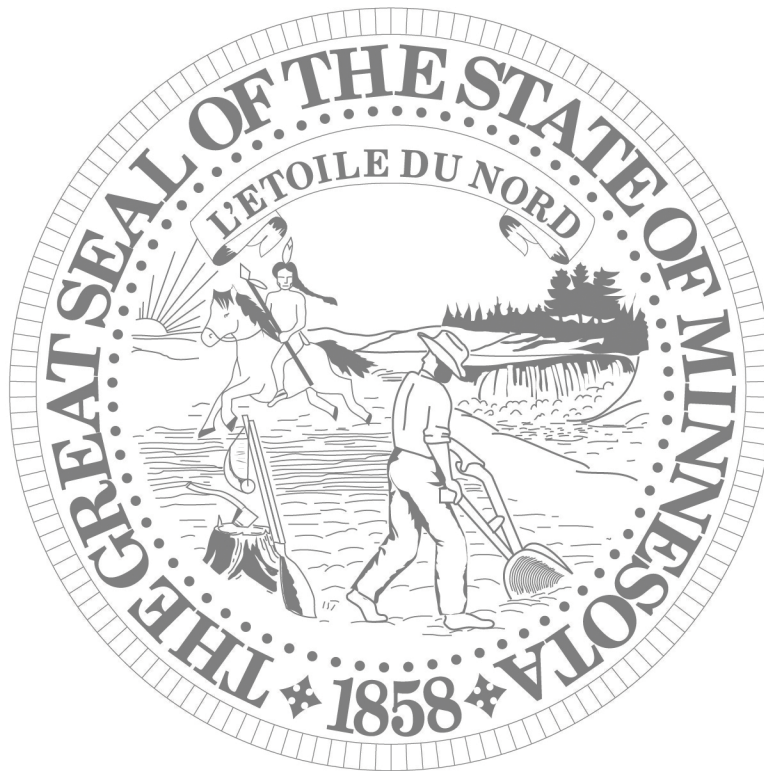


MINNESOTA BIENNIAL BUDGET

FY 2018 - 2019



Departmental Earnings

Presented by
Governor Mark Dayton
To the 90th Legislature
January, 2017

List of Departmental Earnings Groups by Agency

Items marked with an "*" indicate that the Governor recommends a fee change in the departmental earnings group.

Accountancy, Board of

Accountancy Professional Licensing and Fees

Administrative Hearings, Office of

Campaign Complaints and Municipal Board

Worker's Compensation Transcript

Agriculture*

Agricultural Chemical Response and Reimbursement Surcharge

Agricultural Liming Fees

Apiary Export Certification Fees

Beverage Inspection Fees

Commercial Canneries Inspection Fees

Commercial Feed Inspection Fees

Commodity Councils Service Charges

Consolidated Food License Fees*

Cottage Foods Registration Fees

Dairy Services Fees

Dairy, Milk, and Cream License Fees

Egg Law Inspection Fees

Fertilizer Inspection Fees

Food Handler Plan Review Fees

Food Handler Reinspection Fees

Fruit and Vegetable Inspection Fees

Grain Buyer and Storage Fees

Industrial Hemp Fees

Laboratory Services Charges

Livestock License Fees

Livestock Weighting Charges

MDA Coop Agreements

MDA Corporate Farm Fees

MDA Miscellaneous

MDA Remediation Reimbursements

MDA Trade Activities

Minnesota Grown Fees

Nursery and Phytosanitary Fees

Pesticide Regulation Fees*

RFA Aggie Bond Fees

Rural Finance Authority Fees

Seed Inspection Fees

Seed Potato Inspection Fee

Wholesale Produce Dealers Fees

Animal Health, Board of

Dog and Cat Breeder Fees

Farmed Cervidae Annual Inspection Fee

Miscellaneous Fees Animal Health Board

Architecture, Engineering Board

Architecture, Engineering Board Examinations and Licensing Fees

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

Attorney General

Charities and Club Registration Fees

Barber Examiners, Board of*

Barber Examiners Board Licensing Fees*

Behavioral Health and Therapy, Board of

Behavioral Health and Therapy Board Licensing Fees

Chiropractic Examiners, Board of

Chiropractic Examiners Licensing Fees

Commerce*

Auto Theft Prevention Surcharge

Collections License and Registration Fees

Currency Exchange License Fees

Energy Cost Assessments*

Facility Siting and Routing Permit Fees

Financial Institutions - Examiners Fees and Cost Assessments*

Franchise Registration Fees

Gold Bullion Dealers

Insurance Agent License Fees

Insurance Company Fees, Fines and Penalties*

Made in Minnesota Solar Incentive Program

Miscellaneous Small Earnings: Fees, Service Charges, Assessments and Fines

Petroleum Inspection Fees

Petroleum Tank Release Cleanup

Propane Liquefied Petroleum Gas Fee

Real Estate License Fees

Securities Registration and Amendment Fees, Fines and Penalties*

Technology Fee for On-Line Licensing Products

Telecommunications Access Minnesota Surcharge

Telephone Regulation Cost Assessment

Unclaimed Property Remittances

Weights and Measures Service Fees*

Worker's Compensation/Self Insurance Application and Filing Fees

Corrections

Aid to Victims of Crime

Charges to Counties - Per Diem Charges for MCF-Red Wing Juveniles

Community Supervision Fees from Offenders

Corrections Staff Rent/Utilities Fees

County Probation Reimbursement

Dedicated Receipts Miscellaneous

Fee for Services at MCF - Togo

Health Care Co-Payment - Offender Assessment

Housing Adult Inmates

Inmate Confinement Surcharge Summary

Lino-Anoka Service Agreement

Out of State Juvenile Jail Certification Fee

Staff and Visitors Meals

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

Vocational Work Program Fees

Cosmetologist Examiners, Board of

Cosmetologist Examiners Board Licensing Fees

Dentistry, Board of

Dentistry Board Licensing Fees

Dietetics and Nutrition Practice, Board of

Dietetics and Nutrition Practice Licensing Fees

District Courts

District Court Credit Card Convenience Fee

Miscellaneous Court Fees - Specialty Court Participation Fees

Education

Minnesota Career Information System (MCIS)

