



Funding the Natural Resources and Outdoor Recreation Trust Fund

Frequently Asked Questions

Q: How was the fund created?

A: In 2006, a bipartisan group of stakeholders and legislators came together to find solutions for protecting Iowa's natural resources. The group recommended a constitutionally protected trust fund not subject to the whims of the state budget. The group's recommended funding source was 3/8 of one cent from the next sales tax increase.

Q: Who supported the creation of the trust fund?

A: More than 90 percent of legislators voted to put the trust fund on the ballot in 2010. That year, 63 percent of Iowa voters supported a ballot initiative creating the Natural Resources and Outdoor Recreation Trust Fund.

Q: Do voters still support the trust fund?

A: 2014 Polling has shown that a vast majority of Iowa voters support a revenue enhancement to fill the Trust Fund and that they see issues such as water quality, soil erosion, and loss of wildlife habitat as serious issues.

Q: Could the fund be raided for other state budget needs?

A: No. The fund is constitutionally protected and cannot be diverted for other uses, even if the Iowa Legislature and governor wanted to spend it another way. Any moneys raised for the trust fund would see strict accountability and transparency measures as well as oversight by citizens. Iowa Code Chapter 461.21 specifies that an annual audit of the trust fund and its account shall be completed by the state auditor or a certified public accounting firm appointed by the state auditor.

Q: How would dollars in the trust fund be spent?

A: Iowa Code Chapter 461 establishing the trust fund lays out how the dollars would be spent.

Information on revenues, expenditures, and performance goals or measurements from the trust fund are to be submitted to the governor and Legislature annually for review and will be available on a public website as outlined in Iowa Code Chapter 461.22 and 461.24.

The money would be allocated as follows, as specified in Iowa Code:

Water Quality Measures

20 percent - Soil Conservation and Water Protection Account (461.33)

This account supports soil conservation and watershed protection through the Iowa Department of Agriculture and Land Stewardship. That includes the conservation of highly erodible land, and for soil conservation or crop management practices on land producing biomass for biorefineries. IDALS may also use the account to provide financial incentives or technical assistance to landowners. Trust fund moneys can only be used to support voluntary initiatives.

14 percent - Watershed Protection Account (461.34)

The account is used primarily by the Iowa Department of Natural Resources and IDALS to support water resource projects to preserve watersheds. This includes projects to protect, restore, or enhance water quality through financial assistance to communities for local watershed projects. Other projects funded include regional and community watershed assessment, planning, and prioritization efforts. This funding also would go to surface water protection projects administered by IDALS, such as the installation of filter strips, permanent vegetation cover, grass waterways, and riparian forest buffers.

7 percent - Lake Restoration Account (461.38)

The Iowa DNR will use money to support lake restoration for recreational, environmental, aesthetic, ecological, and social value. All initiatives must improve water quality.

Other Natural Resources Initiatives

23 percent - Natural Resources Account (461.32)

The account supports the establishment, restoration, or enhancement of state parks, state preserves, state forests, wildlife areas, wildlife habitats, native prairies, and wetlands. It also supports wildlife diversity and recreational initiatives.

13 percent - Iowa Resources Enhancement and Protection Fund (461.35)

The Iowa Resource Enhancement and Protection Fund would see an allocation.

13 percent - Local Conservation Partnership Account (461.36)

The Iowa DNR will distribute trust fund money to local communities (County Conservation Boards, cities, and nonprofits) for maintenance and improvement of parks, preserves, wildlife areas, wildlife habitats, native prairies, wetlands, and natural history and outdoor education.

10 percent - Trails Account (461.37)

The Iowa Department of Transportation and Iowa DNR will use money to support initiatives related to design, establishment, maintenance, improvement, and expansion of water and land trails.