

House File 2410 - Introduced

HOUSE FILE 2410
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HF 2211)

A BILL FOR

1 An Act relating to water quality improvement, by providing
2 for water quality programs, projects, and practices,
3 approving designs for soil and water conservation practices,
4 prioritizing watersheds, and reducing property taxes on land
5 reserved for conservation practices.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I
WATER POLLUTION REDUCTION PROJECTS
IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY
IOWA NUTRIENT RESEARCH CENTER

Section 1. Section 466B.47, Code 2016, is amended by adding the following new subsection:

NEW SUBSECTION. 3A. The center may sponsor or support projects to reduce water pollution, including projects that reduce the transport of nutrients to surface water from nonpoint sources within watersheds in accordance with the latest revision of the document entitled "Iowa nutrient reduction strategy" initially presented in November 2012 by the department of agriculture and land stewardship, the department of natural resources, and Iowa state university of science and technology. The projects may also implement findings or recommendations of the college of agriculture and life sciences of Iowa state university of science and technology, including those findings and recommendations submitted to the general assembly pursuant to 2015 Iowa Acts, chapter 132, section 18.

Sec. 2. NEW SECTION. **466B.47A Innovation project — grants.**
The center may award grants to support innovative projects for the development of new and improved practices or technologies to reduce the transport of nutrients to surface waters from nonpoint sources. The new or improved practices or technologies must be able to be implemented within a reasonable period of time and in a scientific, reasonable, and cost-effective manner. Total awards made by the center to support all innovated projects shall not exceed fifty thousand dollars during any fiscal year.

DIVISION II
QUALIFYING SOIL AND WATER CONSERVATION PRACTICES
DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP, SOIL AND WATER CONSERVATION DIVISION AND SOIL AND WATER CONSERVATION DISTRICTS
Sec. 3. NEW SECTION. **161A.55 Qualifying practices — eligibility for cost-share moneys.**

1 1. A landowner may submit a design to the district for a
2 voluntary qualifying permanent soil and water conservation
3 practice to be established on the landowner's land for approval
4 by the district.

5 2. The division shall adopt rules as necessary to administer
6 this section, which shall include at least all of the
7 following:

8 a. Design standards and specifications. The division shall
9 adopt in whole or in part the standards and specifications of
10 the United States department of agriculture, natural resources
11 conservation service.

12 b. A process to approve designs for qualifying practices,
13 which may be established by a person having a practical
14 knowledge of land use and row crop farming, that are relatively
15 inexpensive to establish and maintain, and that remain highly
16 effective for a long period of time.

17 c. A schedule of amounts of cost-share moneys or other
18 financing available under this chapter that may be used to
19 finance specific qualifying practices.

20 3. The commissioners are not required to provide for the
21 submission of bids to establish a qualifying practice, unless
22 otherwise provided in rules adopted by the division.

23 4. A landowner shall not receive cost-share moneys for
24 preparing or submitting a design to a district.

25 Sec. 4. Section 542B.2, subsection 9, Code 2016, is amended
26 by adding the following new paragraph:

27 NEW PARAGRAPH. c. Notwithstanding paragraphs "a" and
28 "b", a person shall not be construed to be engaged in the
29 practice of engineering if the person constructs or establishes
30 a qualifying permanent soil and water conservation practice
31 pursuant to section 161A.55.

32 DIVISION III

33 PRIORITIZING WATERSHED FUNDING

34 DEPARTMENT OF NATURAL RESOURCES AND

35 WATER RESOURCES COORDINATING COUNCIL

1 Sec. 5. Section 456A.33A, Code 2016, is amended to read as
2 follows:

3 **456A.33A Watershed priority.**

4 1. a. The commission shall ~~each year~~ establish and maintain
5 a priority list of watersheds which are of highest importance
6 based on soil loss to be used for the allocation of moneys set
7 aside in annual appropriations from the general fund to the
8 department of agriculture and land stewardship for permanent
9 soil conservation practices under [chapter 161A](#) on watersheds
10 above publicly owned lakes.

11 b. The commission may consider factors that contribute
12 to the watershed's comparative value to the state and local
13 communities located in the watershed, including the populations
14 served by the watershed, the use of the watershed as a
15 source of drinking water, the existence of a rare or valuable
16 ecological system, and recreational opportunities associated
17 with the watershed.

18 2. [Chapter 17A](#) does not apply to [this section](#).

19 Sec. 6. Section 466B.3, subsection 6, paragraph b,
20 subparagraph (8), Code 2016, is amended to read as follows:

21 (8) Develop a protocol which identifies high-priority
22 watersheds, including local and community-based subwatersheds,
23 and which appropriately directs resources to those watersheds.
24 The council may consider factors that contribute to the
25 watershed's comparative value to the state and local
26 communities located in the watershed, including the population
27 served by the watershed, the use of the watershed as a
28 source of drinking water, the existence of a rare or valuable
29 ecological system, and recreational opportunities associated
30 with the watershed.