Miscellaneous Dept of Education Receipts

School Administrator Licensing

Emergency Medical Services Regulatory Board

Emergency Medical Svcs Reg Data Practices / Cost of Copies

Emergency Medical Svcs Regulatory Board Licensing Fees

Employment and Economic Development

Job Skills Partnerships Program

MN Trade Office

Services for the Blind-Operations and Communication

Small Business Application Fee

Small Business Investment Tax Credit (Angel)

Explore Minnesota Tourism

Tourism Program Revenue

Gambling Control Board

Gambling License and Regulatory Fees

Health*

Adoption Registry Filing and Administrative Fees

Adverse Event Reporting

Asbestos Abatement Fees

Birth Center License Fees

Body Art Establishment and Technician Licensure Fees*

Certified Copies of Vital Records and Related Services Fees

Doula Registry Fees*

Drinking Water Service Connection Fee*

Electronic Health Records Service Provider Application and Certification Fees

Food Beverage and Lodging Licensure Fees*

Food Manager Certification Fee

Funeral Establishments and Funeral Director Licensure Fees

Health Care Facility License Fees*

Health Maintenance Organizations Application and Renewal Fee

Hearing Instrument Dispensers Certification and Examination Fee*

Home Care Licenses Summary

Interpreter Roster Application Fee

Laboratory Accreditation Fee

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

- Lead Program and Certification Fees
- Manufactured Home Park and Recreational License Fees
- Medical Cannabis Program Fees
- Newborn Screening Fee
- Occupational Therapist License Fees*
- Plan Review and Inspection Fees for Water Treatment
- Public Pool Plan Review, Inspection, and Licensure Fees
- Radioactive Materials Registration and License Fees
- Radon Licensing
- Speech Language Pathologist and Audiologist Registration Fee*
- Statewide Hospitality Facility License Fee Summary
- Temporary Nursing Provider Fee
- Trauma Centers
- Well Management Program Fees*
- X-Ray Machines Registration and Inspection Fees

Higher Education, Office of

- Private Postsecondary Licensure and Registration Fees

Historical Society

- Historic Tax Credit Grant/Fee

Human Rights

- Compliance Certificates
- Pay Equity Certificates

Human Services*

- Alternative Care
- Background Study Fees
- Child Support Enforcement Division Fees
- Federal Collections Fee
- Human Services Licensing Division*
- Human Services Miscellaneous Fees
- MA-EPD Premium
- Minnesota Sex Offender Program Cost of Care
- Minnesota Sex Offender Program Industry
- MinnesotaCare Premium/BHP Trust Fund
- Nursing Home Advisory Council Fee
- Rental Income
- Shared Services
- State Operated Services Cost of Care Recoveries
- Work Activity Income

Iron Range Resources and Rehabilitation Board

- IRRRB Departmental Earnings

Labor and Industry*

- Combative Sports Fees
- Construction Codes Fees*
- Employment Agency Licensure
- Labor and Industry Data Practices - Cost of Copies
- Logger Assessment

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

- Qualified Rehabilitation Consultant Services Billed to Insurers
- Rehabilitation Provider Registration and Managed Care Organization Fees
- Residential Contractor Recovery Fund
- Workers Compensation and Construction Codes Penalties

Legal Professions Boards

- Certifying Accrediting Agencies and Annual Renewal Fees
- Legal Profession Board Credit Card Convenience Fee
- Licensing Attorneys
- Regulating Continuing Legal Education
- Regulation of Attorney Actions and Ethical Practice
- Reimbursement of Clients Defrauded by Attorneys

MNSure

- Premium Withhold

Management and Budget

- Combined Charities Operating Revenue
- Public Employee Insurance Program Operating Revenue

Marriage and Family Therapy, Board of

- Marriage and Family Therapy Board Licensing Fees

Mediation Services, Bureau of

- Mediation Services Bureau Fees

Medical Practice, Board of*

- Medical Practice Board Licensing Fees*

Natural Resources*

- Aquatic Invasive Species*
- DNR Miscellaneous
- Electronic Licensing
- Fire Fighting
- Forestry Nursery Account
- Game and Fish*
- Land Recreation*
- Minerals Earnings
- Parks Earnings*
- Real Estate Earnings
- Reclamation Earnings
- Timber and Related Earnings
- Water Earnings*
- Water Recreation*

Nursing Home Administrators, Board of

- Nursing Home Administrators Licensing Fees

Nursing, Board of

- Nursing Board Licensing Fees

Optometry, Board of*

- Optometry Board Licensing Fees*

Peace Officer Standards and Training Board

- Peace Officers Standards and Training Board Licensing Fees

Perpich Center for Arts Education

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

Perpich Center for Arts Education Fees

Pharmacy, Board of

Pharmacy Board Licensing Fees

Physical Therapy, Board of

Physical Therapy Board Licensing Fees

Podiatric Medicine, Board of

Podiatric Medicine Licensing Fees

Pollution Control

Air Quality Fee

DVS Motor Vehicle Transfer Fee

Dry Cleaner Fee

E-Waste

Hazardous Waste Fee

Low Level Radioactive Waste Generator Fee

PCA Income Agreements

Paint Stewardship Admin Fees

Petroleum Brownfields Program Fee

Pollution Prevention Fee

Subsurface Sewage Treatment Systems (SSTS) Licensing

Subsurface Sewage Treatment Systems (SSTS) Tank Fee

Underground Storage Tank Certification Program

Waste Disposal Facility Operators and Inspector Certification Program

Wastewater Operator Certification Program

Water Quality Fee

Private Detectives Board

Private Detectives Board Licenses and Fees

Psychology, Board of

Psychology Board Licensing Fees

Public Facilities Authority

PFA Application and Loan Servicing Fees

Public Safety*

AGED Gambling Enforcement Fees

AGED Liquor License Fees

BCA Crime Alert Network Fee

BCA Criminal Justice Data Network

BCA Non-Criminal Information Requests

BCA Personal Protection Pistol Permit Fee

DVS Data Security

DVS Driver License and Related Fees

DVS Licensing DWI Reinstatement Fees

DVS Licensing Motorcycle Endorsement Fees

DVS MNLARS Technology Account

DVS Motor Vehicle Miscellaneous - Admin and Advertising

DVS Motor Vehicle Reg and Related Services*

DVS Public Safety Motor Vehicle Account Fee

ECN 9-1-1 Fees

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

- Fire Fighters Licensing Fees
- Fire Insurance Policy Surcharge
- Fire Safety Inspection and Certification Permit Fee
- HSEM Hazardous Fees
- HSEM Interstate Compact
- HSEM Railroad and Pipeline Assessment*
- Patrol Commercial MV Inspection Fee
- Patrol Contracted Service Fees
- Pipeline Safety Inspection Fees

