Agriculture, Conservation and "Crony Capitalism"?

Roger McEowen (roger.mceowen@washburn.edu) – Washburn University School of Law
Ag Law and Taxation Blog: https://agriculturallaw.lawprofessorsblogs.com/
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Overview

In recent years, several states have enacted legislation that purports to fund various conservation and wildlife efforts. In Kansas House Bill 2063 (the 2025-2026 iteration) is framed as a "Working Lands" conservation initiative. But these laws raise significant constitutional and administrative concerns regarding the delegation of state power and the creation of what could be seen as a "slush fund" for politically connected agricultural interests. Proponents claim that this type of legislation represents an historic investment in a state's soil, water, and wildlife, but critics characterize the legislation as a "slush fund" for politically connected non-governmental organizations and trade associations, arguing that its prioritization of federal matching funds and "educational programs" creates a "federal nexus" that could eventually facilitate government-led land-use restrictions such as the "30×30" conservation agenda.

The Kansas Proposal – H.B. 2063

Kansas H.B. 2063 is a landmark piece of legislation that seeks to establish a permanent, dedicated funding stream for natural resource preservation by mandating an annual $60 million transfer from the State General Fund into a newly created State Conservation Fund. This money is divided into three primary "buckets" – the Working Lands Conservation Fund (50 percent), the Wildlife Conservation Fund (25 percent), and the Kansas Outdoors Fund (25 percent) – which are administered by the Department of Agriculture and the Department of Wildlife and Parks to provide grants for projects like irrigation efficiency, grazing management, and habitat restoration.

Note: Section 1(a)(1) states the fund shall remain "intact and inviolate," and Section 1(b) creates an automatic $60 million transfer from the State General Fund (SGF) every July 1.[1]

The funding mechanism for HB 2063 is its mandate of an annual transfer of $60 million from the State General Fund (SGF) into a series of newly created buckets: the *State Conservation Fund*, the *Working Lands Conservation Fund*, and the *Wildlife Conservation Fund*. By establishing a statutory "autopilot" transfer, the bill removes these funds from the traditional annual appropriations process which diminishes transparency and prevents future legislatures from prioritizing more urgent needs (like infrastructure or tax relief) without passing a new law to repeal the transfer.[2]

Observation: Infusing $60 million annually into "conservation" can artificially inflate land values or rental rates, making it harder for the next generation of farmers to acquire land.

Under current Kansas law, the Department of Agriculture often contracts with private entities for brand registration and livestock oversight. HB 2063's "Working Lands" grants are designed to be administered by the Department, but the criteria for "eligible grant applications" (Section 2) are broad enough to allow private lobby groups and affiliates to capture millions for "relevant educational programs" or "voluntary conservation agreements" that essentially subsidize the operations these groups with public taxpayer money.[3]

Comment: Section 2(e)(10) lists "relevant educational programs, resources, and services for adults and youth" as an eligible use for grants. Unlike building a terrace or fixing a waterway, which have tangible, measurable results, "educational programs" are notoriously difficult to audit. This provision allows non-governmental organizations to apply for millions in state money to fund staff salaries, seminars, and promotional materials that align with their own policy agendas. Under the guise of "working lands education," the state effectively pays for the very lobbying infrastructure that pushes for more such funding – a self-perpetuating fiscal cycle.

Section 2(g) raises a constitutional issue. This section prioritizes grant applications that capture *federal* matching funds. The primary concern with this is that it serves as a state-level vehicle for federal land-use agendas, such as the Biden administration's "30×30" plan (to conserve 30% of U.S. lands by 2030).[4] By incentivizing conservation easements to trigger federal matches, the state may be permanently encumbering private land, effectively removing it from the tax rolls and productive agricultural use under the guise of "voluntary" participation.[5] Also, individual farmers and ranchers rarely have the grant-writing staff or the liquid capital to secure complex federal matches from agencies like the NRCS. However, the non-governmental entities and their affiliates excel at this.

Note: The bill delegates enormous power to the Division of Conservation to define what constitutes "biodiversity" or "regenerative practices." This creates a "Regulatory State" within the Department of Agriculture, where unelected bureaucrats, often influenced by industry lobbyists, set the rules for who gets a slice of the $60 million pie.

