

HOUSE BILL No. 2541

By Committee on Agriculture and Natural Resources

Requested by Representative Blex on behalf of Kansans for Conservation

1-18

1 AN ACT concerning natural resources; relating to state moneys for
2 conservation; establishing the state conservation fund, the working
3 lands conservation fund, the wildlife conservation fund and the Kansas
4 outdoors fund; providing for the use of moneys in such funds by the
5 Kansas department of agriculture and the Kansas department of wildlife
6 and parks; requiring certain reports regarding such funds be made to
7 the governor and the legislature; authorizing certain transfers from the
8 state general fund and the lottery operating fund to the state
9 conservation fund; transfers from the state conservation fund to the
10 working lands conservation fund, wildlife conservation fund and the
11 Kansas outdoors fund; amending K.S.A. 2023 Supp. 74-8711 and
12 repealing the existing section.
13

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

15 New Section 1. (a) There is hereby established in the state treasury
16 the state conservation fund. All moneys credited to the state conservation
17 fund shall be expended or transferred only for the purposes and in the
18 manner provided by this section. All expenditures from the state
19 conservation fund shall be made in accordance with appropriation acts for
20 the financing of conservation programs. It is the intent of the legislature
21 that the fund shall remain intact and inviolate for the purposes set forth in
22 this section and moneys in the fund shall not be subject to the provisions
23 of K.S.A. 75-3722, 75-3725a and 75-3726a, and amendments thereto.
24 Moneys credited to the state conservation fund shall be used to supplement
25 existing appropriations and shall not be used to supplant state general fund
26 or special revenue fund appropriations to the Kansas department of
27 agriculture or the Kansas department of wildlife and parks.

28 (b) (1) On July 1, 2024, and each July 1 thereafter, the secretary of
29 revenue shall certify to the director of accounts and reports the amount of
30 total retail sales and compensating use taxes credited to the state general
31 fund pursuant to articles 36 and 37 of chapter 79 of the Kansas Statutes
32 Annotated, and amendments thereto, during the preceding calendar year
33 from sporting goods. Upon receipt of such certification, or as soon
34 thereafter as moneys are available, the director of accounts and reports
35 shall transfer an amount equal to 50% of such certified amount from the

1 state general fund to the state conservation fund. The secretary of revenue
2 shall transmit a copy of each such certification to the director of the budget
3 and the director of legislative research.

4 (2) As used in this section, "sporting goods" means sales from
5 sporting goods stores under the North American industry classification
6 system code 451110.

7 (c) On July 15, 2024, and each July 15 thereafter, the director of
8 accounts and reports shall transfer an amount equal to 50% of the balance
9 in the state conservation fund to the working lands conservation fund
10 established in section 2, and amendments thereto.

11 (d) On July 15, 2024, and each July 15 thereafter, the director of
12 accounts and reports shall transfer an amount equal to 25% of the balance
13 in the state conservation fund to the wildlife conservation fund established
14 in section 3, and amendments thereto.

15 (e) On July 15, 2024, and each July 15 thereafter, after making the
16 transfers prescribed by subsections (c) and (d), the director of accounts and
17 reports shall transfer the remaining balance in the state conservation fund
18 to the Kansas outdoors fund established in section 4, and amendments
19 thereto.

20 New Sec. 2. (a) There is hereby established in the state treasury the
21 working lands conservation fund. The working lands conservation fund
22 shall be administered by the director of the division of conservation
23 established within the Kansas department of agriculture by K.S.A. 74-
24 5,126, and amendments thereto. All expenditures from such fund shall be
25 made in accordance with appropriation acts upon warrants of the director
26 of accounts and reports issued pursuant to vouchers approved by the
27 director or the director's designee.

28 (b) (1) The division shall adopt rules and regulations to administer a
29 grant program expending moneys from the working lands conservation
30 fund.

31 (2) The division shall solicit input and facilitate public comment from
32 industry members and stakeholders in developing such rules and
33 regulations.

34 (c) The secretary shall establish an external review panel and appoint
35 the members of such external review panel.

36 (d) The external review panel shall meet at least twice a year to
37 provide funding recommendations to the division. The division shall
38 annually submit the budget for the administration of such grant program to
39 the external review panel for review and approval.

