

2023 ANNUAL REPORT

AG DIVERSIFICATION & MARKET DEVELOPMENT BUREAU

Overview: The Ag Diversification and Market Development Bureau assists producers with marketing opportunities for diversified agricultural products, manages valued added food and renewable energy programs – as well as covering and reporting on commodity sales. Programs include an organic certification program; local food programs including Farm to School, the Specialty Crop Block Grant Program, the Local Food Purchasing Assistance Program, and the Farmers Market Nutrition Program; administration of the state's Renewable Fuel Infrastructure Program; livestock auction reports; and daily cash grain reports.

Highlighted programs:

The Iowa Renewable Fuels Infrastructure Program (RFIP)

This grant incentives program helps retail operators of motor fuel dispensing sites – as well as biodiesel terminals - to convert their equipment to allow the expanded use of ethanol and biodiesel in lowa. Utilizing new opportunities available through lowa's 2022 Biofuels Act, the 11-member board of directors awarded over \$5,500,000 in grants in fiscal year 2023.

The Iowa Farmers Market Nutrition Program (FMNP)

This program provides vouchers to lower-income seniors and participants in the state's WIC Program for the purchase of locally grown fruits and vegetables at farmers' markets and farmstands throughout lowa. In 2023 the program raised the dollar amount available to recipients. The program saw an increase in food dollars utilized: a 90+% increase in dollars utilized for the senior program and 30+% increase within the WIC FMNP.

Organic Certification Program

The Organic Certification Program is accredited by the United States Department of Agriculture's (USDA)/National Organic Program (NOP) and has been since 2002, when the NOP was first implemented. The program staff works with some 300 clients in three certification scopes: organic crops, livestock production, and processing. In 2023 the USDA issued new rulemaking, "Strengthening Organic Enforcement" and the state program staff have been reviewing and incorporating the new rules into program policies.

Iowa Farm to School Program

The Iowa Farm to School program links schools with Iowa farmers. In turn, participating farmers provide schools with fresh, minimally processed, Iowa-grown food for inclusion in school meals and snacks and offer ways for children to develop healthy eating habits. The program also often includes hands-on learning activities related to local agriculture.

Specialty Crop Block Grant Program (SCBG)

This program allocates funds (approximately \$350,000 annually) each year to support lowa's specialty crops. The funding will be distributed to support projects that raise awareness about, drive demand for, or create new markets benefiting lowa's specialty crops. The grant dollars are made available through a partnership with the United States Department of Agriculture (USDA) and are funded through the Farm Bill. Applications are available on our website in January each year.

ANIMAL INDUSTRY BUREAU

Overview: The Animal Industry Bureau oversees multiple programs to protect animal health and the public, plus the licensing of veterinarians and veterinary technicians. This includes the licensing, inspection and regulation of commercial establishments (animal breeders, shelters, and kennels), auction markets, and dealers. The Bureau also regulates the importation of animals and animal movement within the state — as well as the investigation, control, and eradication of diseases.

Highlighted programs:

Foreign Animal Disease

The \$15.8 billion Iowa animal industry has seen significant growth in recent years. The industry employs thousands of Iowans and adds value to Iowa grown corn and soybeans. The Iowa Department of Agriculture and Land Stewardship Animal Industry Bureau supports this important and growing industry. Iowa's livestock farmers are always finding new ways to responsibly raise their animals while guarding against devastating diseases. They do this because they want to ensure a nutritious and affordable protein-packed product can be on a family's dinner table. We have many dedicated professionals at the department working with our industry partners and farmers to protect animal health and ensure that we are prepared for any foreign animal disease threat. Whether it is Foot and Mouth Disease, African Swine Fever or Highly Pathogenic Avian Influenza, we must be prepared. Unfortunately, Highly Pathogenic Avian Influenza (HPAI) hit our state again this year, affecting our turkey farmers and egg producers. In 2023, 15 farms were impacted (as of November 15); compared to 30 in 2022 and far fewer than the 77 farms in 2015. Many lessons were learned from 2015 and in working with affected producers and the United States Department of Agriculture, we implemented many improvements to our coordinated response. Moving ahead, we will continue to refine and reassess our response to ensure we are prepared to confront the potential threats ahead.

Department and Bureau leaders participate in various national working groups with industry partners and the USDA.

CHOOSE IOWA

Overview: lowa farmers have a longstanding tradition of producing high-quality food and Choose lowa is about connecting consumers to the great products lowans are growing, raising, processing, and marketing every day. Choose lowa is the state's signature brand that promotes lowa grown, lowa raised, or lowa made foods and beverages. The program is intended to increase the visibility of lowa food and beverages that begin as lowa agricultural products to meet the growing consumer demand for local foods. The Choose lowa brand officially launched at the lowa State Fair with several features including inviting the public to meet their local farmers during Choose lowa Chats on weekdays in the Ag Building and hosting the Choose lowa Brunch on the last day of the Fair. The brand program rollout continued as Choose lowa sponsored a special award in the lowa Restaurant Association's Culinary Competition for the Most Innovative Feature of a Choose lowa Ingredient from an lowa Farm. Members are beginning to sign up and recruitment efforts are underway through the winter months at numerous industry association annual meetings and conferences.

