



The Iowa Policy Project

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EXECUTIVE SUMMARY

Lip Service:

Iowa's Inadequate Commitment to Clean Water

State water quality spending and the Nutrient Reduction Strategy

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Policy makers need to acknowledge both the magnitude of the water quality problem in Iowa, and the role of nonpoint-source nutrient pollution. Financing has been inadequate. We pay lip service to our financial responsibility as a state and have underestimated what is required for success.

Here we address four questions: What has the state's spending commitment to water quality looked like over the past 15 years? How much state and federal spending goes to nutrient pollution reduction in Iowa? How much spending is needed to make meaningful progress in cleaning Iowa waters? How can the state raise adequate revenue to make an impact?

This paper pulls together diverse estimates of revenues. It takes data from the Iowa state budget, the Water Resources Coordinating Council evaluation of progress, projections for a trust fund authorized by a 2010 voter-approved constitutional amendment that committed the state to long term spending on outdoor recreation and water quality, and how much a tax on fertilizer used in the state would bring to the problem.

It combines these sources of spending with estimates of nutrient reduction spending needs from the Nutrient Reduction Strategy scientific study created by Iowa State University, the Department of Natural Resources and the Iowa Department of Agriculture and Land Stewardship, and a separate study by the Iowa Soybean Association. Up until now these two sets of figures have not been brought together so that public policy is given direction.

The findings documented throughout this report are summarized below:

- Since the implementation of the NRS, water quality general fund spending has dropped off and struggled to return to pre-recession levels.
- State and federal spending on nutrient reduction in the state of Iowa was more than half a billion dollars in the year 2017/2018.
- The 2018 act, the first bill signed by new Governor Kim Reynolds, did not greatly increase government funding for nutrient reduction in Iowa.
- The largest share of nutrient reduction spending in Iowa, reported in the WRCC progress report, has nothing to do with the NRS.
- The 2018 nutrient reduction spending bill pales in comparison to estimates of what is required to deal with the problem.
- Other sources are available to fund nonpoint nutrient reduction in Iowa such as funding the voter-approved trust fund and taxing ag fertilizer.

There is good evidence that nutrient pollution is getting no better. Still, state government responses are inadequate and lacking in vision.