# **BUDGET UNIT BRIEF - FY 2021**

Fiscal Services Division July 1, 2020



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# Agricultural Drainage Wells - GF

### **Background**

The 1996 General Assembly enacted legislation requiring the closure of all agricultural drainage wells and established the Alternative Drainage Assistance Fund (Fund). The Fund was established to provide financial assistance to landowners for the closure of agriculture drainage wells. Agriculture drainage can contaminate groundwater aquifers that are used for drinking water. Drainage water from agriculture production can contaminate groundwater with nitrates, pesticides, sediment, organic matter, and pathogens. Animal confinement operations are another significant risk. Once in the aquifer, pollutants can be transported throughout the aquifer, endangering groundwater safety throughout an area.

Moneys are appropriated from the Environment First Fund, the General Fund, or the Rebuild Iowa Infrastructure Fund (RIIF) to the Agricultural Drainage Well Water Quality Assistance Program. The funds are then transferred to the Alternative Drainage Assistance Fund and are allocated for cost-share payments to the landowner. The State cost-share pays up to 75.0% of the estimated or actual cost, whichever is less. Eligible cost-share expenditures are outlined in administrative rule and include construction, design, and inspection expenses. Resources in the Alternative Drainage Assistance Fund do not revert to the General Fund. The Soil Conservation and Water Quality Division of the Department of Agriculture and Land Stewardship (DALS) is permitted to use up to 1.0% of the balance of the Fund for administrative expenses.

#### **Agriculture Drainage Well Closure Progress**

Initially, 296 agricultural drainage wells were registered with the State. The majority of these wells have been closed by landowner financing, other funds, and cost-share. Currently, there are approximately 20 wells that remain open.

#### **Funding**

Appropriations to the Agricultural Drainage Well Water Quality Assistance Program have varied. Prior to FY 2012, appropriations ranged from \$500,000 to \$1.5 million. Current funding ranges from \$550,000 to \$1.9 million per year.

## **Related Statutes and Administrative Rules**

Iowa Code chapter 460

Iowa Administrative Code 27—30.40

## **Budget Unit Number**

0090GA80001

1128808

## **More Information**

Iowa Department of Agriculture and Land Stewardship:

iowaagriculture.gov/water-resources-bureau/ag-drainage-well-closure-assistance-program LSA Staff Contact: Rodrigo Acevedo (515.281.6764) rodrigo.acevedo@legis.iowa.gov