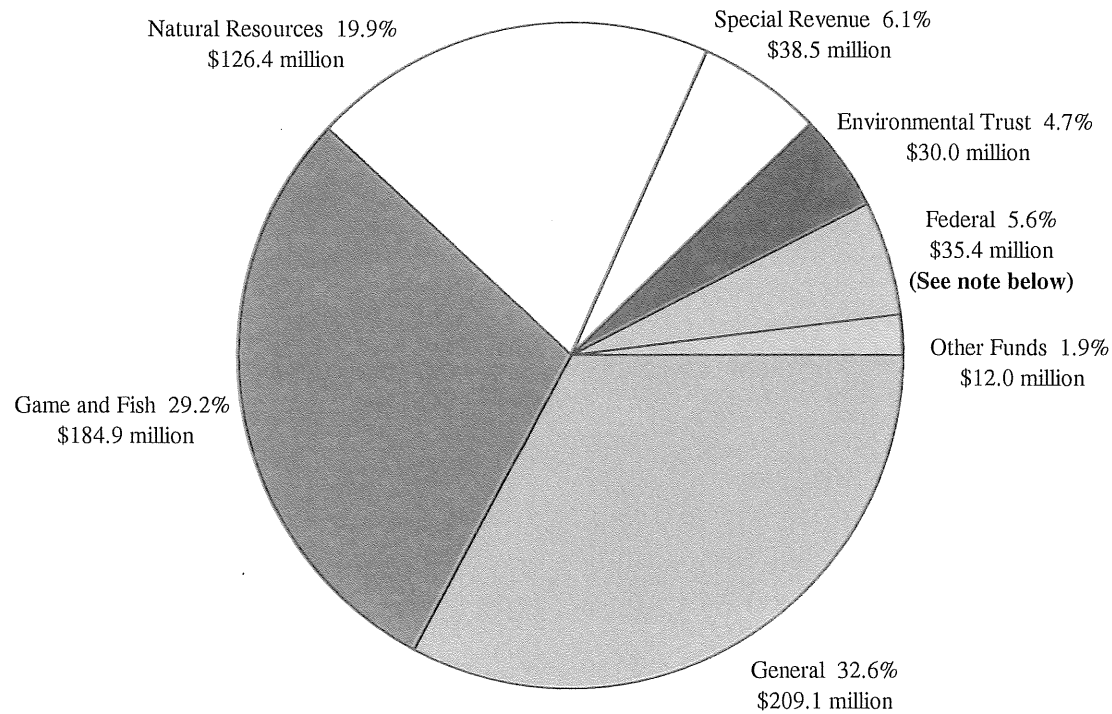
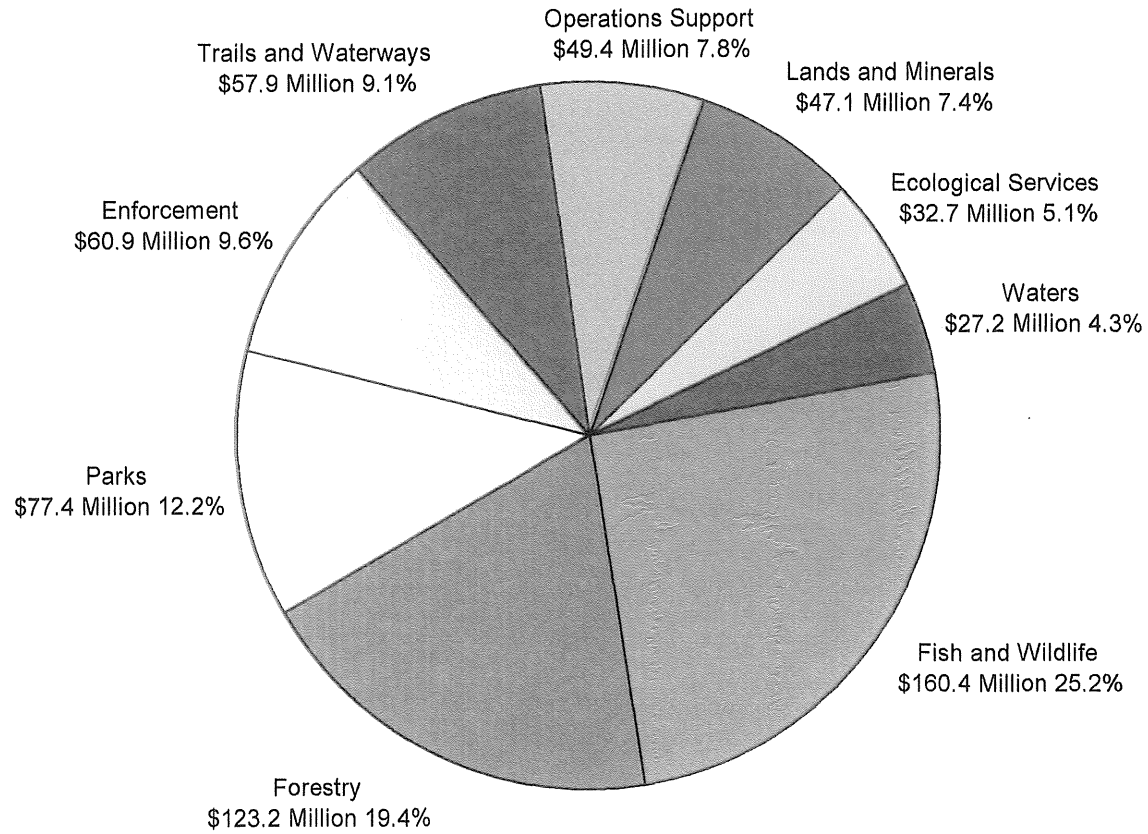