Public Utilities Commission

- Administrative Hearings Cost Recovery
- Energy Cost Assessments
- Extended Area Service Balloting Charges
- Telephone Assistance Program
- Telephone Regulation Cost Assessment

Racing Commission

- Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Revenue*

- Assessor's Education and Licensing*
- Cigarette and Tobacco Licensure*
- Conditional Use Fees
- Motor Fuels License Fee
- Revenue Department Filing Fees
- Revenue Recapture Fee

Secretary of State

- Business Services Filing, Copy and Certification Fees
- Computer Info Fees Direct Access
- Election Fees - Candidate Filing, Copy and Certification Fees
- Notary Commission and Renewal Fee
- Uniform Commercial Code Filing and Copy Fees

Social Work, Board of*

- Social Work Board Licensing Fees*

State Auditor

- Audit Charges

Supreme Court

- Civil Legal Services Fees
- Courts Data Practices / Cost of Copies
- Fees for Filing Appeals
- Fees from Users of the Minnesota Court Information System
- Miscellaneous Court Fees
- State Building Code
- Testing/Training for Court Interpreters

Teaching Board

- Teacher Licensing

Transportation*

- Advertising Permits

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in the departmental earnings group.

- Air Transportation Revolving Account
- Airports, Commercial Operations, and Aircraft Dealer License
- DOT: Miscellaneous*
- Highway Toll Revenue
- Motor Carrier Permits and Fees
- Motor Vehicle Miscellaneous Fee
- Tower Leases Rental Income
- Transportation Permits

Veterans Affairs

- Veterans Cemetery Burial Fees
- Veterans Home Domiciliary Rental and Lease Fees
- Veterans Homes Per Diem for Adult Day Care
- Veterans Homes Per Diem for Domiciliary Care
- Veterans Homes Per Diem for Domiciliary Resident Maintenance Charges
- Veterans Homes Per Diem for Skilled Nursing Care
- Veterans Homes Skilled Nursing Resident Maintenance Charges

Veterinary Medicine, Board of

- Veterinary Medicine Licensing Fees

Water and Soil Resources, Board of

- Water and Soil Resources Board Departmental Earnings

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2018-19 Biennial Budget - Departmental Earnings

Accountancy, Board of

Accountancy Professional Licensing and Fees

Agency: Accountancy, Board of
Earnings Group: Accountancy Professional Licensing and Fees

2018-19 Departmental Earnings

Purpose: To recover costs of regulation of the industry.

Legal Citation: MS 326A and MN Rules 1105

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (B7P9000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		374	1,346	1,598	1,598	2,421	2,421
Resources:							
Departmental Earnings	1,005	1,563	990	1,490	1,490	990	990
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	75						
Revenue Collected for Another Agency							
Total Resources	930	1,563	990	1,490	1,490	990	990
Expenditures:							
Direct Expenditures	535	569	712	641	641	641	641
Indirect Expenditures	21	22	26	26	26	26	26
Total Expenditures	556	591	738	667	667	667	667
Current Difference	374	972	252	823	823	323	323
Accumulated Ending Balance	374	1,346	1,598	2,421	2,421	2,744	2,744

Agency: Accountancy, Board of

2018-19 Departmental Earnings

Earnings Group: Accountancy Professional Licensing and Fees

Background Information:

The Board regulates persons engaged in public accounting for the purpose of public protection.

The Board's mission is to protect the public by providing reasonable assurance that the persons engaged in public accounting meet and maintain the qualifications and standards required to competently practice public accounting in the state of Minnesota.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated for the current fiscal year and next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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2018-19 Biennial Budget - Departmental Earnings

Administrative Hearings, Office of

Campaign Complaints and Municipal Board

Worker's Compensation Transcript

Agency: Administrative Hearings, Office of
Earnings Group: Campaign Complaints and Municipal Board

2018-19 Departmental Earnings

Purpose: Campaign Complaints and Municipal Board

Legal Citation: MN Statute § 211B.32, Subd. 5; 211B.37; 414.12 Subd. 3; Minn. Rule 6000.3400

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G9K1NDR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(227)	(467)	(928)	(928)	(1,276)	(1,276)
Resources:							
Departmental Earnings	17	22	27	27	27	27	27
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	17	22	27	27	27	27	27
Expenditures:							
Direct Expenditures	243	262	487	374	374	375	375
Indirect Expenditures	1		1	1	1	1	1
Total Expenditures	244	262	488	375	375	376	376
Current Difference	(227)	(240)	(461)	(348)	(348)	(349)	(349)
Accumulated Ending Balance	(227)	(467)	(928)	(1,276)	(1,276)	(1,625)	(1,625)

Agency: Administrative Hearings, Office of
Earnings Group: Campaign Complaints and Municipal Board

2018-19 Departmental Earnings

Background Information:

Filing fees for a complaint of unfair campaign practices, campaign complaint penalties assessed, and petition for creation, combination or alteration of a municipal boundary.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's General Fund.

Agency: Administrative Hearings, Office of

2018-19 Departmental Earnings

Earnings Group: Worker's Compensation Transcript

Purpose: Defray cost of preparation of record of proceedings appealed to Workers' Compensation Court of Appeals

Legal Citation: M.S. 176.421 Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Workers Comp Transcript (5202)

Appropriation: Workers Compensation Transcrip (G9K1WCT)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(9)	(7)	(7)	(7)	(7)	(7)
Resources:							
Departmental Earnings	3	5	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3	5	8	8	8	8	8
Expenditures:							
Direct Expenditures	12	3	8	8	8	8	8
Indirect Expenditures							
Total Expenditures	12	3	8	8	8	8	8
Current Difference	(9)	2					
Accumulated Ending Balance	(9)	(7)	(7)	(7)	(7)	(7)	(7)

Agency: Administrative Hearings, Office of

2018-19 Departmental Earnings

Earnings Group: Worker's Compensation Transcript

Background Information:

Fees associated with customer request for transcripts.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

Revenues are dedicated to the purposes of maintaining record of hearing conducted and preparation of transcript of those hearings for appeals to the Workers' Compensation Court of Appeals.

