

(MORE)

Wisconsin law already tasks our Attorney General and DATCP with overseeing foreign ownership of agricultural land. But those laws currently apply a one-size-fits-all standard to all foreign entities—regardless of their government’s actions or alignment with U.S. interests. Senate Bill 7 changes that, and aligns our policy with current threats.

We’ve also introduced a substitute amendment to further clarify and strengthen the bill. This amendment refines the definition of ownership by a foreign adversary and expands the prohibition beyond agricultural land to include other forms of real estate in our state.

At a time of growing global instability, we must take proactive steps to safeguard our land, our supply chains, and our sovereignty. Senate Bill 7 is one such step—and a crucial one.

Thank you for your time and consideration. I welcome your questions.



Senate Committee on Agriculture and Revenue Testimony in Support of Wisconsin Senate Bill 7 June 4, 2025

Chairman Testin and members of the committee: thank you for the opportunity to provide testimony in support of Senate Bill 7 (SB 7), as amended by Senate Substitute Amendment 1 (SSA1), which prohibits foreign adversaries from acquiring real property in this state.

Under current Wisconsin law, foreign persons may acquire up to 640 acres of agricultural or forestry land. However, the law does not distinguish between foreign investors from friendly nations and those acting on behalf of regimes openly hostile to the United States. The substitute amendment to this legislation closes that loophole and expands protections for all categories of real property—not just farmland.

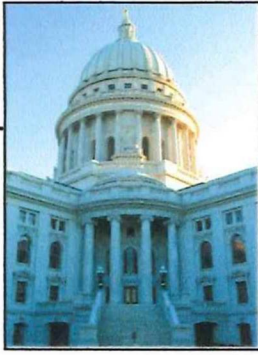
Specifically, the amendment prohibits any “foreign principal” of a “foreign adversary,” as defined by the U.S. Department of Commerce (15 CFR 791.4), from directly or indirectly acquiring, owning, or holding an interest in real property anywhere in Wisconsin. This includes governments such as China, Cuba, Iran, North Korea, Russia, and Venezuela under Nicolás Maduro. It also applies to agents, entities, investment funds, and corporations under the control of these adversaries.

Property interests acquired in violation of the prohibition are subject to forfeiture to the state. Furthermore, should a person or entity be designated as a foreign principal, they are required to divest those property holdings within 180 days, or nearly six months. This legislation only to interests acquired on or after the effective date, ensuring clarity and fairness for current landholders.

Given growing national concern over foreign adversaries using land acquisitions to compromise U.S. food security, conduct espionage, or disrupt supply chains, this legislation mirrors actions already taken in other states. It is a proactive measure to protect Wisconsin's agriculture, economy, and sovereignty from geopolitical threats.

I urge support for this substitute amendment and advance legislation that protects Wisconsin citizens, strengthens our homeland security, and ensures our land remains in the hands of those who share our values.

Thank you for your time and consideration.



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Senate Committee on Agriculture and Revenue June 4, 2025

Testimony of Amy Winters, Contract Lobbyist for CropLife America with David Flakne, CropLife America Member Company (Syngenta) Regarding SB 7 – Prohibiting a Foreign Adversary from Acquiring Agricultural or Forestry Land in Wisconsin.

Chairman Testin and Members of the Committee, thank you for the opportunity to testify today. CropLife America's members include the developers of nearly all crop protection and biotechnology tools used by farmers across the United States.

While we appreciate and support the author's commitment to protecting Wisconsin's agricultural land from foreign adversarial control, we ask that the bill be amended to protect ongoing agricultural research and innovation in Wisconsin - research that is critical to advancing sustainability, productivity, and environmental stewardship in farming.

Federal regulations require that extensive testing is done on crop protection products. Evaluated under field conditions, pesticides are tested to examine how pests and plants respond to the pesticide application and the timing and dose of the pesticide application. Through this process, EPA helps ensure that each pesticide will perform its intended function without unintended effects on human health, non-target species or the environment. Wisconsin's diverse crops and soil types require site-specific research. Without this local research, farmers could lose access to customized seed and crop protection solutions that are vital for improving yields, combating pests and diseases, and adapting to climate variability.

Research conducted by foreign entities like Syngenta is already highly scrutinized by federal agencies like the EPA and USDA and DOD. They are developing tools American farmers rely on, under American law, on American soil with American employees. This research benefits Wisconsin agronomists, seed dealers, university partners, and farmers who depend on locally validated tools.

Other Midwest states—including Minnesota, Iowa, Michigan, Indiana, North Dakota, South Dakota, and Nebraska—have passed foreign ownership and holding of land restrictions while preserving exemptions for agricultural research. Most recently, South Dakota's law signed by Governor Kristi Noem in 2024, and Kentucky's recently enacted language, also both include clear exemptions that allow leasing for research and development purposes. We respectfully request Wisconsin follow this established model by including a similar provision in SB 7.

Our Ask

Amend the bill to allow for the leasing of up to 320 acres for agricultural research and development purposes including the development, testing, and production of crop inputs, including seeds, plants, pesticides, biologicals, soil amendments, and fertilizers. This would protect the security interests underlying SB 7 while safeguarding the research capacity that enables Wisconsin's farmers to stay competitive and resilient.

Thank you for your time and consideration

Midwest Foreign Ownership Policy

Minnesota & Iowa enacted policies to restrict Corporate & Foreign Ownership of agricultural land in the late 70's early 80's. They recognized back then the need for an R&D exemption to their laws. These laws have served the states well. In 2024, Governor Reynold's updated their existing law with additional transparency & enforcement provisions but continued to articulate the importance of their R&D exemption.

Iowa Exemption Language:

3. The restriction set forth in subsection 1 of this section does not apply to the following:

d. Agricultural land acquired for research or experimental purposes. Agricultural land is used for research or experimental purposes if any of the following apply:

(1) Research and experimental activities are undertaken on the agricultural land and commercial sales of products produced from farming the agricultural land do not occur or are incidental to the research or experimental purposes of the corporation. Commercial sales are incidental to the research or experimental purposes of the corporation when such sales are less than twenty-five percent of the gross sales of the primary product of the research.

