

SESSION OF 2006

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2556

As Amended by House Committee on
Environment

Brief*

HB 2556, if enacted, would amend one existing statute and create eight new statutes that would establish a new program directed at limiting the loss of agricultural land to nonagricultural uses.

An existing statute that creates the State Conservation Commission would be amended to add responsibility for facilitating the conservation of private working farm and ranch lands through grants to eligible entities for the administration and purchase of perpetual conservation easements, or other interests, of eligible farm and ranch lands.

New statutes that would be created by the bill define the terms, including:

- Conservation easement is defined as it appears in the Uniform Conservation Easement Act and as a permanent deed restriction;
- Eligible entity is defined as an organization that meets the description in a specified section of the Internal Revenue Code; and
- Eligible farm and ranch lands is defined as cropland, rangeland, grassland, pastureland, or forestland that is an incidental part of a farm or ranch agricultural operation that has prime, unique, or other productive soil or contains archaeological or historical resources, and is subject to a pending offer for purchase or a permanent conservation easement from an eligible entity.

The new statutes would establish the Kansas Farm and Ranch Land Protection Grant Program to be administered by the State Conservation Commission; authorize the Commission to make

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

matching grants in cooperation with the United States Department of Agriculture, the United States Department of Defense, or any other federal or private entity; authorize the Commission to adopt rules and regulations; prohibit the Commission from holding new conservation easements; set out the grant application procedure; establish the criteria to be used by the Commission in evaluating and ranking applications, except in fiscal years 2007 and 2008, funding priority is to be given to applications involving property in close proximity to military installations; and provide for reclassification of the property in a conservation easement for ad valorem property tax purposes and the imposition of an open space preservation fee of 1.5 percent of fair market value.

The bill would require a property owner who failed to fulfill the terms of an easement to be liable for all grant money received, and would prohibit a city from using eminent domain to acquire land placed in a conservation easement under the program created by the bill. If land placed in the conservation easement program were to be taken for a public purpose, the state would be reimbursed in the amount the state contributed to the easement.

The bill would establish the Agricultural Land Conservation Program Fund in the state treasury, from which expenditures could be made for the administration, costs, and purchase of permanent conservation easements and for matching federal and private grant moneys. No money in the Fund could be used to acquire fee title to land.

Background

During the hearing on the bill, a member of the Committee offered amendments, and representatives of the Kansas Land Trust, the Kansas Livestock Association and the Kansas Farm Bureau appeared as proponents. Three individuals appeared in support of the bill. A representative of the State Conservation Commission offered amendments.

The House Committee amendments were offered by several members of the Committee following the hearing on the bill.

The fiscal note on HB 2556 indicates the State Conservation Commission could administer the program that would be established by the bill at no additional cost.