
FISCAL UPDATE Article

Fiscal Services Division

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IOWA CARBON SEQUESTRATION TASK FORCE — OCTOBER 2021

Summary. The [Iowa Carbon Sequestration Task Force](#) met on October 19, 2021, to review draft policy proposals from its [Energy](#) and [Agriculture](#) Workgroups. The Task Force was created to explore carbon sequestration and the opportunities it presents for further economic development in Iowa.

Policy Proposals. The following five proposals were presented at the Task Force meeting:

- **Iowa Carbon Center** — Creation of a Carbon Center modeled after the [Iowa Nutrient Research Center](#) to leverage all available resources, including public and private universities. The Center would include an advisory board with public and private input to guide research. Legislative funding would be allocated to prioritize the research and inform future research efforts. The Center would enable identification and prioritization of strategies funded through existing activities, such as the [Iowa Economic Development Authority \(IEDA\)](#), and State or federal funding. The focus of the Center would include research, demonstration, access to grants, the advisory board, accounting/quantification, and education.
- **Renewable Fuels** — A renewable fuels policy would support original biofuels legislation and any effort to further low-carbon usage of renewable fuels to expand beyond existing markets (e.g. aviation fuels).
- **Carbon Ignition Fund** — The Carbon Ignition Fund would help to initiate funding and incentive strategies administered through State agencies to provide for the creation of carbon value. The Fund would also enable and encourage carbon markets and programs to expand their work in Iowa and lower barriers to participation for Iowa farmers, including expansion of eligible practices for farmers.
- **Fertilizer Management** — The State of Iowa would invest in [Iowa State University \(ISU\)](#) research to update static maximum return to nitrogen (MRTN) recommendations to a new dynamic modeling system that considers variability in the environment, management, and weather. The research would consider carbon dioxide equivalent (CO₂e) of nitrogen oxides (NO_x) with potential for carbon improvements to corn and soy rotation systems. The goal would be more accurate nitrogen recommendations that support higher crop yields and reduce greenhouse gas (GHG) emissions.
- **Low Carbon and Generation Rates** — This proposal would create support for carbon sequestration through policies and regulations that advance incremental investment in the industry and enhance low-carbon energy generation. Actions include supporting advance ratemaking for new rate-regulated renewable energy resources.

More Information. An agenda from the meeting can be found [here](#). The Task Force is next set to meet on December 6, 2021, to finalize policy proposals and review next steps.

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