# **BUDGET UNIT BRIEF – FY 2019**

Fiscal Services Division November 5, 2018



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# **Agricultural Drainage Wells**

#### Background

The 1996 General Assembly enacted legislation requiring the closure of all agriculture 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.

Money is appropriated from the Environment First Fund or from the Rebuild Iowa Infrastructure Fund (RIIF) to the Agriculture Drainage Well 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 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 20 wells that are in the process of being closed and 37 that remain open.

## Funding

Appropriations to the Agricultural Drainage Well Program have varied. Prior to FY 2012, appropriations ranged from \$500,000 to \$1.5 million. There was no funding for FY 2012 and the amounts have varied since FY 2013 from \$550,000 to \$1.9 million.

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

Iowa Code chapter <u>460</u>

## Budget Unit Number

0090AH10017

918430

## More Information

Iowa Department of Agriculture and Land Stewardship: <u>www.iowaagriculture.gov/waterResources/agDrainageWellClosure.asp</u> LSA Staff Contact: Adam J. Broich (515.281.8223) <u>adam.broich@legis.iowa.gov</u>