40 (e) Public entities, including, but not limited to, state agencies,
41 municipalities, counties, state or federally recognized tribal nations,
42 conservation districts, special park and recreation districts, recreation
43 commissions and nonprofit entities shall be eligible to receive funding

1 from the grant program.

2 (f) Eligible grant applications shall benefit the natural resources of the
3 state by promoting conservation on working lands through practices
4 including, but not limited to:

- 5 (1) Irrigation efficiency;
- 6 (2) grazing land rest, rotation and management;
- 7 (3) long-term land protection from conversion or loss of habitat;
- 8 (4) soil health practices;
- 9 (5) practices that promote or regenerate soil ecosystems, biodiversity
10 and native grasslands;
- 11 (6) management of woody encroachment;
- 12 (7) sustainable and regenerative timber management;
- 13 (8) ecological restoration of lands;
- 14 (9) enhanced water quality or quantity;
- 15 (10) relevant adult educational programs, including, but not limited
16 to, expanded agricultural tourism and ecotourism supporting knowledge of
17 food systems, sustainable practices and ecological relationships of working
18 lands; and
- 19 (11) relevant educational programs for youth, including, but not
20 limited to, education about soils and soil health, sustainable land practices,
21 ecosystems and ecosystem health.

22 (g) Applications providing an opportunity to capture federal, private
23 or other nonstate matching moneys through a state or local match shall be
24 prioritized. Matching moneys shall include cash contributions, noncash
25 contributions including land value donations and in-kind contributions.

26 (h) Fee simple land acquisitions by a state agency shall be subject to
27 the requirements in K.S.A. 32-833, and amendments thereto, at the time
28 of acquisition, not the grant application.

29 (i) It is the intent of the legislature that all moneys allocated to the
30 working lands conservation fund shall be:

- 31 (1) Fully obligated to approved projects within 12 months of
32 allocation to the fund; and
- 33 (2) in addition to, and not supplant, existing appropriations.

34 (j) On or before December 1 of each year, the division shall submit a
35 report to the governor and the legislature. Such report shall include:

- 36 (1) An accounting of all moneys expended from the working lands
37 conservation fund in the immediately preceding fiscal year and the current
38 fiscal year to date; and
- 39 (2) a brief description of all funding applications received with an
40 explanation of why such applications were or were not funded.

41 (k) The division may use a portion of moneys allocated to the
42 working lands conservation fund to pay for relevant and necessary
43 expenses of administering the grant program.

1 (1) For purposes of this section:

2 (1) "Director" means the executive director of the division.

3 (2) "Division" means the division of conservation established within
4 the Kansas department of agriculture by K.S.A. 74-5,126, and
5 amendments thereto.

6 (3) "Secretary" means the secretary of agriculture.

7 (4) "Working lands" means lands used for farming, grazing or
8 production of forest products.

9 New Sec. 3. (a) There is hereby established in the state treasury the
10 wildlife conservation fund. The wildlife conservation fund shall be
11 administered by the secretary of wildlife and parks. All expenditures from
12 such fund shall be made in accordance with appropriation acts upon
13 warrants of the director of accounts and reports issued pursuant to
14 vouchers approved by the secretary of wildlife and parks or the secretary's
15 designee.

16 (b) (1) The secretary of wildlife and parks shall adopt rules and
17 regulations to administer a grant program expending moneys from the
18 wildlife conservation fund.

19 (2) The Kansas department of wildlife and parks shall solicit input
20 and facilitate public comment from industry members and stakeholders in
21 developing such rules and regulations.

22 (c) The Kansas department of wildlife and parks shall establish a
23 volunteer advisory board to oversee the grant program comprised of
24 members representing industry and stakeholders.

25 (d) The advisory board shall submit funding recommendations to the
26 Kansas department of wildlife and parks for final approval or revision. In
27 the case of revision, the Kansas department of wildlife and parks shall
28 provide explanatory guidance to the advisory board. No application shall
29 receive funding without the recommendation of the advisory board and
30 approval from the Kansas department of wildlife and parks.

