

RESOLUTION NO. 2023-15

**RESOLUTION BY THE RACINE COUNTY ECONOMIC DEVELOPMENT AND LAND USE
PLANNING COMMITTEE REQUESTING THE STATE OF WISCONSIN REVIEW AND
REVISE ITS POLICY ON FOREIGN OWNERSHIP OF FARMLAND**

To the Honorable Members of the Racine County Board of Supervisors:

WHEREAS, Wisconsin state law contains certain limitations on the purchase of property;
and

WHEREAS, subject to statutory exceptions, Wis. Stat. § 710.02(1) provides that “aliens not residents of a state of the United States”, “[c]orporations not created under the laws of the United States or a state of the United States”, “[c]orporations, limited liability companies, partnerships or associations having more than 20 percent of their stock securities or other indicia of ownership held or owned by persons under par. (a) or (b)”; and “[t]rusts having more than 20 percent of the value of their assets held for the benefit of persons under par. (a) or (b)” “may not acquire, own or hold any interest, directly or indirectly, except an interest used to secure repayment of a debt incurred in good faith, in more than 640 acres of land” in the State of Wisconsin; and

WHEREAS, pursuant to Wis. Stat. § 710.02(2)(b), the limitations contained in Wis. Stat. § 710.02(2) do not apply to “[c]itizens, foreign governments or subjects of a foreign government whose rights to hold larger quantities of land are secured by treaty”; and

WHEREAS, the earliest version of Wis. Stat. § 710.02 was enacted in 1887¹. Wis. Stat. § 710.02 was most recently amended in 2013²; and

WHEREAS, the General Agreement on Trade in Services (GATS) Treaty is a treaty of the World Trade Organization (WTO) that entered into force in 1995. The Treaty objectives include creating a credible and reliable system of international trade rules, ensuring fair and equitable treatment of all participants, stimulating economic activity through guaranteed policy bindings, and promoting trade and development through progressive liberalization; and

WHEREAS, all members of the WTO, including the United States, are members of the GATS Treaty; and

WHEREAS, in 2014, the Wisconsin Attorney General opined that “the treaty exception in Wis. Stat. § 710.02(2)(b) applies to GATS members, their services, and their service suppliers³; and

WHEREAS, the Wisconsin Attorney General further concluded that Wis. Stat. § 710.02(1) “permits GATS Members and their service suppliers to acquire, own, or hold more than 640 acres of land for most service-related, non-agricultural, non-forestry uses enumerated in the GATS” and that “the statutory acreage limitation applies to agricultural or forestry uses only⁴; and

1 See Wis. Stat. § 2200a (1889); 1887 Wis. Laws ch. 479.

2 See 2013 Wis. Act 1.

3 OAG-11-14.

4 *Id.*

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6 **WHEREAS**, according to the United States Department of Agriculture (USDA), National
7 Agricultural Statistics Service, in 2017, 611 farms were located in Racine County and totaled
8 127,496 acres of farmland⁵; and
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10 **WHEREAS**, according to the Wisconsin Department of Natural Resources (DNR),
11 Wisconsin 2020 Statewide Forest Action Plan, the State of Wisconsin contains 17 million acres
12 of forest land, approximately 67 percent of which is privately owned⁶; and
13

14 **WHEREAS**, according to the USDA Farm Service Agency's analysis of Foreign Holdings
15 of U.S. Agricultural Land through December 31, 2020, as of December 31, 2019, foreign held
16 agricultural land in the state of Wisconsin was 476,241 acres. On December 31, 2020, foreign
17 held agricultural land in the state of Wisconsin was 502,051. Over a period of one year, this is
18 an increase of 25,809 acres or 5.42%⁷; and
19

20 **WHEREAS**, in 2021, the USDA, citing lessons learned from the COVID-19 pandemic,
21 announced the investment of more than \$4 billion through the Build Back Better initiative "to
22 strengthen the food system, support food production, improved processing, investments in
23 distribution and aggregation, and market opportunities." Per the USDA, the food aggregation
24 and distribution system was "stressed during the pandemic due to long shipping distances and
25 lack of investment in local and regional capacity"⁸; and
26

27 **WHEREAS**, for these reasons, the Racine County Land and Water Conservation
28 Committee believes it is appropriate for the State of Wisconsin to review the provisions of Wis.
29 Stat. § 710.02.
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31 **NOW, THEREFORE, BE IT RESOLVED** that the Racine County Board of Supervisors
32 requests that the State of Wisconsin, in the next legislative biennium, review and revise its
33 policy on foreign ownership of farmland;
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35 **BE IT FURTHER RESOLVED** that a copy of this Resolution is sent to Governor Tony
36 Evers, all members of the Wisconsin State Legislature representing Racine County, the
37 Wisconsin Counties Association and all other Wisconsin Counties.
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5https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_2_County_Level/Wisconsin/st55_2_0008_0008.pdf

6https://dnr.wisconsin.gov/sites/default/files/topic/ForestPlanning/WDNR_SFAP_Ownership.pdf

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

8 <https://www.usda.gov/media/press-releases/2021/06/08/usda-invest-more-4-billion-strengthen-food-system>

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Respectfully submitted,

**ECONOMIC DEVELOPMENT AND LAND USE
PLANNING COMMITTEE**

1st Reading _____

2nd Reading _____

BOARD ACTION
Adopted _____

For _____
Against _____
Absent _____

Tom Hincz, Chairman

Robert D. Grove, Vice-Chairman

VOTE REQUIRED: Majority

Tom Kramer, Secretary

Prepared by:
Corporation Counsel

Jason Eckman

Taylor Wishau

Olga White

Tom Rutkowski

**The foregoing legislation adopted by the County Board of Supervisors of
Racine County, Wisconsin, is hereby:**

Approved: _____

Vetoed: _____

Date: _____,

Jonathan Delagrave, County Executive

FISCAL NOTE – NOT APPLICABLE