Ohio lawmakers want to ban Chinese, Russian businesses, citizens from buying property here

Ohio is the latest state trying to block people and companies from China, Russia and other adversarial countries from purchasing property

ву Jessie Balmert Cincinnati Enquirer

Ohio is the latest state where lawmakers are trying to block people and companies from China, Russia and other adversarial countries from purchasing property here.

The goal: To protect Ohio from nefarious actors who threaten national security. <u>U.S. intelligence leaders under Democratic</u> and <u>Republican</u> <u>presidents</u> have warned about the Chinese government's sophisticated threats to cybersecurity and infrastructure. Russian hackers were linked to cyberattacks that <u>caused a small Texas town's water system</u> to overflow in 2024.

"This is a national security issue. The federal government can't counter all these threats on their own," said Rep. Angie King, R-Celina, who sponsored <u>House Bill 1</u>. "What people don't realize is that the Chinese government kind of exerts a top-down control over all Chinese companies and commercial air prices regardless of whether a state official has a stake in the company or not."

But the policy could keep Chinese-owned manufacturers and Russian businesses from coming to the state and prevent Cleveland Guardians' players from purchasing a home here. Gov. Mike DeWine <u>vetoed</u> <u>lawmakers' first attempt</u> to pass a similar ban on property ownership, saying it could have "unintended economic development consequences."

Lawmakers in 37 states have introduced <u>similar legislation</u> as part of a national push to tackle U.S. foreign policy at the state level.

How would Ohio ban foreign adversaries from buying property?

<u>House Bill 1</u> and <u>Senate Bill 88</u> would prohibit businesses and individuals from countries that the U.S. government lists as foreign adversaries from purchasing property within 25 miles of an Ohio military base or critical infrastructure, which ranges from railroads and water treatment facilities to telephone poles.

Because the list is so extensive, "few if any areas of the state would not be within 25 miles of one or the other of these types of properties," <u>according to a financial analysis from the Ohio Legislative</u> <u>Service Commission</u>, which reviews bills.

That means companies and individuals from <u>the current list of foreign</u> <u>adversaries</u> – China, Cuba, Iran, North Korea and Russia – couldn't buy homes or property here. There is an exception for residents who are American citizens or who have dual citizenship. Anyone involved in a criminal enterprise, gang or cartel would also be barred from owning property in Ohio.

The Senate version, sponsored by Republican <u>Sen. Terry Johnson</u>, would require individuals and companies to sell their property within two years. The House bill, introduced by GOP Reps. King and Roy Klopfenstein, would grandfather in those already here.

King said the House bill wouldn't require existing businesses and individuals to sell their property because: "we just, quite frankly, didn't know if there would be support for that."

County sheriffs would enforce the foreign property ownership ban if county auditors suspected wrongdoing. Those purchasing and selling land would have to file a statement with the auditor saying they weren't violating the foreign adversary prohibition.

In 2023, Ohio legislators passed a law to prevent China and other foreign adversaries from purchasing farmland in the state. The Ohio Secretary of State's office, which oversees elections, is tasked with referring any suspicious purchases to the Ohio Attorney General's office for investigation.

A spokesman for the Ohio Attorney General's office said they had received no requests to investigate illegal farm land sales to date.

Who is backing this idea?

Dozens of states have proposed similar laws to ban foreign adversaries from owning property.

One group backing those laws is <u>State Armor Action</u>, a <u>nonprofit</u> <u>founded in 2024 to combat the Chinese Communist Party's</u> <u>influence</u> at the state level. The group also <u>encouraged states to divest</u> <u>from China</u> and called <u>TikTok "dangerous, sophisticated communist</u> <u>propaganda."</u>

"Without states and localities addressing this threat, even the most robust action by Washington will be toolittle, too late," State Armor Action's Harrison Siders <u>testified in an Ohio committee</u> hearing. "The CCP (Chinese Communist Party) calls the states the soft underbelly of America."

The <u>America First Policy Institute</u>, a nonprofit established by President Donald Trump's allies to promote his policies, has published articles titled <u>"Chinese Communist Party Land Ownership is a Threat</u> <u>to Ohio's Critical Infrastructure."</u> Nearly identical posts are posted for Michigan, Idaho and Wyoming, among others.

<u>More than 50 lawmakers</u> in the Ohio House of Representatives, including several Democrats, back the bill. The Ohio Senate passed a similar bill last year with only one "no" vote.

What about economic development and athletes?

Still, some Democrats are wary of how these bills might impact everything from economic development to sports stars.

If the bills pass, professional athletes from Cuba, Russia and other adversarial countries couldn't own property in Ohio without becoming a U.S. citizen or obtaining dual citizenship. "It doesn't impact renting or leasing," King said.

Rep. Juanita Brent, D-Cleveland, whose mother immigrated to America, said obtaining citizenship in the United States is not a simple request. "It's not easy and it's not cheap."

The proposals would also prevent certain foreign companies from doing business in Ohio.

Would it impact Chinese company Capchem, which is building a plant to manufacture battery components for electric vehicles in southern Ohio's Lawrence County? The reported \$120 million investment will bring 60-plus jobs to the area, <u>according to a 13News report.</u>

Several China-based companies, from <u>glassmaker Fuyao</u> to tiremaker <u>Triangle Tire USA</u> and <u>machinery manufacturer</u> <u>Yizumi</u>, have plants in Ohio. The House version would allow them to stay, but the Senate bill might have them sell property.

"These lands then can justly return to the ownership of Ohioans or other businesses, who wish to do right by the United States," Johnson told a Senate committee.

The Ohio Department of Development declined to comment on the pending legislation. JobsOhio, a private nonprofit economic development arm, typically doesn't comment on bills before they become law.

"However, when evaluating economic development opportunities, a critical consideration is always national security, and we are not considering incentivizing any company located in countries designated as foreign adversaries to the United States," JobsOhio spokesman Matt Englehart said. "In addition, all of our agreements require that the companies comply with federal, state and local laws, and we retain the right to terminate an agreement with any company that does not do so."

The Global Business Alliance, a trade association for overseas businesses, calculated 1,321 international employers operate in the Buckeye State, employing about 322,900 Ohio workers. More than half of those are in manufacturing.

That group wants to ensure the bills are directed at foreign adversaries and not businesses from countries closely aligned with the United States, said Kelsey Johnson, vice president of state government affairs for the Global Business Alliance.

"It's important it's structured in such a way that it won't harm the ability of those jobs to not only continue but also attract future investment to the state," she said.

Klopfenstein said national security is more important than economic development to most Ohioans.

"If we ask citizens: Do you want to trade your security for jobs? You would know what the answer would come back," he said. "Without security, we really have nothing."