CHAPTER 16 WATER QUALITY INITIATIVE

27—16.1(161A) Purpose. The purpose of these rules is to support the reduction of nutrient losses and exports over time through the adoption of water quality practices and through the establishment and administration of targeted watershed demonstration projects and individual cost-share practices. The purpose is also to assist education and outreach about the feasibility and value of establishing water quality practices.

[**ÂRC 1104C**, IAB 10/16/13, effective 11/20/13]

27-16.2(161A) Definitions.

"*Council*" means the water resources coordinating council established pursuant to Iowa Code section 466B.3.

"Department" means the department of agriculture and land stewardship.

"Division" means the division of soil conservation, department of agriculture and land stewardship. "Eligible cost-share applicants" means persons who hold a legal interest in agricultural land used in farming.

"Eligible targeted watershed demonstration project applicants" means individual or multiple soil and water conservation districts, counties, county conservation boards, cities, not-for-profit organizations authorized by the secretary of state, public water supply utilities or watershed management authorities.

"Funds" include the water quality initiative fund in Iowa Code section 466B.45 and may include other moneys appropriated to the department from the environment first fund created in Iowa Code section 8.57A for cost sharing to match federal funds or other nongovernmental funds.

"Identified watersheds" means the area identified by the council or by the division.

"Maintenance/performance agreement" means an agreement between the division, the recipient and the landowner. The recipient and landowner agree to maintain the soil conservation practices for which financial incentives from the division through the district have been received. The agreement states that the recipient and landowner will maintain, repair, or reconstruct the practices if they are not maintained according to the terms specified in the agreement. The terms of the agreement shall be specified by the division.

"Nutrient" includes total nitrogen and total phosphorus.

"*Nutrient reduction strategy*" means the document created by the department, the department of natural resources, and Iowa State University of Science and Technology dated May 29, 2013.

"Recipient" means an eligible applicant who has qualified for and received cost-share payments under this chapter or a project participant who has qualified for and received cost-share payments.

"Secretary" means the Iowa secretary of agriculture.

"Watershed management authority" means an authority as defined in Iowa Code section 466B.21. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.3(161A) Cost share. The division's share of the practice cost shall not exceed the lesser of 50 percent of the estimated cost of establishing the practice as determined by the division or 50 percent of the actual cost of the practice.

[ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.4(161A) Eligible practices. Only practices applied to agricultural crop and pasture land whose primary function is to improve water quality will be eligible for funds. These practices are identified in the nutrient reduction strategy or by the division. Practices shall meet applicable Natural Resources Conservation Service conservation standards and specifications or applicable standards and specifications set out by the department. Permanent practices eligible for funding include but are not limited to wetlands, bioreactors, and buffers. Management practices eligible for funding include but are not limited to cover crops and living mulches. Application may be made to the division for cost-share funding for individual cost-share practices or for targeted watershed demonstration projects. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.5(161A) Ineligible practices. Repair and maintenance of existing practices are not eligible for funding.

[ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.6(161A) Statewide cost-share practices. Individual statewide cost-share practices may be eligible for funding as determined by the division. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.7(161A) Targeted watershed demonstration projects. Projects shall be conducted in the identified watersheds. The division shall conduct water quality evaluations within supported subwatersheds.

[ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.8(161A) Project threshold application requirements.

16.8(1) General application requirements. Project applications shall include the demonstration, outreach, and education objectives of the project and the plan for implementation; project costs, including the estimated cost of each measure to be implemented for each year of participation; anticipated landowner contributions; requested cost-share match; and expected contributions from project participants. Personnel needs and contributions should be outlined.

16.8(2) *Landowner interest.* An assessment of the interest and participation of the eligible applicants shall be included. A majority of the eligible applicants must reside or own land in the demonstration project. Collaborative participation by eligible applicants in the same identified subwatershed will be viewed favorably.

16.8(3) *Project maintenance.* Measures to be taken to ensure the long-term viability of the project through maintenance agreements, easements, or other such measures will be outlined in the agreement.

16.8(4) *Time frame.* The time frame for implementation will be identified in the application and set out in the agreement.

16.8(5) *Project evaluation.* The criteria for evaluation plans will be identified in the request for applications, and an evaluation plan will be contained in the project application. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.9(161A) Application review. Identified watershed projects meeting the threshold requirements will be reviewed, evaluated and ranked by the division using criteria described in the request for applications. Funding recommendations will take into account the program objective to demonstrate and promote a variety of conservation practices in combination with education and outreach. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.10(161A) Annual review. The division will review each project annually. The division may establish a budget for the next project year; renegotiate with the applicant or recipient about the objectives, procedures, budget, reports or time schedule; or terminate the project. [ARC 1104C, IAB 10/16/13, effective 11/20/13]

27—16.11(161A) Contract requirements. Recipients must complete performance and maintenance of the practice as required by the contract. Practices shall meet applicable Natural Resources Conservation Service conservation standards and specifications or applicable standards and specifications set out in the contract. The division may, for cause, find that a recipient is not in compliance with the requirements. At the division's discretion, remedies for noncompliance may include penalties up to and including the return of funds to the division. Reasons for a finding of noncompliance include but are not limited to the recipient's use of funds for activities not described in the contract, the recipient's failure to complete funded projects in a timely manner, the recipient's failure to carry out the terms of the performance/maintenance agreement, the recipient's failure to carry out the approved project in a timely manner.

[**ARC 1104C**, IAB 10/16/13, effective 11/20/13]

27—16.12(161A) Appeal. A recipient who has been ordered to maintain, repair or reconstruct a temporary or permanent practice subject to a maintenance/performance agreement may, as appropriate, review the order with the division. When a recipient wishes to appeal an order to maintain, repair or reconstruct a temporary or permanent practice subject to a maintenance/performance agreement, the recipient may file a written request for review with the division. The division review shall be conducted by the division director or the director's designee. This proceeding shall be informal. The recipient shall request the review with the secretary in writing within 30 days following the review with the division. The secretary or the secretary's designee will either affirm, modify, or vacate the administrative order following the completion of the contested case hearing.

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These rules are intended to implement 2013 Iowa Acts, House File 648, section 20, and Senate File 435, sections 8, 10, 60 and 61.

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