

Senate Amendment to
House File 2771

H-8471

1 Amend House File 2771, as amended, passed, and reprinted by
2 the House, as follows:

3 1. By striking everything after the enacting clause and
4 inserting:

5 <DIVISION I

6 DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP

7 PART A

8 GENERAL APPROPRIATIONS

9 Section 1. GENERAL FUND.

10 1. There is appropriated from the general fund of the state
11 to the department of agriculture and land stewardship for the
12 fiscal year beginning July 1, 2026, and ending June 30, 2027,
13 the following amount, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 For purposes of supporting the department, including its
16 divisions, for administration, regulation, and programs; for
17 salaries, support, maintenance, and miscellaneous purposes; and
18 for not more than the following full-time equivalent positions:
19 \$ 20,733,294
20 FTEs 420.00

21 2. Of the amount appropriated in subsection 1, the following
22 amount is transferred to Iowa state university of science and
23 technology to be used for the university's midwest grape and
24 wine industry institute:

25 \$ 325,000

26 3. The department shall submit a report each quarter of
27 the fiscal year to the general assembly and the department
28 of management. The report must describe in detail the
29 expenditure of moneys appropriated in this section to support
30 the department's administration, regulation, and programs.

31 Sec. 2. UNCLAIMED PARI-MUTUEL WAGERING WINNINGS —
32 HORSE AND DOG RACING. There is appropriated from the moneys
33 available under [section 99D.13](#) to the department of agriculture
34 and land stewardship for the fiscal year beginning July 1,
35 2026, and ending June 30, 2027, the following amount, or so

1 much thereof as is necessary, to be used for the purposes
2 designated:

3 For purposes of supporting the department's administration
4 and enforcement of horse and dog racing law pursuant to section
5 99D.22, including for salaries, support, maintenance, and
6 miscellaneous purposes:

7 \$ 305,516

8 Sec. 3. RENEWABLE FUEL INFRASTRUCTURE FUND — MOTOR
9 FUEL INSPECTION. There is appropriated from the renewable
10 fuel infrastructure fund created in [section 159A.16](#) to the
11 department of agriculture and land stewardship for the fiscal
12 year beginning July 1, 2026, and ending June 30, 2027, the
13 following amount, or so much thereof as is necessary, to be
14 used for the purposes designated:

15 For purposes of the inspection of motor fuel, including
16 salaries, support, maintenance, and miscellaneous purposes:

17 \$ 500,000

18 Sec. 4. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There
19 is appropriated from the general fund of the state to the
20 department of agriculture and land stewardship for the fiscal
21 year beginning July 1, 2026, and ending June 30, 2027, the
22 following amounts, or so much thereof as is necessary, to be
23 used for the purposes designated:

24 1. DAIRY REGULATION

25 a. For purposes of performing functions pursuant to section
26 192.109, including conducting a survey of grade "A" milk and
27 certifying the results to the secretary of agriculture:

28 \$ 189,196

29 b. Notwithstanding [section 8.33](#), moneys appropriated in
30 this subsection that remain unencumbered or unobligated at the
31 close of the fiscal year shall not revert but shall remain
32 available for expenditure for the purposes designated until the
33 close of the succeeding fiscal year.

34 2. LOCAL FOOD AND FARM PROGRAM

35 a. For purposes of supporting the local food and farm

1 program pursuant to [chapter 267A](#):
2 \$ 125,000

3 b. The department shall enter into a cost-sharing agreement
4 with Iowa state university of science and technology to support
5 the local food and farm program coordinator position as part of
6 the university's cooperative extension service in agriculture
7 and home economics pursuant to [chapter 267A](#).

8 c. Notwithstanding [section 8.33](#), moneys appropriated in
9 this subsection that remain unencumbered or unobligated at the
10 close of the fiscal year shall not revert but shall remain
11 available for expenditure for the purposes designated until the
12 close of the succeeding fiscal year.

13 3. AGRICULTURAL EDUCATION

14 a. For purposes of allocating moneys to an Iowa association
15 affiliated with a national organization that promotes
16 agricultural education providing for future farmers:

17 \$ 150,000

18 b. Notwithstanding [section 8.33](#), moneys appropriated in
19 this subsection that remain unencumbered or unobligated at the
20 close of the fiscal year shall not revert but shall remain
21 available for expenditure for the purposes designated until the
22 close of the succeeding fiscal year.

23 4. FOREIGN ANIMAL DISEASES AFFLICTING LIVESTOCK

24 For deposit in the foreign animal disease preparedness and
25 response fund created in [section 163.3B](#):

26 \$ 1,050,000

27 5. FARMERS WITH DISABILITIES PROGRAM

28 a. For purposes of supporting a program for farmers with
29 disabilities:

30 \$ 230,000

31 b. The moneys appropriated in this subsection shall be
32 used for the public purpose of providing a grant to a national
33 nonprofit organization with over 80 years of experience in
34 assisting children and adults with disabilities and special
35 needs. The moneys shall be used to support a nationally

1 recognized program that began in 1986 and has been replicated
2 in at least 30 other states, but is not available through
3 any other entity in this state, and that provides assistance
4 to farmers with disabilities in all 99 counties to allow the
5 farmers to remain in their own homes and be gainfully engaged
6 in farming through provision of agricultural worksite and home
7 modification consultations, peer support services, services
8 to families, information and referral, and equipment loan
9 services.