Highlighted program:

Choose Iowa Value-Added Grant Program

The Choose Iowa Value-Added Grant Program exists to identify, evaluate, and financially support programs and services that add value to agricultural products, enable new technologies, and support alternative marketing strategies. The highly competitive grant application process has yielded grant requests totaling nearly \$3.3 million in the first two years of the program. Cost-share dollars leverage additional private investment in 2023 as the available \$463,000 in funding was awarded to 28 projects with combined budgets totaling over \$1.4 million including on-farm processing capabilities and capacity, refrigerated delivery vehicles, on-farm stores and commercial kitchens, direct-to-consumer meat sales, and many others.

CLIMATOLOGY BUREAU

Overview: The primary emphasis of the Bureau is the collection, quality control, summation, and archiving of Iowa weather records. The weather section of the USDA National Agricultural Statistics Service (NASS) "Iowa Crops and Weather" is written by the State Climatologist each week from the beginning of April through the end of November. The Bureau issues a summary of the state's weather and climate within the first week of the month in the "Iowa Preliminary Monthly Weather Summary." A final version of this report is available after quality control is completed. The State Climatologist provides expert weather and climate testimony in court cases and certifies weather observations for public and private litigation. Additional responsibilities include providing weather and climate data to state and federal agencies including the Iowa DNR and USDA Farm Service Agency (FSA).

The Climatology Bureau also provides input each week to the U.S. Drought Monitor and offers detailed weather records to support pesticide drift investigations conducted by the Department's Pesticide Bureau. The *lowa Drought Plan*, which was finished in early 2023, gives the State Climatologist additional responsibilities as the State Drought Coordinator.

COMMERCIAL FEED AND FERTILIZER BUREAU

Overview: The Commercial Feed and Fertilizer Bureau licenses feed mills and commercial feed manufacturing facilities. This bureau also registers pet foods, collects commercial feed tonnage fees, inspects medicated feed in accordance with Food and Drug Administration (FDA) rules and regulations and responds to consumer complaints related to feed. Industry cooperates with this bureau to obtain licenses and register fertilizer plants and products. Additionally, the Bureau collects, compiles, and distributes data on plant food consumption. Other duties include collecting commercial fertilizer tonnage fees, groundwater protection fees and regulating all fertilizer and soil conditioner installations in the state. The bureau oversees both feed and fertilizer-related matters in addition to being responsible for regulating, licensing and inspecting limestone quarries and egg handlers.

Highlighted program:

Feed contract

The State of Iowa is under contract with FDA to perform eight (8) various types of feed inspections. This contract also includes collection of various types of feed samples. This contract allows the Bureau of Feed and Fertilizer to fulfill Iowa Code requirements regarding inspections and samples with some of the costs covered by the FDA.

DAIRY PRODUCTS CONTROL BUREAU

Overview: The Dairy Products Control Bureau (DPCB) administers programs to protect the health of the public and the dairy industry's ability to participate in interstate commerce. The Dairy Products Control Bureau oversees permitting for Grade A and Manufacturing Milk plants, Receiving-Transfer Stations, Wash Stations, and Single Service facilities as well as Grade A and B farms. The DPCB oversees licensing for Hauler/graders, Intake/Receivers, Samplers, Field Representatives and Milk Truck/Tankers per Iowa Code and rules. The DPCB also administers programs for Certified Industry Resellers and Certified Industry Tanker Inspectors. Additionally, the DPCB conducts surveillance work as part of the State-PHS/FDA Cooperative Agreement program of National Conference on Interstate Milk Shipments, a program participated in by all fifty (50) States, the District of Columbia, and U.S. Trust Territories.

Highlighted program:

Dairy Entity Inspections

The DPCB Field Staff inspects dairy farms a minimum of twice per year, dairy plants a minimum of four times per year, Hauler/graders biannually, and milk truck/tankers once per year. Additionally, staff perform thousands of pasteurization inspections, equipment tests, and product samplings each year.

ENTOMOLOGY AND PLANT SCIENCE BUREAU

Overview: The Entomology & Plant Science Bureau is responsible for implementing laws on pests, weeds, seed, and bees. Duties include listing plant, insect, and disease pests and carrying out control, annually inspecting nursery stock (hardy woody perennials) and inspecting and certifying plant products destined for sale outside of lowa, including foreign destination (phytosanitary certificates). The Bureau is also charged with establishing the labeling requirements for agricultural and vegetable seeds, establishing the required tests for sale of agricultural and vegetable seed, and issuing seed permits.

The state hemp program, which was passed by the Iowa Legislature in 2019, is also administered through this bureau.

FIELD SERVICES (SOIL AND WATER) BUREAU

Overview: The Field Services Bureau provides technical support for Iowa's 100 Soil and Water Conservation Districts (SWCDs) and the 500 elected SWCD commissioners. Staff within the bureau works very closely with many partners. However, the core partnership between the Natural Resources Conservation Service (NRCS) and Conservation Districts of Iowa (CDI) is the foundation for the success of this bureau's programs. The cooperative working agreement has provisions in which NRCS provides

office space, employee training, equipment, and vehicles for field staff employees and SWCD employees. In exchange, staff assist with federal workload implementation. The Bureau also administers cost share programs and low and no-interest loan programs.