31 (e) Public entities, including, but not limited to, state agencies,
32 municipalities, counties, state or federally recognized tribal nations,
33 conservation districts, special park and recreation districts, recreation
34 commissions and nonprofit entities shall be eligible to receive funding
35 from the grant program.

36 (f) Eligible grant applications shall benefit the natural resources of the
37 state by promoting biodiversity or through practices established in the state
38 wildlife action plan, including, but not limited to:

39 (1) Establishing quality habitat;

40 (2) increasing access to diverse high-quality privately owned native
41 grassland habitat for hunting through the expansion of walk-in hunting
42 access;

43 (3) increasing access to diverse high-quality native grassland habitat

1 through the expansion and creation of wildlife management areas;

2 (4) establishing diverse high-quality native grasslands for the benefit
3 of upland birds in a manner that prioritizes science-based habitat
4 investments to create the most significant outcomes for these species;

5 (5) engaging in long-term land protection from conversion or loss of
6 habitat;

7 (6) restoring habitat for threatened or endangered species or those
8 species in need of conservation;

9 (7) conserving or restoring native landscapes, such as forests,
10 grasslands or state wetlands and streams;

11 (8) improving fisheries, angler access and invasive species
12 management; and

13 (9) providing relevant educational programs for adults and youth that
14 address any of the topics listed in paragraphs (1) through (8).

15 (g) Applications providing an opportunity to capture federal, private
16 or other nonstate matching moneys through a state or local match shall be
17 prioritized. Matching moneys shall include cash contributions, noncash
18 contributions including land value donations and in-kind contributions.

19 (h) Fee simple land acquisitions by a state agency shall be subject to
20 the requirements in K.S.A. 32-833, and amendments thereto, at the time
21 of acquisition, not the grant application.

22 (i) It is the intent of the legislature that all moneys allocated to the
23 wildlife conservation fund shall be:

24 (1) Fully obligated to approved projects within 12 months of
25 allocation to the fund; and

26 (2) in addition to, and not supplant, existing appropriations.

27 (j) On or before December 1 of each year, the Kansas department of
28 wildlife and parks shall submit a report to the governor and the legislature.
29 Such report shall include:

30 (1) An accounting of all moneys expended from the wildlife
31 conservation fund in the immediately preceding fiscal year and the current
32 fiscal year to date; and

33 (2) a brief description of all funding applications received with an
34 explanation of why such applications were or were not funded.

35 (k) The Kansas department of wildlife and parks may use a portion of
36 moneys allocated to the wildlife conservation fund to pay for relevant and
37 necessary expenses of administering the grant program.

38 (l) No moneys from the wildlife conservation fund shall be used for
39 fulfillment of mitigation, restitution, litigation, bonds, permits or court-
40 ordered settlements.

41 New Sec. 4. (a) There is hereby established in the state treasury the
42 Kansas outdoors fund. The Kansas outdoors fund shall be administered by
43 the secretary of wildlife and parks as part of the parks division of the

1 Kansas department of wildlife and parks. All expenditures from such fund
2 shall be made in accordance with appropriation acts upon warrants of the
3 director of accounts and reports issued pursuant to vouchers approved by
4 the secretary of wildlife and parks or the secretary's designee.

5 (b) (1) The secretary of wildlife and parks, in consultation with the
6 division, shall adopt rules and regulations to administer a grant program
7 expending moneys from the Kansas outdoors fund.

8 (2) The division shall solicit input and facilitate public comment from
9 industry members and stakeholders in developing such rules and
10 regulations.

11 (c) The division shall establish a volunteer advisory board to oversee
12 the grant program comprised of members representing industry and
13 stakeholders.

14 (d) The advisory board shall submit funding recommendations to the
15 division for final approval or revision. In the case of revision, the division
16 shall provide explanatory guidance to the advisory board. No application
17 shall receive funding without the recommendation of the advisory board
18 and approval from the division.

19 (e) Public entities, including, but not limited to, state agencies,
20 municipalities, counties, state or federally recognized tribal nations,
21 conservation districts, special park and recreation districts, recreation
22 commissions and nonprofit entities shall be eligible to receive funding
23 from the grant program.