10 c. Notwithstanding [section 8.33](#), moneys appropriated in
11 this subsection that remain unencumbered or unobligated at the
12 close of the fiscal year shall not revert but shall remain
13 available for expenditure for the purposes designated until the
14 close of the succeeding fiscal year.

15 6. LOESS HILLS DEVELOPMENT AND CONSERVATION FUND

16 a. For deposit in the loess hills development and
17 conservation fund created pursuant to [section 161D.2](#):
18 \$ 300,000

19 b. (1) Of the amount appropriated in this subsection,
20 \$260,000 shall be allocated to the fund's hungry canyons
21 account.

22 (2) Not more than 10 percent of the moneys allocated in this
23 paragraph may be used for administrative costs.

24 c. (1) Of the amount appropriated in this subsection,
25 \$40,000 shall be allocated to the fund's loess hills alliance
26 account.

27 (2) Not more than 10 percent of the moneys allocated in this
28 paragraph may be used for administrative costs.

29 7. SOUTHERN IOWA DEVELOPMENT AND CONSERVATION FUND

30 a. For deposit in the southern Iowa development and
31 conservation fund created pursuant to [section 161D.12](#):
32 \$ 100,000

33 b. Not more than 10 percent of the moneys appropriated in
34 this subsection may be used for administrative costs.

35 8. GRAIN REGULATION

1 For the administration and enforcement of [chapters 203](#)
2 and [203C](#), including salaries, support, maintenance, and
3 miscellaneous purposes:
4 \$ 350,000

5 9. CHOOSE IOWA FUND

6 a. For deposit in the choose Iowa fund created in section
7 187.201:
8 \$ 2,113,000

9 b. (1) Of the amount appropriated in this subsection,
10 the department shall use at least \$500,000 to support the
11 value-added agricultural grant program created in section
12 187.321.

13 (2) Of the amount appropriated in this subsection, the
14 department may use up to \$1,113,000 to support the choose Iowa
15 promotional program as provided in chapter 187, subchapter III,
16 part 1.

17 (3) Of the amount appropriated in this subsection, the
18 department shall use at least \$500,000 to support the dairy
19 innovation and revitalization program created in section
20 187.311.

21 c. The department may increase or decrease the amount of
22 moneys used to support a program described in paragraph "b"
23 based on the amount of moneys awarded to persons participating
24 in the program. The department shall publish a notice of the
25 department's action to increase or decrease the amount on the
26 department's internet site where the programs are advertised at
27 least thirty days prior to the day that the department takes
28 such action.

29 10. CHOOSE IOWA FOOD BANK PURCHASING PROGRAM

30 a. For purposes of supporting the choose Iowa food
31 bank purchasing program to assist eligible participants in
32 purchasing qualified food products pursuant to [section 187.331](#):
33 \$ 200,000

34 b. Notwithstanding [section 8.33](#), moneys appropriated in
35 this subsection that remain unencumbered or unobligated at the

1 close of the fiscal year shall not revert but shall remain
2 available for expenditure for the purposes designated until the
3 close of the succeeding fiscal year.

4 PART B

5 CONTINGENT APPROPRIATIONS

6 Sec. 5. CHOOSE IOWA SCHOOL PURCHASING PROGRAM.

7 1. There is appropriated from the general fund of the state
8 to the department of agriculture and land stewardship for the
9 fiscal year beginning July 1, 2026, and ending June 30, 2027,
10 the following amount, or so much thereof as is necessary, to be
11 used for the purposes designated:

12 For purposes of supporting the choose Iowa school purchasing
13 program to assist eligible schools and school districts in
14 purchasing qualified food products pursuant to section 187.307:
15 \$ 200,000

16 2. Notwithstanding section 8.33, moneys appropriated in
17 this section that remain unencumbered or unobligated at the
18 close of the fiscal year shall not revert but shall remain
19 available for expenditure for the purposes designated until the
20 close of the succeeding fiscal year.

21 Sec. 6. CONTINGENT EFFECTIVE DATE. This part of this
22 division of this Act takes effect July 1, 2026, if 2026 Iowa
23 Acts, House File 2748, or successor legislation, is enacted.

24 DIVISION II

25 DEPARTMENT OF NATURAL RESOURCES

26 Sec. 7. GENERAL FUND.

27 1. There is appropriated from the general fund of the state
28 to the department of natural resources for the fiscal year
29 beginning July 1, 2026, and ending June 30, 2027, the following
30 amount, or so much thereof as is necessary, to be used for the
31 purposes designated:

32 For purposes of supporting the department, including its
33 divisions, for administration, regulation, and programs; for
34 salaries, support, maintenance, and miscellaneous purposes; and
35 for not more than the following full-time equivalent positions:

1 \$ 12,816,738
2 FTEs 1,145.95

3 2. Of the number of full-time equivalent positions
4 authorized to the department pursuant to subsection 1, 50.00
5 full-time equivalent positions shall be allocated by the
6 department for seasonal employees for purposes of providing
7 maintenance, upkeep, and sanitary services at state parks.
8 This subsection shall not impact conservation officer, park
9 ranger, or park manager positions within the department.

10 3. The department shall submit a report each quarter of
11 the fiscal year to the general assembly and the department of
12 management. The report must describe in detail the expenditure
13 of moneys appropriated under this section to support the
14 department's administration, regulation, and programs.