Highlighted program:

Soil Conservation Cost Share Program (2022 Report Attached)

GRAIN WAREHOUSE BUREAU

Overview: The Grain Warehouse Bureau licenses and regulates warehouse operators and grain dealers. The Bureau regulates warehouse operators to protect individuals and businesses who hold title to the grain stored in the warehouse operator's facilities. The Bureau enforces laws to protect producers who sell grain to licensed grain dealers. Grain inventories are checked for quantity and quality to verify that they are sufficient to cover the grain obligations on the licensee's records as required by law.

The Bureau is also charged with the administration of the Grain Indemnity Fund. This fund provides coverage for grain stored in a warehouse licensed by the Iowa Department of Agriculture and Land Stewardship. The fund also provides coverage for grain sold and delivered to a grain dealer licensed by the Iowa Department of Agriculture and Land Stewardship. The coverage is 90% of a loss up to a maximum of \$300,000 per claimant. Grain sold on credit sale contracts is not covered. Beginning September 1, 2023, the Bureau began collecting fees to replenish the fund after three recent warehouse/grain dealer failures. Fees are assessed to Iowa licensed warehouses and grain dealers. The per-bushel assessment may be passed on to the seller. The fees will be in effect one full year from implementation and will continue until the fund reaches the level outlined by legislation.

The Bureau also completes audits for the corn and soybean promotion boards. These audits certify that the correct assessments are received from the producer and then correctly paid to the respective corn and soybean promotion boards.

IOWA LABORATORY BUREAU

Overview: The lowa Laboratory Bureau works on issues related to food safety, economic assurance, and the environment. Testing focuses on label guarantees, pathogens in food products, and misuse of agricultural products. There are several laboratories within the Laboratory Bureau that each focus on specific products and work closely with other bureaus. Inspectors from the Dairy Products Control Bureau, the Meat and Poultry Inspection Bureau, the Pesticide Bureau, and the Commercial Feed and Fertilizer Bureau collect and submit samples for testing. Samples entering the Laboratory are considered official samples and viable for regulatory actions. The Laboratory is strictly regulatory in nature and does not perform testing for the general public or for industry on a fee-basis. The laboratories use verified methods and participate in accreditation testing and/or "check sample" programs to verify that methods, staff, and equipment are performing well. When the testing is completed, the results are provided to the associated bureau.

Highlighted program:

CIS Program

The lowa Laboratory Bureau, along with the Meat and Poultry Inspection Bureau, maintains a Cooperative Interstate Shipment (CIS) agreement with the U.S. Department of Agriculture's (USDA) Food Safety and Inspection Service (FSIS). The CIS program allows small, state-inspected meat and poultry processing facilities to broaden their customer base by allowing them to ship products outside of Iowa. The role of the laboratory in this program is to provide laboratory testing "same as" federal FSIS laboratories. In addition to audits from FSIS, the laboratory must also maintain ISO 17025 accreditation for all microbiological and chemical food testing methods. Iowa is one of ten states to be a part of the CIS program.

MEAT AND POULTRY INSPECTIONS BUREAU

Overview: The lowa Meat and Poultry Inspections Bureau assures a safe, wholesome, and truthfully labeled supply of meat and poultry products from the establishments under the Bureau's inspection. The Bureau enforces, lowa Code Chapter 189A, the Meat and Poultry Inspection Act. This Chapter's objective is "to provide for meat and poultry products inspection programs that will impose and enforce requirements with respect to intrastate operations and commerce that are at least equal to those imposed and enforced under the Federal Meat Inspection Act and the Federal Poultry Products Inspection Act". To this end, the Bureau has adopted Federal meat and poultry inspection regulations for the administration of the mandatory inspection requirements in the state inspected establishments. USDA Food Safety and Inspection Service (FSIS) completes ongoing oversight through self-assessments and on-site reviews to assure that the state program provides a system of inspection that is at least "equal to" the provisions found in the Federal Acts. The Bureau also cooperates with industry, academia, government, and the citizens of lowa to enhance their knowledge of safe food production and handling practices at all levels in the food chain.

Highlighted program:

Cooperative Interstate Shipment Program

In 2019, the Iowa Department of Agriculture and Land Stewardship established a Cooperative Interstate Shipment (CIS) Agreement with USDA-FSIS. The CIS program allows participating state-inspected meat and poultry establishments with less than 25 full-time employees to ship products across state lines. There are now a total of 20 state establishments participating in the CIS program. Additionally, the increased interest in local meat processing has taken us to 162 licensed establishments (69 official-inspected, 93 custom inspected) in the state, up from 146 in 2019.

MINES AND MINERALS BUREAU

Overview: The Mines and Minerals Bureau is responsible for licensing mining operations in the state, enforcing appropriate environmental regulations during extraction and reclamation, and performing reclamation of coal mine locations. The goal is to ensure that extraction occurs in a manner that is

environmentally safe and restores the landscape following mining to appropriate standards of reclamation and soil productivity.

Highlighted program:

Iowa Minerals Program:

In the State of Iowa, there exists a robust mineral industry, comprising of just under 1,000 registered sites operated by 197 licensed operators across 96 counties. These sites yield essential minerals such as limestone, sand, gravel, gypsum, and clay, with the limestone sector alone contributing significantly to the construction industry by producing an impressive 33-35 million tons of stone annually.