(2) The agricultural land is used for the primary purpose of testing, developing, or producing seeds or plants for sale or resale to farmers as seed stock. Grain which is not sold as seed stock is an incidental sale and must be less than twenty-five percent of the gross sales of the primary product of the research and experimental activities.

Minnesota exemption language:

MN Stat. § 500.221, subdv. 2. . . . This section shall not apply:

(2) to citizens or subjects of a foreign country whose rights to hold land are secured by treaty;

(5) to agricultural land operated for research or experimental purposes if the ownership of the agricultural land is incidental to the research or experimental objectives of the person or business entity and the total acreage owned by the person or business entity does not exceed the acreage owned on May 27, 1977;

North Dakota & South Dakota in 2023 & 2024 the states advanced legislation to strengthen foreign ownership protection. Both included a clear exemption for Agricultural R&D. Then Governor Kristi Noem, proposed and passed legislation with the following provision.

2024 South Dakota Legislature – (House Bill 1231)

A prohibited entity may not lease or hold an easement on agricultural land in this state, unless: (a) The lease is exclusively for agricultural research purposes and encumbers no more than three hundred and twenty acres; or (b) The lease is exclusively for contract feeding of livestock, at an animal feeding operation, by a family farm unit, a family farm corporation, or an authorized farm corporation;

2023 North Dakota Legislature – (HB 1135)

9. Notwithstanding the provisions of this chapter, the prohibition on ownership of agricultural land does not apply to the acquisition of agricultural land or an interest in agricultural land by a state-controlled enterprise if the agricultural land:

a. Is used for agricultural research and development, or experimental purposes, including testing, developing, or producing crop production inputs, including seed, fertilizer, pesticides, soil amendments, plants, or biologicals; and

b. Does not exceed one hundred sixty acres [64.75 hectares]

Kentucky and Michigan language:

2025 Kentucky Chapter 84 (House Bill 315) (Signed by Govn)

(4) Any entity that has a national security agreement with the Committee on Foreign Investment in the United States and continues to maintain that national security agreement may purchase, lease, or acquire a maximum of three hundred fifty (350) acres of agricultural land for the purposes of: (a) Agricultural research and development; or (b) Experimental purposes, including testing, development, or production of any crop production inputs for sale or resale to farmers, including but not limited to: 1. Seeds; 2. Plants; 3. Pesticides; 4. Soil amendments; 5. Biologicals; or 6. Fertilizers.

2025 Michigan House (HB 4233) Passed the MI House awaiting Senate action

(3) If an entity that is prohibited from purchasing or otherwise acquiring agricultural land under this section has a national security agreement with the Committee on Foreign Investment in the United States and continues to maintain the national security agreement, the entity may purchase, lease, or acquire a maximum of 350 acres of agricultural land for either of the following purposes:

(a) Agricultural research and development.

(b) Experimental purposes, including testing, development, or production of crop production inputs for sale or resale to farmers, including, but not limited to, any of the following:

(i) Seeds. (ii) Plants. (iii) Pesticides. (iv) Soil amendments. (v) Biologicals. (vi) Fertilizers.



June 4, 2025

**LTo: Senate Committee Chairman Patrick Testin
Honorable Members of the Wisconsin State Senate Committee on
Agriculture and Revenue**

From: Lee Graf, Maintenance Manager, Biron Division - ND Paper

**Re: Senate Bill 7: Prohibiting Foreign Adversaries From Acquiring Real
Property in This State**

Mr. Chairman and Honorable Committee Members:

Thank you for the opportunity to testify before the Senate Committee on Agriculture and Revenue. My name is Lee Graf, and I am the Maintenance Manager at the Biron Mill. My daily interactions are with the USW, IAM, UAJ, OPIU, IBEW unions. I lead a dedicated team with strong pay, a proud people, and unmatched dedication to complete work and make this mill safe and profitable for the long term. I am also a former Union VP and President for a total of 9 years. Worker at ND Biron for over 5 years.

I am a local coach in football and basketball, I have been a local Alderman and helped the community as a leader to secure \$10.5 million for athletic improvement. I plan to stay in this area and have roots here.

I plan to continue to grow with ND Paper and I do not want our opportunity for growth to be limited. There is no difference in foreign or US ownership. It is the people that make the company, make the products, and make the village.

While we appreciate the intent of Senate Bill 7 and its Substitute Amendment, our company continues to have concerns regarding the potentially adverse effects that the proposal, as currently drafted, would have upon our company's current and future operations.

Our Biron Division alone operates 2 recycled packaging paper machines (B25 and B26) and employs 250 full-time employees. Our mill has a significant community presence in the Village of Biron and the surrounding towns and cities in and around Wood County and Central Wisconsin.



June 4, 2025

Specifically, we have concerns regarding the following ownership structure language in the Substitute Amendment which reads:

An entity that has 50 percent or more of its stock, securities, or other indicia of ownership owned or controlled, directly or indirectly, by a person or combination of persons described in items 1 to 4.

We look forward to working with the author of SB 7 and this esteemed committee to address the concerns we have raised. Please feel free to contact me at any time via email at lee.graf@us.ndpaper.com.

Thank you for your time and consideration of our concerns and the opportunity to testify today.



June 4, 2025

**To: Senate Committee Chairman Patrick Testin
Honorable Members of the Wisconsin State Senate Committee on
Agriculture and Revenue**

From: Ken Liu, CEO - ND Paper

**Re: Senate Bill 7: Prohibiting Foreign Adversaries From Acquiring Real
Property in This State**

Mr. Chairman and Honorable Committee Members:

Thank you for the opportunity to testify before the Senate Committee on Agriculture and Revenue. My name is Ken Liu, and I am the Chief Executive Officer for ND Paper. I was born and raised in California and am a proud United States citizen. My parents, Yan Cheung and Ming Chung Liu, lived in the United States for over 20 years and have built a world class recycling company based in California named ACN, and today, our 3 founders have built the world's largest paper company by tonnage with operations in the United States, China, Malaysia, and Vietnam.

