Session of 2006

HOUSE BILL No. 2556

By Representative Sloan

12-28

10 AN ACT concerning the conservation commission; relating to conservation easements; establishing the farm and ranch land protection program; amending K.S.A. 2-1904 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2-1904 is hereby amended to read as follows: 2-1904. (a) There is hereby established, to serve as an agency of the state and to perform the functions conferred upon it in this act, the state conservation commission. The state conservation commission shall succeed to all the powers, duties and property of the state soil conservation committee. The commission shall consist of nine members as follows:

- (1) The director of the cooperative extension service and the director of the state agricultural experiment station located at Manhattan, Kansas, or such persons' designees shall serve, ex officio, as members of the commission.
- (2) The commission shall request the secretary of agriculture of United States of America to appoint one person and the secretary of the Kansas department of agriculture to appoint one person, each of whom shall be residents of the state of Kansas to serve as members of the commission. These members shall hold office for four years and until a successor is appointed and qualifies, with terms commencing on the second Monday in January beginning in 1973.
- (3) Five members of the state commission shall be elected by the conservation district supervisors at a time and place to be designated by the state conservation commission. The method of electing such members to be conducted as follows: The state is to be divided into five separate areas. Area No. I to include the following counties: Cheyenne, Rawlins, Decatur, Norton, Phillips, Smith, Osborne, Rooks, Graham, Sheridan, Thomas, Sherman, Wallace, Logan, Gove, Trego, Ellis and Russell. Area No. II to include: Greeley, Wichita, Scott, Lane, Ness, Rush, Pawnee, Hodgeman, Finney, Kearny, Hamilton, Edwards, Ford, Gray, Haskell, Grant, Stanton, Morton, Stevens, Seward, Meade, Clark, Comanche and Kiowa. Area No. III to include: Jewell, Republic, Mitchell, Cloud, Lincoln, Ottawa, Ellsworth, Saline, Rice, McPherson, Reno, Harvey, King-

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1 man, Sedgwick, Sumner, Harper, Barber, Pratt, Barton and Stafford. Area 2 No. IV to include: Washington, Marshall, Nemaha, Brown, Doniphan, Clay, Riley, Pottawatomie, Jackson, Atchison, Jefferson, Leavenworth, 3 Wyandotte, Johnson, Douglas, Shawnee, Wabaunsee, Geary, Dickinson, 4 Morris, Osage, Franklin and Miami. Area No. V to include: Marion, Chase, Lyon, Coffey, Anderson, Linn, Bourbon, Allen, Woodson, Green-6 wood, Butler, Elk, Wilson, Neosho, Crawford, Cowley, Chautaugua, 8 Montgomery, Labette and Cherokee. Areas II and IV will elect in even 9 number years and Areas I, III and V shall elect in odd number years for two year terms. The elected commission members from Areas I, III and 10 V shall take office on January 1, of the even number years. The remaining 11 12 two elected members of the state commission from Areas II and IV shall 13 take office on January 1, of the odd number years. The method of election is to be by area caucus of the district supervisors of each of the five 14 15 separate areas of Kansas. The commission shall give each district notice 16 of the time and place of such annual election meeting by letter if a mem-17 ber is to be elected to the commission from that area that year. The 18 selection of a successor to fill an unexpired term shall be by appointment by the commission. The successor who is appointed to fill the unexpired 19 20 term shall be a resident of the same area as that of the predecessor. 21

- (b) The commission shall keep a record of its official actions, shall adopt a seal which seal shall be judicially noticed, and may perform such acts, hold such public hearings and adopt rules and regulations necessary for the execution of its functions under this act.
- (c) The state conservation commission may employ an administrative officer and such technical experts as it may require and shall determine their qualifications and duties. Such officer and experts shall be in the unclassified service of the Kansas civil service act and shall receive annual salaries fixed by the commission and approved by the state finance council. All other agents and employees, permanent or temporary, required by the state conservation commission, shall be within the classified service of the Kansas civil service act. The commission may call upon the attorney general of the state for such legal services as it may require. It shall have authority to delegate to its chairperson, to one or more of its members or to one or more agents or employees, such powers and duties as it deems proper. It shall be supplied with suitable office accommodations at the state capital, and shall be furnished with the necessary supplies and equipment. Upon request of the commission, for the purpose of carrying out any of its functions, the supervising officer of any state agency or of any state institution of learning, insofar as may be possible under available appropriations and having due regard to the needs of the agency to which the request is directed, shall assign or detail to the commission members of the staff or personnel of such agency or institution of learning and

make such special reports, surveys or studies as the commission may request.

