

SESSION OF 2016

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 330**

As Amended by Senate Committee on Natural  
Resources

**Brief\***

SB 330 would establish the Kansas Conservation Reserve Enhancement Program (CREP) in statute. The CREP was first created by the 2007 Legislature and has existed since then by its authorizing language being annually included in the Appropriations Bill.

***Operations***

The bill would require the Kansas Department of Agriculture (KDA), Division of Conservation (Division), to administer CREP pursuant to agreements with the U.S. Department of Agriculture (USDA) for the purpose of implementing beneficial water quality and water quantity projects concerning targeted watersheds in the enrolled, targeted watersheds.

The Division also could request assistance from other states agencies, Kansas State University, local governments, and private entities for implementation of CREP.

***Funding***

The bill would create the Kansas Conservation Reserve Enhancement Program Fund (Fund) in the State Treasury, which would be administered by the Division. The Division could receive and spend moneys for carrying out the

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\*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>

provisions of the bill. Unspent moneys in the Fund would be carried over from one fiscal year to the next.

Expenditures from the Fund would be for CREP implementation and would be made in accordance with appropriation acts through vouchers approved by the Secretary of Agriculture or by the Secretary's designee.

The Division also could enter into cost-share contracts with landowners resulting in fulfilling specific objectives of projects approved in agreements between USDA and the State.

### ***Program Guidelines***

The bill would establish various guidelines for CREP. The guidelines would include restrictions on the aggregate total number of acres allowed to be eligible and enrolled in the State and per county, and other restrictions on whole field enrollments and lands already enrolled in the federal Conservation Reserve Program (CRP). Other restrictions would be established with the purpose of meeting water quantity goals, including what constitutes a water right in good standing for purposes of CREP.

### ***Reports***

The KDA would be required to submit a report at the beginning of each legislative session to the Senate Committee on Natural Resources and the House Committee on Agriculture and Natural Resources, which describes the program activities for each CREP administered in the State and information on any CREP established with the purpose of meeting water quantity goals.

The KDA also would be required to submit a report on the economic impact of each specific CREP and economic

impacts to businesses located within each specific CREP to both committees every five years, beginning in 2017.

## **Background**

The bill was introduced by the Senate Committee on Natural Resources.

At the Senate Committee hearing on the bill, testimony in favor of the bill was provided by representatives of the KDA, the Kansas Water Authority, Southwest Kansas Groundwater Management No. 3, Kansas Farm Bureau, and the Kansas Livestock Association. Written testimony in favor of the bill was later provided by the Southwest Kansas Irrigation Association.

Testimony in opposition to the bill was provided by a representative of the Kansas Grain and Feed Association, Kansas Cooperative Council, and Kansas Agribusiness Retailers Association. Written testimony in opposition to the bill was provided by the Kansas Legislative Policy Group, an organization comprised of elected commissioners representing 36 rural Kansas counties (Barber, Barton, Clark, Cloud, Ellis, Finney, Ford, Gove, Grant, Gray, Hamilton, Harper, Haskell, Hodgeman, Kearny, Kiowa, Lane, Logan, Meade, Morton, Ness, Norton, Rawlins, Rice, Russell, Rush, Scott, Seward, Sheridan, Sherman, Stanton, Stevens, Thomas, Trego, Wallace, and Wichita).

The Chairperson of the Senate Natural Resources Committee appointed a subcommittee on the bill. The Subcommittee held two meetings and received additional testimony and information from representatives of the KDA; Kansas Water Office; Kansas Grain and Feed Association, Kansas Cooperative Council, and Kansas Agribusiness Retailers Association; and Kansas Farm Bureau. The Subcommittee then requested a balloon amendment be created with the Subcommittee's recommendations.

The Senate Committee on Natural Resources adopted the Subcommittee's balloon amendment, which amended the bill to include the CREP language from the Appropriations Bill and added language authorizing expenditure authority for the CREP Fund.

The fiscal note provided by the Division of the Budget on the original version of the bill states that although the bill would statutorily create the CREP Fund, the bill would not authorize appropriations from the Fund. As a result, enactment of the bill would have no fiscal effect. The Senate Committee added language authorizing expenditures from the CREP Fund; however, an updated fiscal note was not available at the time of Committee action.