While we appreciate the intent of Senate Bill 7 and its Substitute Amendment, our company continues to have concerns with regard to the potentially adverse effects that the proposal, as currently drafted, would have upon our company's current and future operations.

As you know, paper mills are key economic drivers in the communities in which they operate. Mills have also closed in the past decade, as the predominate grade of printing and writing no longer has a competitive future in terms of demand. In 2018, we acquired a struggling printing and writing mill, and invested over \$300 million in the facility to transform it into a leading, high performance packaging paper mill. Without said investments, the reality is the Biron mill, just like its former sister mill in Wisconsin Rapids, would have faced closure and an unfortunate end to a storied history.

Our Biron Division alone operates 2 recycled packaging paper machines (B25 and B26) and employs 250 full-time employees. Our mill has a significant community presence in the Village of Biron and the surrounding towns and cities in and around Wood County and Central Wisconsin.

Additionally, in 2019, we purchased an idled warehouse and invested over \$50 million dollars to create ND Packaging, a division that is located in Sturtevant, Wisconsin and is proud to operate as a local employer in Racine County, employing 100 men and women. This facility is a shining model for the future of corrugated packaging, with automated controls and high quality box production, right here in the State of Wisconsin.



June 4, 2025

Still further we also own a trucking company, Dragon Xpress, serving the southern Wisconsin corridor from Minneapolis to Chicago and employing 25 men and women.

ND Paper takes great pride in the reputation it has earned throughout Wisconsin as a respected community partner. In addition, our commitment to environmental stewardship is a mission that our employees take very seriously because they themselves work, live and raise their families in the areas in and around Biron and Sturtevant and want their communities to prosper and grow.

Mr. Chairman and Committee Members, we believe that the legislation before you could potentially have serious negative consequences for our Wisconsin operations.

Specifically, we have concerns regarding the following ownership structure language in the Substitute Amendment which reads:

An entity that has 50 percent or more of its stock, securities, or other indicia of ownership owned or controlled, directly or indirectly, by a person or combination of persons described in items 1 to 4.

Based on ND Paper's ownership structure, our company has, at times, come close to 50 % ownership by Hong Kong citizens. Therefore, according to our reading of the amendment language, ND Paper would seemingly qualify as a company "owned by a foreign adversary". As such, I'm sure you can see why ND Paper has serious concerns regarding the impact of this language upon our current operations.

Moreover, not only is ND Paper concerned that this legislation would impact its ownership capability and current operations, but should our company wish to expand our operations by either adding on to current sites or constructing new facilities in Wisconsin, the language of this proposal may actually prevent such economic expansion and growth opportunities for our state.

Given the fact that Wisconsin is the #1 paper producer in the entire nation and ND Paper is leading the way in helping to maintain that coveted status as well as creating economic growth opportunities for Wisconsin communities, we urge you to consider the consequences of the current language in this bill with respect to our company.



June 4, 2025

ND Paper understands and appreciates the sensitivity of the bills that are proposed, but ask for your consideration to exclude established, private businesses such as mine that have no state ownership.

We do not believe the sponsors of this legislation intended for the language of the bill to create an adverse impact for a company like ours that provides family-supporting jobs to hundreds of Wisconsin men and women. However, the seemingly unintended consequences of the current language could severely impact these important jobs as well as future economic growth opportunities for our company.

We urge you to consider reasonable changes to this legislation which would achieve the goal of protecting national security interests while still allowing for ND Paper to continue its important manufacturing mission in our great state as well as allowing for future growth and job creation opportunities.

We look forward to working with the author of SB 7 and this esteemed committee in order to address the concerns we have raised. Please feel free to contact me at any time via email at ken.liu@us.ndpaper.com.

Thank you for your time and consideration of our concerns and the opportunity to testify today.



June 4, 2025

**To: Senate Committee Chairman Patrick Testin
Honorable Members of the Wisconsin State Senate Committee on
Agriculture and Revenue**

From: Steve Demyon VP and General Manager Biron Division - ND Paper

**Re: Senate Bill 7: Prohibiting Foreign Adversaries From Acquiring Real
Property in This State**

Mr. Chairman and Honorable Committee Members:

Thank you for the opportunity to testify before the Senate Committee on Agriculture and Revenue. My name is Steve Demyon, and I am the VP and GM at the Biron Mill. I am from West Virginia transplanted to Wisconsin just 2 years ago, I have been in the paper industry for over 30 years. If you trust LinkedIn, reported that 117 paper mills have closed in the past 20 years, and over 220,000 Union Jobs lost to paper mill closures. My mill in West Virginia was idled with over 100 staffers, in 2023.

I am here in Wisconsin to lead efficiency so that does not happen again. Let's not put more hurdles in place to stall growth. Because we all know you grow, or you die, we are growing.

Community efforts include 7 College interns, (2) \$2K scholarships given away each year supporting a 4-year degree. The Wisconsin Economic Group visited our Corporate Office in Dongguan, China, this year. ND Biron is the only group in Wisconsin that has its own representative with Focus on Energy because we are so involved in saving energy and saving state resources. Not to mention contributions to local colleges, fire department, and high school support. 1896 this site produced its first paper, and ever since this mill been a part of this community and source of family growth and prosperity, if this bill was in place in 2018 would it still be alive?

While we appreciate the intent of Senate Bill 7 and its Substitute Amendment, our company continues to have concerns regarding the potentially adverse effects that the proposal, as currently drafted, would have upon our company's current and future operations.