24 (f) Eligible grant applications shall benefit the natural resources of the
25 state by promoting outdoor access, environmental education and recreation
26 through practices established in the state comprehensive outdoor
27 recreation plan, including, but not limited to:

28 (1) Increasing access to and numbers of natural areas for nature
29 appreciation, camping, hiking, trail use, boating, kayaking, canoeing and
30 other outdoor recreational pursuits;

31 (2) engaging in long-term land protection from conversion or loss of
32 habitat;

33 (3) improving local, county and state recreation facilities and parks;

34 (4) enhancing outdoor tourism opportunities; and

35 (5) providing relevant educational programs.

36 (g) Applications providing an opportunity to capture federal, private
37 or other nonstate matching moneys through a state or local match shall be
38 prioritized. Matching moneys shall include cash contributions, noncash
39 contributions including land value donations and in-kind contributions.

40 (h) Fee simple land acquisitions by a state agency shall be subject to
41 the requirements in K.S.A. 32-833, and amendments thereto, at the time
42 of acquisition, not the grant application.

43 (i) It is the intent of the legislature that all moneys allocated to the

1 Kansas outdoors fund shall be:

2 (1) Fully obligated to approved projects within 12 months of
3 allocation to the fund; and

4 (2) in addition to, and not supplant, existing appropriations.

5 (j) On or before December 1 of each year, the division shall submit a
6 report to the governor and the legislature. Such report shall include:

7 (1) An accounting of all moneys expended from the Kansas outdoors
8 fund in the immediately preceding fiscal year and the current fiscal year to
9 date; and

10 (2) a brief description of all funding applications received with an
11 explanation of why such applications were or were not funded.

12 (k) The division may use a portion of moneys allocated to the Kansas
13 outdoors fund to pay for relevant and necessary expenses of administering
14 the grant program.

15 (l) The division shall annually submit the budget for the
16 administration of such grant program to the advisory board for review and
17 approval.

18 (m) For purposes of this section, "division" means the parks division
19 established within the Kansas department of wildlife and parks.

20 Sec. 5. K.S.A. 2023 Supp. 74-8711 is hereby amended to read as
21 follows: 74-8711. (a) There is hereby established in the state treasury the
22 lottery operating fund.

23 (b) Except as provided by K.S.A. 74-8724 and the Kansas expanded
24 lottery act, and amendments thereto, the executive director shall remit all
25 moneys collected from the sale of lottery tickets and shares and any other
26 moneys received by or on behalf of the Kansas lottery to the state treasurer
27 in accordance with the provisions of K.S.A. 75-4215, and amendments
28 thereto. Upon receipt of each such remittance, the state treasurer shall
29 deposit the entire amount in the state treasury to the credit of the lottery
30 operating fund. Moneys credited to the fund shall be expended or
31 transferred only as provided by this act. Expenditures from such fund shall
32 be made in accordance with appropriations acts upon warrants of the
33 director of accounts and reports issued pursuant to vouchers approved by
34 the executive director or by a person designated by the executive director.

35 (c) Moneys in the lottery operating fund shall be used for:

36 (1) The payment of expenses of the lottery, which shall include all
37 costs incurred in the operation and administration of the Kansas lottery; all
38 costs resulting from contracts entered into for the purchase or lease of
39 goods and services needed for operation of the lottery, including but not
40 limited to supplies, materials, tickets, independent studies and surveys,
41 data transmission, advertising, printing, promotion, incentives, public
42 relations, communications and distribution of tickets and shares; and
43 reimbursement of costs of facilities and services provided by other state

1 agencies;

2 (2) the payment of compensation to lottery retailers;

3 (3) transfers of moneys to the lottery prize payment fund pursuant to
4 K.S.A. 74-8712, and amendments thereto;

5 (4) transfers to the state general fund pursuant to K.S.A. 74-8713, and
6 amendments thereto;

7 (5) transfers to the community crisis stabilization centers fund and
8 clubhouse model program fund of the Kansas department for aging and
9 disability services pursuant to subsection (e);

10 (6) transfers to the state gaming revenues fund pursuant to subsection
11 (d) and as otherwise provided by law;

12 (7) transfers to the white collar crime fund of the governor pursuant
13 to subsection (f);

14 (8) transfers to the problem gambling and addictions grant fund of the
15 department for aging and disability services pursuant to subsection (g);

16 (9) transfers to the ~~attracting professional sports to Kansas fund of the~~
17 ~~department of commerce~~ *state conservation fund* pursuant to subsection
18 (h) and (i); and

19 (10) transfers to the county reappraisal fund as prescribed by law.

