

NATURAL RESOURCE COMMISSION[571]

Adopted and Filed

Rulemaking related to waters cost-share and grant programs

The Natural Resource Commission (Commission) hereby rescinds Chapter 30, “Waters Cost-Share and Grant Programs,” Iowa Administrative Code, and adopts a new chapter with the same title.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 455A.5(6)“a,” 461A.4(1)“b” and 462A.3(2).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code chapters 455A, 461A and 462A and section 452A.79A.

Purpose and Summary

Chapter 30 creates a cost-share partnership between state and local public entities to acquire or develop public recreational boating accesses to Iowa waters, to plan and develop constructed water trail amenities, and to implement safety projects at low-head dams. These grant programs benefit dam owners, anglers, paddlers, boaters, tubers, and other recreational users of public waters in Iowa.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on December 27, 2023, as **ARC 7237C**. Public hearings were held on January 23 and 30, 2024, at 12 noon via video/conference call. No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Commission on April 11, 2024.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

This rulemaking is subject to the waiver provisions of 571—Chapter 11. Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Commission for a waiver of the discretionary provisions, if any.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on June 5, 2024.

The following rulemaking action is adopted:

ITEM 1. Rescind 571—Chapter 30 and adopt the following **new** chapter in lieu thereof:

CHAPTER 30
WATERS COST-SHARE AND GRANT PROGRAMS

DIVISION I
WATER RECREATION ACCESS COST-SHARE PROGRAM

571—30.1(452A) Title and purpose. This division provides rules for the water recreation access cost-share program. The purpose of this division is to define procedures for cost sharing between state and local public agencies to provide for the acquisition or development of public recreational boating accesses to Iowa waters.

571—30.2(452A) Availability of funds. Moneys derived from the excise tax on the sale of motor fuel used in watercraft under Iowa Code section 452A.79 are deposited as a “marine fuel tax” and are subject to appropriation by the general assembly to the department of natural resources. Each year, as part of its approval of the department’s capital improvement plan, the commission may designate an amount to be available for this program.

571—30.3(452A) Eligibility of development projects. Projects proposing to develop properties or facilities for the purposes of providing or enhancing recreational boating access consistent with Iowa Code section 452A.79A may apply for funding. Additional eligibility guidance or requirements may be provided during the application process described in 571—30.9(452A).

571—30.4(452A) Eligibility of acquisition projects. Projects proposing to acquire land for recreational boating/canoeing access are eligible to apply for water access funding. Costs for a department-approved appraisal report and the cost of surveys necessary to determine acreage and establish boundaries are also eligible for assistance on those projects approved for funding. Additional eligibility guidance or requirements may be provided during the application process described in 571—30.8(452A).

571—30.5 Reserved.

571—30.6(452A) Waiver of retroactivity. In case of extreme urgency involving land acquisition, a grant applicant may formally request a written waiver of retroactivity that, if granted by the director of the department of natural resources, will permit the applicant to acquire the real property immediately without jeopardizing the applicant’s chances of receiving a grant. However, the granting of the waiver in no way implies or guarantees that any subsequent grant application covering the acquisition will be selected for funding by the water access committee. The request for the waiver must include justification regarding the urgency of the acquisition, a description of the land to be acquired, and a county map on which the land to be acquired is located. Acceptable justification would include situations in which land is to be sold at auction or by sealed bids or when the landowner requires immediate purchase.

571—30.7(452A) Establishing project priorities. The director shall appoint a six-member water access committee representing a cross section of department responsibilities for the purpose of reviewing and establishing priorities for cost sharing.

571—30.8(452A) Application procedures. Applications for funds shall be reviewed and selected for funding at least once per year. The department shall publish on its website the date and time for submitting a funding proposal, providing at least 90 days’ notice. Applications must be submitted to the department as described on the website.

571—30.9(452A) Cost-sharing rates. All projects approved for assistance will normally be cost-shared at a 75 percent state/25 percent local ratio. Exceptions to the normal funding formula may occur under the following conditions:

30.9(1) Where a local public agency agrees under terms of a long-term agreement to assume maintenance and operation of a department of natural resources water access facility, the approved development or improvements needed on that facility may be funded at up to 100 percent.

30.9(2) Where feasible and practical, the department will provide funds to cover 100 percent of materials needed for a development project if the local subdivision agrees to provide 100 percent of the labor and equipment to complete that development.

30.9(3) Where joint use will be made of a project by commercial interests as well as by recreational boaters, only that portion of a project attributable to the use by recreational boaters will be cost-shared through this program.

30.9(4) When, at the discretion of the director, some alternate funding level is deemed appropriate.

571—30.10(452A) Joint sponsorship. Two or more local public agencies may join together to carry out a water access project. However, for the purposes of the grant program, the committee will accept only one local agency as the prime project sponsor. Any written agreements between the local agencies involved in any joint venture will be made a part of any grant application. The application rating system will be applied only to the prime sponsor. The project agreement will be negotiated with the prime sponsor and reimbursements will be paid to it.