Our Biron Division alone operates 2 recycled packaging paper machines (B25 and B26) and employs 250 full-time employees. Our mill has a significant community presence in the Village of Biron and the surrounding towns and cities in and around Wood County and Central Wisconsin.



June 4, 2025

Specifically, we have concerns regarding the following ownership structure language in the Substitute Amendment which reads:

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We look forward to working with the author of SB 7 and this esteemed committee to address the concerns we have raised. Please feel free to contact me at any time via email at steven.demyon@us.ndpaper.com.

Thank you for your time and consideration of our concerns and the opportunity to testify today.

Wisconsin Committee Testimony
Robert E. Pierce – June 4, 2025

Good morning. Thank you to the committee for the opportunity to testify at today's hearing.

I've spent my career working on national security and foreign policy—on Capitol Hill, as a military intelligence officer working with a SEAL team, and as an analyst with the Defense Intelligence Agency. Much of that work has centered on understanding and countering the Chinese Communist Party. I've seen up close how determined the CCP is to reshape the global order in its favor. This is not just a regional issue confined to the Indo-Pacific. It's a systemic challenge to the principles of open markets, free societies, and democratic governance—and one that increasingly affects the lives and economic wellbeing of Americans here at home.

The CCP is pursuing a long-term grand strategy to achieve national rejuvenation and displace the United States as the world's preeminent power. This effort is being executed through a coordinated, whole-of-government campaign across multiple fronts. Economically, China is seeking to make the world dependent on its manufacturing base and supply chains, while also racing to dominate critical technologies like artificial intelligence and quantum computing. Politically, it is striving to erode U.S. credibility, weaken U.S.-led alliances, and reshape global norms to favor autocracy. Militarily, it is developing a world-class force capable of challenging U.S. superiority—first in the Indo-Pacific, and eventually on a global scale. These efforts are not abstract—they are already shifting the balance of power, and they are guided by a coherent and aggressive strategic worldview that senior Chinese leaders articulate regularly and unapologetically.

What makes the China threat so pressing is that it is no longer confined to overseas competition. The CCP is carrying out key parts of its strategy here in the United States. Its campaign includes buying farmland, acquiring property near military installations, infiltrating research institutions, stealing American intellectual property, and manipulating supply chains critical to our economic and food security.

That threat is of significant concern to states like Wisconsin. In recent years, there has been an uptick in agricultural land purchases in the U.S. by Chinese linked entities. Already, hundreds of thousands of acres of American farmland have been bought up by Chinese entities, often through a maze of shell companies and LLCs. In a stark reminder that our farmlands are now on the front line of this strategic competition, last year a University of Michigan research fellow with ties to the CCP was arrested for attempting to smuggle an agricultural pathogen into the country—one known to target crops like wheat and rice.

Even setting aside the immediate national security risk, the broader economic implications are troubling. If farmland—one of our most vital assets—is increasingly controlled by a geopolitical adversary, it poses immense risk to both state economies and America’s long-term food security. Although federal regulations exist to limit certain foreign land acquisitions, enforcement has proven weak. Shell companies and hard-to-trace entities are routinely used to circumvent oversight. State-level action is therefore essential to ensure that American farmland remains in American hands.

There are also direct military concerns. In 2022, a Chinese company purchased 370 acres just 12 miles from Grand Forks Air Force Base in North Dakota. The US Air Force warned that the project posed a “significant threat to national security,” and it was ultimately halted by local officials. Similarly, in Texas, a former Chinese military officer acquired 100,000 acres near

Laughlin Air Force Base under the pretext of developing a wind farm. That project prompted the Texas Legislature to pass specific legislation halting it due to dual-use and espionage concerns.

These incidents are not isolated. They reflect a pattern of activity by the CCP to gain footholds inside the U.S., often under the radar, and to exploit our open system for strategic advantage. If we're serious about preserving American leadership, security, and prosperity, then we need a comprehensive strategy that matches the scale and sophistication of the challenge. That begins with seeing clearly what we're up against and ensuring our policies are grounded in reality, not wishful thinking.

As Americans ponder their response to the CCP's predations, it is essential to understand the reality that no company or entity in China is truly private in the sense that Americans would understand it. Beijing exerts top down control over all Chinese companies and commercial enterprises, regardless of whether the state officially owns a stake in the company or not. In fact, this is enshrined in China's legal system. China has numerous national security laws that require all businesses and individuals to use their resources, if called upon to do so, in support of China's security apparatus and strategic objectives. In essence, if a Chinese citizen or company fails to assist the CCP in, say, obtaining intellectual property from a U.S.-owned firm, they are actually violating the law.

As tensions rise so do the risks. If a war, or even a low intensity conflict were to break out between China and the U.S. in the far away seas and islands of the Pacific, very quickly, Americans would realize this conflict is not so far away at all. Beijing would no doubt use every available tool they can, including their "private" companies operating on U.S. soil, to undermine our economy and target our citizens.

It has become clear that our country needs a national strategy to counter this rising threat. While the core components of such a strategy—particularly those involving the military and foreign affairs—must be executed at the federal level, we must also recognize that a national response does not mean a federal-only response. Our Constitution guarantees the rights and powers of individual states to act in the interest of their citizens. This is not a flaw of our system—it is a strength. It empowers you, the directly elected representatives of Wisconsin, to lead where federal action may lag, and to protect your constituents when the threat reaches your doorstep.

I am grateful for the opportunity to appear before you today and I welcome your questions.

Testimony by Arran Hope, State Armor

Public Hearing of the 2025 Senate Committee on Agriculture and Revenue
Testimony in Support of SB 7
For Information Only on SB 219

Wednesday, June 4, 2025,
Wisconsin State Capitol, Room 201SE

Introduction

Chairperson Testin, and members of the Committee, thank you for the opportunity to speak before you today. My name is Arran Hope; I am an analyst of Chinese policy and strategy, and today I am representing State Armor. My remarks are focused on Senate Bill 7 and Senate Bill 219. I will seek to provide context on the threat that the People's Republic of China (PRC) poses to the United States's agricultural sector and national security, and how that informs my view of the merits and demerits of these bills.