15 Sec. 8. STATE FISH AND GAME PROTECTION FUND — REGULATION
16 AND ADVANCEMENT OF OUTDOOR ACTIVITIES.

17 1. There is appropriated from the state fish and game
18 protection fund created pursuant to [section 456A.17](#) to the
19 department of natural resources for the fiscal year beginning
20 July 1, 2026, and ending June 30, 2027, the following amount,
21 or so much thereof as is necessary, to be used for the purposes
22 designated:

23 For purposes of supporting the regulation or advancement of
24 hunting, fishing, or trapping, or the protection, propagation,
25 restoration, management, or harvest of fish or wildlife,
26 including for administration, regulation, law enforcement, and
27 programs; and for salaries, support, maintenance, equipment,
28 and miscellaneous purposes:

29 \$ 53,095,606

30 2. Notwithstanding [section 455A.10](#), the department may use
31 the unappropriated balance remaining in the state fish and game
32 protection fund to provide for the funding of health and life
33 insurance premium payments from unused sick leave balances
34 of conservation peace officers employed in a protection
35 occupation, as described in [section 97B.49B](#), who retire.

1 3. Notwithstanding [section 455A.10](#), the department may
2 use the unappropriated balance remaining in the state fish
3 and game protection fund for the fiscal year beginning July
4 1, 2026, and ending June 30, 2027, as is necessary to fund
5 salary adjustments for departmental employees for which the
6 general assembly has made an operating budget appropriation in
7 subsection 1.

8 Sec. 9. GROUNDWATER PROTECTION FUND — WATER QUALITY. There
9 is appropriated from the groundwater protection fund created
10 in [section 455E.11](#) to the department of natural resources for
11 the fiscal year beginning July 1, 2026, and ending June 30,
12 2027, from those moneys that are not allocated pursuant to
13 that section, the following amount, or so much thereof as is
14 necessary, to be used for the purposes designated:

15 For purposes of supporting the department's protection
16 of the state's groundwater, including for administration,
17 regulation, and programs, and for salaries, support,
18 maintenance, equipment, and miscellaneous purposes:
19 \$ 3,455,850

20 Sec. 10. GROUNDWATER PROTECTION FUND — INTEREST AND
21 EARNINGS — WATER QUALITY.

22 1. There is appropriated from interest and earnings on
23 moneys in the groundwater protection fund created in section
24 455E.11 and accounts therein, as described in section 455E.11,
25 subsection 1, paragraph "a", to the department of natural
26 resources for the fiscal year beginning July 1, 2026, and
27 ending June 30, 2027, the following amounts, or so much thereof
28 as is necessary, to be used for the purposes designated, in the
29 following order of priority:

30 a. For purposes of water quality monitoring, including
31 providing grants to organizations across the state of Iowa and,
32 at the department's discretion, continuous monitoring:
33 \$ 300,000

34 b. For purposes of supporting the department's protection
35 of the state's groundwater, including for administration,

1 regulation, and programs, and for salaries, support,
2 maintenance, equipment, and miscellaneous purposes:
3 \$ 176,150

4 2. Any awarding of a grant to an organization pursuant
5 to subsection 1, paragraph "a", must be agreed to by the
6 department of agriculture and land stewardship, the department
7 of natural resources, and the college of agriculture and life
8 sciences at Iowa state university of science and technology.

9 3. Notwithstanding subsection 1, the amounts appropriated
10 in this section shall not exceed the total amount of interest
11 and earnings on moneys in the groundwater protection fund and
12 accounts therein accrued during the fiscal year beginning July
13 1, 2026. In addition, the amounts appropriated in this section
14 shall only be made available after the maximum amount of such
15 interest and earnings appropriated in this Act to the state
16 university of Iowa is made available to the university.

17 Sec. 11. SPECIAL SNOWMOBILE FUND — SNOWMOBILE
18 PROGRAM. There is appropriated from the special snowmobile
19 fund created under [section 321G.7](#) to the department of natural
20 resources for the fiscal year beginning July 1, 2026, and
21 ending June 30, 2027, the following amount, or so much thereof
22 as is necessary, to be used for the purposes designated:

23 For purposes of administering and enforcing the state
24 snowmobile programs:
25 \$ 100,000

26 Sec. 12. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There
27 is appropriated from the general fund of the state to the
28 department of natural resources for the fiscal year beginning
29 July 1, 2026, and ending June 30, 2027, the following amounts,
30 or so much thereof as is necessary, to be used for the purposes
31 designated:

32 1. FLOODPLAIN MANAGEMENT AND DAM SAFETY
33 a. For purposes of supporting floodplain management and dam
34 safety:
35 \$ 1,510,000

1 b. Of the amount appropriated in this subsection, up to
2 \$400,000 may be used by the department to acquire or install
3 stream gages for purposes of tracking and predicting flood
4 events and for compiling necessary data to improve flood
5 frequency analysis.

6 c. Notwithstanding [section 8.33](#), moneys appropriated in
7 this subsection that remain unencumbered or unobligated at the
8 close of the fiscal year shall not revert but shall remain
9 available for expenditure for the purposes designated until the
10 close of the succeeding fiscal year.

11 2. FORESTRY HEALTH MANAGEMENT

12 a. For purposes of providing for forestry health management
13 programs:

14 \$ 525,000

15 b. Notwithstanding [section 8.33](#), moneys appropriated in
16 this subsection that remain unencumbered or unobligated at the
17 close of the fiscal year shall not revert but shall remain
18 available for expenditure for the purposes designated until the
19 close of the succeeding fiscal year.