Beginning in 1968, to maintain the integrity of these operations, the Division of Soil Conservation and Water Quality licenses each mining company, ensuring compliance with Iowa Code Chapter 208. A dedicated inspector oversees all sites statewide, guaranteeing adherence to standards and confirming the adequacy of reclamation bonds in case of operator default. The Division conducts inspections prompted by citizen inquiries or complaints, striving to address concerns promptly.

Operators must observe specified setbacks from buildings, dwellings, property lines and public rights-of-way. They must also employ measures to stabilize and vegetate overburden piles, preventing any offsite damage resulting from mining activities. Moreover, final reclamation requires the removal of debris, with disturbed overburden requiring grading, smoothing and vegetation before the bond release is sanctioned.

Notably, air and water quality concerns at these mine sites fall under the purview of the Iowa Department of Natural Resources, while mine safety and health standards have been the exclusive jurisdiction of the federal government since 1973. Matters related to blasting and site location, including zoning regulations rest within the jurisdiction of local county authorities and are beyond the scope of the Divisions authority. This comprehensive framework ensures the responsible and sustainable management of lowa's mineral resources, fostering both economic growth and environmental conservation.

PESTICIDE BUREAU

Overview: The Iowa Department of Agriculture and Land Stewardship Pesticide Bureau facilitates the judicious sale, distribution, and use of pesticides through state regulatory programs, education, and outreach to protect human health and the environment and to ensure access to safe, effective pest control measures. Regulatory programs administered by the Bureau are mandated under the Pesticide Act of Iowa found in Chapter 206, Iowa Code, including primary enforcement responsibility for pesticide use/misuse violations under sections 26 and 27 of the Federal Insecticide, Rodenticide and Fungicide Act (FIFRA, 7 U.S.C. §136). Established regulatory programs involve a state/federal/public relationship to meet federal requirements for enforcement and applicator certification programs (7 U.S.C. §136). These programs are supported by state and federal funds through a cooperative agreement with the U.S. Environmental Protection Agency.

Highlighted program:

Pesticide product registration

The Iowa Department of Agriculture and Land Stewardship Pesticide Bureau registers pesticide products for sale and distribution in a manner to safeguard human health, plants, crops, food, feed, water and other environmental resources of Iowa's citizens, farmers, and industry workers.

Certifications and licensing

The Iowa Department of Agriculture and Land Stewardship Pesticide Bureau oversees licensing for pesticide dealers, commercial pesticide applicators, aerial applicators, and registration for consultants. The Pesticide Bureau also collaborates with Iowa State University Extension, which offers private and commercial applicator certification training through the University.

The Pesticide Bureau is also charged with crafting the joint State of Iowa-EPA plan for pesticide compliance. Certification exams and review of training programs offered by Iowa State University Extension and industry also fall within the purview of the Pesticide Bureau.

The Pesticide Bureau is responsible for responding to complaints and helping protect citizens from misuse of pesticide products. In addition, education and testing on the safe use of pesticides is administered to all licensed pesticide applicators in conjunction with Iowa State University Extension and Outreach. The Department's pesticide investigator gathers information by providing notification of inspection, conducting interviews, obtaining statements, reviewing application records and pesticide labels, taking photographs, and making on-site assessments. The information gathered helps document whether a violation of state and/or federal pesticide law occurred.

WATER RESOURCES BUREAU

Overview: The Water Resources Bureau is responsible for implementation of several programs and initiatives, including support for special projects, wetlands and water quality improvement initiatives, watershed planning and projects, agricultural drainage well closures, and programs that are not explicitly carried out through field offices or Iowa Financial Incentives cost-share. Much of the current work of the bureau is connected to the Water Quality Initiative and a series of state-federal partnerships. Additionally, Water Resources Bureau staff serve on various intergovernmental working groups and provide technical and administrative support to the Iowa Water Quality Initiative (WQI).

Highlighted programs:

Conservation Reserve Enhancement Program

The Iowa Conservation Reserve Enhancement Program (CREP) was initiated in 2001 and is a joint effort of the Iowa Department of Agriculture and Land Stewardship and the USDA Farm Service Agency to protect Iowa drinking water and reduce hypoxia in the Gulf of Mexico. It is a highly targeted water quality program focusing on the reduction of nitrate loads to surface waters through the restoration of strategically located and designed wetlands that intercept tile-drainage water from upper-lying cropland. Research and monitoring by Iowa State University has shown that CREP wetlands remove 40-90% of the nitrate in tile-drainage water. In addition, these wetlands provide high quality wildlife habitat and recreational opportunities.

WEIGHTS AND MEASURES BUREAU

Overview: This Bureau inspects and licenses for commercial use all weights and measures or weighing and measuring devices, which includes many consumer-facing devices used to measure everything from petroleum products (e.g., fuel pumps) to food (e.g., commercial food scales). Additionally, this bureau conducts petroleum product sampling and testing, tests and certifies antifreeze, and conducts random packaging and labeling inspections of products offered for sale. The Weights and Measures Bureau registers and licenses all service agencies and persons who service or repair commercial measuring devices and approves blueprints for new scale installations. The Bureau follows the rules and regulations of the National Institute of Standards and Technology (NIST) and uses weights and measures standards that are traceable to NIST. The Bureau facilitates increased production and consumption of products made from Iowa's agricultural commodities by encouraging the production and use of renewable fuels and coproducts.

