



Farm Production
and Conservation
Business Center

Economic and
Policy Division

1400
Independence
Avenue
Stop 0531
Room 3733-S
Washington, DC
20250-0531

CERTIFIED MAIL

Re: AFIDA-3668

Brazos Highland Properties, LP
c/o Kenneth D. Ackerman
2000 Pennsylvania Avenue, NW
Suite 3000
Washington, DC 20006

Dear Mr. Ackerman:

We have determined that Brazos Highland Properties, LP (hereinafter referred to as the Company) has violated the provisions of the Agricultural Foreign Investment Disclosure Act of 1978 (AFIDA) (7 USC Section 3501) and the AFIDA regulations (7 CFR Part 781).

This letter provides the Company with notice of the violation and the civil penalty involved and summarizes the courses of action available to the Company.

In general, AFIDA and the AFIDA regulations provide that any foreign person holding, acquiring, or transferring United States agricultural land must file a report (ASCS-153 or FSA-153) with the Department of Agriculture's Farm Service Agency (FSA) Office in the county where the land is located or in Washington, D.C. The report concerning acquisitions or transfers of agricultural land must be filed within 90 days of the date of the transaction. Failure of a foreign person to submit a timely report subjects the foreign person to a civil penalty.

The Company is a foreign person as defined by Section 9(3) of AFIDA and the AFIDA regulations at 7 CFR Section 781.2(g).

Multiple FSA-153's which the Company filed with the FSA Office in Washington, D.C., for the acquisitions totaling 131,415.07 acres of agricultural land, was filed 8017 days late. This is in violation of the 90-day reporting requirement provisions of the AFIDA regulations at 7 CFR Section 781.3(b)(2).

The AFIDA regulations at 7 CFR Section 781.4(b)(1) provide that for late-filed reports, a civil penalty in the amount of one-tenth of one percent (not to exceed 25 percent) of the fair market value of the foreign person's interest in the agricultural land will be assessed for each week the AFIDA Report was filed late.

However, the AFIDA regulations at 7 CFR Section 781.4(b)(3), also, provide for the downward adjustment of penalties based on such factors including: (1) total time the violation existed; (2) method of the violation's discovery; and (3) extenuating circumstances concerning the violation. Accordingly, based on the above downward adjustments the civil penalty assessed against the Company has been lowered from \$21,060,689.29 to \$120,216.38.

If the Company believes that the amount of the penalty is not properly established under the regulations or that the facts surrounding the case were not properly considered, the Company may appeal this determination within 60 days of the date of this letter. The appeal should be in writing, it should state the basis for which the penalty is allegedly incorrect, and it should contain any additional factual data which is considered relevant for the appeal. The letter of appeal should be addressed to the Administrator, FPAC, EPAD, STOP 0531, Room 3733-S, 1400 Independence Avenue, S.W., Washington, D.C. 20250. The Company will be offered the opportunity for a hearing as prescribed by the penalty review procedures at 7 CFR Section 781.5 (copy enclosed). Questions concerning this penalty should be addressed to Tricia A. Barnes at tricia.barnes@usda.gov.

If the decision not to appeal is made, payment of the \$120,216.38 penalty is to be made within 60 days from the date of this notice. It should be by check or money order, payable in U.S. dollars to the Treasurer of the United States, drawn on or payable through a U.S. financial institution located in the U.S., and mailed to USDA FPAC-BC Beacon Facility, MAIL STOP 8212, PO Box 419205, Kansas City, MO 64141. Failure to pay the penalty, appeal within 60 days, or otherwise respond to this notice requires that this case, without further notice, be referred to the U.S. Department of Justice for collection (7 USC Section 3502 and 7 CFR Section 781.5).

Sincerely,



Tricia A. Barnes
Agricultural Foreign Investment Specialist
Database Service Branch

Enclosure

cc: SED, Texas State FSA Office
CED, Val Verde County FSA Office
Julie Burkhart/FSC/RMO/RSG/STOP 8528–Tax Id -91-1327964
Adam Travis/FPAC-BC/KC
Melinda Grow/FPAC-BC/KC
DSB/Penalty Folder: 3733-S
DSB/Reader File: 3733-S

FPAC/EPAD/DSB/AFIDA/TABARNES/4-26-2021/720-0604/#3668-Penalty Letter