Department of Natural Resources
Total Appropriations by Fund, FY2006-07
Total \$636.3 Million
Includes Direct, Open and Statutory Appropriations



Note: Federal expenditures of \$35.4 million do not include \$38.3 million in federal program Sport Fish and Wildlife Restoration receipts that are deposited to and expended from the Game and Fish Fund.

Department of Natural Resources
FY 2006-07 Direct, Open, and Statutory Appropriations by Program
Total \$636.3 Million



DEPARTMENT OF NATURAL RESOURCES
BIENNIAL BUDGET INITIATIVES for 2005 Session

0. AGENCY

Operations Support Funding

This budget change request is intended to create a direct link between a DNR manager's decision to incur costs on behalf of the agency and the allocation of the costs to the managers program.

Lottery in-Lieu Sales Tax Funding of Parks, Recreation and Trails

This change request will provide:

- a) an annual appropriation from the Natural Resources Fund to the Trails and Waterways Management Program for state trails and local trail grants; and
- b) an annual appropriation increase from the Natural Resources Fund to the Parks and Recreation Management Program to fund new facilities in state parks.

Heritage Enhancement

This budget change item includes funding for two efforts from the Game and Fish Fund Heritage Enhancement Account:

- a) wolf delisting and management, and
- b) further development and application of the Ecological Classification System (ECS).

Prairie Wetland Complexes and Monitoring

This change request will provide for accelerated protection and restoration of prairie wetland complexes and begin implementation of a comprehensive wetland-monitoring program (via the Ecological Services Program and the Fish & Wildlife Management Program).

Maintenance of Service – Game and Fish

This initiative will increase the appropriation to the DNR from the Game and Fish Fund using existing funds provided by user fees to finance the increasing costs of providing resource management projects, protecting fish and wildlife habitat, conducting scientific research on populations, being active with public participation, and enforcing game and fish laws.

