

January 27, 2010

The Honorable Larry Powell, Chairperson  
House Committee on Agriculture and Natural Resources  
Statehouse, Room 151-S  
Topeka, Kansas 66612

Dear Representative Powell:

SUBJECT: Fiscal Note for HB 2426 by House Committee on Vision 2020


In accordance with KSA 75-3715a, the following fiscal note concerning HB 2426 is respectfully submitted to your committee.

HB 2426 would create the Agricultural Land Conservation Program within the State Conservation Commission (SCC). The bill would establish the Agricultural Land Conservation Program Fund, and money in the fund would be used for administration and the purchase of permanent conservation easements on agricultural land. The money in the fund could be used as matching funds for federal or private grants, but could not be used to acquire the fee title for any land.

Money would be deposited in the fund in the following manner: beginning on July 1, 2010, a fee would be imposed on any 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. The fee would be called an open space preservation fee and would be equal to 0.015 percent of the fair market value of the property, as determined by the county appraiser at the time that the property is to be reclassified.

The Kansas Department of Revenue indicates that the bill would require the Property Valuation Division of the Department to work with county appraisers, clerks, and treasurers to implement HB 2426. The fiscal effect on the Department would be negligible. The SCC indicates that, should the bill be passed, existing staff and resources would be sufficient to implement the bill in FY 2011. In future years, however, the SCC would need to expend funds for legal consultation because the agency does not currently employ an attorney. The SCC does not have an estimate for how many reclassifications would be approved because of the bill.

Sincerely,



Duane A. Goossen  
Director of the Budget

cc: Steve Neske, Revenue  
Max Foster, Conservation Commission