Highlighted program:

Fuel Pump Inspections

lowa currently has over 53,000 fuel meters, which is up from 39,811 meters in 2016. During such inspections, experts examine the functionality of pumps to ensure that the display readings consumers view correspond accurately with the quantity of product actually dispensed. Inspectors also examine the technical and physical integrity of pump components. Additionally, pump examiners have been briefed on how to look for credit card "skimmers," which are devices thieves use to steal personal information from unsuspecting customers. Local law enforcement partners with inspectors and conducts an investigation in the event that fuel pump payment system tampering is suspected.

2022 ANNUAL REPORT

IOWA WATER QUALITY INITIATIVE

IOWA'S NUTRIENT REDUCTION STRATEGY IN ACTION







UPDATE FROM SECRETARY NAIG

These past several years have provided some unique challenges. Despite supply chain disruptions, inflation and weather extremes, we continue to see record engagement in our state's conservation activity. The increased level of awareness and resources, coupled with an expanding list of partnerships, has led to the adoption of more conservation practices now than at any other time in our state's history.

And, thanks to the continued support of the Legislature and Gov. Reynolds, there have also never been more long-term dedicated financial resources available.

As we mark the 10-year anniversary of the lowa Nutrient Reduction Strategy this year, it's important to take a moment to look at just how far we've come. We have surpassed 350 public and private partners statewide – both urban and rural. We are approaching 3 million acres of cover crops, a significant level of growth from the few thousand a decade ago. Using our streamlined "batch and build" model, more saturated buffers



and bioreactors are planned for construction in the next 3-year period than have been installed in the previous 13 years. Historically, when we only had Conservation Reserve Enhancement Program (CREP) funding for water quality wetlands, we would construct 3-5 wetlands per year. Now, with dedicated water quality funding, we are on pace to build 30 wetlands per year.

We've come a long way and we have a long way to go. We know there's more work to be done, but I'm excited and optimistic for the opportunities ahead.

To make further progress towards our ambitious Nutrient Reduction Strategy goals and to keep building momentum in priority watersheds, we must continue working together and attracting even more partners. We need more funding, technical and construction resources. We need additional municipalities, businesses, farmers and landowners to say yes to participating.

We know that changes on the land lead to positive improvements in the water. And just as all technology evolves and progresses, so must our work to protect soil and water. We're continuously innovating, learning, testing and driving new science-based practices – all of which can make an even greater impact on our shared resources.

lowa's economy depends on agriculture and agriculture depends on our rich natural resources. Thank you for your continued support as we protect our soil and improve our water together in the years ahead. I know that the work we are doing, the investments we are making, and the new partnerships that we are forming will pay big water quality dividends well into the future.

Mike Naig

Iowa Secretary of Agriculture

2022 WATER QUALITY INITIATIVE (WQI) HIGHLIGHTS

4.8K FARMERS & LANDOWNERS

ENROLLED IN 2022

\$22.5M WQI FUNDS OBLIGATED IN 2022

730K COVER CROP ACRES APPROVED FOR WQI FUNDS IN 2022

23.2K APPLICATIONS IN WQI SINCE 2013

72 WETLANDS
UNDER DEVELOPMENT

150+ SATURATED BUFFERS AND BIOREACTORS UNDER DEVELOPMENT

FUNDING SOURCES

WATER QUALITY INITIATIVE

The Water Quality Initiative (WQI) was established during the 2013 legislative session to help implement the lowa Nutrient Reduction Strategy. The Nutrient Reduction Strategy provides a roadmap to achieve a 45 percent reduction in nitrogen and phosphorus losses to our waters through collaborative efforts between point and nonpoint sources as well as public and private partners. The WQI cost share funds help farmers and landowners install nutrient-reducing conservation practices around the state.

WATER QUALITY INFRASTRUCTURE FUND

In 2018, the Iowa Legislature, with support from Gov. Reynolds, allocated more than \$270 million to help fund the state's water quality efforts through 2029. In 2021, legislators passed a 10-year extension, making an additional \$320 million of funding available through 2039. The additional money will help implement water quality practices including wetlands, saturated buffers, bioreactors and urban conservation projects.

