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**THE SENATE OF TEXAS**



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**FOR IMMEDIATE RELEASE**

August 30, 2023

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**TEXANS DESERVE A FAIR LOOK AT THE FAIRFIELD PARK DEAL**

*by Senator Lois W. Kolkhorst*

For the first time in Texas history, one of our state parks has been closed. There is something questionable about this situation that demands more scrutiny.

Fairfield Lake State Park, a state park centrally located between Dallas, Austin and Houston, and known for its great hiking, camping and world-class bass fishing, was recently acquired by a private real estate developer in June of this year. The developer, Todd Interests, acquired the property in an unprecedented move after the Texas Parks and Wildlife Department (TPWD) was unable to secure the funds needed in time to purchase the state park.

Before and since this time, TPWD has been doing everything in its power to reclaim the state park and reopen it for all of Texans to continue to enjoy.

In the meantime, Todd Interests has charged forward in demolishing the state park, with plans to eventually turn it into a luxury gated community.

This is not a simple debate over the public or private use of pristine Texas lands. There are real concerns being raised that deserve answers regarding who exactly is behind the funding Todd Interests used to purchase these thousands of acres of park land and water resources.

According to public records, most of the money Todd Interests used, \$92 million to be exact, for the purchase of Fairfield Lake State Park was provided via a loan from a group called CMB Infrastructure Investment Group (CMB), an organization that provides a vehicle for foreign investors to obtain Green Cards through the obscure federal EB-5 visa program.

A *New York Times* editorial noted that EB-5 visa program is sometimes rife with abuse. CMB and Patrick Hogan, its CEO, is no exception, with both being cited by the U.S. Securities and Exchange Commission for illegally recruiting investors and for not filing the proper paperwork with the agency.

One of the big focuses of EB-5 middlemen like CMB is China, which has many citizens looking to move themselves – and their money – out of the country. Hogan, the CEO of CMB Regional Centers, has even touted the length of the company’s waiting list for Chinese investors.

This is not the first time foreign interests have sought to make a large land acquisition in Texas. When dealing with tens of millions of dollars in foreign capital aimed at our land and resources, some transparency is in order. That's why this past legislative session I filed Senate Bill 147, which sought to restrict purchases of agricultural land, rare earth materials, timberland and oil and gas rights by entities associated with any country that pose a risk to our national security.

With the support of the Governor and Lieutenant Governor, my bill passed the Senate with bipartisan support before it died in the Texas House.

I filed Senate Bill 147 after a former Chinese Army General spent an estimated \$110 million buying up land in Val Verde County, home to Laughlin Air Force Base, a training ground for military pilots. He eventually bought up roughly 140,000 acres before eventually relinquishing the land-- but this transaction highlighted a huge problem.

It's not surprising that unclassified US military sources recently reported that that the Chinese Communist Party actively worked behind the scenes to scuttle SB 147 during the past session.

The debate over foreign purchases of our natural resources is a tough conversation- but it's the right conversation. Should we allow anyone from anywhere to buy a Texas park- just blindly letting it go to the highest bidder? What if the lien is carried by citizens from China, Russia, Iran or North Korea- nations listed on the U.S. National Threat Assessment?

That's why the agreement between Todd Interests and CMB deserves more scrutiny. Questions must be answered. Right now, we don't know anything about these investors, how many there are, or their country of origin. Todd Interests was required to offer the land, current and future income, and water rights as collateral for the \$92 million loan. Do we really want the rights to a major source of Texas freshwater to fall into foreign hands?

Fairfield Lake State Park is a natural gem. Texans should know exactly where all this money is coming from and who is holding the purse strings before it slips from the public's hands forever.

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