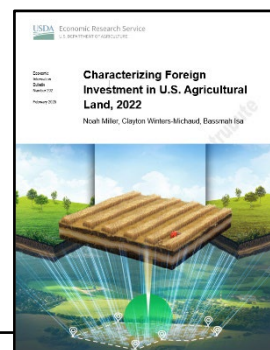


A report summary from the Economic Research Service

Characterizing Foreign Investment in U.S. Agricultural Land, 2022

Noah Miller, Clayton Winters-Michaud, Bassmah Isa



Key Points

- Foreign entities held an interest in 3.4 percent of all privately held agricultural land in the United States (43.4 million acres) as of December 31, 2022.
- This study found that foreign entities long-term leased (10 or more years) roughly one-third (32.5 percent or 14.1 million acres) of all foreign-held U.S. agricultural land as of December 31, 2022, a percentage that has been steadily increasing over time (up from roughly 20 percent in 2017). Of the foreign-held land acquired in 2022, 58 percent was done through long-term leases.
- Roughly two-thirds of foreign-leased U.S. agricultural land was cropland; in comparison, just over two-thirds of foreign-owned U.S. agricultural land was forestland.
- Most long-term foreign-leased agricultural land (approximately 85 percent compared with 2 percent for foreign-owned agricultural land) was leased by companies engaged in renewable energy production. Our findings indicate that the majority of long-term foreign leases result in the dual use of land (i.e., continue agricultural production as well as lease part of the land).

Why Does This Matter?

Over time, foreign ownership and foreign leasing of land have created questions regarding national security and the impacts on farm communities. Foreign interests include ownership and leaseholds, though legislation rarely distinguishes between them. Not all U.S. agricultural land that is foreign held is foreign owned, and the Agricultural Foreign Investment Disclosure Act (AFIDA) requires foreign investors to report their holdings in the case of ownership, trusts, life estates, purchase contracts, and long-term leaseholds of 10 or

more years. Even though long-term leaseholders do not have ownership of the land, they have some form of control over the land and its use for a significant period. According to our estimates, roughly one-third of all foreign-held U.S. agricultural land was in the form of long-term leases as of the end of 2022 (up from 20 percent from 5 years earlier), with trusts, life estates, and purchase contracts accounting for a combined 1 percent of foreign holdings. The differing impacts of foreign-owned versus foreign-leased land on the economy, land markets, national security, and the impacts on farm communities are not fully understood.

A Few More Details

The Agricultural Foreign Investment Disclosure Act (AFIDA) of 1978 requires that all foreign persons with a significant interest in U.S. agricultural land (including forestland and long-term leases) must file an FSA-153 report with USDA, Farm Service Agency (FSA) within 90 days of acquisition or disposition. Using AFIDA data containing acquisitions up to December 31, 2022, we compared key characteristics between foreign-owned and long-term foreign-leased agricultural land.

Summary of dominant characteristics and other key findings of foreign-held U.S. agricultural land by type of interest held

Item of interest	Foreign owned	Foreign leased
Total acreage	28.8 million	14.1 million
Share of U.S. agricultural land	2.3 percent	1.1 percent
Number of parcels	19,450	24,675
Average parcel size (acres)	1,483	571
Dominant land use	Forestland	Cropland
States with highest share	Maine, Texas	Oklahoma, Colorado, Washington
Dominant purpose of holding	Timber production	Renewable energy production (primarily wind)
Dominant business structure	Corporation	Limited Liability Company (LLC)
Dominant intended land use	Stay in agriculture (no change)	Stay in agriculture (no change)
Dominant owner/producer relationship	Owner operated	Owner operated
Share of previous producers replaced	43 percent	9 percent

Note: When no numerical value is given, the characteristics listed represent the most common characteristic for each item of interest.

Source: USDA, Economic Research Servicing using USDA, Farm Service Agency's Agricultural Foreign Investment Disclosure Act database data for holdings as of December 31, 2022.

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