



Credit: Farm Bureau

Foreign Investment in U.S. Ag Land – The Latest Numbers

Foreign investment in U.S. agricultural land is a hot topic, largely spurred by media reports raising concerns about bad actors from adversarial nations purchasing land for potentially hostile purposes. Several questions arise when considering this issue. First and foremost, how much agricultural land in the U.S. is owned by foreign investors and from what countries do those investors hail? Second, what kind of land do these foreign entities own? Productive cropland? Forestland? Or perhaps open space for energy production or other purposes? Additionally, how have these numbers changed in recent years? While data exists to answer many of these questions, the quality of these data points has often been questioned, complicating our true understanding of how much U.S. ag land is owned by foreign investors and who they are. This article summarizes the latest available data with some critiques of its quality.

As noted in a January Congressional Research Service report, the Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA) established a nationwide system for collecting information pertaining to foreign ownership of U.S. ag land (defined as land used for forestry production, farming, ranching or timber production). AFIDA defines a foreign person to include “any individual, corporation, company, association, partnership, society, joint stock company, trust, estate, or any other legal entity” (including “any foreign government”) under the laws of a foreign government or with a principal place of business outside the United States. U.S. citizens and green card holders are explicitly excluded from AFIDA requirements. The regulations require foreign persons who buy, sell or gain interest in U.S. agricultural land to disclose their holdings and transactions to

ket value of the interest held in land can be levied for those who fail to comply. The accuracy of disclosed data relies on voluntary compliance and self-reporting by the foreign entities.

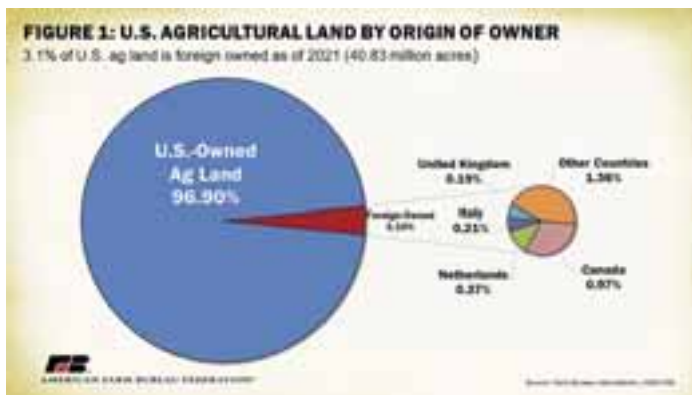
Summary of USDA AFIDA Data

According to USDA’s latest AFIDA report, which is based on 2021 data, over 40 million acres of U.S. agricultural land are owned by foreign investors and companies. This corresponds to 3.1% of all privately held agricultural land and 1.8% of all land in the United States. Canadian investors own the largest portion of foreign-held U.S. agricultural land with 31% (12.8 million acres) of the total and 0.97% of all U.S. agricultural land. Following Canada, investors from the Netherlands, Italy, the United Kingdom and Germany own 0.37% (4.9 million acres), 0.21% (2.7 million acres), 0.19% (2.5 million acres) and 0.17% (2.3 million acres) of U.S. agricultural land, respectively. Over 52% of the reported acreage was listed under the category that includes limited liability companies (LLCs), 32% was corporations (most of which were formed in the United States), 12% was partnerships, 2.3% was individuals and the remainder was split between trusts, estates, institutions and associations. Figure 2 further breaks down foreign-investor-held land by predominant origin nation.

County, State and Land Use Data

Figure 3 displays the concentration of reported foreign-investor-held agricultural land by county. Of the 3,142 counties and parishes in the U.S., 2,494, or 79%, have at least one foreign investor present. In 2,041 counties, or 65% of counties, foreign investors own between 1 and 19,999 acres of land. Only 18 counties, or 0.01% of all counties, have over 200,000 acres of agricultural land held by foreign investors, the top four of which are in northern Maine with Canada-based investors. A little over 20% of Maine’s privately held agricultural land is held by foreign investors, which makes up 9% of total foreign-held ag land. Hawaii has the second-largest percentage of foreign-held U.S. agricultural land, which is 9.2% of the privately held agricultural land in the state.

