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Gambling With Iowa's Soil and Water Soil Conservation Division Consistently Shorted in Iowa Budgets

MOUNT VERNON, Iowa (Nov. 27, 2007) – Iowa is underfunding efforts to improve water quality and reduce soil erosion, at the same time it is staking these environmental and economic priorities on gambling revenues.

“All you have to do is look across our landscape to understand the importance of agriculture to Iowa’s future,” said Teresa Galluzzo, research associate for the nonpartisan Iowa Policy Project (IPP). “Our funding of soil and water conservation is an important investment in our future — but it is lacking and what exists is on shaky footing.”

Galluzzo will present findings of her new report, “Gambling with Iowa’s Soil and Water,” on Thursday to the annual conference of soil and water commissioners. The report reviews funding for the Division of Soil Conservation (DSC) over the last decade.

The report notes three principal trends:

- Budget cuts in fiscal year 2003 hampered soil conservation and water quality efforts, and even after a boost in 2004, appropriations have declined.
- Funding matters, and without enough funds, DSC has not met demand for services or taken advantage of opportunities to enhance soil conservation.
- Gambling revenue has accounted for two-thirds of DSC’s budget over the last four years.

“Healthy topsoil and clean water aren’t luxuries in this state. We hope to help Iowans understand that our current budgets aren’t meeting current needs, and are missing cost-effective opportunities to proceed. We expect these findings won’t surprise the commissioners, but may surprise other Iowans, including some policy makers,” Galluzzo said.

IPP executive director David Osterberg agreed.

“I think many Iowans would be surprised to know that two of every three dollars for state soil conservation efforts depends on people losing money in casinos or the lottery. To rely on gambling money for these services is a troubling statement about our commitment to stewardship of soil and water,” Osterberg said.

“These programs need stable funding, from a variety of sources – which points us back to the General Fund. But as this report shows, the General Fund is eroding as a resource for DSC.”

The largest portion of DSC’s budget comes from state appropriations. The state appropriated between \$19 million and \$30.5 million to DSC annually over the last decade. Iowa appropriates money to DSC from the General Fund (tax receipts) and from racing and gaming receipts.

Galluzzo noted in her report that the state in recent years has appropriated only two-tenths of 1 percent — 0.2 percent — to DSC.

The success of many DSC programs depend on how well it can work with landowners, Galluzzo said, but for many programs the requests from landowners exceed what DSC is able to fund.

“This means the state loses opportunities to protect our environment,” Galluzzo said. “It’s also a loss of money that participating landowners would have paid on their projects, and a loss of federal match dollars as well.”

Earlier this year, a legislatively appointed sustainable funding advisory committee estimated that Iowa should spend \$150 million more annually to adequately protect and enhance the state’s natural resources. One of the major spending needs identified was soil and water quality improvements.

“It’s also worth noting that much of that money is spent in the local economy, so by underfunding soil conservation, the state is passing up much,” Galluzzo said.

The Iowa Policy Project (IPP) is a nonpartisan, nonprofit research and policy analysis organization based in Mount Vernon. IPP reports on environment and energy, budget issues, and job and income trends are available on the web at <<http://www.iowapolicyproject.org>>.

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