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2018-19 Biennial Budget - Departmental Earnings

Agriculture

- Agricultural Chemical Response and Reimbursement Surcharge
- Agricultural Liming Fees
- Apiary Export Certification Fees
- Beverage Inspection Fees
- Commercial Canneries Inspection Fees
- Commercial Feed Inspection Fees
- Commodity Councils Service Charges
- Consolidated Food License Fees
- Cottage Foods Registration Fees
- Dairy Services Fees
- Dairy, Milk, and Cream License Fees
- Egg Law Inspection Fees
- Fertilizer Inspection Fees
- Food Handler Plan Review Fees
- Food Handler Reinspection Fees
- Fruit and Vegetable Inspection Fees
- Grain Buyer and Storage Fees
- Industrial Hemp Fees
- Laboratory Services Charges
- Livestock License Fees
- Livestock Weighting Charges
- MDA Coop Agreements
- MDA Corporate Farm Fees
- MDA Miscellaneous
- MDA Remediation Reimbursements
- MDA Trade Activities
- Minnesota Grown Fees
- Nursery and Phytosanitary Fees
- Pesticide Regulation Fees
- RFA Aggie Bond Fees
- Rural Finance Authority Fees
- Seed Inspection Fees
- Seed Potato Inspection Fee
- Wholesale Produce Dealers Fees

For information about the recommended new Pollinator Protection fee see the Pollinator Protection Account change item in the Department of Agriculture 2018-19 Governor's Budget Recommendations book.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Agricultural Chemical Response and Reimbursement Surcharge

Purpose: Agricultural Chemical Response and Reimbursement surcharge

Legal Citation: M.S. 18C.425 and M.S. 18E.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Ag Chem Response & Reimb Acct (B041A15)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,488	2,375	3,138	3,399	3,399	3,650	3,650
Resources:							
Departmental Earnings	1,384	3,198	2,985	3,000	3,000	3,000	3,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	14	19	15	19	19	19	19
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,398	3,217	3,000	3,019	3,019	3,019	3,019
Expenditures:							
Direct Expenditures	1,276	2,253	2,399	2,382	2,382	2,387	2,387
Indirect Expenditures	235	201	340	386	386	387	387
Total Expenditures	1,511	2,454	2,739	2,768	2,768	2,774	2,774
Current Difference	(113)	763	261	251	251	245	245
Accumulated Ending Balance	2,375	3,138	3,399	3,650	3,650	3,895	3,895

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Agricultural Chemical Response and Reimbursement Surcharge

Background Information:

This program protects public health and the environment from hazards posed by releases involving agricultural chemicals. Surcharges are collected and used to reimburse cleanup activities. Since little private insurance is available for environmental releases, this program allows small and critical businesses to continue serving Minnesota agriculture while financing past, current and future incidents.

Forecast Basis:

Forecast is based on assumption of fairly flat revenues and cleanup activities.

Recent Changes:

None

Agency Analysis/Comments:

None

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Agricultural Liming Fees

Purpose: Fees related to regulation of agricultural liming products and distributors

Legal Citation: M.S. 18C.551 and M.S. 18C.555

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Pest&Fert Non-Dedicated Rcpts (B041G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(30)	(24)	(30)	(30)	(36)	(36)
Resources:							
Departmental Earnings	38	48	40	40	40	40	40
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	38	48	40	40	40	40	40
Expenditures:							
Direct Expenditures	68	42	46	46	46	46	46
Indirect Expenditures							
Total Expenditures	68	42	46	46	46	46	46
Current Difference	(30)	6	(6)	(6)	(6)	(6)	(6)
Accumulated Ending Balance	(30)	(24)	(30)	(36)	(36)	(42)	(42)

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Agricultural Liming Fees

Background Information:

The agricultural lime program ensures that ag liming materials meet the claimed neutralizing value content, are not adulterated, are effective and suitable for agricultural purposes and are stored, handled, distributed and used in a safe and appropriate manner.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Money is deposited into the General Fund and an appropriation is given to the agency for this purpose. Expenditures shown for comparison are the amounts in the Facility, License and Emergency Response area.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Apiary Export Certification Fees

Purpose: Fees for certificates of health of honey bees

Legal Citation: M.S. 17.445

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Apiary (B042A27)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	8	8	8	8	8	8	8
Resources:							
Departmental Earnings			1	1	1	1	1
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources			1	1	1	1	1
Expenditures:							
Direct Expenditures			1	1	1	1	1
Indirect Expenditures							
Total Expenditures			1	1	1	1	1
Current Difference							
Accumulated Ending Balance	8	8	8	8	8	8	8

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Apiary Export Certification Fees

Forecast Basis:

Review of activity

Recent Changes:

None

Agency Analysis/Comments:

This account has had limited activity in recent years.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Beverage Inspection Fees

Purpose: Feed paid by beverage manufacturing plant licensees

Legal Citation: M.S. 34.07 and M.S. 28A.08

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Beverage Inspection (B044A34)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	50	45	54	69	69	65	65
Resources:							
Departmental Earnings	16	21	21	21	21	21	21
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	16	21	21	21	21	21	21
Expenditures:							
Direct Expenditures	18	9	5	22	22	22	22
Indirect Expenditures	3	3	1	3	3	4	4
Total Expenditures	21	12	6	25	25	26	26
Current Difference	(5)	9	15	(4)	(4)	(5)	(5)
Accumulated Ending Balance	45	54	69	65	65	60	60

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Beverage Inspection Fees

Background Information:

This program inspects beverage products and processes to ensure wholesome products and safe and sanitary conditions.