571—30.11(452A) Control of project site. In order for a project site to be eligible for a development grant, it must be under the physical control of the grant applicant, either by fee title, lease, management agreement, or easement. The term of a lease, management agreement, or easement must be commensurate with the life expectancy of the proposed development.

571—30.12(452A) Project agreements.

30.12(1) A cooperative agreement approved by the director between the department and the local grant recipient describing the work to be accomplished and specifying the amount of the grant and the project completion date will be negotiated as soon as possible after a grant has been approved. Maximum time period for project completion shall be two years for acquisition or development projects, unless an extension approved by the director is authorized. However, agreements covering land acquisition will be dependent upon receipt of a department-approved appraisal report since assistance will be based on the approved appraised valuation or the actual purchase price, whichever is the lesser. Approved development projects costing over \$25,000 must have plans certified by a registered engineer before an agreement will be issued.

30.12(2) Cooperative agreements between the department and the local project sponsor may be amended to increase or decrease project scope or to increase or decrease project costs and fund assistance. Any increase in fund assistance will be subject to the availability of funds. Amendments to increase scope or fund assistance must be approved by the director before work is commenced or additional costs incurred. A project sponsor may request amendment of the agreement for a previously completed project to allow commercial use under the conditions specified in 30.9(3). The director shall have the authority to approve such amendments.

30.12(3) All approved projects, except those in which the project is owned by the state and managed by a local entity, having a grant request in excess of \$25,000 will be presented to the natural resource commission members for their information prior to project initiation. The commissioners may act to disapprove or modify projects.

571—30.13(452A) Reimbursement procedures. Financial assistance from the water access fund will typically be in the form of reimbursement grants, which will be made on the basis of the approved percentage of all eligible expenditures up to the amount of the approved grant.

Reimbursement requests will be submitted on project billing forms provided by the department.

30.13(1) For acquisition projects, one copy each of the following additional documentation will be required:

- a. Deed.
- b. Invoices or bills for any appraisal or survey expense.
- c. All applicable canceled checks or warrants.
- d. A certificate of title prepared by the agency's official legal officer.

30.13(2) For development projects, grant recipients shall provide documentation as required by the department to substantiate all project expenditures.

30.13(3) Reimbursements will be made on real estate contract payments using the following procedures:

- a. The grant recipient will submit to the department a copy of the real estate contract, which must stipulate that the grant recipient will get physical control of the property on or before the date the first contract payment is made.
- b. The grant recipient will submit to the department a copy of any approval that it is required to obtain from any governing body to enter into a real estate contract.
- c. The grant recipient will submit to the department an up-to-date title opinion from its official legal officer indicating that the landowner has and can convey clear title to the grant recipient.
- d. The grant recipient will submit a project billing with photocopy of the canceled warrant when claiming reimbursement.
- e. When final payment has been made and title obtained, the grant recipient will submit to the department a copy of the deed and a certificate of title from its official legal officer. Only one reimbursement request may be submitted if the total project cost is \$10,000 or less. If more than \$10,000, no more than two reimbursement requests may be submitted.

A final reimbursement request shall be submitted within 90 days following the completion date indicated on the cooperative agreement. Failure to do so may be cause for termination of the project with no further reimbursement to the grant recipient.

Ten percent of the total reimbursement due any grant recipient for a development project will be withheld pending a final site inspection or until any irregularities discovered as a result of a final inspection have been resolved. Final site inspections will be conducted by assigned department staff within 30 days of notification by project sponsor that a project is completed.

571—30.14 to 30.50 Reserved.

These rules are intended to implement Iowa Code section 452A.79.

DIVISION II
WATER TRAILS DEVELOPMENT PROGRAM AND
LOW-HEAD DAM PUBLIC HAZARD PROGRAM

571—30.51(455A,461A,462A) Definitions. For purposes of this division, the following definitions shall apply:

"Commission" means the natural resource commission.

"Coordinator" means the staff person of the department responsible for implementing this division.

"Department" means the department of natural resources.

"Director" means the director of the department of natural resources.

"Low-head dam" means a uniform structure across a river or stream that causes an impoundment upstream, with a recirculating current downstream.

"Navigable waters" means all lakes, rivers, and streams that can support a vessel capable of carrying one or more persons during a total of six months period in one out of every ten years.

"Scoring committee" means the water trails scoring committee, which consists of the coordinator, two department staff members appointed by the director, and two representatives and two alternates of the water recreation community selected by the director.

"Sponsor" means an eligible applicant, as described in these rules.

“*Water trail*” means a point-to-point travel system on a navigable water and a recommended route connecting the points.

571—30.52(455A,461A,462A) Purpose and intent. The water trails development program and the low-head dam public hazard program provide funds to assist development of local water trails on navigable waters of the state of Iowa and to support safety projects for low-head dams in the state of Iowa. The programs will be available to fund two types of projects: those that enhance water trails development and recreation and those that are limited to projects that primarily enhance dam safety in order to reduce drownings.

