

Department of Agriculture
Office of the Secretary

Agricultural Foreign Investment Disclosure Act: Revisions to Reporting Requirements

7 CFR Part 781

[Docket No. FSA-2024-0005]

RIN 0560-AI70

AUTHORS

Jack Burnham

Senior Research Analyst, FDD's China Program

Johanna Yang

Policy Analyst, FDD's Center on Cyber and Technology Innovation

Washington, DC
January 28, 2026

Introduction

China's purchase of American farmland, particularly near U.S. military installations, poses a potent threat to national security. In obtaining acreage alongside the facilities and critical infrastructure systems that Washington would use to respond to a military crisis in the Indo-Pacific, Beijing has gained a potentially valuable foothold for conducting espionage operations and exploiting vulnerabilities to hinder military mobility.

In response, the United States Department of Agriculture (USDA) should reform the reporting requirements embedded within the Agricultural Foreign Investment Disclosure Act (AFIDA) to prevent China and other adversarial countries from exploiting commercial land transactions to gain a strategic edge over the United States. The USDA should require more geospatial property data to trace reported transactions, apply a stricter level of scrutiny to designated foreign adversaries, and adopt new policies to support reviews conducted by the Committee on Foreign Investment in the United States (CFIUS).

China's Farmland Purchases Pose a Threat to U.S. National Security

While China owns relatively little farmland in the United States, much of its holdings are located near U.S. military bases and other defense-related critical infrastructure, suggesting that its ownership patterns are more related to espionage than to agriculture. This trend has become particularly clear as Chinese land purchases have increased along with concerns about trade stability with the United States, suggesting that such transactions were not solely motivated by food production.¹

Chinese farmland holdings are primarily concentrated around the Carolinas, Arizona, Texas, Florida, and California. Over the past decade, Chinese firms and investors have purchased land close to or adjacent to Fort Liberty, Yuma Proving Grounds, and Patrick Space Force Base, with smaller portions of land alongside Whiteman Air Force Base and Hill Air Force Base.² Chinese firms also hold land alongside U.S. forces most likely to flow to the Indo-Pacific theater in the event of a conflict, including Camp Pendleton, Fort Irwin, and on the island of Oahu.³

These ownership patterns, along with Beijing's use of commercial ventures to further its geopolitical ambitions and ongoing broad-based espionage campaign against the United States, highlight the risks associated with Chinese firms purchasing farmland. Chinese national security law mandates that Chinese firms and individuals comply with Beijing's security directives, raising the possibility that Chinese-owned assets may provide a platform for espionage

¹ Daniel Munch, "Foreign Footprints: Trends in U.S. Agricultural Land Ownership," *American Farm Bureau Federation*, January 14, 2025. (<https://www.fb.org/market-intel/foreign-footprints-trends-in-u-s-agricultural-land-ownership>); Kevin Dong, Mallie Prytherch, Lily McElwee, Patricia Kim, Jude Blanchette, and Ryan Hass, "China's Food Security: Key Challenges and Emerging Policy Responses," *Center for Strategic and International Studies*, March 15, 2024. (<http://csis.org/analysis/chinas-food-security-key-challenges-and-emerging-policy-responses>)

² Ximena Bustillo and Connie Hanzhang Jin, "China owns 380,000 acres of land in the U.S. Here's where," *NPR*, June 26, 2023. (<https://www.npr.org/2023/06/26/1184053690/chinese-owned-farmland-united-states>)

³ Ibid.

operations targeting U.S. military installations.⁴ This is occurring against a backdrop of China’s ongoing espionage operations targeting the United States and the repositioning of disruptive capabilities within systems that are critical to national security and public health and safety.⁵

In monitoring foreign land purchases, the USDA provides key input into CFIUS and across the federal government to counter foreign adversaries’ intrusions into a range of critical sectors. The investment reporting process also establishes a powerful lever to prevent foreign ownership from posing a strategic threat. In requiring reporting on foreign sales, the USDA provides a strong foundation for litigation and other penalties for noncompliance.

Recommendations

The USDA has previously proposed timely and forward-leaning actions to strengthen protections against Chinese farmland ownership, having introduced the National Farm Security Action Plan in July 2025. As a part of its proposal, the USDA pledged to heighten enforcement of AFIDA and expand the scope of CFIUS to screen transactions involving farmland and agricultural-related biotechnologies.⁶ These efforts build on current state and local actions against foreign ownership of farmland — nearly two-thirds of states have either enacted or are currently considering such bans.⁷

To further support these efforts at the federal level, the USDA should reform AFIDA’s reporting system to facilitate better data collection, particularly of land purchases conducted by foreign adversaries.

