Legislative Services Agency
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Fiscal Services Division

Fiscal Topic

Levee Improvement Program and Levee Improvement Fund

November 4, 2026

Purpose and History

The Department of Homeland Security and Emergency Management (HSEMD) received a one-time General Fund appropriation of $400,000 in 2021 Iowa Acts, chapter 166 (FY 2022 Justice System Appropriations Act), to study Iowa's levee district governance and funding. Any unexpended funds from this appropriation were required to revert to the General Fund at the close of FY 2022. 2022 Iowa Acts, chapter 1119 (Levee Study Extension Act), extended the Fund reversion date to the close of FY 2023, carrying forward approximately $266,000. The report was presented to the House Appropriations Committee on January 25, 2023, and is available on the Reports Required to be Filed with the General Assembly webpage under the HSEMD.

The intent of the study was to build on existing information to develop a more complete picture of levees and levee management in Iowa. The study identified areas where the governance and funding of levee districts as specified in the Iowa Code could be improved at the State and local level. In addition, recommendations were provided in the report regarding the type and scope of necessary or desired improvements and the implementation of such improvements.

2023 Iowa Acts, chapter 163 (Levee Safety and Improvements Act), created the Office of Levee Safety (OLS) within the HSEMD, the Levee Improvement Program, and the Levee Improvement Fund under Iowa Code chapter 418A. The Act requires the following collaborative structure:

- The OLS must conduct a statewide analysis of the condition of the State's levees and adopt a scale that assigns a number based on critical need of infrastructure repair or reconstruction; evaluate methods to reduce risk; and assist communities benefiting from a levee, including levee districts.
- The Flood Mitigation Board (FMB) administers the Levee Improvement Program with the OLS and awards cost-share grants to levee districts that apply.
- The funding will not exceed 50.0% of the estimated or actual cost of the project, whichever is less, and will consider the scale number assigned to the levee by the OLS.
- The Iowa Geological Survey (IGS) works with the OLS and FMB to achieve the purpose of the Levee Improvement Program.

Funding

2023 Iowa Acts, chapter 163, required the deposit of $5.0 million in State wagering tax receipts into the Levee Improvement Fund each year from FY 2024 through FY 2028 pursuant to Iowa Code section 8.57(3)(d)(i). In addition to the deposit of State wagering tax receipts into the Levee Improvement Fund, the General Assembly appropriated an additional $10.0 million in FY 2025 from the Rebuild Iowa Infrastructure Fund (RIIF).

Figure 1 — Levee Improvement Fund Revenues and Expenditures

Line Item	Actual FY 2024	Actual FY 2025	Actual FY 2026
Resources			
Beginning Balance	$ 0	$ 4,691,491	$ 19,804,628
Revenue			
Wagering Tax Receipts	$ 5,000,000	$ 5,000,000	$ 5,000,000
Rebuild Iowa Infrastructure Appropriation	0	10,000,000	0
Interest	105,815	424,032	788,070
Total Revenue	**$ 5,105,815**	**$ 15,424,032**	**$ 5,788,070**
Total Resources	**$ 5,105,815**	**$ 20,115,523**	**$ 25,592,698**
Expenses			
Personal Services - Salaries	$ 130,901	$ 57,910	$ 96,919
Travel and Subsistence	2,798	6,180	4,406
Contractual Services and Transfers	280,625	240,682	263,613
State Aid and Credits	0	0	1,009,666
Claims and Miscellaneous	0	6,123	3,138
Total Expenses	**$ 414,324**	**$ 310,895**	**$ 1,377,742**
Ending Balance	**$ 4,691,491**	**$ 19,804,628**	**$ 24,214,956**

Annual Report

The HSEMD is required to prepare and submit a Statewide Levee Assessment Report to the Governor and General Assembly by January 5 of each year. The report is available on the Reports Required to be Filed with the General Assembly webpage under the HSEMD.

Related Statutes and Administrative Rules

Iowa Code chapter 418A
Iowa Code sections 8.57 and 468.127

Additional Information

For additional information, visit:

- The OLS at homelandsecurity.iowa.gov/programs/office-levee-safety
- The FMB at homelandsecurity.iowa.gov/resources/flood-mitigation-board

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