

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 21, “Water Quality Protection Projects—Water Protection Fund,” Iowa Administrative Code, and to adopt a new Chapter 21 with the same title.

Legal Authority for Rulemaking

This rulemaking is proposed under the authority provided in Iowa Code section 161A.4.

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 161A and 161C.

Purpose and Summary

This proposed rulemaking rescinds and replaces Chapter 21 to modernize and streamline administration of water quality protection projects funded through the Water Protection Fund. The proposed rules broaden applicant eligibility, allow the Division to solicit projects based on locally identified water quality concerns, simplify application and project review requirements, and provide greater flexibility to administer project selection, agreements, reporting, annual review, and closeout through Division guidance. The rulemaking also removes outdated and overly prescriptive administrative requirements and updates the chapter’s statutory implementation authority to Iowa Code chapter 161C.

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 21 and adopt the following **new** chapter in lieu thereof:

CHAPTER 21 WATER QUALITY PROTECTION PROJECTS—WATER PROTECTION FUND

PART 1

27—21.1(161C) Authority and scope. This chapter establishes procedures and standards to be followed by the division of soil conservation and water quality, Iowa department of agriculture and land stewardship, in implementing water quality protection projects through the water protection fund created in Iowa Code chapter 161C. Water protection funds may provide financial assistance for administrative, operational, and personnel support for the projects as well as financial assistance for management and structural practices within the project area to address identified water quality concerns.

27—21.2(161C) Rules are severable. If any provisions 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 provisions or application, and to this end, the provisions of these rules are severable.

PART 2

27—21.3(161C) Water quality protection project applications.

21.3(1) Project application opportunities. The division of soil conservation and water quality may solicit applications for projects located in watersheds determined to be a priority based upon locally expressed interest and identified water quality concerns.

21.3(2) Eligibility of applicants. Applications will be accepted from soil and water conservation districts or other entities working in conjunction with the districts or the division.

PART 3

27—21.4(161C) Water quality protection project application content. The division of soil conservation and water quality shall provide project application guidance as part of the project solicitation process. Information required in the application may include but is not limited to the following:

21.4(1) General project information. Applications will identify the name of the applicant(s), name(s) of other participating organization(s), location of the project area and a map, current landowner

and land use data, water resource(s) to be protected, identified water quality concern(s), and probable source(s) contributing to the concern.

21.4(2) Project objectives. Applications will describe the project water quality protection and improvement goals and objectives along with the practices to be implemented to address the identified water quality concerns.

21.4(3) Project costs. Applications will include projected annual costs for the proposed water quality protection practices as well as project administrative and personnel costs. Applications will also include projected annual funding contributions from all other known contributing sources.

21.4(4) Landowner interest. Applications will provide an assessment of landowner interest in participating in the project.

21.4(5) Project maintenance. Applications will describe measures to be taken to ensure the long-term viability of the project through maintenance agreements, easements, or other such measures.

21.4(6) Time frame. Applications will provide a time frame for project implementation.

21.4(7) Project evaluation. Applications will include the evaluation criteria and evaluation plan that will be used to determine the success of the project.

PART 4

27—21.5(161C) Water quality protection project application review. Applications will be reviewed and evaluated for water protection fund support by the division of soil conservation and water quality based upon criteria included in the project application guidance provided by the division.

21.5(1) *Review assistance.* The division may receive assistance in the application review process from other entities.

21.5(2) *Project selection.* A project agreement will be developed between the division and the applicant for those applications selected to become a water quality protection project. The agreement will outline the responsibilities of both the division and the applicant as they pertain to the project. Projects selected will be funded on an annual basis with subsequent years' funding being based on satisfactory progress and availability of funding from the water protection fund.

21.5(3) *Applicant notification.* The division will inform each applicant whether the applicant's project application was selected to receive water protection fund support.

PART 5

27—21.6(161C) Water quality protection project reporting. Projects selected for water protection fund support will be required to provide the division of soil conservation and water quality with project reports based on reporting guidance provided by the division. The reports will include but not be limited to information on progress being made toward achieving the project goals and objectives as well as financial accounting of how the funding provided has been used.

PART 6

27—21.7(161C) Water quality protection project annual review. The division of soil conservation and water quality will review each project annually. Based on the results of the review, the division may approve continuation of the next project year; discuss project progress and renegotiate the project goals and objectives, procedures, budget, or time schedule with the applicant; or terminate the project.

PART 7

27—21.8(161C) Water quality protection project completion. Upon completion or termination of a project, the project applicants/sponsors are required to submit a final project report summarizing project accomplishments, comparing them to project goals and objectives. A final project financial report will also be submitted summarizing all water protection fund expenditures and any funding source expenditures associated with the project. Final project report guidance will be provided by the division.

These rules are intended to implement Iowa Code chapter 161C.