Water Recreation Funding Levels

This change request will increase annual spending from the Water Recreation Account in the Natural Resources Fund to:

- a) address increasing costs of public water access facility management and rehabilitation (via the Trails and Waterways Program)
- b) increase invasive species management; develop and implement comprehensive vegetation management plans; and fund current aquatic plant management activities, with a corresponding decrease in annual appropriation from the Game and Fish Fund for this same purpose (via the Ecological Services Program and the Fish & Wildlife Management Program)

Off-Highway Vehicles Funding Levels

This initiative will:

- a) fund the Off-Highway Vehicle Trail Safety and Conservation program as a grant program; and
- b) reduce Off-Road Vehicle (ORV) expenditures in the Trails and Waterways Management Program to a level more closely aligned with current activity levels within the funding source.

1. ECOLOGICAL SERVICES

Nongame Wildlife Education, Information, and Promotion Initiative

This change request will increase the appropriation from the Nongame Wildlife Management Account in the Natural Resources Fund by \$100,000 per year for two years, to improve the development of information and educational materials that promote wildlife observation and habitat management opportunities and expand promotion of the Nongame Wildlife Check-Off.

Stream Restoration

This change request will add one full-time field position in the stream habitat program to provide technical assistance and analyze data for stream restoration projects.

2. FISH & WILDLIFE MANAGEMENT

Red Lake Fisheries Management

This change requests an additional \$100,000 to the annual appropriation from the Game and Fish Fund to allow for the sustainable management of almost 48,000 acres of re-established walleye waters.

Comprehensive Lakes Management

This change requests an additional \$85,000 to the annual appropriation from the Game and Fish Fund to expand comprehensive management efforts and assist in coordinating the Governor's water quality initiative, including impaired waters.

Shoreland Habitat Management Program Expansion

This initiative would increase the annual appropriation from the Game and Fish Fund by \$200,000 for an expansion of the Shoreland Habitat Management Program to monitor and evaluate shoreland activities more intensively; increase the technical support and number of projects conducted in the northern Minnesota; develop incentives to maintain natural shorelands; work more closely with the horticulture and landscaping industries; and control invasive species by conducting additional maintenance activities on existing shoreland habitat sites.

Statutory Appropriations for Fish and Wildlife

This initiative would change appropriations for seven dedicated accounts or funds within the Game and Fish Fund to statutory appropriations, which would make the account balances available for expenditure according to statute language for each fund (Minn. Stat. §§ 97A.075, 97A.071).

Statewide Electronic Registration

This request is for an annual appropriation of \$312,000 for transaction costs related to establishing an electronic system through the Electronic Licensing System (ELS) for registering deer harvested by hunters. This system will use technology more effectively to gather deer harvest data from hunters and will improve the Department's ability to monitor and measure the results of deer season management quickly and efficiently.

License Center – Full Funding ELS Costs

This change request will provide an appropriation from the Game and Fish Fund of \$75,000 annually to cover the vendor operating costs for statutorily mandated free licenses issued through the Electronic Licensing System (ELS).

Expanding Critical Habitat License Plate Opportunities

This initiative would establish Critical Habitat Match (CHM) license plates for recreational vehicles (RVs) and recreational trailer owners.

Special Management Species – Appropriation

This initiative would appropriate revenues collected through the proposed initiation of special management species application and tagging authority for the Fish and Wildlife Management Program

to cover implementation costs. The first species to be managed under the proposal would be the lake sturgeon.

3. FOREST MANAGEMENT

Trust Fund Land Management Costs

This change request will return forest management costs on State Forest Trust Fund lands certified under Minn. Stat. § 16A.125 Cost Certification to the Forest Management Investment Account (FMIA) established in Minn. Stat. § 89.039. Currently, these certified costs are transferred from the Forest Suspense Account to the General Fund for general state purposes.

State Forest Nursery Stock Surcharge

This change request will amend Minn. Stat. § 89.37 to allow for a surcharge of 2½ cents to be added to the price of each tree seedling sold by state forest nurseries. The funds accumulated through the surcharge would be dedicated to the DNR Forest Management Program's education and technical assistance programs.

