

## SOIL CONSERVATION AND WATER QUALITY DIVISION[27]

### Regulatory Analysis

Notice of Intended Action to be published: 27—Chapter 21  
“Water Quality Protection Projects—Water Protection Fund”

Iowa Code section(s) or chapter(s) authorizing rulemaking: 161A  
State or federal law(s) implemented by the rulemaking: Iowa Code chapters 161A and 161C

### *Public Hearing*

A public hearing at which persons may present their views orally or in writing will be held as follows:

July 14, 2026  
9 to 10 a.m.

Borlaug Conference Room  
Hoover State Office Building  
Des Moines, Iowa

### *Public Comment*

Any interested person may submit written comments concerning this Regulatory Analysis, which must be received by the Soil Conservation and Water Quality Division no later than 4:30 p.m. on the date of the public hearing. Comments should be directed to:

Colin Tadlock  
1305 East Walnut Street  
Des Moines, Iowa 50319  
Email: [colin.tadlock@iowaagriculture.gov](mailto:colin.tadlock@iowaagriculture.gov)

### *Purpose and Summary*

This proposed rulemaking establishes procedures and standards to be followed by the Iowa Department of Agriculture and Land Stewardship (IDALS) 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.

### *Analysis of Impact*

#### 1. **Persons affected by the proposed rulemaking:**

##### ● **Classes of persons that will bear the costs of the proposed rulemaking:**

No costs are incurred by the public to comply with this proposed rulemaking.

##### ● **Classes of persons that will benefit from the proposed rulemaking:**

This proposed rulemaking will streamline the project application process. Soil and water conservation districts (SWCDs) as project sponsors will still benefit from being able to address water quality and other natural resource concerns in the selected watershed project areas. Private landowners will still be given the opportunity to apply for financial assistance to implement water quality improvement and soil conservation practices on the land in the project watershed area through a voluntary application process managed by the local SWCDs. These practices protect and improve water quality and land used for the production of food, fiber, or both to the benefit of all.

**2. Impact of the proposed rulemaking, economic or otherwise, including the nature and amount of all the different kinds of costs that would be incurred:**

• **Quantitative description of impact:**

There will be no significant impact associated with this proposed rulemaking.

• **Qualitative description of impact:**

There will be no significant impact associated with this proposed rulemaking.

**3. Costs to the State:**

• **Implementation and enforcement costs borne by the agency or any other agency:**

Costs are incurred by IDALS in association with SWCD, National Resources Conservation Service (NRCS), Department of Natural Resources (DNR), and IDALS staff to promote, plan, design, and evaluate practices in the selected watershed project area. IDALS will also incur a cost for providing administrative support to projects where a project coordinator is employed by the SWCD for assisting in the processing of payroll reimbursement and other project administrative claims submitted from the project. Based on current IDALS staff participation, it is estimated that 10 to 15 percent of staff time annually will remain allocated to implementing these rules after these revisions to the chapter are made.

• **Anticipated effect on State revenues:**

There will be no effect on State revenues in association with this proposed rulemaking.

**4. Comparison of the costs and benefits of the proposed rulemaking to the costs and benefits of inaction:**

Not applicable.

**5. Determination whether less costly methods or less intrusive methods exist for achieving the purpose of the proposed rulemaking:**

Not applicable.

**6. Alternative methods considered by the agency:**

• **Description of any alternative methods that were seriously considered by the agency:**

No alternatives were considered.

• **Reasons why alternative methods were rejected in favor of the proposed rulemaking:**

The water protection projects program is currently functioning efficiently utilizing the rules established in the existing chapter, and the proposed revisions will not affect this, so no alternatives needed to be considered.

*Small Business Impact*

**If the rulemaking will have a substantial impact on small business, include a discussion of whether it would be feasible and practicable to do any of the following to reduce the impact of the rulemaking on small business:**

• Establish less stringent compliance or reporting requirements in the rulemaking for small business.

• Establish less stringent schedules or deadlines in the rulemaking for compliance or reporting requirements for small business.

• Consolidate or simplify the rulemaking's compliance or reporting requirements for small business.

• Establish performance standards to replace design or operational standards in the rulemaking for small business.

• Exempt small business from any or all requirements of the rulemaking.

**If legal and feasible, how does the rulemaking use a method discussed above to reduce the substantial impact on small business?**

This proposed rulemaking will have no significant impact on small business.

*Text of Proposed Rulemaking*

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.