



**House Committee on Commerce, Labor and Economic Development**  
**Testimony in Opposition to House Bill 2766- Prohibiting foreign land ownership within 150 miles of a Military Institution**  
**Presented by Eric Stafford, Vice President of Government Affairs, Kansas Chamber**

**Wednesday, February 7, 2024**

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber represents small, medium and large businesses of all industry segments across the state. We appreciate the opportunity to testify in opposition to House Bill 2766, which would prohibit land ownership by a foreign entity within 150 miles of a military institution in Kansas.

The subject of foreign land ownership has become a top issue in recent years as concerns over foreign adversaries such as China and Russia gaining a stronger presence in the United States have grown. In a positive outlook, the application of HB 2766 is much more narrowed than SB 446 with a focus on countries of concern, versus the Senate version which contains a broader foreign ownership definition.

Striking a balance between protecting Kansas' security interests and private landowner rights is key as the legislature considers what steps can be taken to ensure Kansas is as secure as possible from foreign adversaries. One step to consider would be to tie in to the Committee on Foreign Investment in the United States (CFIUS) under the U.S. Department of Treasury. According to their website, "CFIUS is an interagency committee authorized to review certain transactions involving foreign investment in the United States and certain real estate transactions by foreign persons, in order to determine the effect of such transaction on the national security of the United States." This multi-agency effort handles foreign transactions to ensure the safety of the American public specific to real estate transactions.

One specific area of concern with HB 2766 relates to the required divestment provisions for a foreign company. If a foreign company (as defined, from a country of concern) who has an ownership interest in property within 150 miles of a military institutions must report to the Attorney General's office, but then divest that ownership interest, even for transactions that have already occurred. Such company could have already received clearance from the Federal government through CFIUS as an approved entity to operate within the United States but be forced to divest those interests. To avoid this result for companies that have been reviewed by CFIUS, we would support and respectfully request amendments to this legislation to reference CFIUS approval as a standard when determining whether a transaction is secure for Kansas. It is our understanding that there is an amendment included with testimony from several ag associations related to CFIUS which we do support.

I'll close by saying our objection is not to oppose any efforts by the Kansas Legislature to ensure our citizens are protected, but just like any law passed, there could be unintended consequences dealing with land rights. If this committee can take steps to reference federal oversight that already exists for this purpose, and addresses divestment concerns, we would be able to remove our objections to the bill. We appreciate the opportunity to submit testimony in opposition to House Bill 2766 and I'd be happy to answer any questions from the committee.