

SOIL CONSERVATION AND WATER QUALITY DIVISION[27]

Notice of Intended Action

Proposing rulemaking related to the water protection fund and providing an opportunity for public comment

The Soil Conservation and Water Quality Division hereby proposes to rescind Chapter 12, “Water Protection Practices—Water Protection Fund,” Iowa Administrative Code, and to adopt a new Chapter 12 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 161C.2.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapter 161C.

Purpose and Summary

This proposed rulemaking rescinds and replaces Chapter 12 to modernize and streamline administration of the Water Protection Fund. The proposed rules simplify allocation and application procedures, update eligibility and practice standards, remove outdated practices and fixed practice-specific cost-share limits, and provide greater flexibility to administer program requirements through Division policy. The rulemaking also updates the forestry, native grasses and forbs program by expanding the list of eligible forestry practices and aligns maintenance, compliance, and reporting requirements with other Department conservation programs.

Regulatory Analysis

A Regulatory Analysis for this rulemaking was published in the Iowa Administrative Bulletin on June 24, 2026. A public hearing was held on the following date(s):

- July 14, 2026

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any.

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking, which must be received by the Division no later than 4:30 p.m. on October 6, 2026. Comments should be directed to:

Colin Tadlock
Iowa Department of Agriculture and Land Stewardship
1305 East Walnut Street, Fifth Floor

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)“b,” an oral presentation regarding this rulemaking may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

The following rulemaking action is proposed:

ITEM 1. Rescind 27—Chapter 12 and adopt the following **new** chapter in lieu thereof:

CHAPTER 12 WATER PROTECTION PRACTICES—WATER PROTECTION FUND

PART 1

27—12.1(161C) Authority and scope. This chapter establishes procedures and standards to be followed by soil and water conservation districts and the division of soil conservation and water quality of the department of agriculture and land stewardship in implementing water protection practices through the water protection fund created in Iowa Code section 161C.4.

27—12.2(161C) Rules are severable. If any provision of a rule or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the rule that can be given effect without invalid provision or application, and to this end, the provisions of these rules are severable.

PART 2

27—12.3(161C) Definition. In addition to the definition herein, definitions in rule 27—10.3(161A) shall apply.

“*Stormwater best management practice*” means a technique, measure, or structural control that is used for a given set of conditions to manage the quantity and improve the quality of stormwater runoff in the most cost-effective manner.

PART 3

27—12.4(161C) Compliance, refund, reviews and appeals. Rules 27—10.4(161A) through 27—10.7(161A) shall apply.

PART 4

27—12.5(161C) Appropriations. Resource enhancement and protection program—soil and water enhancement account funds are allocated to the water protection fund. These funds are utilized as stated in Iowa Code section 161C.4.

PART 5

27—12.6(161C) Water protection practices account. This part defines procedures for allocation, recall, and reallocation of water protection practices funds to soil and water conservation districts and to the division's reserve fund.

27—12.7(161C) Allocation to soil and water conservation districts.

12.7(1) *Original allocation.* At the beginning of each fiscal year, funds appropriated to the water protection practices account will be allocated to districts. No less than 73.5 percent of the funds will be divided equally among 100 soil and water conservation districts and allocated to each district's practices account. Twenty-five percent of the funds plus any additional appropriations for reforestation will be divided equally among the 100 soil and water conservation districts and allocated to each district's forestry and native grasses and forbs account. No more than 1.5 percent will be held in a reserve fund.

12.7(2) *Recall of funds.* Any funds allocated to the districts accounts that have not been spent or obligated by June 30 shall be recalled by the division.

12.7(3) *Supplemental allocations.* The districts shall identify valid applications and cost estimates, if any, for supplemental allocations to the division by September 1. Factors to be considered in making supplemental allocations to a district include:

a. The sum of cost estimates (for pending applications) in each district, divided by the total cost estimates (for pending applications) for all 100 districts, multiplied by the remaining available program funds; and

b. Whether the proposed supplemental allocation exceeds three times the original allocation to the district.

12.7(4) *Reserve fund.* A reserve fund consisting of no more than 1.5 percent of the yearly appropriated funds will be set aside and used to fund contingencies that occur in the application of practices in the districts. At any time during the fiscal year, the reserve fund may be replenished with recalled funds to return it to the original balance, if needed.

12.7(5) *Recall and reallocation of funds by division director.* If districts are not demonstrating an ability to use available funding, the division director may recall these funds and reallocate the funds to a district that has an immediate need for additional funding.

PART 6

27—12.8(161C) Applications and agreements. Applicants may apply for water protection practices funds following the application process guidance provided by and utilizing documents specified by the soil and water conservation district in the county where the proposed practice would be located.