20 3. STATE PARK OPERATIONS

21 For supporting operations at state parks, including
22 maintenance and repair of grounds and facilities:

23 \$ 1,000,000

24 4. STATE PARK MAINTENANCE

25 For structural and infrastructural repairs in state parks:

26 \$ 300,000

27 DIVISION III

28 IOWA STATE UNIVERSITY

29 Sec. 13. SPECIAL APPROPRIATIONS FROM GENERAL FUND. There
30 is appropriated from the general fund of the state to Iowa
31 state university of science and technology for the fiscal year
32 beginning July 1, 2026, and ending June 30, 2027, the following
33 amounts, or so much thereof as is necessary, to be used for the
34 purposes designated:

35 1. VETERINARY DIAGNOSTIC LABORATORY — OPERATION

1 a. For purposes of supporting the college of veterinary
2 medicine for the operation of the veterinary diagnostic
3 laboratory, and for not more than the following full-time
4 equivalent positions:

5 \$ 4,799,898
6 FTEs 51.00

7 b. (1) Iowa state university of science and technology
8 shall not reduce the amount that it allocates to support the
9 college of veterinary medicine from any other source due to the
10 appropriation made in this subsection.

11 (2) Subparagraph (1) does not apply to a reduction made
12 to support the college of veterinary medicine if the same
13 percentage of reduction imposed on the college of veterinary
14 medicine is also imposed on all of Iowa state university of
15 science and technology's budget units.

16 2. VETERINARY DIAGNOSTIC LABORATORY — TRANSITION TO
17 REFURBISHED FACILITY.

18 To assist the college of veterinary medicine veterinary
19 diagnostic laboratory in installing and moving equipment into
20 its refurbished facility:

21 \$ 122,000

22 3. MANAGEMENT OF PRIVATE FORESTS

23 a. For purposes of supporting the Iowa cooperative
24 extension service in agriculture and home economics in
25 providing technical support to landowners and loggers regarding
26 the management of private forests in northeast Iowa, and for
27 not more than the following full-time equivalent positions:

28 \$ 150,000
29 FTEs 1.00

30 b. The department of natural resources shall cooperate with
31 the Iowa cooperative extension service in agriculture and home
32 economics in administering this subsection.

33 4. LIVESTOCK DISEASE RESEARCH

34 a. For deposit in the livestock disease research fund
35 created in [section 267.8](#):

1 \$ 291,390

2 b. Moneys appropriated under this subsection shall be used
3 by Iowa state university of science and technology to support
4 animal disease research in areas of importance to livestock
5 producers.

6 Sec. 14. IOWA NUTRIENT RESEARCH FUND — VETERINARY
7 DIAGNOSTIC LABORATORY. Notwithstanding section 466B.46, there
8 is appropriated from the Iowa nutrient research fund created
9 in section 466B.46 to Iowa state university of science and
10 technology for the fiscal year beginning July 1, 2026, and
11 ending June 30, 2027, the following amount, or so much thereof
12 as is necessary, to be used for the purposes designated:

13 For purposes of supporting the college of veterinary
14 medicine for the operation of the veterinary diagnostic
15 laboratory:

16 \$ 120,000

17 DIVISION IV

18 STATE UNIVERSITY OF IOWA

19 Sec. 15. IOWA’S CENTER FOR AGRICULTURAL SAFETY AND HEALTH
20 (I-CASH).

21 1. There is appropriated from the general fund of the state
22 to the state university of Iowa for the fiscal year beginning
23 July 1, 2026, and ending June 30, 2027, the following amount,
24 or so much thereof as is necessary, to be used for the purposes
25 designated:

26 For supporting the operations of Iowa’s center for
27 agricultural safety and health, as part of the university’s
28 college of public health, and in cooperation with the
29 department of agriculture and land stewardship, to anticipate,
30 recognize, and prevent occupational illness and injury among
31 members of the agricultural community:

32 \$ 128,154

33 2. a. As a condition of the appropriation made in
34 subsection 1, the state university of Iowa shall retain the
35 director of Iowa’s center for agricultural safety and health

1 employed on the effective date of this division of this Act for
2 at least the same number of hours for the fiscal year beginning
3 July 1, 2026, as worked by the director during the fiscal year
4 beginning July 1, 2025.

5 b. As a condition of the appropriation made in subsection
6 1, the state university of Iowa shall not reduce the amount
7 allocated to support Iowa's center for agricultural safety and
8 health from any other source due to the appropriation made in
9 subsection 1.

10 3. If moneys appropriated in subsection 1 revert as required
11 pursuant to [section 8.33](#), the state university of Iowa shall
12 transfer to the general fund of the state from any otherwise
13 unencumbered or unobligated moneys from any other general
14 fund appropriation or from any moneys available from other
15 funding sources an amount equal to the amount appropriated in
16 subsection 1 less any amount that reverted to the general fund
17 of the state pursuant to [section 8.33](#).

18 Sec. 16. IOWA GEOLOGICAL SURVEY — GROUNDWATER PLANNING AND
19 RESOURCE ASSESSMENT PROJECT.

20 1. There is appropriated from the general fund of the state
21 to the state university of Iowa for the fiscal year beginning
22 July 1, 2026, and ending June 30, 2027, the following amount,
23 or so much thereof as is necessary, to be used for the purposes
24 designated:

25 For purposes of supporting a groundwater planning and
26 resource assessment project to be administered by the Iowa
27 geological survey of the state created pursuant to section
28 456.1:

29 \$ 122,000

30 2. The moneys appropriated in subsection 1 shall be used
31 by the Iowa geological survey to map and assess the condition
32 of this state's aquifers. The Iowa geological survey may
33 measure the volume of groundwater that is available for various
34 uses, the current and predicted allocations of groundwater to
35 support those uses, the recharge rate for the aquifers, and

1 the development of models for budgeting this state's water
2 resources.