20 (d) The director of accounts and reports shall transfer moneys in the
21 lottery operating fund to the state gaming revenues fund created by K.S.A.
22 79-4801, and amendments thereto, on or before the 15th day of each month
23 in an amount certified monthly by the executive director and determined as
24 follows, whichever is greater:

25 (1) An amount equal to the moneys in the lottery operating fund in
26 excess of those needed for the purposes described in ~~subsections (e)(1)-~~
27 ~~through (e)(6)~~ *subsection (c)*; or

28 (2) except for pull-tab lottery tickets and shares, an amount equal to
29 not less than 30% of total monthly revenues from the sales of lottery
30 tickets and shares less estimated returned tickets. In the case of pull-tab
31 lottery tickets and shares, an amount equal to not less than 20% of the total
32 monthly revenues from the sales of pull-tab lottery tickets and shares less
33 estimated returned tickets.

34 (e) (1) Subject to the limitations set forth in paragraph (2),
35 commencing in fiscal year 2020, on or before the 10th day of each month,
36 the director of the lottery shall certify to the director of accounts and
37 reports all net profits from the sale of lottery tickets and shares via lottery
38 ticket vending machines. Of such certified amount, the director of
39 accounts and reports shall transfer 75% from the lottery operating fund to
40 the community crisis stabilization centers fund of the Kansas department
41 for aging and disability services and 25% from the lottery operating fund
42 to the clubhouse model program fund of the Kansas department for aging
43 and disability services.

1 (2) Moneys transferred pursuant to paragraph (1) shall not exceed in
2 the aggregate \$9,000,000 in fiscal years 2023 and 2024, and shall not
3 exceed in the aggregate \$8,000,000 in fiscal year 2025 and each fiscal year
4 thereafter.

5 (f) On July 1, 2023, and each July 1 thereafter, or as soon thereafter
6 as moneys are available, the first \$750,000 credited to the lottery operating
7 fund from sports wagering revenues deposited in the lottery operating fund
8 shall be transferred by the director of accounts and reports from the lottery
9 operating fund to the white collar crime fund established in K.S.A. 2023
10 Supp. 74-8792, and amendments thereto.

11 (g) On July 1, 2023, and each July 1 thereafter, or as soon thereafter
12 as moneys are available, after the transfer required under subsection (f) has
13 been made, 2% of the remaining moneys credited to the lottery operating
14 fund from sports wagering revenues deposited in the lottery operating fund
15 shall be transferred by the director of accounts and reports from the lottery
16 operating fund to the problem gambling and addictions grant fund
17 established in K.S.A. 79-4805, and amendments thereto.

18 (h) On July 1, ~~2023~~ 2024, and each July 1 thereafter, or as soon
19 thereafter as moneys are available, after the transfer required under
20 subsection (f) has been made, 80% of the remaining moneys credited to
21 the lottery operating fund from sports wagering revenues deposited in the
22 lottery operating fund shall be transferred by the director of accounts and
23 reports from the lottery operating fund to the ~~attracting professional sports~~
24 ~~to Kansas state conservation~~ fund established in ~~K.S.A. 2023 Supp. 74-~~
25 ~~8793 section 1~~, and amendments thereto.

26 (i) *On July 1, 2024, and each July 1 thereafter, or as soon thereafter*
27 *as moneys are available, in addition to the transfer required under*
28 *subsection (h), the director of accounts and reports shall transfer*
29 *\$32,000,000 from the lottery operating fund to the state conservation fund*
30 *established in section 1, and amendments thereto.*

31 Sec. 6. K.S.A. 2023 Supp. 74-8711 is hereby repealed.

32 Sec. 7. This act shall take effect and be in force from and after its
33 publication in the statute book.