Congress of the United States Washington, DC 20515

September 26, 2022

The Honorable Lloyd Austin Secretary U.S. Department of Defense 1000 Defense Pentagon Washington, D.C. 20301

The Honorable Janet Yellen Secretary U.S. Department of the Treasury 1500 Pennsylvania Avenue NW Washington, D.C. 20220

The Honorable Tom Vilsack Secretary U.S. Department of Agriculture 1400 Independence Avenue SW Washington, D.C. 20250

Dear Secretary Austin, Yellen, and Vilsack,

The recent acquisition of property north of Grand Forks, North Dakota, by the Fufeng Group, a Chinese-based manufacturer with close links to the Chinese Communist Party (CCP), is an alarming development for our national security. According to the United States-China Economic and Security Review Commission, the Grand Forks Air Force Base has exceptional intelligence, surveillance, and reconnaissance capabilities, making the recently purchased land the ideal location to closely monitor and intercept military activity. The presence of a CCP-affiliated corporation near a military installation potentially undermines the integrity of our high-capability military bases, jeopardizing our strategic interests.

This CCP-tied entity will have potential advantageous opportunities to perpetrate espionage, including actions and activities carried out under commercial cover or auspices. We are concerned about the precedent this land purchase will set and its ability to serve as the model for our adversaries to encroach on American security, particularly through purchases of farmland in our congressional districts housing several military installations, such as mine—Homestead Air Reserve Base (HARB). HARB currently houses Special Operations Command South in South Florida and is home to the 482nd Fighter Wing with combat-ready capabilities, supporting operations for the U.S. Coast Guard (USCG) Maritime Safety and Security Team, and the air and maritime branch under U.S. Customs and Border Protection (CBP).

At a time when the United States is engaged in great power competition with China, we must utilize every tool at our disposal to protect and defend the integrity of our military and national security, maintain military dominance, and maximize our global military readiness.

Acquisitions of this magnitude pose a threat not only to our national security but also to our food security. According to the United States Department of Agriculture (USDA), at the beginning of 2021 foreign investors held a stake in approximately 37.6 million acres of U.S. agricultural land.² This trend is expected to increase over the next few years, raising concerns about the negative potential implications it will have on domestic food production and national food security. This, coupled with USDA's absence from permanent membership on the Committee on Foreign

¹https://www.uscc.gov/sites/default/files/2022-05/Chinas Interests in U.S. Agriculture.pdf

²https://www.fsa.usda.gov/Assets/USDA-FSA-Public/usdafiles/EPAS/PDF/2020_afida_annual_report.pdf

Investment in the United States (CFIUS), is concerning, as the Department should have some jurisdiction over the review of agricultural land acquisitions that raise national security concerns.

In light of these concerns to U.S. national security, we urge your departments to take effective action in addressing the potential national security risks that appear to arise from this transaction and what it means for the future of our national security. We appreciate your response to the specific questions and concerns raised below as they will guide oversight of this pending matter.

- 1. Are there any areas identified by the Department of the Treasury (Treasury), USDA, or the Department of Defense (DoD) in which the CFIUS statute, regulations, or agency interpretations are overly prescribed in ways that prevent U.S. national security agencies from effectively protecting U.S. national security and addressing risks that arise from farmland and real estate transactions?
- 2. How is the DoD addressing the potential national security risks and vulnerabilities of this acquisition and future ones by a CCP-affiliated entities so close to a sensitive military base?
- 3. Has Treasury and other agency co-leads established jurisdiction to act on this transaction and address the national security risks it poses? Has CFIUS prioritized the review of this transaction?
- 4. Increasing public examples of Chinese-based companies' acquisition of farmland, including land close to military facilities, are merit for USDA to be added to CFIUS as a full member rather than only joining certain cases on an ad hoc basis. Was USDA requested to participate in an initial review? If not, what was the justification?
- 5. What actions are being taken by the DoD in cooperation with the U.S. military services and military base commands to understand and assess potential risks with foreign investments in close proximity to U.S. military bases and other facilities?

Please submit responses to the following questions within 60 days of receiving this letter. We look forward to hearing from you on this issue and working with each of your departments.

Sincerely,

Carlos A. Gimenez Member of Congress Michael Waltz Member of Congress



Scott Franklin Member of Congress



Brian Mast Member of Congress

Jeff Van Drew Member of Congress

W. Gregory Steube Member of Congress

Lisa McClain Member of Congress

Hisa C Miclain



Virginia Foxx Member of Congress

Mike Bost Member of Congress

Dan Newhouse Member of Congress

Trent Kelly Member of Congress

Robert B. Aderholt Member of Congress J.J.J.

Mario Diaz-Balart Member of Congress

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Eric A. "Rick" Crawford Member of Congress

Bill Posey

Member of Congress

Warren Davidson Member of Congress

Ralph Norman Member of Congress

Hofel Mormen

Kobut E. Talla

Robert E. Latta Member of Congress

Duoty Jomson

Diana Harrhharges

Dusty Johnson Member of Congress

Diana Harshbarger Member of Congress

Clay Higgins Member of Congress

Mo Brooks
Member of Congress

Mariannette Miller-Meeks, M.D. Member of Congress

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Mike Carey Member of Congress Ket Cammack

Kat Cammack Member of Congress

Brian Fitzatrick

Brian Fitzpatrick Member of Congress

Byron Donalds Member of Congress

John H. Rutherford Member of Congress

Andy Biggs Member of Congress Ranky K. Wiln

Randy K. Weber Member of Congress

Ashley Hinson Member of Congress

Bob Gibbs Member of Congress

BI Mill

Jody Hice Member of Congress

Troy Balderson Member of Congress Dru Srul

Michelle Steel Member of Congress

Brett Sather

Brett Guthrie Member of Congress

Britolin

Brian Babin, D.D.S. Member of Congress

Tichool Prest

Michael Guest Member of Congress

Cuette Klewll

Yvette Herrell Member of Congress

Paul A. Gosar, D.D.S. Member of Congress Bill Johnson

Bill Johnson Member of Congress

Scott Filym

Scott Fitzgerald Member of Congress

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Mike Flood Member of Congress

Allufalajas

Maria Elvira Salazar Member of Congress

Pat Faller

Pat Fallon Member of Congress

Russ Fulcher Member of Congress

Lulcher

Mary Mace

Tayra Ula

Nancy Mace Member of Congress

Tim Walberg Member of Congress

Twie Walberg

Mayra FloresGuy ReschenthalerMember of CongressMember of Congress

Randy Feenstra Member of Congress