3 3. Notwithstanding [section 8.33](#), moneys appropriated in
4 subsection 1 that remain unencumbered or unobligated at the
5 close of the fiscal year shall not revert but shall remain
6 available for expenditure for the purposes designated in
7 subsection 1.

8 Sec. 17. GROUNDWATER PROTECTION FUND — IOWA GEOLOGICAL
9 SURVEY.

10 1. There is appropriated from interest and earnings on
11 moneys in the groundwater protection fund created in section
12 455E.11 and accounts therein, as described in section 455E.11,
13 subsection 1, paragraph "a", to the state university of Iowa
14 for the fiscal year beginning July 1, 2026, and ending June 30,
15 2027, the following amount, or so much thereof as is necessary,
16 to be used for the purposes designated:

17 To support a groundwater planning and resource assessment
18 project to be administered by the Iowa geological survey of the
19 state:

20 \$ 78,000

21 2. Moneys appropriated in subsection 1 shall be used by
22 the Iowa geological survey to map and assess the condition
23 of this state's aquifers. The Iowa geological survey may
24 measure the volume of groundwater that is available for various
25 uses, the current and predicted allocations of groundwater to
26 support these uses, the recharge rate for the aquifers, and
27 the development of models for budgeting this state's water
28 resources.

29 3. Notwithstanding subsection 1, the amount appropriated
30 in this section shall not exceed the total amount of interest
31 and earnings on moneys in the groundwater protection fund and
32 accounts therein accrued during the fiscal year beginning July
33 1, 2026.

34 DIVISION V
35 ENVIRONMENT FIRST FUND — GENERAL APPROPRIATIONS

1 habitat:

2 \$ 900,000

3 b. Not more than 10 percent of the moneys appropriated
4 in paragraph "a" may be used for costs of administration and
5 implementation of soil and water conservation practices.

6 4. SOIL AND WATER CONSERVATION

7 a. For use by the department in providing for soil and water
8 conservation:

9 \$ 8,325,000

10 b. (1) Of the amount appropriated in paragraph "a", for
11 transfer to the hungry canyons account of the loess hills
12 development and conservation fund created in [section 161D.2](#):

13 \$ 140,000

14 (2) Not more than 10 percent of the moneys transferred in
15 subparagraph (1) may be used for administrative costs.

16 c. Of the remaining amount appropriated in paragraph "a",
17 for use by the department in providing for soil and water
18 conservation administration, the conservation of soil and
19 water resources, or the support of soil and water conservation
20 districts:

21 \$ 8,185,000

22 d. Of the amount appropriated in paragraph "c" that the
23 department allocates to a soil and water conservation district,
24 the first \$15,000 may be expended by the district for the
25 purpose of providing financial incentives under [section 161A.73](#)
26 to establish management practices for the control of soil
27 erosion on land that is row-cropped, including but not limited
28 to nontill planting, ridge-till planting, and contouring
29 strip-cropping. Of any remaining amount of that appropriation
30 allocated by the department to a district, 30 percent may be
31 expended by the district for that same purpose.

32 e. Not more than 5 percent of the moneys appropriated in
33 paragraph "c" may be allocated for cost sharing to address
34 complaints filed under [section 161A.47](#).

35 f. Of the moneys appropriated in paragraph "c", 5 percent

1 shall be allocated for financial incentives to establish
2 practices to protect watersheds above publicly owned lakes of
3 the state from soil erosion and sediment as provided in section
4 161A.73.

5 g. The department's division of soil conservation and
6 water quality may allocate moneys appropriated in paragraph
7 "c" to conduct research and demonstration projects to promote
8 conservation tillage and nonpoint source pollution control
9 practices.

10 h. The allocation of moneys as financial incentives as
11 provided in [section 161A.73](#) may be used in combination with
12 moneys allocated by the department of natural resources.

13 i. Not more than 15 percent of the moneys appropriated
14 in paragraph "c" may be used for costs of administration and
15 implementation of soil and water conservation practices.

16 5. SOIL AND WATER CONSERVATION — ADMINISTRATION

17 a. For use by the department for costs of administration and
18 implementation of soil and water conservation practices:

19 \$ 3,800,000

20 b. Of the moneys appropriated in paragraph "a", \$150,000
21 is allocated to support field staff providing technical
22 assistance.

23 Sec. 19. DEPARTMENT OF NATURAL RESOURCES. There is
24 appropriated from the environment first fund created in section
25 8.57A to the department of natural resources for the fiscal
26 year beginning July 1, 2026, and ending June 30, 2027, the
27 following amounts, or so much thereof as is necessary, to be
28 used for the purposes designated:

29 1. STATE PARK MAINTENANCE AND OPERATIONS

30 For regular maintenance and operations of state parks and
31 staff time associated with these activities:

32 \$ 6,235,000

33 2. GEOGRAPHIC INFORMATION SYSTEM (GIS)

34 To provide local watershed managers with geographic
35 information system data for their use in developing,

1 monitoring, and displaying results of their watershed work:
2 \$ 195,000

3 3. WATER QUALITY MONITORING
4 For continuing the establishment and operation of water
5 quality monitoring stations:
6 \$ 2,955,000

