

SESSION OF 2015

**SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2061**

As Recommended by House Committee on  
Agriculture and Natural Resources

**Brief\***

HB 2061 would permit the Division of Conservation of the Department of Agriculture, in consultation with the State Conservation Commission, to take action necessary to restore, establish, enhance, and protect natural resources for the purpose of compensatory mitigation required under Section 404 of the Federal Clean Water Act in addition to other powers and duties authorized under existing law. This new authority would permit the acceptance, purchase, or other acquisition of conservation easements for the purpose of protecting compensatory mitigation sites; contracts with engineering consultants, surveyors, and construction contractors for the purpose of restoration, establishment, and enhancement of natural resources; and the establishment of fees for the administration of compensatory mitigation credits, acceptance of fees from state and local government agencies, and the assumption of responsibility to ensure the mitigation projects are in existence, as approved by the Department, for the length of the term of the easement for the fees which were accepted.

In addition, the bill would create the Conservation Fund where fees for the administration of mitigation credits would be deposited. The fund would be administered by the Secretary of Agriculture and all expenditures would be for conservation.

---

\*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>

## **Background**

The bill was introduced by the House Committee on Agriculture and Natural Resources. At the hearing in the House Committee, Representative Moxley appeared as a proponent of the bill. He testified that the Kansas watershed districts are struggling with new rules for the U.S. Army Corps of Engineers (Corps) regarding “compensating mitigation” requirements before a permit is issued to construct a new water retention structure (dam). Representative Moxley explained the establishment of conservation easements was the remedy developed by the various stakeholders including watershed district officials and representatives of farm organizations, the Department of Agriculture, and the Corps in order to address the compensating mitigation requirements. A representative of the Department of Agriculture, also appearing as a proponent, explained the bill would authorize the agency to hold the mitigation sites (conservation easements) since the Corps requires these to be legally protected by a third party. Other proponents included representatives of the State Association of Kansas Watersheds, Mill Creek Watershed District #85, the Kansas Farm Bureau, and the Kansas Livestock Association. There was no neutral or opponent testimony for the bill.

The fiscal note prepared by the Division of the Budget states the Department of Agriculture indicates costs to establish mitigation sites would be borne by permit applicants. The Division of Conservation would establish fees to cover administrative costs, and those costs would be added to approved contract agreements. The administrative services required for the expanded conservation duties in the bill would be provided by existing Department of Agriculture employees. All fee revenue deposited to the Conservation Fund would be used for mitigation projects. The League of Kansas Municipalities indicates the bill could have a fiscal effect on cities if they are charged mitigation fees, but it was not able to quantify what the actual effect would be.