In 2021, 48% (19.2 million acres) of reported foreign-held agricultural land was forestland, 29% (11.8 million acres) was cropland, 18% (7.3 million acres) was pastureland and 5% (1.8 million acres) was other agricultural land and non-ag land, which accounts for factors like owner or worker housing and rural roads. These proportions vary widely depending on the state. Forestland, for instance, makes up 99%, 98%, 86% and 85% of foreign-held agricultural land in Maine, Alabama, Louisiana and Michigan,



USDA directly or to the Farm Service Agency office where the land is located. Failure to disclose this information may result in penalties and fines through USDA investigative action. Maximum civil penalties of up to 25% of the fair mar-

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New SD Wheat Commissioner Appointed

The South Dakota Wheat Commission is pleased to announce the appointment, by Governor Kristi Noem, of Jamie Johnson to a three-year term as Commissioner. Jamie Johnson, together



with her husband Brian farm near Frankfort SD. In a very diversified operation they raise wheat, oats, hay, cover crops, corn, and soybeans in addition to a commercial Angus cow/calf operation. The Johnson's have a long history of supporting spring wheat research and variety development for South Dakota State University. Jamie has just completed service as the Region Seven Director for the South Dakota Soybean Association and served as chair of SDSA's Conservation Committee. She is a Class eight graduate of South Dakota Ag & Rural Leadership. Jamie Johnson was named the 2020 recipient of the National Association of Conservation Districts/Natural Resources Conservation Service Olin Sims Conservation Leadership Award. In 2019, the Johnson family received the South Dakota Leopold Award and were the Region 7 2020 Environmental Stewardship Award recipients. Education has been a cornerstone of Johnson's work in SD's ag community and has also served as a Spink County Conservation District Supervisor. Jamie has represented ag organizations on local TV programs and highlighting women in agriculture. She is a soil health mentor and works with local schools, Future Farmers of America Chapters, and 4-H clubs. She teaches the importance of soil health to all ages by helping create the next generation of conservation-minded producers. Jamie Johnson will be a strong addition to the South Dakota Wheat Commission and advocate for the inclusion of wheat in a soil health focused rotation.



Back row (l to r): Reid Christopherson, Terry Hand, Tregg Cronin
Front row (l to r): Bryan Jorgensen, Jamie Johnson, Leon Koeppe



NAWG Statement on Prop 65 Permanent Injunction

The National Association of Wheat Growers (NAWG) is thrilled to see the United States Court of Appeals for the Ninth Circuit permanent injunction that prohibits California’s Proposition 65 warning requirement related to glyphosate. Today the Ninth Circuit Court of Appeals affirmed the district court’s permanent injunction enjoining Proposition 65 warning requirement for glyphosate.

“NAWG members knew we had a strong case and the decisions were based on the facts and science surrounding the safety of the product,” said NAWG President and Oregon wheat farmer, Brent Cheyne, “NAWG has been engaged in this legal battle as lead plaintiff challenging the California requirement for six years. California’s Proposition 65 requirement threatened the use of glyphosate by requiring false and misleading labels on products that may contain glyphosate. We are pleased to see this action taken today by the court.”

Additional plaintiffs include the Agribusiness Association of Iowa, the Agricultural Retailers Association, Associated Industries of Missouri, Iowa Soybean Association, Missouri Chamber of Commerce and Industry, CropLife America, Missouri Farm Bureau, National Corn Growers Association, North Dakota Grain Growers Association, South Dakota Agri-Business Association and United States Durum Growers Association.



AG HORIZONS CONFERENCE

December 5th & 6th, 2023



Grain Marketing 2024 Outlook Naomi Blohm, Total Farm Marketing

After two years of bull markets for grain prices, 2024 may have a more subtle tone for price activity. While demand remains strong for corn, soybean, and wheat, global supplies of grains have been growing to meet that demand. In 2024 grain producers need to monitor outside market influences such as the value of the U.S. Dollar, the Fed and what they do with interest rates as that can affect the activity of fund traders. Regarding general supply and demand fundamentals, all eyes are on South American weather in the coming months, Chinese demand, and the uncertainty of 2024 planted grain acres in the United States.



Agricultural Economic Outlook - Tanner Ehmke

The agricultural economy is expected to face increased volatility in commodity markets in 2024 with the U.S. elections. Although agricultural production costs are rising, a weakening U.S. dollar will provide a tailwind for U.S. agricultural exports. Lower borrowing costs are also expected as interest rates decline.