7 4. PUBLIC WATER SUPPLY SYSTEM ACCOUNT
8 For deposit in the public water supply system account of the
9 water quality protection fund created in [section 455B.183A](#):
10 \$ 500,000

11 5. REGULATION OF ANIMAL FEEDING OPERATIONS
12 For the regulation of animal feeding operations, including
13 as provided for in [chapters 459, 459A, and 459B](#):
14 \$ 1,320,000

15 6. FLOODPLAIN MANAGEMENT AND DAM SAFETY
16 For supporting floodplain management and dam safety:
17 \$ 375,000

18 7. AMBIENT AIR QUALITY
19 For the abatement, control, and prevention of ambient
20 air pollution in this state, including measures as necessary
21 to assure attainment and maintenance of ambient air quality
22 standards from particulate matter:
23 \$ 425,000

24 Sec. 20. STATE UNIVERSITY OF IOWA — IOWA GEOLOGICAL
25 SURVEY. There is appropriated from the environment first
26 fund created in [section 8.57A](#) to the state university of Iowa
27 for the fiscal year beginning July 1, 2026, and ending June
28 30, 2027, the following amounts, or so much thereof as is
29 necessary, to be used for the purposes designated:

30 1. IOWA GEOLOGICAL SURVEY OPERATIONS
31 For purposes of supporting the operations of the Iowa
32 geological survey of the state, including but not limited
33 to providing analysis; data maintenance, collection, and
34 compilation; investigative programs; and information for water
35 supply development and protection:

1 \$ 200,000

2 2. WATER RESOURCE MANAGEMENT

3 For purposes of supporting the Iowa geological survey in
4 measuring, assessing, and evaluating the quantity of water
5 sources in this state and assisting the department of natural
6 resources in regulating water quantity as provided in chapter
7 455B, subchapter III, part 4, pursuant to sections 455B.262B
8 and 456.14:

9 \$ 495,000

10 Sec. 21. REVERSION.

11 1. a. Except as provided in paragraph "b", and
12 notwithstanding section 8.33, moneys appropriated for the
13 fiscal year beginning July 1, 2026, in this division of this
14 Act that remain unencumbered or unobligated at the close of
15 the fiscal year shall not revert but shall remain available
16 for expenditure for the purposes designated until the close of
17 the succeeding fiscal year, or until the project for which the
18 appropriation was made is completed, whichever is earlier.

19 b. Notwithstanding section 8.33, moneys appropriated for
20 the fiscal year beginning July 1, 2026, in this division of
21 this Act to the department of agriculture and land stewardship
22 to provide financial assistance for the establishment of
23 permanent soil and water conservation practices that remain
24 unencumbered or unobligated at the close of the fiscal year
25 shall not revert but shall remain available for expenditure
26 for the purposes designated until the close of the fiscal year
27 beginning July 1, 2029.

28 2. Subsection 1 does not apply to moneys transferred
29 pursuant to this division of this Act to the loess hills
30 development and conservation fund created in section 161D.2,
31 which shall not revert as provided in that section.

32 DIVISION VI

33 ENVIRONMENT FIRST FUND — SPECIAL APPROPRIATIONS

34 Sec. 22. WATER QUALITY INITIATIVE — DEPARTMENT OF
35 AGRICULTURE AND LAND STEWARDSHIP.

1 1. There is appropriated from the environment first fund
2 created in [section 8.57A](#) to the department of agriculture
3 and land stewardship for the fiscal year beginning July 1,
4 2026, and ending June 30, 2027, the following amount, or so
5 much thereof as is necessary, to be used for the purposes
6 designated:

7 For deposit in the water quality initiative fund created in
8 [section 466B.45](#), for purposes of supporting the water quality
9 initiative administered by the division of soil conservation
10 and water quality as provided in [section 466B.42](#), including
11 salaries, support, maintenance, and miscellaneous purposes:
12 \$ 2,375,000

13 2. a. The moneys appropriated in subsection 1 shall be
14 used to support projects in subwatersheds as designated by the
15 division that are part of high-priority watersheds identified
16 by the water resources coordinating council established
17 pursuant to [section 466B.3](#).

18 b. The moneys appropriated in subsection 1 shall be used to
19 support projects in watersheds generally, including regional
20 watersheds, as designated by the division and high-priority
21 watersheds identified by the water resources coordinating
22 council established pursuant to [section 466B.3](#).

23 3. In supporting projects in subwatersheds and watersheds
24 as provided in subsection 2, all of the following apply:

25 a. The demonstration projects shall utilize water quality
26 practices as described in the Iowa nutrient reduction strategy
27 as defined in [section 455B.171](#).

28 b. The division shall implement demonstration projects as
29 provided in paragraph "a" by providing for participation by
30 persons who hold a legal interest in agricultural land used in
31 farming. To every extent practical, the division shall provide
32 for collaborative participation by such persons who hold a
33 legal interest in agricultural land located within the same
34 subwatershed.

35 c. The division shall implement a demonstration project on

1 a cost-share basis as determined by the division. However,
2 except for edge-of-field practices, the state's share of the
3 amount shall not exceed 50 percent of the estimated cost of
4 establishing the practice as determined by the division or
5 50 percent of the actual cost of establishing the practice,
6 whichever is less.

7 d. The demonstration projects shall be used to educate other
8 persons about the feasibility and value of establishing similar
9 water quality practices. The division shall promote field day
10 events for purposes of allowing interested persons to establish
11 water quality practices on their agricultural land.