Electronic Open Burning Permits

This bill will allow the DNR to augment the existing burning permit system by providing electronic open burning permits as an alternative via the Internet and through agents who currently issue other DNR permits and licenses through the Electronic Licensing System (ELS). Permits will still be available from the volunteer fire warden system at no charge.

Fee for Special Fuelwood Permits

This change will raise fuelwood permit fees minimally to cover the costs of issuing those permits.

4. LANDS & MINERALS RESOURCE MANAGEMENT

Aggregate Inventory on School Trust Lands

This bill will increase revenues generated to the Permanent School Fund (PSF) by identifying and leasing sand and gravel resources. The bill also requires the DNR to develop a mine plan that will ensure the protection of surrounding features such as wetlands and groundwater.

Revenue Enhancements on School Trust Lands

This is a new initiative to increase revenue from school trust lands with the goal of evaluating school trust land holdings and increasing income to the Permanent School Fund.

Road Easement Application Fee

This bill will require the submission of a \$2,000 application fee by a private party requesting a perpetual easement to cross acquired (non-trust) state lands to obtain access to their property.

Mineral Management Fee

The DNR proposal is to shift the cost for mineral management from the General Fund to the funds that currently benefit from the revenue.

Sale of Tax-forfeited Riparian Lands

This bill directs net proceeds from the sale of tax forfeited riparian lands to be used for the improvement or enhancement of the water resources in the locale of the tax-forfeited land.

4. PARKS & RECREATION MANAGEMENT

Statutory Appropriation for Parks

This change will:

- a) Establish a statutory appropriation from the Natural Resources Fund to the State Parks Account; and
- b) Provide the Parks and Recreation Management Program with the ability to waive or reduce state park entrance fees in order to operate in a more entrepreneurial fashion.

5. TRAILS & WATERWAYS MANAGEMENT

Cross-Country Ski Pass Fee Increase

This bill will increase the cross-country ski pass fees from \$2.00 to \$4.00 daily, \$9.00 to \$14.00 annually, and \$24.00 to \$39.00 for a three-year pass.

All-Terrain Vehicle (ATV) Gas Tax Study

This bill proposes to study the state gas tax attributed to All-Terrain Vehicle (ATV) use. A one-time appropriation of \$75,000 in FY 2006 is needed to complete this study.

Fishing Pier Adjustments

This change request will provide funding from the Game and Fish Fund for maintenance and operation of fishing piers. Currently, this funding is appropriated from the Water Recreation Account, which is not consistent with the purposes of the account as established in Minn. Stat. Chapter 296A.

Wallop-Breaux Water Access Funding

This change item requests that additional resources be appropriated from the Game and Fish Fund for expenditures on public water access sites, to ensure that the DNR meets the requirement of the U.S. Fish and Wildlife Sport Fish Restoration Program that 15% of the federal apportionment of funds be spent on public water access sites.

6. WATER RESOURCES MANAGEMENT

Permit Fee Increases

This bill combines four permit fee changes for the Water Resources Management Program:

- a) Increase the permit application fee for public waters and appropriation permits from \$75 to \$150 and increase the maximum application fee from \$500 to \$1000.
- b) Increase the annual pumping fees for once-through cooling from \$200 to \$300 per million gallons.
- c) Increase the minimum water use fee for irrigation and wild rice from \$20 to \$101 to be equivalent with all other appropriators.
- d) Appropriate the fees received from CenterPoint Energy (formerly Minnegasco) for underground gas storage near the communities of Waseca and Waterville to the DNR for payment of monitoring expenses and consulting fees.

Surcharge on Summer Water Use for Municipalities

This bill proposes a surcharge of \$20 per million gallons on the increased water used during summer months by municipalities, golf courses and landscape irrigators. The revenue generated by this surcharge would be appropriated to the DNR for conservation planning and water sustainability studies.

Administrative Penalty Orders

This bill provides authority to the Commissioner to issue civil citations in the form of fines and/or orders for corrective action for egregious and repeat violations of DNR water program laws and rules dealing with floodplain, shoreland, wild and scenic rivers, water appropriations and work in public waters.