27—12.9(161C) Eligibility for financial incentives.

12.9(1) *Practices installed on adjoining public lands.* Where water protection practices that benefit adjoining private lands are installed on public lands and costs of the installation are to be shared by the parties, water protection practices funds may be used to cost-share only the private landowner cost of the practice.

12.9(2) *Ineligible lands.*

a. Water protection practices funds shall not be used to reimburse other units of government for implementing water protection practices or to reimburse other applicants for the cost of implementing water protection practices on land owned by other units of government.

b. Privately owned land not used for agricultural production does not qualify for water protection practices funds, except for land where specific practices designated in policy established and maintained by the division of soil conservation and water quality are being established.

12.9(3) *District priorities.* Applications for water protection practices will be evaluated and prioritized as specified in Iowa Code sections 161C.2 and 161C.4. The priority system adopted by the district shall be made available for review at the district office.

PART 7

27—12.10(161C) Water protection practices—practices account. The purpose of this part is to establish the general conditions, eligible practices, specifications, and cost-share rates for the installation of water protection practices as authorized in Iowa Code chapter 161C.

27—12.11(161C) General conditions. The following general conditions shall be met.

12.11(1) Practice need. Water protection practices shall not be funded unless a technician has inspected the site and has determined that such practice(s) are needed to protect water quality.

12.11(2) Limitation of reimbursable cost of practices. Overbuilding or other practice modifications that exceed the minimum requirements of the practice specifications shall be permitted, if approved by the technician. Any additional costs resulting from such overbuilding or exceeding of the minimum specifications shall not be cost shared by the state.

12.11(3) Materials. Practices funded with water protection funds will utilize only new materials or used materials that meet or exceed design specifications and standards.

12.11(4) Repair or maintenance. Repair or maintenance of existing practices is not eligible for water protection cost share funding, except for the same purpose and under the same circumstances as specified in Iowa Code section 161A.75.

27—12.12(161C) Eligible practices. Practices listed in this rule are eligible for water protection practices fund reimbursement.

12.12(1) Critical area planting.

12.12(2) Contour buffer strips. The practice includes science-based trials of row crops integrated with prairie strips (STRIPS) planted on contour.

12.12(3) Field border.

12.12(4) Filter strips. The practice includes STRIPS planted at the foot slope.

12.12(5) Pasture and hay planting. The practice must include the conversion of land from row crop production to a permanent vegetative cover to control excessive water erosion.

12.12(6) Constructed wetlands. Land enrolled in the Conservation Reserve Program, or other similar programs, is eligible if this practice is not eligible for funding under that program.

12.12(7) Wetland restoration. Land enrolled in the Conservation Reserve Program, or other similar programs, is eligible if this practice is not eligible for funding under that program.

12.12(8) Streambank and shoreline protection. The practice must be bioengineered using combinations of stream-side plantings or trees, other vegetation, structural practices such as modification of slopes, and installation of reinforcing materials and in-stream structures. Land enrolled in the Conservation Reserve Program, or other similar programs, is eligible if this practice is not eligible for funding under that program.

12.12(9) Stormwater best management practices (BMPs). BMPs can be either:

a. Nonstructural BMPs, which include a range of pollution prevention, education, or institutional management and development practices designed to limit the conversion of rainfall to runoff and to prevent pollutants from entering runoff at the source of runoff generation; or

b. Structural BMPs, which are engineered and constructed systems that are used to treat the stormwater at either the point of generation or the point of discharge to either the storm sewer system or to receiving waters (e.g., detention ponds or constructed wetlands).

12.12(10) Access control. The practice involves fencing an area to exclude livestock from intermittent streams (defined on U.S. Geological Survey topographic maps as “3 dot” blue-line streams) or larger streams. Eligibility for cost-share assistance extends only to fencing required to implement this practice and does not extend to fences along roads or land boundaries.

27—12.13(161C) Eligible practices for priority water resource protection. Practices listed in this rule are eligible for water protection practice fund reimbursement only in those watersheds or to address water quality concerns approved under rule 27—12.14(161C).

- 12.13(1) Grassed waterway.
- 12.13(2) Grade stabilization structure.
- 12.13(3) Terrace.
- 12.13(4) Water and sediment control basin.
- 12.13(5) Diversion.

27—12.14(161C) Priority watersheds and water quality concerns. Soil and water conservation district commissioners may apply for the designation of a priority watershed or priority water quality concern for their district through a process established and maintained in policy set by the division of soil conservation and water quality.

27—12.15(161C) Practice standards and specifications.

12.15(1) Where applicable, water protection practices shall meet Natural Resources Conservation Service (NRCS) practice standards and specifications, which may be accessed through the NRCS Field Office Technical Guide.