12 e. The division shall conduct water quality evaluations
13 within supported subwatersheds. Within a reasonable period
14 after accumulating information from such evaluations, the
15 division shall create an aggregated database of water quality
16 practices. Any information identifying a person holding a
17 legal interest in agricultural land or specific agricultural
18 land shall be a confidential record under [section 22.7](#).

19 4. The moneys appropriated in subsection 1 shall be used
20 to support education and outreach in a manner that encourages
21 persons who hold a legal interest in agricultural land used for
22 farming to implement water quality practices, including the
23 establishment of such practices in watersheds generally, and
24 not limited to subwatersheds or high-priority watersheds.

25 5. The moneys appropriated in subsection 1 may be used
26 to contract with persons to coordinate the implementation of
27 efforts provided in this section.

28 6. The moneys appropriated in subsection 1 may be used by
29 the department to support urban soil and water conservation
30 efforts, which may include but are not limited to management
31 practices related to bioretention, landscaping, the use of
32 permeable or pervious pavement, and soil quality restoration.
33 The moneys shall be allocated on a cost-share basis as provided
34 in [chapter 161A](#).

35 7. Notwithstanding any other provision of law to the

1 contrary, the department may use moneys appropriated in
2 subsection 1 to carry out the provisions of this section on a
3 cost-share basis in combination with other moneys available to
4 the department from a state or federal source.

5 8. Not more than 10 percent of the moneys appropriated in
6 this section may be used to pay for the costs of administering
7 and implementing the water quality initiative by the
8 department's division of soil conservation and water quality as
9 provided in [section 466B.42](#) and this section.

10 DIVISION VII

11 RESOURCES ENHANCEMENT AND PROTECTION — OPEN SPACES

12 Sec. 23. REAP — IN LIEU OF GENERAL FUND APPROPRIATION. In
13 lieu of the standing appropriation in [section 455A.18](#), there is
14 appropriated from the environment first fund created in section
15 8.57A to the Iowa resources enhancement and protection fund
16 for the fiscal year beginning July 1, 2026, and ending June
17 30, 2027, the following amount, to be allocated as provided in
18 section 455A.19:

19 \$ 12,000,000

20 Sec. 24. REAP — OPEN SPACES ACCOUNT — STATE PARK
21 MAINTENANCE, OPERATIONS, AND FACILITY REFURBISHMENT.

22 Notwithstanding section 455A.19, subsection 1, paragraph "a",
23 subparagraph (1), of the moneys allocated to the open spaces
24 account of the Iowa resources enhancement and protection fund,
25 up to \$1,000,000 may be used by the department of natural
26 resources for state park maintenance, development, operations,
27 and facility refurbishment for the fiscal year beginning July
28 1, 2026, and ending June 30, 2027.

29 DIVISION VIII

30 ANIMAL DISEASE PREPAREDNESS AND RESPONSE

31 Sec. 25. IOWA ANIMAL DISEASE PREVENTION FUND — DEPARTMENT
32 OF AGRICULTURE AND LAND STEWARDSHIP.

33 1. There is appropriated from the Iowa animal disease
34 prevention fund created in [section 165.18](#) to the department of
35 agriculture and land stewardship for the fiscal year beginning

1 July 1, 2026, and ending June 30, 2027, the following amounts,
2 or so much thereof as is necessary, to be used for the purposes
3 designated:

4 a. For purposes of purchasing and maintaining equipment
5 to further the implementation of the foreign animal disease
6 preparedness and response strategy developed under section
7 163.3C:

8 \$ 150,000

9 b. For purposes of assisting in the development of vaccines
10 against foreign animal diseases by a company based in Iowa that
11 develops livestock and other animal vaccines:

12 \$ 100,000

13 c. For deposit in the foreign animal disease preparedness
14 and response fund created in [section 163.3B](#):

15 \$ 200,000

16 d. For purposes of upgrading information technology
17 resources used by the department:

18 \$ 160,000

19 2. Notwithstanding [section 8.33](#), moneys appropriated in
20 this section that remain unencumbered or unobligated at the
21 close of the fiscal year shall not revert but shall remain
22 available for expenditure for the purposes designated until the
23 close of the succeeding fiscal year.

24 DIVISION IX

25 WATER QUALITY FUNDING

26 Sec. 26. REBUILD IOWA INFRASTRUCTURE FUND — SPECIAL
27 APPROPRIATIONS. There is appropriated from the rebuild Iowa
28 infrastructure fund created in section 8.57 to the Iowa finance
29 authority for the fiscal year beginning July 1, 2026, and
30 ending June 30, 2027, the following amounts, or so much thereof
31 as is necessary, to be used for the purposes designated:

32 1. a. For deposit in the water quality financial assistance
33 fund created in section 16.134A for the purposes of supporting
34 the wastewater and drinking water treatment financial
35 assistance program created in section 16.134:

1 \$ 8,000,000

2 b. The moneys appropriated in paragraph "a" shall be used to
3 provide financial assistance, including grants, for projects
4 designed to improve water quality by addressing point and
5 nonpoint sources, with a higher prioritization provided to
6 collaborative effort.

7 2. For deposit in the rural Iowa infrastructure bank program
8 fund created in section 16.240, as enacted in this division of
9 this Act:

10 \$ 10,000,000

11 Sec. 27. Section 16.134, subsection 4, paragraph i, Code
12 2026, is amended to read as follows:

13 i. An applicant shall not receive a grant that exceeds five
14 hundred thousand one million dollars.

