

## Comparison of House and Senate Water Quality Proposals

Provision	House	Senate
Funding Mechanism	<p>Uses only water sales tax receipts</p> <p>Divert water sales tax</p> <p><u>July 1, 2018:</u></p> <ul style="list-style-type: none"> <li>• 1/6 to water quality infrastructure fund at IDALS</li> <li>• 1/6 to water quality financial assistance fund at IFA</li> </ul> <p><u>August 1, 2019:</u></p> <ul style="list-style-type: none"> <li>• 1/6 to water quality infrastructure fund</li> <li>• 1/3 of receipts to water quality financial assistance fund</li> </ul> <p><u>August 1, 2020:</u></p> <ul style="list-style-type: none"> <li>• 1/6 to water quality infrastructure fund</li> <li>• 50% to water quality financial assistance fund</li> </ul> <p><u>August 1, 2021:</u></p> <ul style="list-style-type: none"> <li>• 1/6 to water quality infrastructure fund</li> <li>• two-thirds to water quality financial assistance fund</li> </ul> <p>Water sales tax is repealed when all bonds or debt issued on or before June 30, 2042 are repaid</p>	<p>July 1, 2020: divert wagering tax receipts from RIIF</p> <p>Divert water sales tax</p> <p><u>July 1, 2018:</u></p> <ul style="list-style-type: none"> <li>• 1/12 to water quality infrastructure fund</li> <li>• 1/12 to water quality financial assistance fund</li> </ul> <p><u>July 1, 2019:</u></p> <ul style="list-style-type: none"> <li>• 1/6 to water quality infrastructure fund</li> <li>• 1/6 to water quality financial assistance fund</li> </ul> <p><u>July 1, 2020:</u></p> <ul style="list-style-type: none"> <li>• 50% to water quality infrastructure fund</li> <li>• 50% to water quality financial assistance fund</li> </ul> <p>Water sales tax is repealed when sales tax is increased OR July 1, 2029, whichever is first</p>

## Comparison of House and Senate Water Quality Proposals

Provision	House	Senate
Grant Program	<p><u>Water Quality and Wastewater Treatment Grant Program</u> Creates a grant program within Iowa Finance Authority</p> <ul style="list-style-type: none"> <li>• allows use for infrastructure improvements and source water protection</li> <li>• allows use for nutrient reduction exchange</li> <li>• allows municipality or industry to receive 50% costs of the economic and technical feasibility study if required by DNR</li> <li>• Limits grants to no more than \$500,000</li> <li>• Gives priority to:                             <ul style="list-style-type: none"> <li>*projects using other financing</li> <li>*projects that borrow from the new water quality project financial assistance program</li> </ul> </li> </ul>	<p><u>Wastewater and Drinking Water Treatment Financial Assistance Fund</u> Makes changes to existing, disadvantaged community wastewater treatment financial assistance program to include drinking water</p> <ul style="list-style-type: none"> <li>• allows use for infrastructure improvements and source water protection</li> <li>• Limits grants to no more than \$500,000</li> <li>• Gives priority to:                             <ul style="list-style-type: none"> <li>*Projects using other financing</li> <li>*Projects using technology as outlined in the Iowa Nutrient Reduction Strategy</li> </ul> </li> </ul>
Revolving Loan Fund	<p><u>Water Quality Financial Assistance Fund</u> Creates a revolving fund at the Iowa Finance Authority and distributes funds as follows:</p> <ul style="list-style-type: none"> <li>• 1/6 to water quality and wastewater treatment grant fund</li> <li>• 5/6 to water quality financial assistance fund</li> </ul>	<p><u>Water Quality Financial Assistance Fund</u> Creates a revolving fund at the Iowa Finance Authority and distributes funds as follows:</p> <ul style="list-style-type: none"> <li>• 40% to the wastewater and drinking water treatment financial assistance fund</li> <li>• 45% to the Water Quality Financing Program fund at the Iowa Finance Authority</li> <li>• 15% to IDALS for water quality urban infrastructure</li> </ul>

## Comparison of House and Senate Water Quality Proposals

Provision	House	Senate
Revolving Loan Fund Projects	<p>Provides low interest loans and potentially grants for improvements, structures, developments, tasks, actions, constructions, modifications, operations or practices designed to improve water quality</p> <ul style="list-style-type: none"> <li>• sponsored projects, other water resource restoration projects and agricultural infrastructure projects are eligible</li> </ul> <p>Applications will be accepted meeting the following criteria:</p> <ul style="list-style-type: none"> <li>• two or more entities or persons propose a project plan</li> <li>• greatest impact on nutrient reduction</li> <li>• verifiable mechanism for quantifying reduction</li> </ul> <p>Preference given to projects that:</p> <ul style="list-style-type: none"> <li>• plans reviewed by Iowa Nutrient Research Center</li> <li>• contract with Iowa Nutrient Research Center to verify nutrient reduction</li> </ul>	<p>Provides low interest loans and potentially grants for improvements, structures, developments, tasks, actions, constructions, modifications, operations or practices designed to improve water quality</p> <ul style="list-style-type: none"> <li>• includes eligible practices from the wastewater and drinking water treatment financial assistance grant program</li> <li>• includes projects or practices to address watershed protection, flood prevention or water quality improvement</li> </ul> <p>Projects must align with the Iowa Nutrient Reduction Strategy</p>
Joint Financing	Authorizes joint financing by public agencies for water quality projects within or without the corporate boundaries	No provision

## Comparison of House and Senate Water Quality Proposals

Provision	House	Senate
Water quality ag infrastructure	<p>Creates program for cost-share assistance for permanent edge-of-field and in-field infrastructure to improve water quality</p> <p>Preference given to assistance that:</p> <ul style="list-style-type: none"> <li>• Individuals who coordinate with or complement proposals under the water quality financial assistance loan or grant program</li> <li>• Individuals who are part of a “financing entity” participating in the water quality financial assistance loan or grant program</li> </ul>	Creates program for cost-share assistance for permanent edge-of-field and in-field infrastructure to improve water quality
Water quality urban infrastructure	No provision	Creates program for cost-share assistance for urban conservation based on projects in the Iowa Storm Water Management manual published by DNR
Definition of a point source	Clarifies that a point source for purposes of permitting requirements does not include ag storm water discharge (i.e. tile lines) and return flows from irrigated agriculture	Clarifies that a point source for purposes of permitting requirements does not include ag storm water discharge (i.e. tile lines) and return flows from irrigated agriculture
Baseline for monitoring progress	Baseline condition for nutrients in surface water is the amount calculated from 1980 – 1996	Baseline condition for nutrients in surface water is the amount calculated from 1980 – 1996
Study Committee small cities and clean water standards	No provision	Creates an interim committee to study the effectiveness of the wastewater and drinking water treatment financial assistance grant program