



# I-WILL 3/8 cent sales tax

Presented by  
Pam Mackey Taylor  
Director and Lobbyist  
Iowa Chapter of the Sierra Club  
February 3, 2021



## Natural Resources & Outdoor Recreation Trust Fund

- In 2010, 63 percent of Iowa voters supported the constitutional amendment
- Article VII Section 10 of the Iowa Constitution created a Natural Resources & Outdoor Recreation Trust Fund (Trust) that is to be supported by a sales tax of 3/8 of one cent. This trust fund is to be used “for the purposes of protecting and enhancing water quality and natural areas in this State including parks, trails, and fish and wildlife habitat, and conserving agricultural soils in this State.”
- The amendment is also called I-Will or Sustainable Funding



Photo: Palisades-Kepler State Park

## Chapter 461 of the Iowa Code

- At the time the voters approved the constitutional amendment, they were also aware that legislation directed the money into various accounts – Chapter 461 of the Iowa Code
- The text for the amendment and the enabling legislation are simple and easy to understand. The amendment was only 18 lines long. Chapter 461 of the Iowa Code is 5 pages long.
- The law spelled out that it would be new money
- It would not use the new sales tax for existing programs
- Established programs that were to be funded and the percentage of the sales tax collections that would fund the programs



Photo: Wapsipinicon State Park

## What I-Will funds

- The money collected through the sales tax is designated for specific purposes
- The distribution percentages are designated as:
  - 7% Lake Restoration
  - 10% Trails
  - 13% REAP (Resource Enhancement and Protection program)
  - 13% Local Conservation Partnership program
  - 14% Watershed Protection
  - 20% Soil Conservation and Water Protection (Iowa Department of Agriculture and Land Stewardship)
  - 23% Natural Resources (Department of Natural Resources)

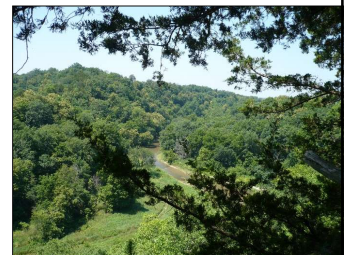


Photo: Whitewater Canyon, Jones and Dubuque Counties

## The sales tax has never been passed

The constitutional amendment, the related sales tax increase, and the promises held in the state law have been sitting unimplemented



## Invest in Iowa Act

- In 2020 Governor Reynolds introduced The Invest in Iowa Act which would implement the sales tax
- It eviscerated the current law
  - changing the funding percentages
  - Making the sales tax fund existing programs
    - which reduced the new money to less than 1/8 cent
    - which freed up the money for an income tax reduction for the highest earners
  - concentrated most of the funding toward the nutrient reduction strategy
- Sierra Club actively opposed this legislation
- The Invest in Iowa Act did not pass



Photo: Loess Hills by Jim Redmond

## Sierra Club was proud that the constitutional amendment passed along with the legal framework that supported the amendment

- Sierra Club initiated the effort for I-Will and its sustainable funding
- We met with the DNR director Jeff Vonk, Environmental Protection Commission, and Natural Resources Commission and got the ball rolling
- We participated in the coalition that supported the passage of the bill
- It has been disappointing that the sales tax has not been implemented
- It was further disappointing that Governor Reynolds attempted to eviscerate the law, reducing the new money, and changing the uses of the money
- We can and must do better!



Photo: Snapping turtle by Mark Rouw

## What is next?

- At this point, the governor has indicated that she will not be asking for the 3/8 cent sales tax to be implemented.
- It does not appear that the legislature will be addressing it.
- We need a better political climate to pass the 3/8 cent sales tax using the current funding formulas.