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

Activity in this account has been relatively steady.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Commercial Canneries Inspection Fees

Purpose: Fees paid by commercial canneries for inspections and lab analysis

Legal Citation: M.S. 31.39 and M.S. 28A.08

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Commercial Canneries Inspect (B044A35)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	50	74	140	213	213	195	195
Resources:							
Departmental Earnings	108	107	102	105	105	105	105
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	109	108	103	106	106	106	106
Expenditures:							
Direct Expenditures	65	32	25	107	107	111	111
Indirect Expenditures	20	10	5	17	17	18	18
Total Expenditures	85	42	30	124	124	129	129
Current Difference	24	66	73	(18)	(18)	(23)	(23)
Accumulated Ending Balance	74	140	213	195	195	172	172

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Commercial Canneries Inspection Fees

Background Information:

This program conducts inspections at all commercial canning and frozen food plants within the state. Food, food containers and processes are sampled and inspected. Complaints are investigated and certificates of free sale are issued to exporters upon request.

Forecast Basis:

Historical data suggests that at fee revenue will not increase significantly.

Recent Changes:

Annual revenues have not always met annual costs of this program so program reserves occasionally get spent down.

Agency Analysis/Comments:

General Fund dollars have also been appropriated to help support this program.

Agency: Agriculture

Earnings Group: Commercial Feed Inspection Fees

2018-19 Departmental Earnings

Purpose: Fees related to commercial feed regulation

Legal Citation: M.S. 25.341 and M.S. 25.39

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Agriculture Fund (2018)

Appropriation: Commercial Feed (B044A30); Food&Feed Non-Dedicated Rcpts (B044G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,762	1,851	2,624	3,106	3,106	3,402	3,402
Resources:							
Departmental Earnings	2,354	3,064	3,030	3,140	3,140	3,195	3,195
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	10	14	10	15	15	15	15
Resource Reductions:							
Earnings Transferred Out	230	230	330	330	330	330	330
Revenue Collected for Another Agency							
Total Resources	2,134	2,848	2,710	2,825	2,825	2,880	2,880
Expenditures:							
Direct Expenditures	1,772	1,802	1,966	2,189	2,189	2,235	2,235
Indirect Expenditures	273	273	262	340	340	348	348
Total Expenditures	2,045	2,075	2,228	2,529	2,529	2,583	2,583
Current Difference	89	773	482	296	296	297	297
Accumulated Ending Balance	1,851	2,624	3,106	3,402	3,402	3,699	3,699

Background Information:

This program ensures that the feed industry is capable of producing safe feed that consumers receive uniform quality of feed nutrients and ingredients per label specifications and that adulterated and misbranded feed is removed from the marketplace.

Forecast Basis:

The feed industry is mature so that the tonnage volume that fees are collected on is stable and increased revenue is only due to a fee increase except for pet food listings which continue to grow on a year to year basis. This growth is attributable to two things: additional surveillance/enforcement and an expanding pet treat business. Pet food revenue is a small percentage of all feed program income.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Commodity Councils Service Charges

Purpose: Service fees under contractual agreements with the commodity research and promotion councils

Legal Citation: M.S. 17.59

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Commodities Councils (B046A51)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	33	30	25	19	19	18	18
Resources:							
Departmental Earnings	108	108	120	134	134	134	134
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	108	108	120	134	134	134	134
Expenditures:							
Direct Expenditures	97	98	113	117	117	118	118
Indirect Expenditures	14	15	13	18	18	18	18
Total Expenditures	111	113	126	135	135	136	136
Current Difference	(3)	(5)	(6)	(1)	(1)	(2)	(2)
Accumulated Ending Balance	30	25	19	18	18	16	16

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Commodity Councils Service Charges

Background Information:

Fees are collected as specified in agreements with each commodity research council to cover costs incurred by the department to formulate, submit to referendum, issue, administer and enforce the promotional orders of the councils.

Forecast Basis:

This activity has been relatively stable.

Recent Changes:

None

Agency: Agriculture

Earnings Group: Consolidated Food License Fees

2018-19 Departmental Earnings

Purpose: Various fees for food handlers

Legal Citation: M.S. 28A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Agriculture Fund (2018)

Appropriation: Commercial Feed (B044A30); Egg Law Inspection (B044A38); Food Certificates (B044A39); Food&Feed Non-Dedicated Rcpts (B044G00); Egg Law Inspection (B045A38)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		3	286	(796)	(796)	(81)	(141)
Resources:							
Departmental Earnings	3,693	3,621	3,890	3,890	3,962	3,890	3,962
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,693	3,621	3,890	3,890	3,962	3,890	3,962
Expenditures:							
Direct Expenditures	3,690	3,338	4,972	3,175	3,307	3,175	3,307
Indirect Expenditures							
Total Expenditures	3,690	3,338	4,972	3,175	3,307	3,175	3,307
Current Difference	3	283	(1,082)	715	655	715	655
Accumulated Ending Balance	3	286	(796)	(81)	(141)	634	514

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Consolidated Food License Fees

Background Information:

This program provides regulation for food producers, processors, packagers, labelers, handlers, distributors and vendors in order to protect the public from health hazards, fraudulent practices, improper labeling claims and misinformation.

Forecast Basis:

Analysis of past revenues has been performed.

Agency Analysis/Comments:

Money is deposited into the General Fund and an appropriation is given to the agency for this purpose. Expenditures shown for comparison are the amounts in the Food General Fund appropriation.

For information about the recommended fee change, see the Food Certificate Fee Account change item in the Department of Agriculture 2018-19 Governor's Budget Recommendations book.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Cottage Foods Registration Fees

Purpose: To provide registration and training to allow individuals to sell certain food that is home-produced, home-canned or not potentially hazardous.

Legal Citation: M.S. 28A.152

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Cottage Foods (B044A37)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			5	10	10	9	9
Resources:							
Departmental Earnings		5	4	4	4	4	4
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		5	5	5	5	5	5
Expenditures:							
Direct Expenditures				5	5	5	5
Indirect Expenditures				1	1	1	1
Total Expenditures				6	6	6	6
Current Difference		5	5	(1)	(1)	(1)	(1)
Accumulated Ending Balance		5	10	9	9	8	8

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Cottage Foods Registration Fees

Background Information:

This program began inn FY 2016.