USDA NRCS REGIONAL CONSERVATION PARTNERSHIP PROGRAM

The Department is currently leading or participating in 16 USDA NRCS Regional Conservation Partnership Programs (RCPPs). Through this federal program, Natural Resources Conservation Service (NRCS) co-invests with state and local conservation partners to implement projects that offer solutions to on-farm, watershed or regional natural resource concerns. The Department and its conservation partners were awarded more than \$17.5 million in RCPP funding in 2022 to support new and ongoing projects, including the following:

- · Iowa Working Lands Conservation Partnership
- Iowa Climate Smart Switchgrass Cropping System Transition
- West Nishnabotna Water Quality and Infrastructure Partnership

FEDERAL FUNDING SUPPORTS CONSERVATION AGRONOMIST NETWORK

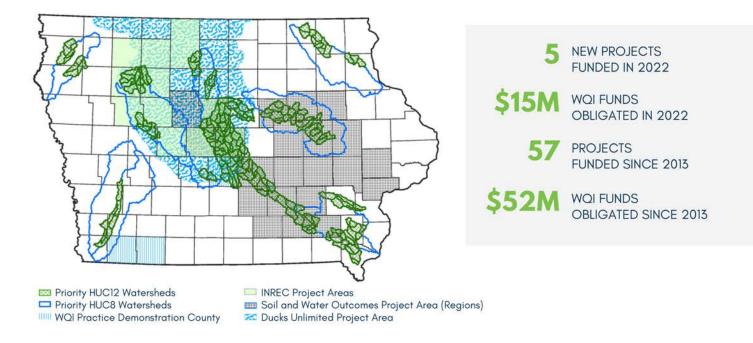
In 2022, the Gulf Hypoxia Program was created through the national Bipartisan Infrastructure Law (BIL). The BIL provides \$60 million over five years to Hypoxia Task Force states via the Environmental Protection Agency (EPA) to help advance their individual Nutrient Reduction Strategies. The State of Iowa will use this funding to help expand the network of conservation agronomists in key watersheds in the state. As trusted advisors, conservation agronomists provide much needed technical assistance to Iowa farmers and landowners to adopt and install conservation practices. This funding will help support three current conservation agronomists and add two new positions in priority locations.

LEVERAGING STATE FUNDS



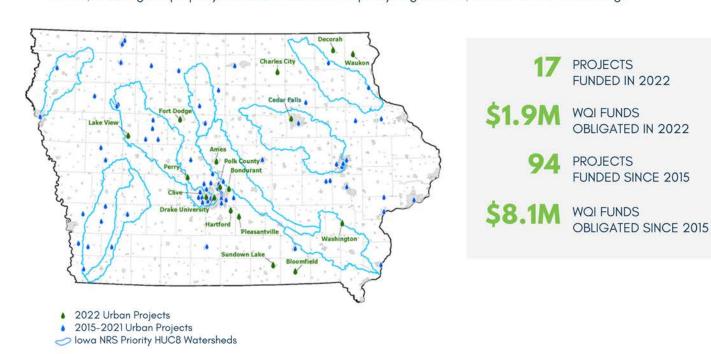
Note: Summary is the total amount received since the start of the WQl and directly tied to WQl activities. Many of these projects are multi-year and are in various stages of their project term. These totals do not include investments made by individual farmers or landowners.

2022 WQI PLANNING, DEVELOPMENT AND IMPLEMENTATION PROJECTS



2022 URBAN CONSERVATION PROJECTS

Urban conservation practices capture storm water and allow it to soak into the soil instead of running off the surface, reducing the property's contribution to water quality degradation, stream flows and flooding.



CROP INSURANCE DISCOUNT PROGRAM BECOMES MODEL FOR OTHERS

The Crop Insurance Discount Program is jointly administered by the Iowa Department of Agriculture and Land Stewardship and United States Department of Agriculture (USDA) Risk Management Agency (RMA). Eligible lowa farmers and landowners can receive a \$5 per acre discount on spring crop insurance premiums for cover crop acres located within lowa. To qualify, the cover crop acres cannot be enrolled in other state or federal cost share programs. The window to apply opens annually in early December and remains open into mid-January. Interest in the program continues to grow with new farmers and fields joining each year. To date, approximately 2,000 farmers have enrolled nearly 1 million acres of cover crops in the program. lowa's program has also served as a model for other states, including Illinois, Wisconsin and Indiana.



COVER CROP INSURANCE DISCOUNT PROGRAM HIGHLIGHTS







STATEWIDE COST SHARE FOR IN-FIELD CONSERVATION PRACTICES

Each summer, the Department encourages farmers and landowners to enroll in the WQI cost share program and adopt in-field conservation practices that improve soil health and water quality, including cover crops, no-till/strip-till practices and nitrification inhibitors. Since this initiative began, nearly 17,000 farmers and landowners have enrolled more than 1.6 million acres of cover crops in this WQI program.

WQI FUNDS OBLIGATED IN 2022

FARMERS & LANDOWNERS ENROLLED IN 2022

ESTIMATED FARMER & LANDOWNER CONTRIBUTIONS IN 2022

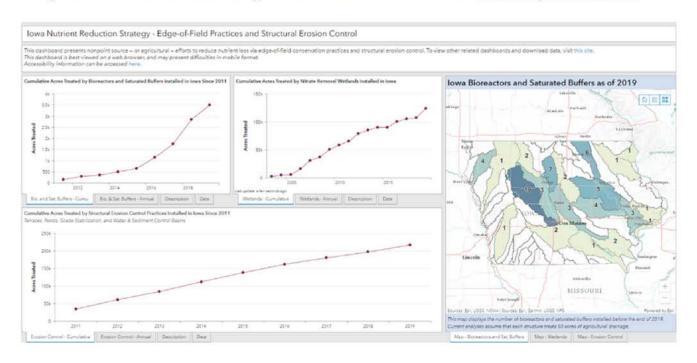
NEW NO-TILL/STRIP-TILL ACRES APPLIED FOR IN 2022

