



*An Emerging Collaboration Supporting Great Communities
and Healthy Landscapes Across Kentucky*

Over a year ago The Nature Conservancy convened what was likely the largest gathering of agencies and organizations to come together to advance conservation in Kentucky. Since that time a newly formed coalition of conservation oriented groups, **Conserve Kentucky**, has adopted the following purpose statement:

We believe that Kentucky's lands and waters are essential to our well-being. We are committed to improving the quality of life for all Kentuckians by conserving the natural and working lands across Kentucky.

Conserve Kentucky was formed with the intent of bringing together organizations in the Commonwealth that are focused on conserving Kentucky's lands and waters for future generations. The groups that are part of **Conserve Kentucky** represent a broad set of interests. In the past, these groups, while often supporting similar goals, have not worked collectively to support a single set of goals. Now, they are coming together with a united voice and with the hope of achieving a common ambition to benefit all parties involved. While representing a broad set of stakeholders, **Conserve Kentucky** is led by a steering committee comprised of:

- The Nature Conservancy
- Bernheim Arboretum and Research Forest
- Kentucky Conservation Committee
- Sierra Club
- Kentucky Natural Lands Trust
- League of Kentucky Sportsmen, and
- Kentucky Horse Council.

Initially, **Conserve Kentucky** focused on developing a Conservation Finance Feasibility Report, a statewide public opinion poll, and a fact sheet on the Economic Benefits of Land Conservation. These reports can be found on the **Conserve Kentucky** website (www.conservekentucky.org).

During the 2012 session of the Kentucky General Assembly, **Conserve Kentucky** has been active in educating and engaging the leadership in the House and Senate about the need and urgency for

increased investment in the lands and waters of Kentucky. Enclosed are a set of Nature Cards that are being delivered to every member of the House and Senate and to the Governor's office. While simple, they have helped us begin a new dialog and emphasize the ecological diversity and importance of Kentucky.

If you have kept up with current debates you know budget reductions, redistricting and gambling have dominated the political arena. However, we have found willing legislative partners in our efforts. While options for *new* dedicated conservation funding are limited, we are putting our efforts in two important legislative efforts: (1) safeguards and amendments to the Kentucky Heritage Land Conservation Fund and (2) establishing tax credits for voluntary land donations.

Kentucky Heritage Land Conservation Fund

The Kentucky Heritage Land Conservation Fund (KHLCF) was established in 1994, and provides funding to preserve and conserve natural areas.

Revenue for the fund comes from the nature license plate sales, the state portion of the unmined minerals tax and environmental fines. Agencies that receive monies from the Heritage Land Conservation Fund include:

- Kentucky Department of Fish and Wildlife Resources
- Department of Parks
- Division of Forestry
- Kentucky State Nature Preserves Commission
- Kentucky Wild Rivers Program.

Each of these entities receives 10 percent of the KHLCF Board's budget, for a total of 50 percent of its funds. The remaining 50 percent of the budget is distributed to local governments, state colleges and universities, and other state agencies. These funds provide critical monies to conserve important places across the Commonwealth. Given the current budget deficits, we are seeking to safeguard these monies and ensure this program remains intact. We have also drafted legislation that would leverage these scarce funds by asking the legislature to allow non-profit land trusts to apply for these monies while requiring the non-profit land trusts to provide a one-to-one funding match. *Every dollar of state public funding would be matched by one dollar of non-state money.* This would greatly extend the ability of the KHLCF and the Commonwealth to conserve more cherished lands across Kentucky. Our recent polling has indicated that two-thirds (66%) of voters support dedicating additional public funding for land, water and wildlife conservation in Kentucky.

State Tax Credits for Conservation

A Conservation Credit is an income tax credit available to landowners who voluntarily preserve their land through the donation of a conservation easement and/or fee title. The donation must protect conservation values as defined by individual states and must be made to an entity qualified to hold such property interest by the terms of the legislation creating the credit. Typically, this includes state and local governments and 501(c)(3) land conservation organizations. We have worked with legislators to craft legislation that would, for the first time, provide this incentive to private landowners.

A Conservation Credit program can be a highly effective tool to promote land conservation. With a thoughtfully crafted program, everyone benefits. *Landowners receive a financial reward for protecting their land, the state advances its goals of land conservation through tax policy rather than general fund expenditures, and the public reaps the benefit of lands preserved as open space at a fraction of their cost.* As a tool that provides tax relief, benefits agriculture, and encourages land conservation, Conservation Credit programs receive strong bipartisan support. Our polling conducted this summer showed 82 percent of Kentuckians support tax credits for land landowners who voluntarily conserve their land.

Next Steps

As I write this update legislation is being introduced into committee in support of the amendments to the *Kentucky Heritage Land Conservation Act* and new legislation that would provide for up to \$10 million in tax credits for lands and easement donations. We are hopeful that one or more of these pieces of legislation will pass, but we have a long road to go yet. And given the continuing budget shortfalls we know our job will not be confined to one legislative session. We will continue to build relationships with the legislature, expand our **Conserve Kentucky** coalition, and put meaningful solutions together that support the long-term health and sustainability of our lands and waters.

Of course this effort would not be possible without your support! The Nature Conservancy is taking a leadership role in this effort, and through your support, is providing 100 percent of the funding to manage the **Conserve Kentucky** coalition and work with lobbyist to draft the legislation. This diverse set of stakeholders finally has an opportunity to speak as one and to advance conservation of our rivers and streams, working lands, and our wildlife habitats in every county in the Commonwealth.

