**571—35.4(483A) Eligibility for cost-sharing assistance.** A project is not eligible for cost sharing unless the commission specifically approves the project or the applicant has received a written waiver of retroactivity from the director prior to the project's initiation. A project must allow for public fishing to be eligible for cost sharing; however, the review and selection committee as described in subrule 35.6(1) may recommend for commission approval projects with restrictions on boating.

**35.4(1)** Acquisition projects. A licensed appraiser shall appraise lands or rights thereto to be acquired, and the appraisal shall be approved by department staff. The appraisal requirement may be waived when the staff determines that it is impractical for a specific project. The cost share shall not be approved for more than 90 percent of the approved appraised value. Acquisition projects are eligible for cost share either by direct payment as described in subrule 35.11(6) or by reimbursement to counties.

**35.4(2)** *Eligible acquisition activities.* 

- a. Acquisition for pond and lake construction.
- b. Acquisition of fishable streams, ponds and lakes.
- c. Acquisition for watershed protection.

**35.4(3)** Development projects. Eligible expenditures for development projects include, but are not limited to, preliminary expenses, contracts, the purchase of materials and supplies, rentals, and extra labor that is hired only for the specific project. The purchase of equipment is not an eligible expenditure. Donated labor, materials and equipment-use and use of a county's own labor and equipment are not eligible for cost-share assistance. Development projects are limited to lands legally controlled by the county for the expected life of the project. Development projects are eligible only for reimbursement of reasonable costs actually incurred and paid by the county.

**35.4(4)** Enhancement projects. For purposes of this rule, "enhancement" is considered to be synonymous with "development." Eligible enhancement activities include:

- a. Physical placement of fish habitats in ponds, lakes, pits and streams.
- b. Armoring of pond, lake, pit and stream shores.
- c. Construction of aeration systems.
- d. Dredging of ponds or lakes.
- e. Construction of ponds and lakes.
- *f.* Construction of sediment-retaining basins.
- g. Repair of lake dam/outlets.
- *h.* Manipulation of fish populations and aquatic vegetation.
- *i.* Removal of dams.
- j. Construction of fish ladders.
- k. Construction of fish barriers.
- *l.* Construction of rock-faced jetties.

**35.4(5)** *Project income.* When, as a result of a purchase agreement or other title transfer action involving cost sharing with fish habitat funds, a county directly or indirectly receives financial income that would have been paid to the previous landowner, 90 percent of that income shall be transferred to the department unless the county has identified and committed to habitat development projects or additional acquisitions on the project site to be funded from the income received. The project review and selection committee shall recommend, and the director and commission shall approve, plans for the expenditure of income received pursuant to this subrule. In the absence of acceptable fish habitat development or acquisition plans, the county shall transfer to the department 90 percent of the income received as it is received. The department shall credit that income to the county's apportionment of the fish habitat fund as described in subrule 35.2(1). The schedule of those reimbursements from a county to the state shall be included in the project agreement.

[ARC 7912C, IAB 5/1/24, effective 6/5/24]