- (d) The commission shall designate its chairperson and, from time to time, may change such designation. A majority of the commission shall constitute a quorum, and the concurrence of a majority in any matter within their duties shall be required for its determination. Members of the state conservation commission attending meetings of such commission or attending a subcommittee meeting thereof authorized by such commission shall be paid compensation, subsistence allowances, mileage and other expenses as provided in K.S.A. 75-3223, and amendments thereto. The commission shall provide for keeping of a full and accurate record of all proceedings and of all resolutions, regulations and orders issued or adopted.
- (e) In addition to the duties and powers hereinafter conferred upon the state conservation commission, it shall have the following duties and powers:
- (1) To offer such assistance as may be appropriate to the supervisors of conservation districts, organized as provided hereinafter, in the carrying out of any of their powers and programs;
- (2) to keep the supervisors of each of the several districts organized under the provisions of this act informed of the activities and experience of all other districts organized hereunder and to facilitate an interchange of advice and experience between such districts and cooperation between them:
- (3) to coordinate the programs of the several conservation districts organized hereunder;
- (4) to secure the cooperation and assistance of the United States and any of its agencies and of agencies of this state, in the work of such districts and to contract with or to accept donations, grants, gifts and contributions in money, services or otherwise from the United States or any of its agencies or from the state or any of its agencies in order to carry out the purposes of this act;
- (5) to disseminate information throughout the state concerning the activities and programs of the conservation districts organized hereunder and to encourage the formation of such districts in areas where their organization is desirable;
- (6) to cooperate with and give assistance to watershed districts and other special purpose districts in the state of Kansas for the purpose of cooperating with the United States through the secretary of agriculture in the furtherance of conservation pursuant to the provisions of the watershed protection and flood prevention act, as amended;
- (7) to cooperate in and carry out, in accordance with state policies, activities and programs to conserve and develop the water resources of

the state and maintain and improve the quality of such water resources;

- (8) to enlist the cooperation and collaboration of state, federal, regional, interstate, local, public and private agencies with the conservation districts; and
- (9) to facilitate arrangements under which conservation districts may serve county governing bodies and other agencies as their local operating agencies in the administration of any activity concerned with the conservation of natural resources; and
- (10) to facilitate the conservation of private working farm and ranch lands in Kansas through grants to eligible entities for the administration; lease or and purchase of perpetual conservation easements, or other interests, of eligible farm and ranch lands.

New Sec. 2. As used in this act:

- (a) "Commission" means the state conservation commission.
- (b) "Conservation easement" means a conservation easement, as defined in K.S.A. 58-3810, and amendments thereto, which is a permanent deed restriction.
- (c) "Eligible entity" means any organization that is an organization as described in section 170(h)(3) of the internal revenue code of 1986.
- (d) "Eligible farm and ranch lands" means cropland, rangeland, grassland, pastureland or forestland which: (1) Is an incidental part of an agricultural operation on a farm or ranch; (2) has prime, unique or other productive soil or contains historical or archaeological resources; and (3) is subject to a pending offer for purchase or permanent conservation easements from an eligible entity.
- (e) "Heart of the Flint Hills" means the area bounded on the north by U.S. highway 24, on the east by Kansas highways 99 and 4, on the south by Kansas highway 400 and on the west by Kansas highway 77, encompassing all or part of Pottawatomie, Riley, Shawnee, Wabaunsee, Geary, Morris, Lyon, Dickinson, Marion, Chase, Greenwood and Butler counties.
- New Sec. 3. (a) There is hereby established a Kansas farm and ranch land protection grant program, to be administered by the commission, for the purpose of limiting loss of agricultural lands to nonagricultural uses.
- (b) The commission may make available matching grants to be offered in cooperation with the United States department of agriculture under the farm and ranch land protection program or the United States department of defense, or any other federal or private entity, to eligible entities for the administration, costs and purchase of permanent conservation easements on eligible farm and ranch lands. Such costs shall include, but not be limited to, appraisals, surveys and title searches.
- (c) The commission may adopt rules and regulations to administer

and implement the Kansas farm and ranch land protection grant program.

(d) The commission shall not be the holder of conservation easements.

