

**CHAPTER 62****( HB 281 )**

AN ACT relating to land conservation and making an appropriation therefor.

***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

➔Section 1. KRS 146.560 is amended to read as follows:

- (1) There is hereby established a Kentucky Heritage Land Conservation Fund Board, referred to hereafter as "the board", which shall administer the Kentucky Heritage Land Conservation fund established in KRS 146.570 and shall review and approve all grants payable from the fund. The board shall consist of the following members:
- (a) The commissioner of the Department of Parks or a designee;
  - (b) The director of the Kentucky Nature Preserves Commission or a designee;
  - (c) The commissioner of the Department for Natural Resources or a designee;
  - (d) The commissioner of the Department of Fish and Wildlife Resources or a designee;
  - (e) The chairperson of the Kentucky Environmental Education Council or a designee;
  - (f) One (1) person appointed by the Governor, from two (2) persons nominated by the Kentucky Chapter of the Nature Conservancy;
  - (g) One (1) person appointed by the Governor, from two (2) persons nominated by the League of Kentucky Sportsmen;
  - (h) Two (2) persons appointed by the Governor, from four (4) persons recognized for their expertise in natural resource issues and nominated by the Kentucky Academy of Sciences;
  - (i) One (1) person appointed by the Governor, from three (3) persons nominated, one (1) by the Kentucky Farm Bureau, one (1) by the Commissioner of the Department of Agriculture, and one (1) by the Kentucky Association of Conservation Districts;
  - (j) One (1) person appointed by the Governor, from three (3) persons nominated, one (1) by the Kentucky Audubon Council, one (1) by the Cumberland Chapter of the Sierra Club, and one (1) by the Kentucky Conservation Committee; and
  - (k) One (1) person appointed by the Governor with at least five (5) years of experience in natural resources land acquisition.

The board shall receive staff support from the Energy and Environment Cabinet and the Department of Fish and Wildlife Resources. Of the seven (7) members identified in paragraphs (f) to (k) of this subsection and first appointed, two (2) shall continue in office for terms of one (1) year, two (2) for terms of two (2) years, and three (3) for terms of three (3) years, as the Governor designates. At the expiration of the original terms and for all succeeding terms, the Governor shall appoint a successor to the board for a term of three (3) years in each case. Members may be reappointed. A vacancy in an unexpired term shall be filled for the unexpired portion of the term in the same manner as the original appointment to that term. The Governor shall appoint a chairperson for the board.

- (2) The board shall promulgate in accordance with the provisions of KRS Chapter 13A administrative regulations as are deemed necessary for application for funds from the agencies ***and private, nonprofit land trust organizations*** identified in KRS 146.570, review and approval of proposed projects, and review and approval of grants. Grants shall be made in amounts, for purposes, and to the agencies ***and private, nonprofit land trust organizations*** identified in KRS 146.570 as meet the priorities for acquisition which are:
- (a) Natural areas that possess unique features such as habitat for rare and endangered species;
  - (b) Areas important to migratory birds;
  - (c) Areas that perform important natural functions that are subject to alteration or loss; or
  - (d) Areas to be preserved in their natural state for public use, outdoor recreation and education.

The board shall promulgate administrative regulations in accordance with the provisions of KRS Chapter 13A on acquisition based on these priorities and property costs seeking to maximize the greatest public benefit by taking advantage of those priority areas available below fair market value and where public or private funds are available on a matching basis. ***Additionally, private, nonprofit land trust organizations, in order to be eligible to receive grants, shall match dollar-for-dollar, any funds approved by the board.*** The board shall expend the whole or any part of the principal and interest as needed. KRS 146.550 to 146.570 shall not allow the use of condemnation powers and shall only allow acquisition of land from willing sellers.

➔Section 2. KRS 146.570 is amended to read as follows:

- (1) There is hereby established in the State Treasury a fund entitled "Kentucky Heritage Land Conservation fund." The fund shall primarily receive state appropriations, gifts, grants, federal funds, and tax receipts. The fund shall be disbursed by the State Treasurer upon the warrant of the secretary of the Finance and Administration Cabinet. Moneys in the fund not expended at the end of a fiscal year shall be carried forward to the next fiscal year, and the fund shall not lapse. Moneys in the fund shall be invested in accordance with administrative regulations developed by the State Investment Commission in accordance with KRS 42.525. Interest earnings shall accrue to the fund.
- (2) The fund shall be attached for administrative, budgeting, and capital planning and reporting purposes to the Energy and Environment Cabinet. Land acquisitions shall be authorized by the General Assembly and reported to the Capital Projects and Bond Oversight Committee in accordance with KRS 45.750 to 45.800. Allocation of moneys as approved by the board for management of the lands shall be appropriated to each separate agency as part of its operating budget.
- (3) Moneys in the fund shall be used exclusively for the purposes of acquisition and management of lands as defined in KRS 146.560. Each recipient of moneys shall develop and implement a resource management plan for each tract acquired, except a resource management plan for properties adjacent to a state park shall be developed and managed by the Department of Parks, and shall allocate at least ten percent (10%) of moneys received for management of lands acquired. Lands acquired shall be maintained in perpetuity for the purposes set out in KRS 146.560.
- (4) Moneys in the fund shall be allocated as follows:
  - (a) The Department of Parks shall receive ten percent (10%);
  - (b) The Department of Fish and Wildlife Resources shall receive ten percent (10%);
  - (c) The Energy and Environment Cabinet, Division of Forestry, shall receive ten percent (10%);
  - (d) Ten percent (10%) shall be allocated for wild rivers corridors established by the Kentucky Wild Rivers Act, KRS 146.200 to 146.360, and any administrative regulations promulgated pursuant thereto;
  - (e) The Nature Preserves Commission shall receive ten percent (10%); and
  - (f) The board shall receive the remaining fifty percent (50%), for allocation to ***private, nonprofit land trust organizations***, state agencies, local governments, and state colleges and universities. ***Any funds expended under this paragraph to private, nonprofit land trust organizations shall be matched dollar-for-dollar as required in subsection (2) of Section 1 of this Act.***

**Signed by Governor March 21, 2013.**