# Budget Unit Brief



# **Water Protection Fund**

The Water Protection Fund was created in 1988 under the purview of the Iowa Department of Agriculture and Land Stewardship (DALS) to provide resources for water protection practices. To support practices, the Fund supports water protection operations, provides technical assistance financial support, and cost-share grants.

### **Fund Accounts and Allocation**

The Water Protection Fund balance is divided evenly between two accounts: the Water Quality Protection Projects Account and the Water Protection Practices Account. Account resources are granted to Soil and Water Conservation Districts (SWCDs) and maintain full-time equivalent positions (FTEs) to provide technical assistance to districts and landowners. Though both accounts fund water protection activity, the distribution and application of Fund resources differ by account:

- **Projects Account** Provide grants that are used to protect water from point and nonpoint pollution. Districts partner with local governments, individuals, and organizations to engage in projects that will protect water resources. These grants provide administrative, operation, and personnel support for the projects. The SWCDs may use project grant money to reimburse landowner practices. Grant applications must be submitted to the State Soil Conservation Committee (SSCC) by the SWCDs. Although the SWCDs apply for cost-share grants, landowners are the recipients of assistance. Landowners that receive Watershed Protection funding must work with their SWCD. The Committee approves cost-share projects based on criteria including the severity of the water quality issue, cost-effectiveness, and several other criteria. Projects are funded on an annual basis subject to negotiation and annual reporting requirements.
- **Practices Account** Establish water protection practices with individual landowners. Resources in this fund are allocated equally to all SWCDs at the beginning of each fiscal year. Landowners interested in receiving cost-share funding are required to apply to their local SWCD. The local SWCD provides cost-share funding to landowners based on priorities in the local district. Priority is given to applications that implement the SWCD soil and water resource conservation plan. Practices eligible to receive funding are specifically approved in the lowa Administrative Code (IAC). The Practices Account makes provisions for the consideration of practices unique to priority watershed protection, woodlands, grasses, and forbs. The IAC outlines specific practices acceptable in these circumstances.

## **Water Protection Practices Eligible**

The Department maintains a list of practices eligible for funding. All Fund resources allocated to landowners are on a cost-share basis. The cost-share rate for most practices is 50.0%, with 75.0% for woodlands, native grasses, and forbs. Money from the Fund may also be allocated to the closure of agriculture drainage wells and may be used in combination with the Agriculture Drainage Assistance Program funds. Land enrolled in the Conservation Reserve Program (CRP), or other similar programs, may be eligible to receive Program funding. Wetland construction, restoration, and stream bank or shoreline protection on CRP land are eligible for cost-share funding.

### **More Information**

Watershed Protection Program: http://www.iowaagriculture.gov/waterResources/watershedProtection.asp

Iowa General Assembly: https://www.legis.iowa.gov/

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### **Eligible Water Protection Practices**

Standard Practices

- · Critical area planting
- Contour buffer strips
- Field border
- Filter strips
- · Pasture and hay planting
- · Constructed wetlands
- Wetland restoration
- Stream bank and shoreline protection

**Priority Watershed Practices** 

- Grassed waterway
- · Grade stabilization structure
- Terrace
- · Water and sediment control basin
- Diversion
- Waste storage facility equipment and construction costs
- Stormwater quality best management practices

Woodlands, Native Grasses, and Forbs

- Windbreaks
- Forest stand improvement
- Tree planting
- Site preparation
- · Riparian forest buffer
- Rescue treatments
- Prescribed grazing
- Conservation cover

### **Funding Source**

Funding for the Water Protection Fund originates from the Resource Enhancement and Protection Fund (REAP). The Iowa Code requires that 20.0% of any REAP revenue be allocated to the Water Protection Fund. Over the years, funding to REAP and the Water Protection Fund allocation have varied. Since FY 2007, annual funding has ranged from \$2.2 million to \$3.5 million.

### **Related Statutes and Administrative Rules**

lowa Code chapter <u>161C</u> <u>27</u> lowa Administrative Code chapters <u>12</u> and <u>21</u>

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