

CHAPTER 98

WATER POLLUTION CONTROL PROJECTS — REAL PROPERTY ACQUISITION BY PRIVATE ENTITIES FOR SALE OR DONATION TO GOVERNMENT ENTITIES — FUNDING RESTRICTED

S.F. 548

AN ACT relating to the acquisition, donation, or sale of real property for specified purposes.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. [Section 455B.291](#), Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. “Private entity” means a corporation, limited liability company, trust, estate, partnership, association, or any other legal entity or a legal representative, agent, officer, employee, or assignee of such entity. “Private entity” does not include an individual, municipality, city utility as defined in [section 362.2](#), public water supply system as defined in [455B.171](#), or a qualified entity as defined in [section 384.84](#).

Sec. 2. [Section 455B.291, subsection 9](#), paragraph a, Code 2019, is amended to read as follows:

a. (1) In the context of water pollution control facilities, the acquisition, construction, reconstruction, extension, equipping, improvement, or rehabilitation of any works and facilities useful for the collection, treatment, and disposal of sewage and industrial waste in a sanitary manner including treatment works as defined in section 212 of the Clean Water Act, or the implementation and development of management programs established under sections 319 and 320 of the Clean Water Act, including construction and undertaking of nonpoint source water pollution control projects and related development activities authorized under those sections.

(2) On and after July 1, 2019, nonpoint source water pollution control projects for purposes of subparagraph (1), shall not include the acquisition of real property by a private entity for future donation or sale to a political subdivision, the department, or the federal government except as included in subparagraph (3).

(3) Subparagraph (2) does not apply to the acquisition of land by a private entity intended for such future donation when the private entity acquires any of the following:

(a) Only that portion of land on which an edge-of-field practice consistent with the Iowa nutrient reduction strategy is installed to provide water quality benefits beyond the geographic footprint of the practice.

(b) Any necessary setbacks to a portion of land included in subparagraph division (a) as authorized by the department.

Sec. 3. [Section 455B.295, subsection 2](#), Code 2019, is amended to read as follows:

2. a. Each of the revolving loan funds shall include sums appropriated to the revolving loan funds by the general assembly, sums transferred by action of the governor under [section 455B.296, subsection 3](#), sums allocated to the state expressly for the purposes of establishing each of the revolving loan funds under the Clean Water Act and the Safe Drinking Water Act, all receipts by the revolving loan funds, and any other sums designated for deposit to the revolving loan funds from any public or private source. All moneys appropriated to and deposited in the revolving loan funds are appropriated and shall be used for the sole purpose of making loans to eligible entities to finance all or part of the cost of projects, including sponsor projects under the water resource restoration sponsor program established in [section 455B.199](#). The moneys appropriated to and deposited in the water pollution control works revolving loan fund shall not be used to pay the nonfederal share of the cost of projects receiving grants under the Clean Water Act. On and after July 1, 2019, moneys in the revolving loan funds shall not be used to finance, subsidize, or enable the acquisition of real property by a private entity except that moneys in the revolving loan funds may be used to finance or subsidize an acquisition of real property by a private entity that occurred prior to July 1, 2019, or to finance, subsidize, or acquire an edge-of-field practice or setback

included in [section 455B.291, subsection 9](#), paragraph “a”, subparagraph (3). The moneys in the revolving loan funds are not considered part of the general fund of the state, are not subject to appropriation for any other purpose by the general assembly, and in determining a general fund balance shall not be included in the general fund of the state but shall remain in the revolving loan funds to be used for their respective purposes. The revolving loan funds are separate dedicated funds under the administration and control of the authority and subject to [section 16.31](#). Moneys on deposit in the revolving loan funds shall be invested by the treasurer of state in cooperation with the authority, and the income from the investments shall be credited to and deposited in the appropriate revolving loan funds.

b. For purposes of [this subsection](#), “*edge-of-field practice*” means a bioreactor, saturated buffer, wetland, or buffer.

Approved May 9, 2019