Forecast Basis:

The current forecast is for stable activity but is based on a short timeframe.

Recent Changes:

None

Agency Analysis/Comments:

A small amount of General Fund dollars is also appropriated to support this activity.

Agency: Agriculture

Earnings Group: Dairy Services Fees

2018-19 Departmental Earnings

Purpose: Fees paid by Grade A and Grade B dairy producers and processors

Legal Citation: M.S. 32.394

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Agriculture Fund (2018)

Appropriation: Dairy Services Lab (B043A31); Dairy Services (B044A31); Food&Feed Non-Dedicated Rcpts (B044G00); Dairy Services (B045A31)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	482	370	734	882	882	1,003	1,003
Resources:							
Departmental Earnings	1,933	2,440	2,389	2,448	2,448	2,448	2,448
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	4	3	4	4	4	4
Resource Reductions:							
Earnings Transferred Out	280	150	120	140	140	160	160
Revenue Collected for Another Agency							
Total Resources	1,658	2,294	2,272	2,312	2,312	2,292	2,292
Expenditures:							
Direct Expenditures	1,481	1,696	1,868	1,889	1,889	1,922	1,922
Indirect Expenditures	289	234	256	302	302	308	308
Total Expenditures	1,770	1,930	2,124	2,191	2,191	2,230	2,230
Current Difference	(112)	364	148	121	121	62	62
Accumulated Ending Balance	370	734	882	1,003	1,003	1,065	1,065

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Dairy Services Fees

Background Information:

Dairy services include routine farm inspection, uniform ratings of dairy farms and processing facilities, inspection of farm pick-up trucks, testing of haulers to ensure accuracy of quantity and quality, routine sampling of milk and milk products, review of plans for facility modifications, review of labels, maintenance of producer affidavits of "BST-free" herds and organic farms for segregated processing, testing and sealing of all pasteurizer units and responding to emergencies and requests for consultations.

Forecast Basis:

Fees are based on the number of farms and plants, the volume of milk produced by Minnesota dairy producers and the volume of milk sold in Minnesota.

Agency Analysis/Comments:

This departmental earnings group is a combination of activities in the dairy services account and the laboratory services account, both in the agricultural fund, as well as non-dedicated earnings that are deposited in the General Fund. Year-end amounts do not represent fund balances or running total contributions to the General Fund as they do in other earnings groups.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Dairy, Milk, and Cream License Fees

Purpose: License fees paid by manufacturers, retailers and wholesalers of dairy products in Minnesota and license fees paid by milk graders and testers

Legal Citation: M.S. 28A.08, M.S. 32.075, M.S. 32.392 and M.S. 32.59

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Food&Feed Non-Dedicated Rcpts (B044G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(1,009)	(2,070)	(3,153)	(3,153)	(4,227)	(4,227)
Resources:							
Departmental Earnings	130	122	129	129	129	129	129
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	130	122	129	129	129	129	129
Expenditures:							
Direct Expenditures	1,139	1,183	1,212	1,203	1,203	1,203	1,203
Indirect Expenditures							
Total Expenditures	1,139	1,183	1,212	1,203	1,203	1,203	1,203
Current Difference	(1,009)	(1,061)	(1,083)	(1,074)	(1,074)	(1,074)	(1,074)
Accumulated Ending Balance	(1,009)	(2,070)	(3,153)	(4,227)	(4,227)	(5,301)	(5,301)

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Dairy, Milk, and Cream License Fees

Background Information:

The dairy program conducts inspections of dairy processing and distributing plants to ensure compliance with state and federal regulations. This ensures safe and wholesome dairy for Minnesota consumers and allows Minnesota dairy products to move freely nationally and internationally.

The bulk milk haulers and inspection program provides service to producers and purchasers of raw milk by ensuring that proper equipment is used and appropriate procedures are followed by bulk milk haulers moving milk from farms to plants.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Money is deposited into the General Fund and an appropriation is given to the agency for this purpose. Expenditures shown for comparison are the amounts in the Dairy General Fund appropriation.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Egg Law Inspection Fees

Purpose: To ensure that eggs are processed properly to assure safety and uniform standards.

Legal Citation: M.S. 28A.08 and M.S. 29.22

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Egg Law Inspection (B044A38); Egg Law Inspection (B045A38)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	111	88	60	25	25	20	20
Resources:							
Departmental Earnings	17	36	36	36	36	36	36
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1			1	1		
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	18	36	36	37	37	36	36
Expenditures:							
Direct Expenditures	36	56	63	37	37	38	38
Indirect Expenditures	5	8	8	5	5	6	6
Total Expenditures	41	64	71	42	42	44	44
Current Difference	(23)	(28)	(35)	(5)	(5)	(8)	(8)
Accumulated Ending Balance	88	60	25	20	20	12	12

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Egg Law Inspection Fees

Background Information:

This program ensures that all eggs offered for sale are graded using equal standards. Plant inspections cover sanitation, handling practices, candling, grading, special sampling for salmonella enteritidis and additional responsibilities such as cholesterol checks and labeling checks for dating and accuracy.

Forecast Basis:

The egg industry is a very stable and mature industry in the State. There is some growth in the local foods area, however, not enough to significantly impact the fees collected.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

This program is funded adequately but not over-funded, especially given the increased interest in egg production by smaller producers.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Fertilizer Inspection Fees

Purpose: Fees related to fertilizer regulation

Legal Citation: M.S. 18C

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Fertilizer Regulatory (B041A14); Mn Ag Fertilizer Research Educ (B041A16)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,114	1,676	866	1,361	1,361	1,291	1,291
Resources:							
Departmental Earnings	2,958	2,950	3,166	3,178	3,178	3,190	3,190
Other Resources:							
Earning Transferred In		65					
Revenue Collected by Another Agency							
Other Receipts	174	67	118	116	116	116	116
Resource Reductions:							
Earnings Transferred Out	844		23	44	44	44	44
Revenue Collected for Another Agency							
Total Resources	2,288	3,082	3,261	3,250	3,250	3,262	3,262
Expenditures:							
Direct Expenditures	2,358	3,392	2,271	2,773	2,773	2,778	2,778
Indirect Expenditures	368	500	495	547	547	547	547
Total Expenditures	2,726	3,892	2,766	3,320	3,320	3,325	3,325
Current Difference	(438)	(810)	495	(70)	(70)	(63)	(63)
Accumulated Ending Balance	1,676	866	1,361	1,291	1,291	1,228	1,228