The PRC Poses Serious Risks to the United States

The United States government views the People's Republic of China (PRC) under the control of the Chinese Communist Party (CCP) as constituting a serious security threat. Christopher Wray, until earlier this year the director of the Federal Bureau of Investigations (FBI), has warned that the PRC "has made it clear that it considers every sector that makes our society run as fair game in its bid to dominate on the world stage, and that its plan is to land low blows against civilian infrastructure to try to induce panic and break America's will to resist."¹ Wray repeatedly sought to raise awareness of the threat the PRC poses to the United States's critical infrastructure. In testimony delivered in January 2024, he said that PRC hackers have targeted water treatment plants, the electrical grid, oil and natural gas pipelines, and transportation systems; and that the PRC is "actively attacking our economic security."² This view is also held by the current administration. Last week, Secretary of Defense Pete Hegseth delivered remarks at the Shangri-la Dialogue in Singapore, where he warned that the PRC "uses its vast and sophisticated cyber

¹<https://www.fbi.gov/news/stories/chinese-government-poses-broad-and-unrelenting-threat-to-u-s-critical-infrastructure-fbi-director-says#:~:text=The%20overall%20threat%20from%20the,from%20now%2C%E2%80%9D%20he%20added.>

²<https://www.fbi.gov/news/speeches-and-testimony/director-wrays-opening-statement-to-the-house-select-committee-on-the-chinese-communist-party>. See also <https://www.cisa.gov/news-events/cybersecurity-advisories/aa24-038a>.

capabilities to steal technology and attack critical infrastructure—in your countries and in the United States, as well.”³

The words and actions of the PRC, for its part, support this assessment. The CCP has an expansive view of its own national security.⁴ This view is global in scope and sees the United States as the primary threat to its ability to achieve its goal of engineering “the great rejuvenation of the Chinese nation” (中华民族伟大复兴). Such an achievement, which CCP General Secretary Xi Jinping has described as the CCP’s “original aspiration,”⁵ refers to the PRC displacing the United States and moving to the center of global affairs as a dominant force in the world.⁶ In the dialectical rhetoric of the CCP, the United States is the “main enemy.”⁷ As such, it receives unique focus in PRC strategy documents and remains a principal target of “united front work” (统一战线工作). According to the Regulations on CCP United Front Work, the united front “is an important magic weapon for ... realizing the great rejuvenation of the Chinese nation” (统一战线是 ... 实现中华民族伟大复兴的重要法宝).⁸ As described by former paramount leader Deng Xiaoping, the aim of this work is “to unify those that can be unified, neutralize those that can be neutralized, and divide those in the enemy camp that can be divided.”⁹ In other words, the CCP sees isolating and weakening the United States as key to achieving its strategic ambitions.

For both the United States and the PRC, agriculture and land are of fundamental importance to national security. In the United States, both the United States Department of Agriculture and the Food and Drug Administration have designated the food and agriculture sector as one of 16 “critical infrastructure sectors.”¹⁰ In the PRC, food security has been of symbolic and real importance since the Party’s founding in the early 1920s. As Xi Jinping reminded listeners at the Central Rural Work Conference in December 2019 (an important central-level platform to coordinate national policy), “Eating is the most important thing” (吃饭是第一件大事).¹¹ The two countries differ considerably, however, in their approaches to achieving food security. While the United States has been blessed with geographic and natural factors that have enabled it to become self-sufficient in food production, this traditionally has not been the case for the PRC. Although it remains a net importer of food, this may be starting to change.

³<https://www.defense.gov/News/Speeches/Speech/Article/4202494/remarks-by-secretary-of-defense-pete-hegseth-at-the-2025-shangri-la-dialogue-in/>.

⁴http://www.scio.gov.cn/zfbps/zfbps_2279/202505/t20250512_894771.html.

⁵ Xi, *The Governance of China III*, 1.

⁶<http://theasanforum.org/the-persistent-soaring-ambitions-of-xi-jinpings-new-era-for-china-socialism-and-the-globe/#24>; <https://jamestown.org/program/prc-malign-influence-at-home-and-abroad-peter-mattis-testimony-before-the-senate-foreign-relations-committee/>.

⁷<https://www.geostrategy.org.uk/research/anti-americanism-will-remain-the-foundation-of-the-prcs-foreign-policy/>.

⁸https://www.gov.cn/zhengce/2021-01/05/content_5577289.htm.

⁹<https://www.swpu.edu.cn/xctz/info/1069/1286.htm>.

¹⁰<https://sgp.fas.org/crs/misc/R48094.pdf>.

¹¹<http://cpc.people.com.cn/n1/2019/1016/c164113-31402271-2.html>; <https://jamestown.org/program/desertification-control-drive-focuses-on-food-security-and-soft-power-influence/>.

In its quest for self-reliance in food production, the PRC has made significant advances in recent years—with negative impacts on and implications for the United States. PRC state media claim that total domestic food security has very nearly been achieved.¹² As it moves closer to this goal, its need to import agricultural products—including from the United States—are likely to decline. This has already started to happen. Since 2022, U.S. oilseed and grain exports to the PRC have steadily declined, in part due to PRC government plans explicitly designed to reduce reliance on imported foodstuffs, especially from the United States.¹³ Programs such as the Soybean and Oilseed Production Capacity Enhancement Project (大豆油料产能提升工程) have been instrumental in reducing reliance on U.S. imports. The self-reliance drive also led the PRC government in 2024 to restrict exports of fertilizer, impacting global food and fertilizer supply and forcing regional trade partners to reconsider their reliance on PRC fertilizers.¹⁴

PRC Risks to the Agricultural Sector

The PRC is no friend to the United States's agricultural sector. Beyond defensive food security measures that will steadily reduce demand for U.S. produce, PRC actors also engage in offensive measures that threaten to harm and destabilise the United States's farmland and its economic, food, and national security.

