

Your Land Deal May Have Hidden Reporting Requirements

Closed Your Investment Deal? The AFIDA Clock is Ticking...



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What is AFIDA and how could it affect my company?

The Agricultural Foreign Investment Disclosure Act (AFIDA) requires foreign persons to report ownership/control of U.S. agricultural land, including for solar or wind project land leases or purchases.

U.S. companies can be “foreign persons” even if a single foreign investor holds $\geq 10\%$ interest or multiple foreign investors hold $\geq 50\%$ combined.

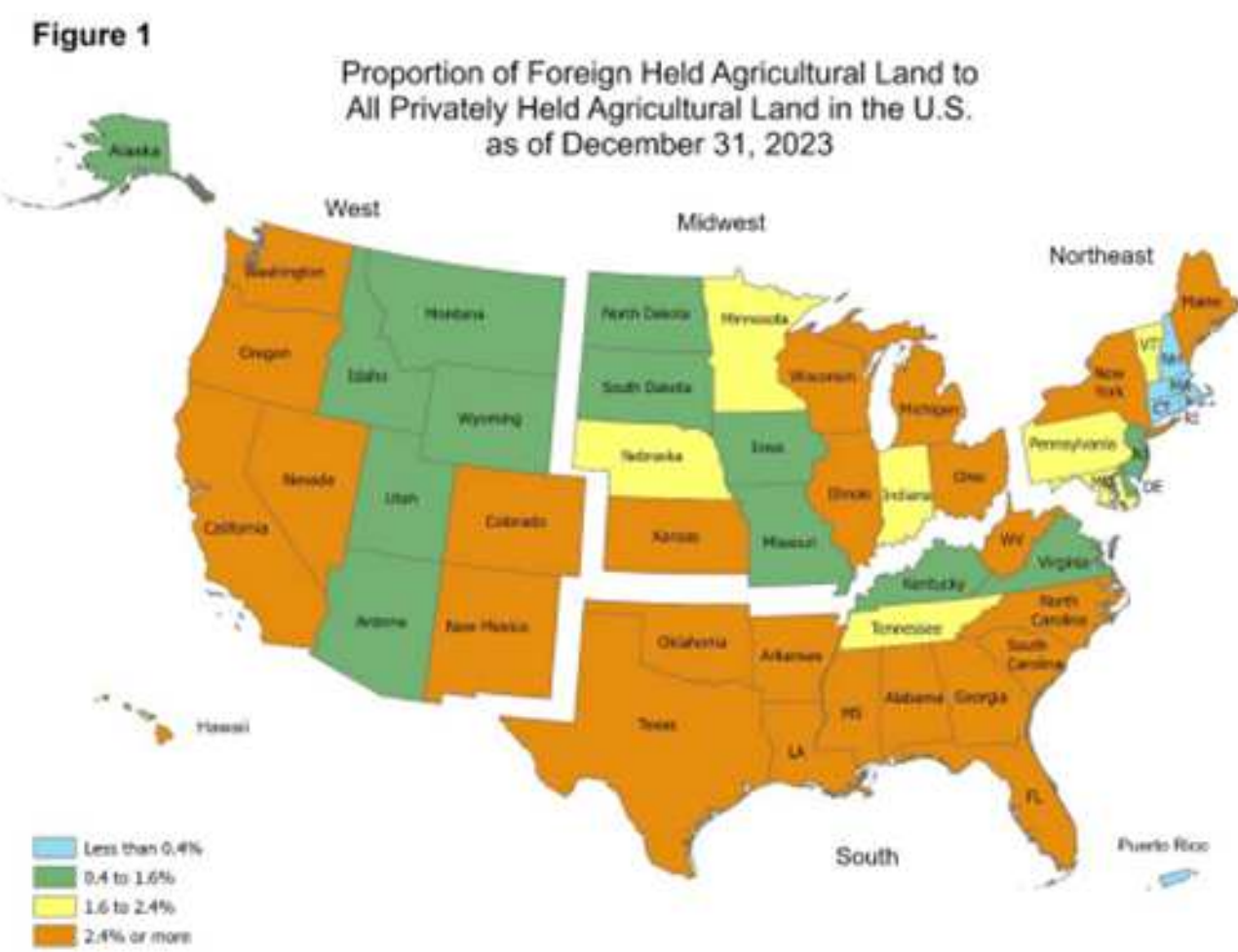
If a direct or indirect parent entity has taken investment from a foreign source, that foreign ownership or control imputes **to all subsidiaries**. This goes down to the project level entity that holds the deed or lease, subjecting it to AFIDA requirements.

Compliance requirements

- **File FSA-153 report within 90 days** of acquiring or disposing of interest
- **Amend within 90 days** for change in ownership, land use, company name, or the tiers of ownership
- **Respond to FSA inquiries within 30 days**

Penalties for noncompliance

- Civil penalty of up to 25% of land value, 0.1% per week for late filings
- Circumstances surrounding the violation—particularly for self-disclosures—can reduce penalties **$\geq 10\% + >90$ Days = 25% Penalty**



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Trends and Enforcement

The Regulatory Horizon:

- Modernized requirements
- Increased penalties based on value of interest in land
- Increased enforcement

Don't Forget State Requirements:

- Mini-AFIDA Reporting
- State-specific Disclosure
- Licensing
- Foreign Interest Bans
- Corporate Bans



AFIDA Modernization Coalition

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