12.15(2) Stormwater best management practices shall meet practice standards and specifications, which may be accessed through the Iowa Stormwater Management Manual or other design standards and specifications approved by the division of soil conservation and water quality.

12.15(3) Copies of standards and specifications may be requested in the district office where the practice will be implemented.

12.15(4) To the extent of any inconsistency between the general conditions and the specifications, the general conditions shall control.

27—12.16(161C) Cost-share rates. The cost-share rate to be provided from water protection practices—practices account funding is not to exceed 50 percent of the estimated or the eligible cost of practice implementation, whichever is less. This funding may be used in combination with other public funds to provide a total cost-share rate not to exceed 75 percent of the lesser of the eligible or the estimated cost of implementation. Additional restrictions on this funding may be imposed in policy established and maintained by the division of soil conservation and water quality.

PART 8

27—12.17(161C) Water protection practices—forestry, native grasses and forbs account. The purpose of this part is to establish the general conditions, eligible practices, specifications and cost-share rates for the installation of forestry, native grasses and forbs as authorized in Iowa Code chapter 161C.

27—12.18(161C) General conditions. The following general conditions shall be met.

12.18(1) *Practice need.* The designated practices shall not be funded unless the certifying technician has inspected the site and has determined that such practice(s) is needed.

12.18(2) *Limitation of reimbursable cost of practices.* Restrictions imposed on this are the same as stated in subrule 12.11(2).

12.18(3) *Materials.* Restrictions imposed on this are the same as stated in subrule 12.11(3).

12.18(4) *Forest management plan required.* A forest management plan approved by the forestry bureau of the department of natural resources is required for the forestry practices designated in policy established and maintained by the division of soil conservation and water quality.

12.18(5) *Eligibility of practices.* Planting or management of trees for nut orchards or Christmas tree production is only eligible as intermediate products in stands being established for other approved purposes. Planting or management of trees for ornamental purposes or fruit orchards is not eligible.

12.18(6) *Repair or maintenance.* Use of funding for this purpose is the same as stated in subrule 12.11(4).

27—12.19(161C) Eligible practices. Practices listed in this rule are eligible for water protection forestry, native grasses and forbs fund reimbursement.

12.19(1) Windbreaks. A belt of trees or shrubs established or restored next to an occupied structure. A windbreak must meet either NRCS Standard 380-Windbreak/shelterbelt establishment or NRCS Standard 650-Windbreak/shelterbelt renovation.

12.19(2) Field windbreak. A belt of trees or shrubs established or restored, within or adjacent to a field. A windbreak must meet either NRCS Standard 380-Windbreak/shelterbelt establishment or NRCS Standard 650-Windbreak/shelterbelt renovation.

12.19(3) Forest stand improvement. Minimum eligible area is five acres.

12.19(4) Tree planting. Minimum eligible area is three acres.

12.19(5) Forest site preparation for tree planting. Only eligible for use on the acres included in a tree planting application area.

12.19(6) Prescribed burning. Minimum eligible area is three acres.

12.19(7) Invasive species control. Minimum eligible area is one acre.

12.19(8) Site preparation for natural regeneration. Minimum eligible area is three acres.

12.19(9) Riparian forest buffer.

12.19(10) Rescue treatments. Minimum eligible area is three acres.

12.19(11) Prescribed grazing. The practice must include a minimum of two paddocks of native species grasses.

12.19(12) Conservation cover.

12.19(13) Fencing systems. Used to implement or protect only the practices listed in this rule. Fences along roads or land boundaries are not eligible.

27—12.20(161C) Practice standards and specifications.

12.20(1) Where applicable, water protection practices shall meet NRCS practice standards and specifications, which may be accessed through the NRCS Field Office Technical Guide.

12.20(2) Where applicable, forestry practices shall meet department of natural resources (DNR) practice standards and specifications, which may be accessed through the DNR Forestry Practices Manual Technical Guide.

12.20(3) Copies of standards and specifications may be requested in the district office where the practice will be implemented.

12.20(4) To the extent of any inconsistency between the general conditions and the specifications, the general conditions shall control.

27—12.21(161C) Cost-share rates. The cost-share rate to be provided from water protection practices—forestry, native grasses and forbs account funding is not to exceed 75 percent of the estimated or eligible cost of practice implementation, whichever is less. This funding may be used in combination with other public funds to provide a total cost-share rate not to exceed 75 percent of the lesser of the eligible or the estimated cost of implementation. Additional restrictions on this funding may be imposed in policy established and maintained by the division of soil conservation and water quality.

PART 9

27—12.22(161C) Reporting and accounting. Reports will be prepared in the same manner as provided in rule 27—10.24(161A).

These rules are intended to implement Iowa Code chapters 161A and 161C and section 455A.19.