31 DIVISION IV

32 PROPERTY TAX REDUCTION TO SUPPORT WATER QUALITY PRACTICES

33 Sec. 7. Section 441.21, Code 2016, is amended by adding the
34 following new subsection:

35 NEW SUBSECTION. 4A. a. Notwithstanding other provisions

1 in this section to the contrary, for valuations established on
2 or after January 1, 2017, property classified as residential
3 property, agricultural property, commercial property,
4 industrial property, multiresidential property, property
5 valued by the department of revenue pursuant to chapter
6 434, and property valued by the department of revenue
7 pursuant to chapters 428, 433, 437, and 438 in each assessing
8 jurisdiction in the county, and which is used for soil and
9 water conservation purposes, shall be assessed at ten percent
10 of the actual value established for that property.

11 *b.* Property used for soil and water conservation purposes
12 under paragraph "a" is limited to parcels or segments of parcels
13 of the property that utilize a system or practice that reduces
14 the transport of sediment, nutrients, or contaminants to a
15 surface water. To be eligible for the reduction in assessed
16 value a parcel or segment of a parcel must include one or more
17 of the following:

18 (1) A bioreactor system, which is part of or connected to a
19 working subsurface field drainage tile line, that is utilized
20 to reduce sediment, nutrient, or contaminant loading in water
21 transported in the tile line. The parcel or segment of the
22 parcel qualifying for the reduction shall not be more than
23 three acres in size.

24 (2) A filter buffer strip that is an area of permanent
25 vegetation cover utilized to reduce sediment, nutrient, or
26 contaminant loading associated with runoff. The parcel or
27 segment of the parcel qualifying for the reduction may extend
28 any distance along the edge of a surface water but shall not
29 extend more than thirty feet from the edge of the surface water
30 to that portion of the agricultural property used for producing
31 crops.

32 (3) A prairie conservation strip integrating perennial
33 prairie grass strips into agricultural property used for
34 producing crops, and utilized to reduce erosion and the
35 transport of sediment, nutrients, or contaminants downslope.

1 The parcel or segment of the parcel qualifying for the
2 reduction shall not exceed ten percent of the agricultural
3 property's acreage.

4 (4) A restored wetland that is mostly underwater or
5 waterlogged during the growing season, and characterized by
6 vegetation of hydric soils. The parcel or segment of the
7 parcel qualifying for the reduction shall not exceed ten acres.

8 c. The county assessor shall require an owner of the
9 agricultural property to submit documentation regarding
10 the amount of agricultural property used for soil and water
11 conservation purposes.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 GENERAL. This bill provides for the assessment and
16 reduction of nutrients in this state's watersheds and for soil
17 and water conservation and water quality practices established
18 on real property, including agricultural land.

19 IOWA NUTRIENT RESEARCH CENTER — WATER POLLUTION REDUCTION
20 PROJECTS. The bill authorizes the Iowa nutrient research
21 center established at Iowa state university of science and
22 technology to sponsor or support water quality projects that
23 reduce water pollution, including the transport of nutrients
24 to surface water from nonpoint sources. The bill also
25 authorizes the center to award grants to persons to support
26 the development of new or improved practices or technologies
27 that reduce the transport of nutrients to surface waters from
28 nonpoint sources. However, the center cannot award more than
29 \$50,000 in grants to support all projects during any fiscal
30 year.

31 The purpose of the center is to carry out the state's
32 water quality initiative by pursuing a science-based approach
33 to nutrient management research. Currently, the center is
34 supported by an annual appropriation (see 2015 Iowa Acts, ch.
35 132, sections 17 and 40).

1 DESIGNS FOR QUALIFYING SOIL AND WATER CONSERVATION
2 PRACTICES. The bill authorizes a landowner of a district to
3 submit a design for approval by a district for a qualifying
4 voluntary permanent soil conservation practice eligible for
5 cost-share or other forms of available state financing. The
6 design standards adopted by the division must meet United
7 States department of agriculture standards and specifications.
8 The qualifying practice used in approved designs must be able
9 to be established by a person having a practical knowledge of
10 land use and row crop farming, be relatively inexpensive to
11 establish and maintain, and be highly effective for a long
12 period of time. The commissioners are not required to provide
13 for the submission of bids unless the division otherwise
14 requires a submission. A landowner is not entitled to receive
15 cost-share or other state financing for preparing or submitting
16 a design. Persons who construct or establish a qualifying
17 permanent soil and water conservation practice as provided
18 in the bill are not to be construed as being engaged in the
19 practice of engineering.

20 DEPARTMENT OF NATURAL RESOURCES AND WATER RESOURCES
21 COORDINATING COUNCIL — PRIORITIZING WATERSHED FUNDING. The
22 bill provides that when making funding decisions to improve
23 water quality in watersheds, the department of natural
24 resources and the water resources coordinating council must, in
25 their respective priority evaluations, account for factors that
26 contribute to the watershed's comparative value to the state
27 and local communities located in the watershed.

28 PROPERTY TAX REDUCTION. The bill provides that property
29 used for soil and water conservation purposes is assessed at
30 10 percent of the actual value established for the property.
31 Property eligible for the reduction in actual value for
32 assessment purposes is limited to a parcel or a segment of
33 a parcel of property that utilizes a system or practice that
34 reduces the transport of sediment, nutrients, or contaminants
35 to surface water. The county assessor must require the owner

H.F. 2410

1 of the property to submit documentation regarding the amount of
2 property used for soil and water conservation purposes.