571—30.53(455A,461A,462A) Program descriptions.

30.53(1) *Water trails development program.* The department will provide funds to cities and counties in the state of Iowa to plan and develop water trails throughout the state. The goal of the water trails development program is to assist and encourage the development of community-driven water trails that provide features described in statewide and local plans and herein.

30.53(2) *Low-head dam public hazard program.* The department will provide funds to dam owners, including counties, cities, state agencies, cooperatives, and individuals, within Iowa to undertake projects that warn the general public about drowning hazards related to low-head dams or that remove or otherwise modify low-head dams to create a safer experience on Iowa’s navigable waters and enhance fish passage, aquatic habitat, and navigation.

571—30.54(455A,461A,462A) Application. The coordinator may announce the availability of funds for the programs, designate a time and place for receiving proposals, identify any additional requirements to those enumerated in this division for successful applications, and provide at least 90 days for sponsors to submit such proposals.

571—30.55(455A,461A,462A) Grant requirements. By submitting a proposal pursuant to this division, a sponsor will agree to the following terms and conditions:

30.55(1) *Agreements.* Before funds are disbursed, the sponsor will enter into a project agreement with the department. The agreement shall detail and further define the relationship of the parties.

30.55(2) *Timely commencement of projects.* Funds must be completely expended within two years of the award. If the sponsor is not able to complete a project within the original time period, the sponsor must seek and receive a written extension from the department to receive reimbursements for expended funds. Any advanced funds must be returned after either the completion date or extension date if the department determines the project cannot be completed in a timely manner.

30.55(3) *Expenditures.* The sponsor shall expend all funds in accordance with the sponsor’s governance documents, which may include applicable provisions of the Iowa Code.

30.55(4) *Recordkeeping.* The sponsor shall keep all project records for three years after the final report is completed. These records are to be available for audit by the state.

30.55(5) *Permits and licenses.* The sponsor must obtain any and all required licenses and permits from federal, state, and local authorities before commencing any activity pursuant to a grant award.

30.55(6) *Control of project site.* The sponsor must demonstrate that the project site or sites are under the physical control of the sponsor or its partners, either by fee title, lease, management agreement, or easement. The sponsor assumes long-term maintenance of the integrity of the project and shall enter into such agreements with landowners or other relevant parties as may be necessary to ensure such long-term maintenance.

571—30.56 Reserved.

571—30.57(455A,461A,462A) Proposal evaluation.

30.57(1) Proposals will be evaluated by the scoring committees for each program.

30.57(2) Conflict of interest. An individual who is a member, volunteer, or employee of an entity that has submitted a project shall not serve on the scoring committee during that award cycle. Instead, one of the alternates shall review and score in the individual's place.

571—30.58(455A,461A,462A) Sponsor eligibility.

30.58(1) *Water trails development program.* The water trails development program is limited to local divisions of Iowa government.

30.58(2) *Low-head dam public hazard program.* The low-head dam public hazard program is available to dam owners or their agents, including counties, cities, state agencies, cooperatives, nonprofit organizations, and individuals.

571—30.59(455A,461A,462A) Project eligibility.

30.59(1) *Water trails development program.* The scoring committee will evaluate proposals for water trails development projects. Eligible projects may include master planning, engineering, and development such as water accesses with parking and related easement and property acquisition; navigational, interpretive, and warning signs; portages to aid navigation or avoid hazards; related amenities adjacent to the water trail such as access roads, canoe and bike racks, restrooms, picnic areas, campsites, and water-accessible cabins; and promotional, educational, and educational materials such as mapping, brochures, kiosks, display panels, and online information.

30.59(2) *Low-head dam public hazard program.* The scoring committee will evaluate proposals for projects that enhance safety and fish passage at low-head dams on or adjacent to navigable waters in Iowa. The department may divide grants into categories and scoring criteria corresponding to project types, such as warning signage, feasibility studies, engineering, and construction.

571—30.60(455A,461A,462A) Cost-share requirements.

30.60(1) *Water trails development program.* Grant proposals for water trails development projects require a minimum of 20 percent cost share of the total project to be provided by the sponsor.

30.60(2) *Low-head dam public hazard program.* Grant proposals for low-head dam safety and mitigation projects require a minimum of 50 percent cost share of the total project to be provided by the sponsor.

571—30.61(455A,461A,462A) Evaluation criteria.

30.61(1) *Water trails development program.* The scoring committee will prioritize projects based on impacts for public use, local and private resource contributions, support of statewide and local plans and guidelines, public acceptance, safety, location on a designated or planned water trail, and annual priorities established by the coordinator.

30.61(2) *Low-head dam public hazard program.* The scoring committee will prioritize projects based on public safety, stream health, fish passage, aesthetic, recreational and navigational improvements, urgency of failure, local contributions and stakeholder support, and appropriate cost and scale.

These rules are intended to implement Iowa Code chapters 455A, 461A, and 462A and section 464A.11 and 2008 Iowa Acts, House File 2700.

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 5/1/24.