The bill gives the State Conservation Commission the power to provide guidance on "priority criteria" and "awardee selection." The Commission is frequently composed of individuals heavily involved in the very organizations that stand to benefit from the grants. This raises a conflict of interest and is a failure of the "Non-Delegation Doctrine." The bill, in essence, would hand $60 million every year to a body that can steer those funds back to their own organizations with minimal legislative oversight.

Other States

Several other states have enacted or proposed similar frameworks to the Kansas proposal.

The New Mexico "Land of Enchantment Legacy Fund." Perhaps the most direct parallel to Kansas H.B. 2063 is New Mexico's Legacy Fund that was established in 2023. It created a permanent, multi-agency conservation fund with an initial $100 million investment, designed to be replenished annually. Like the Kansas bill, New Mexico's fund allows money to flow to "eligible entities," including non-governmental organizations and land trusts. It specifically prioritizes projects that secure federal matching funds, which incentivizes the state to align its land-use policies with federal mandates (such as the Biden Administration's "30×30" conservation agenda).

Pennsylvania's Agricultural Conservation Assistance Program (ACAP). Established in 2022, the ACAP distributes funds through the State Conservation Commission to local districts. While the funds are intended for farm Best Management Practices, the program heavily incentivizes "technical assistance" and "educational outreach." Unfortunately, because the Conservation Commission is often "captured" by board members from major ag-lobbying groups, the grants frequently support the staffing and infrastructure of those very organizations rather than going directly into the pockets of family farmers for tangible equipment.

Oregon's Watershed Enhancement Board (OWEB). Oregon has a long-standing model that uses lottery proceeds to fund a permanent conservation grant system. Because the funding is constitutional/statutory and not part of the general appropriation, the OWEB operates with a level of autonomy that is problematic. It allows the board to set its own "priority criteria" for what counts as "conservation," which often shifts toward "climate-change" and biodiversity goals that may conflict with traditional grazing and property rights.

Note: While Missouri has not passed a single "omnibus" bill exactly like Kansas HB 2063, it has seen active legislative attempts in 2025 and 2026 to reorganize its conservation funding in ways that echo the "cronyism" and "oversight" concerns mentioned in your text.[6] The primary parallel in Missouri is not a new fund, but a battle over the existing 1/8th of 1% Conservation Sales Tax. Unlike most states where the legislature decides the budget every year, Missouri's Department of Conservation (MDC) has a constitutionally protected, automatic revenue stream. In 2025 and early 2026, Missouri lawmakers introduced measures (such as HJR 94 and HJR 172) to force this tax to be "reauthorized" by voters every 6 to 10 years. While Kansas is trying to *create* a permanent fund, Missouri's recent legislative efforts aim to *restrict* an existing one. Missouri voters will face a major decision on this topic in the fall of 2026.

Comparison of Legislative "Hooks" and Resulting Problems

There is a specific "legislative pattern" appearing across these states that matches HB 2063:

State	Funding Mechanism	The "Slush" Risk	The "Federal" Risk
Kansas (HB 2063)	$60M Annual Transfer	Funds "Educational Programs" & NGOs	Prioritizes "30×30" federal matches
New Mexico	Permanent Legacy Fund	Multi-agency "buckets" bypass oversight	Explicitly ties state spend to federal goals
Pennsylvania	Block Grants via Commission	Funds "Technical Assistance" (staffing)	Aligned with federal Chesapeake Bay mandates
North Carolina	$15M General Fund Approp.	Broad habitat restoration definitions	Used to implement federal species recovery

The primary issue with all of these state provisions is the non-delegation doctrine. By creating "inviolate" funds and giving unelected boards the power to define "eligible" applicants (including lobbying groups), the legislature in each of these states is effectively abdicating its duty to manage taxpayer dollars. This creates a "pay-to-play" system where only organizations with the administrative capacity to navigate the grant process (NGOs) can access the funds.

Indeed, problems have arisen. A 2025 audit by the Pennsylvania Auditor General found that executive management at the Department of Conservation (DCNR) frequently ignored their own competitive ranking systems. The audit revealed that grants were awarded to applicants who missed deadlines or were ranked lower than others, simply at the "discretion" of management. This is not a surprise. Once a fund is made "inviolate" or permanent (such as with Kansas HB 2063), it becomes a tool for rewarding political allies rather than achieving objective conservation goals.