430K COVER CROP ACRES APPLIED FOR IN 2022

NEW NITRIFICATION INHIBITOR ACRES APPLIED FOR IN 2022

ONLINE REPORTING DASHBOARD

The lowa Department of Agriculture and Land Stewardship, lowa Department of Natural Resources and lowa State University launched an online dashboard to improve the lowa Nutrient Reduction Strategy's reporting process in 2021. The online dashboard uses visual reporting tools, including charts, graphs and maps to share the data. The online dashboard will be updated regularly as data is collected from a variety of sources and partners. Each update will focus on one of the "measurable indicators of desirable change" — inputs, human, land and water — that guide the Nutrient Reduction Strategy. The online dashboard is available at nrstracking.cals.iastate.edu.





The Logic Model of the lowa Nutrient Reduction Strategy, which is guided by measurable indicators of desirable change.

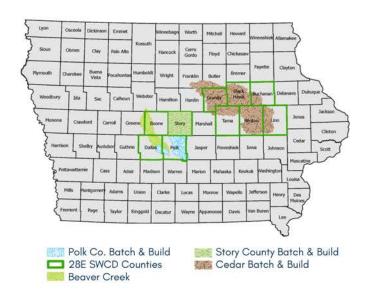
PARTNERS IN MEASURING PROGRESS

The Department is working alongside hundreds of public and private partners to execute the lowa Nutrient Reduction Strategy. This includes federal agencies, private businesses, individual landowners, farmer-led organizations, community groups and local municipalities. Private partners provide significant financial assistance to help leverage state funding and additional technical resources to support farmers and landowners at the local level. The success of these partnership projects has allowed the state to secure additional federal funding to further scale-up conservation efforts. Working together, lowans are adding more conservation practices at a significantly faster rate and much more cost-effectively today than when the WQI began in 2013.

PARTNERSHIP SUCCESS STORIES

BATCH AND BUILD MODEL HELPS ACCELERATE CONSTRUCTION

The framework to streamline and scale-up the adoption of saturated buffers and denitrifying bioreactors by simplifying the financing and construction process for landowners has been coined "batch and build." The success of the batch and build pilot in central lowa has led to interest in replicating the model in other parts of the state. There are currently more than 10 batch and build projects under construction or in development statewide with approximately 150 saturated buffers and bioreactors in development across the state.







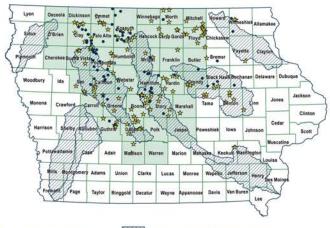




PARTNERSHIP SUCCESS STORIES

SCALING-UP THE DEVELOPMENT OF WETLANDS

Water quality wetlands have been an important practice in the Iowa Nutrient Reduction Strategy since the strategy's inception a decade ago. With dedicated funding for water quality infrastructure through 2039 and the assistance of many partners, the Iowa Department of Agriculture and Land Stewardship is working to increase the number of completed wetlands on an annual basis. With a short-term goal of completing 30 wetland projects each year, 11 wetlands were constructed in 2022 and 72 more are in the development process. The Department is always looking for more sites and interested landowners and is actively recruiting additional partners.



- Completed (129)
 - In Progress (72)
- Priority HUC8 Watersheds **CREP Eligible Counties**



PUBLIC-PRIVATE PARTNERSHIP GETS MORE ACRES COVERED

The Iowa Department of Agriculture and Land Stewardship partnered with Polk County, the City of Des Moines and Des Moines Water Works to increase the adoption of cover crops in the Des Moines River and Raccoon River watersheds. As part of the project, Polk County purchased equipment used to seed cover crops into fields and Heartland Co-op operated and maintained the seeder. The Department provides financial support based on the number of acres planted. The high-clearance equipment allows cover crops to be seeded into standing crops, providing for a wider seeding window for establishment. Cover crops are a proven practice that protects soil and improves water quality.



2022 ANNUAL REPORT

IOWA SOIL CONSERVATION COST SHARE

HONORING 50 YEARS
OF COST SHARE



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UPDATE FROM SECRETARY NAIG

For the last half century, the State of Iowa has successfully partnered with farmers and landowners to install conservation practices through the lowa Financial Incentives Program (IFIP), which is commonly referred to as "Cost Share."

Iowa's economy depends on agriculture and agriculture depends on our rich natural resources. This program has helped farmers and landowners adopt conservation practices that protect soil and improve water quality by sharing some of the planning, design and construction costs. From terraces and grassed waterways to grade stabilization structures and sediment control basins — these proven practices and many others continue to protect our soil and improve our water quality.

As we commemorate this golden anniversary, we continue to see strong demand for cost share dollars and assistance.



Over \$6 million of state cost share funds leveraged more than \$9.5 million of matching funds by 1,115 landowners to implement conservation practices in 2022. Approximately 90 percent of the cost share funding is used to build long term structural conservation practices, like basins, terraces, and grassed waterways. These changes to the landscape help hold lowa's rich and fertile soil in place, especially as we battle extreme weather events.