The PRC has long engaged in economic coercion, engaging in mercantilist policies by restricting both imports and exports of agricultural products to put political pressure on other countries.¹⁵ Since 2010, such measures have targeted Australian barley, wine, beef, lobster and timber, and cotton¹⁶; Canadian rapeseed oil, peas, seafood and pork; Japanese seafood¹⁷; Taiwanese fruit, vegetables, and seafood¹⁸; Norwegian salmon¹⁹; Philippine bananas²⁰; and French cognac,²¹ among others. The United States is also harmed by such measures. During the first term of U.S. President Donald Trump, the “Economic and Trade Agreement Between the United States of

¹² https://www.gov.cn/yaowen/shipin/202501/content_7000119.htm.

¹³ http://www.moa.gov.cn/govpublic/ZZYGLS/202201/t20220113_6386808.htm;
http://www.moa.gov.cn/govpublic/xmsvj/202304/t20230414_6425299.htm; <https://jamestown.org/program/desertification-control-drive-focuses-on-food-security-and-soft-power-influence/>.

¹⁴ <https://jamestown.org/program/prc-fertilizer-export-controls-provoke-derisking-abroad/>.

¹⁵ Victor D. Cha; Collective Resilience: Deterring China's Weaponization of Economic Interdependence. *International Security* 2023; 48 (1): 91–124. doi: https://doi.org/10.1162/isec_a_00465;

[https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/738219/EPRS_BRI\(2022\)738219_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2022/738219/EPRS_BRI(2022)738219_EN.pdf).

¹⁶ <https://www.aspistrategist.org.au/why-chinas-coercion-of-australia-failed/>.

¹⁷ <https://www.rieti.go.jp/en/papers/contribution/nakagawa-junji/03.html#:~:text=China's%20ban%20on%20seafood%20imports,runs%20counter%20to%20WTO%20rules>.

¹⁸ <https://focustaiwan.tw/cross-strait/202409190001>;

<https://www.taipetimes.com/News/editorials/archives/2024/10/02/2003824653>;

<https://www.nytimes.com/2022/06/22/business/china-taiwan-grouper-ban.html>.

¹⁹ <https://journals.sagepub.com/doi/abs/10.1177/0920203X15625061>.

²⁰ https://bpb-us-w2.wpmucdn.com/web.sas.upenn.edu/dist/b/732/files/2025/02/Ketian-Zhang-Addressing-Chinese-Coercion-in-the-South-China-Sea_Working-Paper.pdf.

²¹ <https://www.reuters.com/world/french-foreign-minister-says-china-is-delay-conclusion-cognac-investigation-2025-03-28/#:~:text=Shares%20in%20French%20drinks%20companies,comment%20outside%20of%20business%20hours>.

America and the People's Republic of China: Phase One” was signed and went into effect.²² As part of the deal, the PRC agreed to expand purchases of certain US goods and services by \$200 billion for the two-year period from January 1, 2020, through December 31, 2021, above 2017 baseline levels. Analysis from the Peterson Institute for International Economics (PIIE) assesses that the PRC “bought none of the additional \$200 billion of U.S. exports committed under the deal.” Purchases of covered agricultural products reached 77 percent (Chinese imports) of the phase one commitment.²³ In April 2025, the PRC imposed additional tariffs on U.S. goods as part of an ongoing trade war with the United States, including tariffs on over \$26 billion in agricultural items—roughly 16 percent of total U.S. imports.²⁴

The PRC also poses a risk to food security. According to a criminal complaint published by the U.S. Department of Justice on June 3, 2025, two PRC citizens—one of whom is alleged to be a member of the CCP, were charged with smuggling a fungus described as a “a potential agroterrorism weapon” into the United States.²⁵ The fungus, *fusarium graminearum*, causes “head blight,” a disease of wheat, barley, maize, and rice, and is responsible for billions of dollars in economic losses worldwide each year. Its toxins cause vomiting, liver damage, and reproductive defects in humans and livestock. To provide another example, the Cybersecurity & Infrastructure Security Agency (CISA), the National Security Agency (NSA), and the FBI have confirmed that the PRC state-sponsored cyber actors have compromised the IT environments of multiple critical infrastructure organizations, including water systems that are integral to the agriculture sector.²⁶

PRC actors have increasingly acquired agricultural land in the United States. As noted in a 2023 hearing before the U.S. Senate’s Committee on Agriculture, Nutrition, and Forestry, the volume of Chinese land holdings in the United States have surged exponentially since 2010, from roughly 13,000 acres to over 352,000 acres.²⁷ (USDA put the figure at 277,336 acres at the end of 2023, though notes that this figure “should be interpreted as a minimum” due to issues with accounting and data collection.²⁸) While this constitutes less than 1 percent of all agricultural land in the United States, it is nevertheless a substantial figure, especially considering the risks that the Party-state poses to U.S. national security. As the Congressional Research Service has noted, motivations for land acquisitions “may be economic, strategic, or both.”²⁹ Risks of such acquisitions could include loss of economic competitiveness, reduced exports, negative environmental impacts, and associated public health risks.³⁰

²² <https://ustr.gov/countries-regions/china-mongolia-taiwan/peoples-republic-china/phase-one-trade-agreement/text>.

²³ <https://www.piie.com/research/piie-charts/us-china-phase-one-tracker-chinas-purchases-us-goods>.

²⁴ https://gss.mof.gov.cn/gzdt/zhengcefabu/202504/t20250409_3961684.htm.

²⁵ <https://www.justice.gov/usao-edmi/pr/chinese-nationals-charged-conspiracy-and-smuggling-dangerous-biological-pathogen-us>.

²⁶ <https://www.cisa.gov/topics/cyber-threats-and-advisories/nation-state-cyber-actors/china>.