- New Sec. 4. To receive grants pursuant to the Kansas farm and ranch land protection grant program or other program administered by the commission, eligible entities must make application to the commission in the manner prescribed by the commission and shall provide to the commission:
- (1) Documentation from the internal revenue service that the entity meets the requirement of subsection (c) of section 2, and amendments thereto:
- (2) a copy of the conservation easement agreement negotiated with the United States department of agriculture, **United States department of defense or other agency** and the landowner of the property for which funding is sought;
- (3) a legally binding written statement that creation and recordation of appropriate deed restrictions will occur upon disbursement of the funds to the landowner;
- (4) a legally binding written agreement to implement the terms of the conservation easement and to report the status of the conservation easement as the commission deems necessary; and
- (5) any other relevant information the commission deems necessary to assure the appropriate use of grant funds.
- New Sec. 5. (a) The commission shall evaluate and rank each application based upon the following criteria:
- (1) Contiguous acres of farm and ranch land to be conserved and its ability to economically sustain agricultural activities;
 - (2) historic agricultural use and condition of the property;
- (3) proximity of the property to: (A) A military installation or facility under the supervision of the United States secretary of the army or the United States secretary of the air force, (B) a military installation or facility under the supervision of the Kansas national guard; or (C) a state park, state lake, recreational area, wildlife area and sanctuary, fish hatchery, natural area or other lands, waters or facilities under the jurisdiction of the secretary of wildlife and parks;
- (4) imminent threat of development for residential or commercial purposes;
- (5) proximity of the property within a designated area for conservation or preservation by public policy at the local, state or federal level;
- (6) (5) the property lies within the heart of the Flint Hills and was previously subject to a an unfulfilled contract for development of wind energy;
- (7) (6) commitment of eligible entity and landowner to the long-term

conservation of the property;

- (8) (7) public access to provide an educational opportunity regarding the land's scenic value, plant and animal biodiversity, historic and cultural characteristics; and
- (9) (8) other factors the commission deems critical for fulfillment of the purposes of this act.
- (b) For fiscal years 2007 and 2008, the commission shall give funding priority to applications meeting the provisions of subsections (a)(3)(A) and (a)(3)(B) of this section.
- (b) Because public moneys are expended to protect open space and environmentally important flora and fauna and land, provision for full or limited public access to land for which a grant is awarded pursuant to this act shall be a condition of receipt of such grant.
- (e) Upon completion of the evaluations and rankings, the commission shall timely award funds to successful applicants.
- New Sec. 6. Failure of a property owner to observe and fulfill the terms of a conservation easement shall render the property liable to the commission for all grant moneys received by the property owner pursuant to this act and liable to the purchaser of the property for all moneys paid to the property owner by the purchaser.
- New Sec. 7. (a) Notwithstanding the provisions of K.S.A. 58-3816, and amendments thereto, no city shall use eminent domain to acquire land placed in a conservation easement under the Kansas farm and ranch land protection grant program.
- (b) If the land placed in a conservation easement under the Kansas farm and ranch law protection grant program is taken for public use, then the state of Kansas shall be paid from the settlement moneys an amount equal to the amount the state contributed under this act.
- New Sec. 7 8. (a) There On July 1, 2007, there is hereby imposed on the change in classification of real property for purposes of ad valorem taxation from agricultural use to a use other than agricultural use or use as a city, county or state park an open space preservation fee in an amount equal to 0.015%—1.5% of the fair market value of such property, as determined by the county assessor appraiser pursuant to law, if such property is reclassified at the time of or within seven years after transfer of the property.
- (b) The fee imposed by this section shall be eollected by the county assessor determined by the county clerk and the certified amount shall be provided to the county treasurer for collection and remitted to the state treasurer. Upon receipt of the remittance, the state treasurer shall deposit the entire amount in the state treasury and credit it to the agricultural land conservation program fund.

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- (c) (1) There is hereby established in the state treasury the agricultural land conservation program fund. Moneys in the fund shall be expended only for the purpose of matching federal moneys available for agricultural land conservation programs. There is hereby established in the state treasury the agricultural land conservation program fund. Moneys in the fund shall be expended only for the administration, costs and the purchase of permanent conservation easements on agricultural lands. Moneys may be used for matching grants with federal agencies or private entities to conserve agricultural lands, but may not be used to acquire fee title to land.
- (2) On or before the 10th of each month, the director of accounts and reports shall transfer from the state general fund to the agricultural land conservation program fund interest earnings based on: (A) The average daily balance of moneys in the agricultural land conservation program fund for the preceding month; and (B) the net earnings rate for the pooled money investment portfolio for the preceding month.
- (3) All expenditures from the agricultural land conservation program fund shall be made in accordance with appropriation acts upon warrants of the director of accounts and reports issued pursuant to vouchers approved by the chairperson of the commission, or a person designated by the chairperson, for the purposes set forth in this section.
- 22 Sec. 8 9. K.S.A. 2-1904 is hereby repealed.
- 23 Sec. 9 10. This act shall take effect and be in force from and after 24 its publication in the statute book.