15 Sec. 28. Section 16.134A, subsection 3, Code 2026, is
16 amended to read as follows:

17 3. ~~For~~ Except for moneys deposited in the fund for
18 a specified purpose, for each fiscal year in the period
19 beginning July 1, 2018 2026, and ending June 30, 2039, there
20 is appropriated the following percentages of amounts from the
21 balance of the fund for all of the following purposes:

22 a. ~~Forty percent to the Iowa finance authority to support~~
23 ~~the wastewater and drinking water treatment financial~~
24 ~~assistance program created in section 16.134~~ Five hundred
25 thousand dollars to the department of natural resources for
26 the purposes of water quality monitoring, including, at the
27 department's discretion, continuous monitoring.

28 b. ~~Forty-five percent to the Iowa finance authority to be~~
29 ~~credited to the water quality financing program fund created~~
30 ~~pursuant to section 16.153.~~ The following percentages of moneys
31 remaining in the fund for the following purposes:

32 (1) Sixty-five percent to the Iowa finance authority to
33 support the wastewater and drinking water treatment financial
34 assistance program created in section 16.134.

35 c. (2) Fifteen percent to the division of soil conservation

1 and water quality of the department of agriculture and land
2 stewardship to support the water quality urban infrastructure
3 program created in [section 466B.44](#).

4 (3) Twenty percent to the division of soil conservation
5 and water quality of the department of agriculture and land
6 stewardship for deposit in the water quality initiative fund
7 created in section 466B.45 to provide technical assistance
8 and support conservation practices, including but not limited
9 to buffers, cover crops, edge-of-field structures, grazing
10 systems, and working lands, in counties located in the
11 following United States geological survey hydrologic unit code
12 8 watersheds:

- 13 (a) Boone.
- 14 (b) East fork Des Moines.
- 15 (c) Middle Des Moines.
- 16 (d) North Raccoon.
- 17 (e) South Raccoon.
- 18 (f) Upper Des Moines.

19 Sec. 29. Section 16.152, Code 2026, is amended by adding the
20 following new subsections:

21 NEW SUBSECTION. 5. The authority shall not initiate any
22 new loans under this part after June 30, 2026. Any loan or
23 interest payments received by the authority on or after July
24 1, 2026, shall be deposited in the water quality financial
25 assistance fund created pursuant to section 16.134A for the
26 purposes of supporting the wastewater and drinking water
27 treatment financial assistance program created in section
28 16.134.

29 NEW SUBSECTION. 6. For the fiscal year beginning July 1,
30 2026, and ending June 30, 2027, the authority shall allocate
31 a sum not to exceed twenty-five million dollars from any
32 unencumbered or unobligated moneys in the water quality
33 financing program fund to a regional water authority, with
34 membership consisting of public utilities, as defined in
35 section 476.1, rural water districts organized and existing

1 under chapter 357A, and other governmental entities, which
2 serves a population of at least six hundred thousand and
3 is headquartered in the most populous county in the state
4 based on the 2020 federal decennial census, for the purpose
5 of constructing and installing additional nutrient removal
6 technology. These moneys shall remain available for
7 expenditure until June 30, 2029.

8 NEW SUBSECTION. 7. Any unencumbered or unobligated moneys
9 in the water quality financing program fund created pursuant to
10 section 16.153 remaining after July 31, 2026, are transferred
11 to the water quality financial assistance fund created pursuant
12 to section 16.134A, to be used for purposes specified in
13 section 16.134A, subsection 3, paragraph "b", subparagraph
14 (3). An amount equal to the amount of moneys obligated by the
15 authority prior to July 1, 2026, shall remain in the water
16 quality financing program fund.

17 NEW SUBSECTION. 8. This part is repealed on the date that
18 all loans made pursuant to this part are paid in full. The
19 authority shall notify the Iowa Code editor of this occurrence.

20 Sec. 30. NEW SECTION. 16.240 Rural Iowa infrastructure bank
21 revolving loan program — fund.

22 1. As used in this section, "*small or medium sized*
23 *community*" means a city with a population of eleven thousand or
24 less.

25 2. The authority shall establish and administer a rural
26 Iowa infrastructure bank revolving loan program. The purpose
27 of the program is to provide loans to small or medium sized
28 communities to upgrade water or wastewater infrastructure.

29 3. a. A small or medium size community shall apply to the
30 authority for a loan under the program in a manner approved by
31 the authority.

32 b. Loan agreements may contain terms and conditions the
33 authority deems advisable, but the interest rate on any loan
34 shall not exceed one percent.

35 4. A rural Iowa infrastructure bank program fund is created

1 in the state treasury under the control of the authority and
2 consisting of moneys appropriated by the general assembly and
3 any other moneys available to and obtained or accepted by the
4 authority for placement in the fund. Moneys in the fund are
5 appropriated to the authority for the purpose of providing
6 loans to small or medium sized communities under the program
7 established in this section. Repayments of moneys loaned and
8 recaptures of loans shall be deposited in the fund. Moneys
9 in the fund are not subject to section 8.33. Notwithstanding
10 section 12C.7, interest or earnings on moneys in the fund shall
11 be credited to the fund.

12 5. The authority may adopt rules pursuant to chapter 17A to
13 administer this section.

14 Sec. 31. CODE EDITOR DIRECTIVE. The Code editor is directed
15 to designate section 16.240, as enacted by this division of
16 this Act, as chapter 16, subchapter X, part 12, entitled "Rural
17 Iowa Infrastructure Bank Revolving Loan Program".>