²⁷ https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/S.%20Hrg.%20118-371_Transcript_9.27.2023.pdf.

²⁸ <https://www.fsa.usda.gov/sites/default/files/2024-12/AFIDAYR2023ReportwithPageNumbers.pdf>.

²⁹ <https://sgp.fas.org/crs/misc/R48094.pdf>.

³⁰ <https://www.fda.gov/food/hfp-constituent-updates/strengthening-security-and-resilience-us-food-and-agriculture120-day-interim-risk->

Two examples can highlight the strategic risks that may arise from the acquisition of agricultural land by PRC entities. One is the possibility of monitoring sensitive or strategic assets, such as military installations. Attempts have been made in the last five years to purchase land for a wind energy farm project near Laughlin Air Force Base, Texas, where U.S. pilots are trained, and for a corn milling plant on farmland near a sensitive Air Force base outside Grand Forks, North Dakota.³¹ Similar acquisitions have been seen in other countries too. For instance, a report last year in *The Wall Street Journal* detailed that purchase of a small hotel in the Swiss Alps by a Chinese family—one of whom claimed to be the son of a former PRC diplomat—that just happened to be around 100 yards from an airstrip where the Swiss military were basing F-35 fighters were stationed.³² Wisconsin has its share of strategic assets, such as Fincantieri Marinette Marine's facilities that are building the U.S. Navy's Constellation-class frigates, as well as Air National Guard bases and other military training bases. Acquisitions by foreign entities of land near military installations is generally subject to review by the Committee on Foreign Investment in the United States (CFIUS),³³ though the risks such acquisitions pose are broader.

The second is the acquisition of land for agribusinesses or logistics firms from the PRC also pose risks. Logistics companies with ties to the People's Liberation Army (PLA), the armed wing of the CCP that functions effectively as the PRC's armed forces, have built extensive networks overseas, including in the United States. One such firm, SF Express (顺丰速运), has signed military-civil fusion cooperation agreements on logistics with the PLA, and operates through over 20 subsidiaries here, building infrastructure that could be leveraged for dual-use purposes if called upon to do so—all private logistics firms are required to support PLA objectives, and many explicitly claim to do so, including SF Express.³⁴ Acquisitions by PRC entities of U.S. firms like Smithfield, the largest U.S. pork producer, and others like Syngenta are strategic, allowing the PRC to exert more control over their import food supply chain.

Merits and Demerits of Senate Bills 7 and 219

Senate Bills 7 and 219 both seek in part to mitigate risks associated with actors from foreign adversary countries such as the PRC acquiring agricultural land in the state of Wisconsin. They follow a growing trend of similar bills that have been passed in recent years across the United States. According to the National Agricultural Law Center, in 2024, 14 states enacted a foreign

[review#:~:text=The%20National%20Security%20Mamorandum%2D16.resilience%20of%20the%20workforce%3B%20and;https://www.fda.gov/media/170114/download?attachment.](https://www.fda.gov/media/170114/download?attachment)

³¹[https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/S.%20Hrg.%20118-371_Transcript_9.27.2023.pdf.](https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/S.%20Hrg.%20118-371_Transcript_9.27.2023.pdf)

³² [https://www.wsj.com/world/asia/chinese-family-hotel-spy-jet-switzerland-712fe15c.](https://www.wsj.com/world/asia/chinese-family-hotel-spy-jet-switzerland-712fe15c)

³³ [https://www.everycrsreport.com/files/2024-08-28_LSB11013_0ea5594f131381c2820277d740182d27baacbeb6.html.](https://www.everycrsreport.com/files/2024-08-28_LSB11013_0ea5594f131381c2820277d740182d27baacbeb6.html)

³⁴ [https://jamestown.org/program/prc-logistics-firms-in-the-united-states-and-mexico-support-military-civil-fusion/.](https://jamestown.org/program/prc-logistics-firms-in-the-united-states-and-mexico-support-military-civil-fusion/)

ownership law or amended an existing one, while nearly three dozen states have proposed legislation in 2025.³⁵ In total, 27 states have enacted laws on foreign ownership of land.³⁶ Legislation of this kind has also been proposed at the federal level, though is yet to be passed into federal law.

Senate Bill 7 aims to restrict foreign adversaries (as defined by the federal secretary of commerce) from acquiring any land for agricultural or forestry purposes. It otherwise retains current law that permits foreign person ownership of such land within certain limits.

Senate Bill 219's aims are much broader. It reduces the maximum amount of agricultural land a covered foreign person may own to 50 acres in general, prohibits such ownership within 10 miles of military installations, and prohibits foreign adversaries (defined as above) from acquiring any interest in real property in the state.

SB7 has the benefit of being narrow in scope. This makes its rationale and its implications much clearer to ascertain. For the reasons outlined above, the PRC's interests in the U.S. agriculture sector are frequently strategic in nature. Strategic rationales are likely to become more prominent as any reliance on the United States to support its domestic food security objectives is likely to disappear in the near to medium term. Given the CCP's strategic disposition towards the United States, the presence of PRC entities involved in such a critical sector within the United States constitutes vulnerabilities that are in the interest of the United States to avoid.

SB219's bundling of issues make it difficult to support. I will take its three core aims and address them individually. First, the rationale behind dramatically reducing ownership of agricultural land by covered foreign persons to 50 acres is unclear. The enduring prosperity of the United States has long been grounded in its openness to foreign investment—including in the agricultural sector. Across the entire country, investors from three countries—Canada (31 percent), Netherlands (12 percent), and Italy (7 percent)—comprise one-half of all foreign ownership of agricultural land. Along with the United Kingdom and Germany, these countries account for nearly two-thirds of all foreign ownership of agricultural land.³⁷ These countries are key U.S. allies and partners, closely tied to and invested in the United States's economy and security. Curtailing the possibility of these countries' participation in advancing the prosperity of the U.S. agriculture could have adverse economic impacts. For instance, as similar legislation is unlikely to pass in other U.S. states, it could entail a loss of investment in Wisconsin that will instead end up in neighboring states. From another perspective, the United States is one of the top investors in foreign agricultural land across

³⁵ <https://nationalaglawcenter.org/national-ag-law-center-attorneys-to-provide-ag-law-update-during-mid-south-online-bonus-session/>.