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Fertilizer Inspection Fees

Background Information:

This program regulates fertilizer nutrients to ensure the quality of fertilizer sold in Minnesota, assesses and develops best management practices for the use of fertilizer and provides assistance with emergency incidence response and cleanup.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Agency Analysis/Comments:

This departmental earnings group includes revenues and expenditures in the fertilizer inspection account and the agricultural fertilizer research and education account, both in the agricultural fund.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Food Handler Plan Review Fees

Purpose: Fees paid by food handlers for additional inspection activities required due to non-compliance

Legal Citation: M.S. 31.11 and M.S. 28A.082

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Food Handler Plan Review (B044A32)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	29	46	78	104	104	98	98
Resources:							
Departmental Earnings	96	101	73	95	95	95	95
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	96	101	73	95	95	95	95
Expenditures:							
Direct Expenditures	71	58	38	87	87	90	90
Indirect Expenditures	8	11	9	14	14	14	14
Total Expenditures	79	69	47	101	101	104	104
Current Difference	17	32	26	(6)	(6)	(9)	(9)
Accumulated Ending Balance	46	78	104	98	98	89	89

Background Information:

This program reviews plans for retail food facilities (grocery and convenience stores) so facilities and equipment meet nationally-recognized food safety standards for construction and design to ensure safe and sanitary preparation, storage and sale of food. Utensil and hand-washing equipment, hot and cold storage, ventilation, cleanable surfaces and other aspects are reviewed.

Forecast Basis:

Historical data suggests that at current fee rates revenue will not increase significantly. Revenue collected from fees has been fairly flat.

Recent Changes:

This program has had difficulty meeting costs in the past and fee increases have been considered.

Agency Analysis/Comments:

General Fund dollars have also been appropriated to help support this program.

Agency: Agriculture

Earnings Group: Food Handler Reinspection Fees

2018-19 Departmental Earnings

Purpose: Fees paid by food handlers for additional inspection activities required due to non-compliance

Legal Citation: M.S. 28A.085

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Food&Feed Reinsp SafetyAssess (B044A33); Dairy&Meat Reinsp SafetyAssess (B045A33)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	146	126	125	122	122	119	119
Resources:							
Departmental Earnings	33	29	44	31	31	31	31
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	33	29	44	31	31	31	31
Expenditures:							
Direct Expenditures	43	24	43	29	29	29	29
Indirect Expenditures	10	6	4	5	5	5	5
Total Expenditures	53	30	47	34	34	34	34
Current Difference	(20)	(1)	(3)	(3)	(3)	(3)	(3)
Accumulated Ending Balance	126	125	122	119	119	116	116

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Food Handler Reinspection Fees

Background Information:

This program provides for recovery of the costs of additional inspection activities required to address major violations, foodborne outbreaks and sanitary notices at licensed food handler facilities.

Forecast Basis:

Analysis of recent activity

Agency Analysis/Comments:

Fees are only paid by entities that require extra work for reinspections or safety inspections.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Fruit and Vegetable Inspection Fees

Purpose: Fees for fruit and vegetable inspection activities

Legal Citation: M.S. 27.07

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Fruit & Veg Inspection (B042A26)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	395	238	241	311	311	370	370
Resources:							
Departmental Earnings	958	1,067	1,178	1,178	1,178	1,178	1,178
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	2	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	961	1,069	1,180	1,180	1,180	1,180	1,180
Expenditures:							
Direct Expenditures	968	913	969	991	991	1,036	1,036
Indirect Expenditures	150	153	141	130	130	164	164
Total Expenditures	1,118	1,066	1,110	1,121	1,121	1,200	1,200
Current Difference	(157)	3	70	59	59	(20)	(20)
Accumulated Ending Balance	238	241	311	370	370	350	350

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Fruit and Vegetable Inspection Fees

Background Information:

This program provides processing plant and terminal market inspections as requested. These services are provided under agreement with the US Department of Agriculture.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Grain Buyer and Storage Fees

Purpose: Fees related to the licensing and auditing of grain sales and storage

Legal Citation: M.S. 223.17, M.S. 231.16, M.S. 232.22, M.S. 233.08 and M.S. 236.02

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Grain Buyers & Storg (B042A23)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	450	547	623	626	626	657	657
Resources:							
Departmental Earnings	588	573	572	572	572	572	572
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		3	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	588	576	575	575	575	575	575
Expenditures:							
Direct Expenditures	432	430	501	468	468	502	502
Indirect Expenditures	59	70	71	76	76	120	120
Total Expenditures	491	500	572	544	544	622	622
Current Difference	97	76	3	31	31	(47)	(47)
Accumulated Ending Balance	547	623	626	657	657	610	610

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Grain Buyer and Storage Fees

Background Information:

This program licenses grain buyers, sets bond limits in conjunction with these licenses, licenses grain storage and general warehouse storage.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Industrial Hemp Fees

Purpose: To regulate and license the production of industrial hemp for commercial purposes.

Legal Citation: M.S. 18K.07

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Industrial Hemp (B042A29)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			2	2	2	2	2
Resources:							
Departmental Earnings		2	5	5	5	5	5
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		2	5	5	5	5	5
Expenditures:							
Direct Expenditures			5	5	5	5	5
Indirect Expenditures							
Total Expenditures			5	5	5	5	5
Current Difference		2					
Accumulated Ending Balance		2	2	2	2	2	2

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Industrial Hemp Fees

Background Information:

The industrial hemp pilot program was established in 2016.