While the Iowa Department of Agriculture and Land Stewardship administers the program, project applications are reviewed and approved at the county level through the Soil and Water Conservation District (SWCD) offices. This local perspective gives each SWCD the power to prioritize practices that are best suited for its landscapes and the projects that have the greatest impact on its local communities.

Because of this program and other public and private investments, there has never been more awareness, partners, people and actual conservation work getting done in lowa than ever before. Despite supply chain disruptions, inflation and weather challenges, we continue to see record engagement in our state's conservation activity.

Thank you again for your continued support of this important program. As we look ahead to the next 50 years of cost share, generations of lowans will enjoy lasting benefits from these continued investments in our shared natural resources.

Mike Naig

Iowa Secretary of Agriculture

COST SHARE IN 2022

\$6M STATE CONTRIBUTION

\$9.5M IOWA FARMERS' CONTRIBUTION

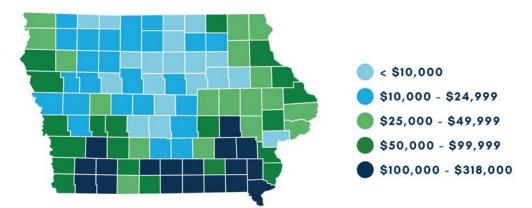
> 1,115 IOWA FARMERS ENROLLED IN 2022

90% OF COST SHARE PRACTICES IMPLEMENTED REDUCE **EROSION FROM FIELDS AND** PROTECT TOP SOIL FOR MORE THAN 10 YEARS

COST SHARE ASSISTANCE BY PRACTICE TYPE GRADE STABILIZATION 56% TERRACES GRASSED WATERWAYS PASTURES & HAYLAND PLANTING COVER CROPS 10% WATER & SEDIMENT CONTROL BASINS

2022 COST SHARE PAID TO IOWA FARMERS

Diverse landforms across lowa directly affect the cost and type of conservation practices best suited for each field and impact the funding each county needs and receives.



HOW COST SHARE WORKS

1	2	3	4	5	6
Legislature appropriates funding	Department allocates funds to Soil & Water Conservation Districts (SWCD)	Farmers & landowners apply for cost share at SWCD offices	SWCD Commissioners approve cost share applications	Local contractors install conservation practices	Conservation practices improve soil health & water quality

Each **Soil and Water Conservation District** is led by five locally elected **commissioners** who help administer state and federal programs and direct activities such as field days, water quality projects and awards programs. Thirty-five **technicians** and 100 **conservation assistants** support conservation work in 100 district offices. Staff cover multiple districts to support all 99 counties. Technicians provide technical support, develop surveys and layout and design conservation practices. Conservation assistants support district activities and outreach as well as process cost share applications and claims.

PRACTICE EXAMPLES



TERRACES



COVER CROPS



GRASSED WATERWAYS



WATER & SEDIMENT CONTROL BASINS



GRADE STABILIZATION STRUCTURES

A HALF CENTURY OF COST SHARE

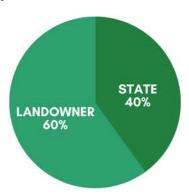
Fifty years ago, lowa became the first state to appropriate state cost share funds for conservation practices through the Iowa Financial Incentives Program. Since 1973, the State has provided over \$300 million to support conservation practices through this program, with local farmers and landowners matching this amount with their own money. In fact, the contribution by landowners and farmers has been even greater than 1:1 over the past 15 years. This half-century tradition of partnering with farmers and landowners to increase conservation and improve water quality continues to be in high demand, with requests consistently exceeding available resources. The Iowa Financial Incentives Program has established itself as a valuable driver of conservation in our state.

PRACTICES/AMOUNTS FOR FY08-FY22 (ALMOST 15 YEARS)

OVER 27 MILLION FEET OF TERRACES (OVER 5,000 MILES OF TERRACES)

NEARLY 81,000 ACRES OF GRASSED WATERWAYS (OVER 3,000 GRASSED WATERWAYS)

OVER 1,300 GRADE STABILIZATION STRUCTURES



PROTECTING LAKES

The Publicly Owned Lakes Program provides financial assistance to help farmers and landowners implement conservation practices that prevent soil erosion in areas that drain into publicly owned lakes and reservoirs. Reducing sediment runoff into these water sources helps preserve water quality and support recreational opportunities.

Landowners with fields within these priority watersheds can apply for up to 75 percent cost share to install conservation practices. In 2022, this program provided funding for the completion of approximately 14 practices including 8 erosion control structures and over 5,202 feet of terraces.

ELIGIBLE LAKES FOR FY 2022



THE IMPORTANCE OF PARTNERSHIPS

The partnership between the lowa Department of Agriculture and Land Stewardship, 100 SWCDs and USDA Natural Resources Conservation Service (NRCS) is critical to the success of the state's conservation efforts. The Department's technicians and conservation assistants provide assistance to the SWCDs, all of which operate out of the USDA's service centers.

Additional conservation partners include the Conservation Districts of Iowa, Iowa Department of Natural Resources, USDA Farm Service Agency, USDA Rural Development, State Soil Conservation and Water Quality Committee, Iowa State University Extension and Outreach, county conservation boards, county boards of supervisors, drainage districts, levee districts and other community groups.