³⁶ <https://nationalaglawcenter.org/new-addition-to-foreign-ownership-law-trend-west-virginia-enacts-restriction-on-foreign-controlled-entities/>.

³⁷ [https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/National%20Agricultural%20Law%20Center%20Written%20Testimony%20Sept%202023\[8\].pdf](https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/National%20Agricultural%20Law%20Center%20Written%20Testimony%20Sept%202023[8].pdf).

the world, investing in more than eight million acres worldwide between 2000 and 2016.³⁸ Access restrictions here could lead to retaliatory action abroad, which could also harm the interests of the U.S. agriculture sector.

Regarding proposed ownership restrictions near military installations, a similar criticism can be levied. While there is an obvious strategic rationale here, it is not clear that such an acquisition by, for instance, the United Kingdom, poses risks that require such a restrictions. Close allies and partners with whom the United States has intelligence-sharing and other agreements do not constitute risks sufficient for curtailing free economic interactions. Restrictions focused more narrowly (as in SB7) or to be reviewed on a case-by-case basis, would be more appropriate courses of action.

The prohibition on foreign adversaries acquiring any real property in the state is also cause for concern. Under U.S. regulations—specifically 15 CFR § 791.4—the term “foreign adversary” encompasses both foreign governments and foreign non-government persons, which include individuals, businesses, and other organizations. A comprehensive ban on such persons owning any real property in the state of Wisconsin would be a sweeping measure with likely unintended consequences. For instance, it could be interpreted as prohibiting PRC citizens from acquiring a home or other private property here. This runs the risk of eliding the distinction between the CCP and the Chinese people. There are many PRC citizens who live and work in the United States. Most have come here not to engage in malign or subversive activities. U.S. state and federal actions that do not take care to distinguish between Party-state-affiliated actors and ordinary immigrants are likely to have adverse consequences. One is to amplify anti-Asian racism, as actions are perceived—correctly or otherwise—as targeting entire populations or demographics. This plays into the hands of the CCP. As research published this week in the journal *Security Studies* points out, the CCP creates and amplifies “wedge narratives” (strategic narratives designed to decrease the political or social attractiveness of the host country) to undermine and delegitimise the United States in the eyes of the Chinese diaspora living here. Identity-based narratives are a key target in these efforts.³⁹ Broad measures like the one proposed here will likely be instrumentalised by actors with ties to the united front system as part of a campaign to manipulate core constituencies among the electorate. This in turn harms U.S. national security. Such measures are also poorly received overseas—to the advantage of the CCP. The more that the United States is seen to be less open to the world, the more its reputation declines, ceding soft power that the CCP is keen to exploit. This is already apparent in the first half of 2025. According to data from 41 countries tracked and analysed by Morning Consult, the PRC’s global standing eclipsed that of the United States in March for the very first time. At the beginning of 2025, 29 out of 41 countries held more favorable

³⁸ [https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/S.%20Hrg.%20118-371 Transcript 9.27.2023.pdf](https://www.agriculture.senate.gov/imo/media/doc/97550294-ee74-e7c9-b46b-c54bd9e3f0ee/S.%20Hrg.%20118-371%20Transcript%209.27.2023.pdf).

³⁹ Chester, Patrick J., and Audrye Wong. 2025. “Wedge Narratives and Diaspora Communities.” *Security Studies*, May, 1–40. doi:10.1080/09636412.2025.2498706.

views of the United States than China. But as of April 30, only 13 countries favored the United States.⁴⁰ On their own, Wisconsin's actions on SB219 are unlikely to influence global public opinion of the United States, but such legislation does have an effect on the margins and in the aggregate. As the states and the federal government become more clear-eyed about the challenges and risks posed by the PRC, and more willing to act in ways that mitigate U.S. vulnerabilities, it is important that such actions are taken that accord with and are grounded in uniquely American values and principles. I believe that SB7 gets this balance right.

⁴⁰ <https://pro.morningconsult.com/analysis/us-china-global-standing-competition>.

Testimony on Senate Bill 7

June 4, 2025

Chairman Testin, committee members, thank you for holding a hearing this morning on Senate Bill 7 prohibiting foreign adversaries from acquiring real property in this state.

The Wisconsin Farm Bureau Federation (WFBF) is the state's largest general agriculture organization with over 51,000 members. WFBF represents farms of different sizes, commodities and management styles. WFBF appreciates Senator Jacque and Representative Penterman bringing this bill forward and being willing to address stakeholder concerns.

We strongly support policies that improve our national security and the security of our supply chains. We also support policies that keep Wisconsin's productive lands in production and drive the state's economic prosperity into the next century.

SB 7, as amended by Senate Substitute Amendment 1, creates a clear but flexible definition of a "foreign adversary" by incorporating by reference a list of countries determined to be foreign adversaries as identified and routinely updated by the U.S. Department of Commerce, and creates a definition of "foreign principal" that incorporates individuals and entities tied to foreign adversaries.

The bill then prohibits a "foreign principal" from acquiring or holding any interest, directly or indirectly, in real property in this state, while maintaining the current 640-acre prohibition for all foreign ownership other than "foreign principals."

Finally, the bill requires anyone determined to be a "foreign principal" to divest any land holdings in the state within 180 days after the determination is made, or the land will be forfeited to the state.

We believe this bill provides needed protection to ensure Wisconsin land is not possessed by those who might seek to do us harm while maintaining long established standards that have allowed us to benefit from investment and partnership.

Thank you again for taking the time to hold this hearing today, and please support Senate Bill 7.