Legislative Panel Representative Roger Chase Representative Will Mortenson PUC Chris Nelson

Public Utilities Commissioner Chris Nelson explained the PUC's oversight role of grain buyers in the state with the oversight goal being to make sure grain sellers are fully paid for their product. Chris highlighted a key issue for the PUC in 2023 was a determination that when title to grain transfers outside of South Dakota (even if the grain was grown here) that South Dakota grain buying laws and bond coverage do not apply. While title for most grain sold transfers in SD it is important for producers to understand from their grain buyer where title is transferring so the producer knows what laws and bond coverages may or may not apply. As always, if grain sellers are experiencing any issues with prompt payment for their grain, they should immediately call the PUC's grain warehouse division program at 605-773-3201 to report the issue.



Insurance Panel Mother Nature vs Insurance Coverage . . . Who Wins?

Sam Anderson, Lead Marketing
Rep NAU County Aberdeen;

Josh Bakker, Farm
Account Executive,
Fisher Rounds;

Neal Hegg, Commercial Loan
Officer First National Bank;

Mike Chrysler, IIASD

Speakers



Restoration of Degraded Landscapes through Soil Health - A Hayland Case Study

**Riley Kammerer,
Piedmont/Rapid City
Area Rancher**



**Red Sunflower Weevil
Management**

Adam Varenhorst, SDSU



**Controlled Recklessness:
Ed Lemmon and Ag
Development in
South Dakota**

Nathan Sanderson, SDRA



**Expanding Crop Rotations with
Pulse Crops & Livestock
Integration**
Chris Graham, SDSU

Expanding crop rotations in semi-arid western South Dakota is difficult due to the limited crop options to profitably and sustainably include in traditional wheat-based rotations. In this discussion, I presented data on our work with field peas as one viable option. I discussed our work on variety testing, basic agronomics and potential nitrogen fixation from field peas at sites throughout western South Dakota. Additionally, I spoke about the potential impacts of grazing livestock on full-season cover crops on wheat yield and soil health. Data from the West River Research Farm near Sturgis, SD shows an increase in spring wheat yield, likely resulting from the soil nitrogen increase from cow manure.



Federal Crop/Livestock Updates
**Chrissy Frank and Lewis Crow,
Risk Management Agency**

Thank you for the opportunity to lead a Federal Crop and Livestock Insurance Update breakout session at the 2023 Ag Horizons Conference. A few of the topics covered were the Program Performance Assessments (an in-depth overview of each insured crop/commodity every three years) which includes a Growing Season Observation (GSO). The GSO is a great time for RMA and producers to meet in the field to discuss what's working and what isn't with crop insurance, along with seeing first-hand the progress of the crop. We also discussed the growth of insurance for various crops in South Dakota, the written agreement process, rye and soybean county expansions, and increased participation in the Federal Livestock Insurance programs.

Lastly, we received a question regarding ergoty wheat and how the quality discount charts in the county actuarial documents are calculated. Starting in 2021, quality discounts for ergoty wheat correspond to a scale (chart) of Farm Service Agency (FSA) loan program discounts. The quality discount factor charts in the county actuarial documents are 10-year averages of FSA national average discounts and are updated annually. Thank you again for allowing us to attend and be a part of your conference. We look forward to next year!

Ed Lemmon (1857-1945) was cowboy, cattleman, and town-founder - the namesake of Lemmon, South Dakota. He owned one of the state's largest cattle outfits and from 1902-1907 owned the largest fenced pasture in the world, more than 865,000 acres. He later guided the Milwaukee Railroad west across the Missouri River, facilitating West River development. The title "Controlled Recklessness" emerged from the two competing sides of Lemmon's personality, the organized cattleman who employed a methodical approach to open range cattle ranching, but also a fun-loving cowboy who took tremendous, often unnecessary risks. The development of South Dakota mirrored this controlled recklessness - combining the systematic nature of government-organized settle with the chaos of building hundreds of communities and dispersing tens of thousands of pioneers in a few short years.

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Shelborne Reynolds



SDSU Plant Diagnostic, Northern Plains Forage & Sunbird



NRCS - USDA



*South Dakota Crop Improvement
Joyce Kindvall*



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Exhibitors



Grossenberg Implement



South Dakota Soil Health Coalition



Limagrain Cereal Seeds



South Dakota Wheat Commission



Syngenta Crop Protection and Agri Pro



BASF and Northern Plains Forage Association

