



To: House Committee on Taxation, Representative Adam Smith, Chair

From: Justin Cobb, The Nature Conservancy

Date: February 11th, 2025

RE: HB 2097 - Providing for approval by the department of wildlife and parks for qualified program or management plans to qualify for the nongame and endangered species habitat credit.

Chairman Smith and members of the committee, thank you for the opportunity to provide **proponent** testimony on **HB 2097**. The Nature Conservancy in Kansas is a conservation nonprofit with a mission of conserving the lands and waters on which all life depends. Central to our work is partnerships with landowners and recreators to collaboratively advance shared goals.

Private landowners, particularly those involved in agricultural production, face many pressures when it comes to making management decisions. These pressures may include regulations related to the state or federal designation of a species as threatened, endangered, or in need of conservation. In a private lands state such as Kansas, this can cause tension between habitat conscious landowners and the desire to avoid government oversight. The goal of HB 2097 is to provide assistance to landowners in that very scenario.

HB 2097 would reauthorize and update the habitat management tax credit. Initially developed by the nongame and endangered species task force in 1996, the original tax credit received robust bipartisan and cross-industry support. In a somewhat unique mechanism, the tax credit was designed to provide an *income* tax credit based upon a *property* tax bill – supplying state support for a real property issue without hindering local taxing units. Unfortunately, its limited scope precluded its lauded goals and led to no credits being received during its eligible years of 1997 to 2003. Part of this limited scope was its exclusive allowance of conservation programs, only qualifying a single habitat program from the Kansas Department of Wildlife and Parks.

HB 2097 would expand qualified habitat programs to allow for private and federal options, providing landowners with more choices to fit their needs. Additionally, it would expand designated habitat criteria to include federal designations and provide an incentive for landowners who participate in public access opportunities.

Acres eligible for this tax credit would be those with management that provides for multiple public benefits, enhanced wildlife management and either support for critical species or public access. Landowners providing these services do so with little support from the state and take it upon their own time, money, and initiative to do so. HB 2097 recognizes their efforts, provides a measure of compensation, and incentivizes others to do the same.

The Nature Conservancy supports HB 2097 and requests the committee act favorable upon it.

What acres would qualify?

Acres that are enrolled in a “qualified” habitat management program or plan and:

- Designated by the Kansas Department of Wildlife and Parks or Fish and Wildlife Service as critical habitat or ecoregion or
- Enrolled in a public access program offered by the Kansas Department of Wildlife and Parks.

What would a “qualified” program or plan look like?

KDWP would have broad discretion over determining the criteria for what would be considered as a qualified habitat management program or plan. While the specifics would need to be determined, the agency has indicated they would generally look for programs that provide:

- Lasting Impact
 - Enduring management plans or multi-year contracts, not “one-off” projects
- Integrity
 - Capability of the program administrator to verify implementation
- Quality
 - Direct and quantifiable improvements with science-based outcomes

Indications are that programs such as CRP SAFE or the WAFWA RWP would be likely qualified. It is anticipated that many private entities would develop versions of existing programs to meet the qualification criteria.