

SF4250 - 0 - Recreational Use of School Trust Lands

Chief Author: **Mary Kunesh**
 Committee: **Legacy and Natural Resources**
 Date Completed: **3/22/2024 2:23:56 PM**
 Agency: **Natural Resources Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative.
 Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Permanent School Fund	-	-	417	-	-
Total	-	-	417	-	-
Biennial Total			417		-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Permanent School Fund	-	-	.5	-	-
Total	-	-	.5	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jim Carlson **Date:** 3/22/2024 2:23:56 PM
Phone: 651-284-6540 **Email:** jim.carlson@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
Permanent School Fund		-	-	417	-	-
Total		-	-	417	-	-
Biennial Total				417		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
Permanent School Fund		-	-	417	-	-
Total		-	-	417	-	-
Biennial Total				417		-
2 - Revenues, Transfers In*						
Permanent School Fund		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

SF4250 would require the school trust lands director to conduct a study of all recreational uses of school trust lands such as, public water access sites, hiking and snowmobile trails, and hunting. The goal of the study is to determine how to allocate to the Permanent School Fund a percentage of outdoor recreation fees collected by DNR from boating and hunting licenses. SF4250 also would require that DNR assist the school trust lands director with the study and allows the director to contract for additional survey data. SF4250 offers the school trust lands director specific areas to concentrate the study and requires the director to submit a report with the findings to the legislature by January 15, 2025. The bill also provides the school trust lands director with an unspecified appropriation to conduct the study.

Assumptions

1. School Trust Lands Director can complete the study and produce a report by January 15, 2025.
2. The appropriation will be sufficient for the School Trust Lands Director to hire an independent contractor, or temporary staff, to complete the report by January 15, 2025.
3. The DNR license and registration fee data is applicable for the analysis required by SF4250 as the bill is very specific on the recreational study areas.
4. The results of the study will result in the legislature compensating the Permanent School Fund for outdoor recreation occurring on school trust lands.

Expenditure and/or Revenue Formula

The Office of School Trust Lands has contracted for similar resource studies. Based on past contracted services, estimated expenditures for the study contemplated in SF4250 are as follows:

- \$250,000 for an independent contractor
- \$50,000 to undertake the additional survey contemplated in Section 1 of SF4250
- \$67,000 for 0.50 FTE OSTL staff for project management and contract administration; and
- \$50,000 for contract with DNR for study and data analysis

Total estimated costs would be approximately \$417,000.

Long-Term Fiscal Considerations

The Permanent School Fund could realize additional revenue from an allocation of license and registration fees collected by DNR. Any such allocation would necessarily require future audits to ensure the amounts received by the Permanent School Fund were proportional to the recreational uses and adequately compensate the Permanent School Fund for diminished revenue potential as a result of those uses.

Local Fiscal Impact

none

References/Sources

none

Agency Contact: Aaron VandeLinde

Agency Fiscal Note Coordinator Signature: Tyler Teggatz

Phone: 651-259-5304

Date: 3/22/2024 11:22:54 AM

Email: tyler.teggatz@state.mn.us