The Illinois Department of Natural Resources (IDNR) manages a variety of state and federal conservation grants similar to the "buckets" proposed in HB 2063. A 2025 federal management advisory identified "significant financial mismanagement" and 37 separate findings of material weaknesses. The agency failed to track expenditures properly and underused millions in available funds due to systemic errors.[7]

Oregon's OWEB is a mature version of what HB 2063 proposes. It is funded by lottery proceeds and federal matches. Recent budget reviews show that OWEB's budget grew by 67 percent in just a few years, but it became heavily dependent on "limited duration positions" and indirect rates to pay for NGO staff and administrative overhead. The problem is that these funds often stop being about "land" and start being about "bureaucracy." A significant portion of the money eventually goes toward "technical Assistance" which in practice means paying the salaries of NGO employees who then lobby the state for more money.

New Mexico's Land of Enchantment Legacy Fund is the most recent "success story" for conservation lobbyists. The fund was heavily pushed by a coalition of NGOs. In its first year, 100 percent of its programs were tied to federal matches. By design, these funds make the state an agent of the federal government. For a rancher, this means that to get a grant from the "Working Lands" fund, they may have to agree to terms dictated by a federal agency in Washington D.C., with a state lobby group as the broker for a fee.

Comparison: Mismanagement Patterns

State	Mechanism Similar to HB 2063	Identified Issue/Audit Finding
Pennsylvania	Discretionary Grant Awards	Managers ignored rankings to favor certain applicants (Cronyism).
Illinois	Multi-Agency "Buckets"	Failed to track $8.7M; 37 findings of material weakness (Incompetence).
Oregon	NGO-Led "Technical Assistance"	Funds diverted to administrative "indirect rates" and NGO staffing (Bloat).
New Mexico	Prioritizing Federal Matches	Immediate alignment with federal land-use mandates ("30×30" overreach).

Conclusion

Kansas HB 2063 is less about conservation and more about corporate welfare and administrative expansion. It creates a self-perpetuating funding stream that bypasses fiscal scrutiny and empowers a public-private partnership between state agencies and the state lobby groups/NGOs that may ultimately undermine the very private property rights it claims to protect. In essence, it would function as a statutory pipeline for diverting public funds to private trade associations and non-governmental organizations NGOs. A textbook case of "crony capitalism that uses the popular veneer of "conservation" and "agriculture" to create a permanent, unaccountable treasury for the state's most powerful agricultural lobbyists, all while potentially compromising private property rights through federal land-use tie-ins.

Notes:

[1] Inviolate" funds are a legal fiction used to protect pet projects from future budget cuts. By removing this $60 million from the annual appropriations process, the bill creates a "shadow budget." If the state faces a shortfall in police or road funding, for example, this money remains locked away for grants that may be going straight to a non-governmental organization's administrative budget. While H.B. 2063 is unique in its specific $60 million annual price tag and "inviolate" status, it is part of a growing national trend where states create permanent, non-appropriated funds for conservation that critics view as "shadow budgets" for agricultural interests.

[2] Section 1 mandates new reporting and accounting, which will lead to more state employees.

[3] Indeed, Section 2(d) of the bill explicitly makes "nonprofit entities" (and, hence, their subsidiaries) eligible to receive funding. By including nonprofits alongside actual landowners, the bill allows professional lobbying organizations to compete for the same pool of money as the farmers they represent. This violates the principle that state funds should be used for direct public benefit rather than subsidizing the administrative overhead and "educational" missions of private interest groups.

[4] Federal matching funds often come with "strings attached." By prioritizing these matches, HB 2063 forces Kansas landowners into federal conservation easements (permanent land-use restrictions) to "unlock" the state money, with non-governmental entities and land trusts acting as the middleman and taking a "cut" of the administrative fees.

[5] Prioritizing federal/private matches favors large NGOs and wealthy landowners who can afford the legal and administrative overhead to apply, leaving small family farms behind.

[6] Missouri is a unique case because its conservation funding is already "automatic" via the state constitution, which has made it a major target for critics who want to reassert legislative control.

[7] Large-scale conservation funds often outpace the administrative capacity of state agencies. This leads to "accidental" slush funds where money is sits in accounts without oversight or is funneled to NGOs simply because they are the only ones with the paperwork ready to receive it.