



Contact:
Matt Perdue, Lobbyist
mperdue@ndfu.org | 701.641.3303

**Testimony of
Matt Perdue
North Dakota Farmers Union
Before the
House Agriculture Committee
February 3, 2023**

Chairman Thomas and members of the committee,

Thank you for the opportunity to testify on House Bill No. 1356. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's (NDFU) members.

NDFU supports HB 1356, which would establish a new "Agricultural Foreign Investment Review Board" to review proposed acquisitions of agricultural land in North Dakota. The bill would require approval from the board before agricultural land can legally be acquired by an alien individual.

For the reasons stated in NDFU's testimony regarding HB 1135, NDFU supports HB 1356. We believe this bill could strengthen enforcement of our current alien ownership laws. However, we want to highlight a couple opportunities for improvement in the bill.

HB 1356 would require review of land acquisitions by individuals. However, the bill does not address land acquisitions by entities. Under North Dakota law, an "individual" is a natural person. We believe the Agricultural Foreign Investment Review Board should also have authority to review acquisitions of agricultural land by any entity.

The legislation also lacks clarity on what factors the board will use to determine if a land acquisition is in the best interest of state security and the agriculture industry. If the intent of the bill is to strengthen restrictions on foreign ownership, those additional factors should be made clear. The bill could be strengthened by including specific factors to consider under Section 2, paragraphs 3 and 4. Some potential considerations include:

1. Whether the individual or entity has ties to foreign adversaries;
2. Whether the individual or entity intends to engage in agricultural production; and
3. The national and regional market share of the entity.

Finally, we encourage the committee to clarify reporting requirements under the law. Currently, NDCC 47-10.1-04 requires the attorney general to initiate an enforcement action based on whether the attorney general has "reason to believe that any person is violating" the law. It is our understanding the Agricultural Foreign Investment Review Board would strengthen that process by reviewing all acquisitions of agricultural land by aliens. However, it is not clear how the board will become aware of land acquisitions by aliens. We recommend clarifying that the county recorder shall alert the board each time land is acquired by an alien individual or an entity in which one or more alien individuals hold an interest.

We look forward to working with the committee to improve HB 1356. Thank you for your consideration. I will stand for any questions.