- **The USDA should require foreign purchasers to provide open-source geospatial maps of agricultural lands.** As part of its reporting requirements, the USDA should mandate that foreign purchasers provide geospatial data with property boundaries. This data should be collected and provided in an open-source format (such as QGIS), which would allow a range of private and public agencies to access property transfer records.

⁴ Brit McCandless Farmer, “How China could use U.S. farmland to attack America,” *CBS News*, October 12, 2025. (<https://www.cbsnews.com/news/how-china-could-use-us-farmland-to-attack-america-60-minutes>); Jack Burnham and Annie Fixler, “Protecting Against National Security Threats to the Communications Supply Chain Through the Equipment Authorization Program,” *Foundation for Defense of Democracies*, December 22, 2025. (<https://www.fdd.org/analysis/2025/12/22/protecting-against-national-security-threats-to-the-communications-supply-chain-through-the-equipment-authorization-program-2>)

⁵ Jack Burnham and Maria Riofrio, “USDA Releases Plan to Protect U.S. Agriculture From Cyber Threats and Chinese Intrusions,” *Foundation for Defense of Democracies*, July 10, 2025. (<https://www.fdd.org/analysis/2025/07/10/usda-releases-plan-to-protect-u-s-agriculture-from-cyber-threats-and-chinese-intrusions>); Annie Fixler, Mark Montgomery, and Rory Lane, “Military Mobility Depends on Secure Critical Infrastructure,” *Foundation for Defense of Democracies*, March 27, 2025. (<https://www.fdd.org/analysis/2025/03/27/military-mobility-depends-on-secure-critical-infrastructure>)

⁶ Jack Burnham and Maria Riofrio, “USDA Releases Plan to Protect U.S. Agriculture From Cyber Threats and Chinese Intrusions,” *Foundation for Defense of Democracies*, July 10, 2025. (<https://www.fdd.org/analysis/2025/07/10/usda-releases-plan-to-protect-u-s-agriculture-from-cyber-threats-and-chinese-intrusions>)

⁷ Phelim Kine, “US states are cutting off Chinese citizens and companies from land ownership,” *Politico*, April 3, 2024. (<https://www.politico.com/news/2024/04/03/state-laws-china-land-buying-00150030>)

This measure will strengthen oversight of foreign purchases of agricultural lands and can be used by the USDA and other agencies to identify national security concerns.

- **The USDA should treat foreign persons from countries designated as foreign adversaries with a stricter level of scrutiny.** By law, USDA must collect information on all foreign purchases of agricultural land in the United States. While the department should ensure compliance across all foreign-related transactions, the USDA should rely on the definition of “foreign adversaries” outlined in 15 CFR 791.4(a) to apply lower thresholds for reporting foreign persons’ “significant interest or substantial control” in any reported transaction and prioritizing enforcement actions. These transactions should fall under stricter scrutiny, with the USDA altering its current reporting thresholds — 10 percent for a single foreign person and 50 percent for domestic entities substantially directed or controlled by a foreign person — to 5 percent and 10 percent, respectively. In alignment with its previous action plan, the USDA should also increase its enforcement action to prioritize transactions conducted by foreign adversaries, particularly those involving Chinese entities.
- **The USDA should develop a mechanism to require additional detailed information about foreign interests related to transactions involving agricultural lands.** By lowering reporting thresholds, USDA will gain insight into complex corporate structures and improve tracking of ownership interests by requiring additional persons involved in the transaction to submit detailed records regarding their identity. This model has previously been adopted by the Federal Communications Commission to track foreign ownership interests within complex supply chains by allowing regulators to delve into a broader range of transactions and collect relevant intelligence for interagency partners.

Conclusion

By strengthening transaction reporting requirements, the USDA can bolster U.S. national security while supporting investment into the American agricultural sector. The cost of inaction — measured in both dollars and national security risk — grows every day, signaling to adversaries that limited regulatory enforcement can be exploited to potentially access to U.S. critical infrastructure.

Thank you for considering our comments. We look forward to seeing how our input is incorporated into the USDA’s ongoing policy work.