Agency Analysis/Comments:

The viability of an industrial hemp industry in Minnesota has not been determined. Additional resources will be needed as efforts to grow this industry continue.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Laboratory Services Charges

Purpose: Fees paid by DNR, USDA, EPS and various other local and state agencies

Legal Citation: M.S. 17.85, M.S. 21.85 and M.S. 32.394

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Laboratory Services (B043A40)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	460	513	571	606	606	577	577
Resources:							
Departmental Earnings	341	384	502	540	540	576	576
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	49	54	46	46	46	46	46
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	390	438	548	586	586	622	622
Expenditures:							
Direct Expenditures	299	330	463	537	537	557	557
Indirect Expenditures	38	50	50	78	78	80	80
Total Expenditures	337	380	513	615	615	637	637
Current Difference	53	58	35	(29)	(29)	(15)	(15)
Accumulated Ending Balance	513	571	606	577	577	562	562

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Laboratory Services Charges

Background Information:

This program provides lab analyses for the Minnesota Department of Natural Resources, US Department of Agriculture and various other state and local agencies. These are cooperative efforts that benefit both parties and support state, federal and local laws. Legally and scientifically defensible data and consultation on analytical issues is provided.

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

Activity can fluctuate based on special projects

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Livestock License Fees

Purpose: Fees for livestock market agencies, stockyards, dealers and packing companies to purchase animals from farmer/producers

Legal Citation: M.S. 17A.04

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Mktg & Dev Non-Dedicated Rcpts (B046G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		33	42	45	45	45	45
Resources:							
Departmental Earnings	44	45	45	45	45	45	45
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	44	45	45	45	45	45	45
Expenditures:							
Direct Expenditures	11	36	42	45	45	45	45
Indirect Expenditures							
Total Expenditures	11	36	42	45	45	45	45
Current Difference	33	9	3				
Accumulated Ending Balance	33	42	45	45	45	45	45

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Livestock License Fees

Background Information:

Fees are collected to defray the costs of the regulation of livestock buyers and their agents to assure that farmers are properly paid for their livestock.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Money is deposited into the General Fund and an appropriation is given to the agency for this purpose. Expenditures shown for comparison are the amounts tracked in the livestock licensing area.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Livestock Weighting Charges

Purpose: Fees to cover the costs associated with weighing of livestock at meat packing plants

Legal Citation: M.S. 17A.11

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Livestock Weigh Ag Cert (B046A53)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	279	289	374	358	358	396	396
Resources:							
Departmental Earnings	367	488	456	458	458	459	459
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	2	3	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	368	490	459	460	460	461	461
Expenditures:							
Direct Expenditures	313	355	418	364	364	370	370
Indirect Expenditures	45	50	57	58	58	59	59
Total Expenditures	358	405	475	422	422	429	429
Current Difference	10	85	(16)	38	38	32	32
Accumulated Ending Balance	289	374	358	396	396	428	428

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Livestock Weighting Charges

Background Information:

Fees are collected to cover the costs associated with requested weighing services for livestock sold by farmer/producers at meat packing plants.

Forecast Basis:

Analysis of contracts with producers.

Recent Changes:

None

Agency Analysis/Comments:

Fees have been recovering costs in this program.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Coop Agreements

Purpose: Contracted arrangements with non-state entities to provide additional efforts in areas where the agency has statutory authority to act.

Legal Citation: M.S. 17.03, Subd. 12

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Cooperative Agreements (B046R17)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	138	131					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	138	131					
Expenditures:							
Direct Expenditures	133	131					
Indirect Expenditures	5						
Total Expenditures	138	131					
Current Difference							
Accumulated Ending Balance							

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Coop Agreements

Background Information:

Cooperative agreement activity has been common in the past but often occurs in response to issues that are not foreseen.

Forecast Basis:

Forecast is conservative based on the fact that there is no specific knowledge of cooperative agreements in the coming biennium.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Corporate Farm Fees

Purpose: To protect the family farm as a basic economic unit by reviewing exemptions to laws restricting farming by business organizations.

Legal Citation: M.S. 500.24

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Corporate Farm (B049A91)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			171	211	211	267	267
Resources:							
Departmental Earnings		188	175	175	175	175	175
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		188	175	175	175	175	175
Expenditures:							
Direct Expenditures		17	135	119	119	126	126
Indirect Expenditures							
Total Expenditures		17	135	119	119	126	126
Current Difference		171	40	56	56	49	49
Accumulated Ending Balance		171	211	267	267	316	316

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Corporate Farm Fees

Background Information:

The corporate farm program fee was initiated in 2016.

Forecast Basis:

Revenues and expenditures are currently being forecasted as remaining fairly flat due to the short time period the program has been in place.

Agency: Agriculture
Earnings Group: MDA Miscellaneous

2018-19 Departmental Earnings

Purpose: Filing fees for required annual reports on foreign-owned agricultural land.

Legal Citation: M.S. 500.221

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Agy Svs Non-Dedicated Rcpts (B049G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		8	8	7	7	6	6
Resources:							
Departmental Earnings	13	1					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	13	1					
Expenditures:							
Direct Expenditures	5	1	1	1	1	1	1
Indirect Expenditures							
Total Expenditures	5	1	1	1	1	1	1
Current Difference	8		(1)	(1)	(1)	(1)	(1)
Accumulated Ending Balance	8	8	7	6	6	5	5

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Miscellaneous

Background Information:

Reports need to be filed annually on any agricultural land owned by foreign individuals and non-American corporations.

Agency Analysis/Comments:

Activity in the area is very minimal.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Remediation Reimbursements

Purpose: Reimbursements for state costs related to voluntary cleanup of ag chemical contamination sites.

Legal Citation: M.S. 115B.17

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Remediation Fund (2801)

Appropriation: Pest&Fert Remediation Rcpts (B041E00); Pest&Fert Non-Dedicated Rcpts (B041G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(259)	(492)	(768)	(768)	(1,029)	(1,029)
Resources:							
Departmental Earnings	106	140	127	127	127	127	127
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	106	140	127	127	127	127	127
Expenditures:							
Direct Expenditures	320	323	353	333	333	333	333
Indirect Expenditures	45	50	50	55	55	55	55
Total Expenditures	365	373	403	388	388	388	388
Current Difference	(259)	(233)	(276)	(261)	(261)	(261)	(261)
Accumulated Ending Balance	(259)	(492)	(768)	(1,029)	(1,029)	(1,290)	(1,290)

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Remediation Reimbursements

Background Information:

Under the Minnesota Environmental Response and Liability Act (MERLA), costs for state staff time and expenses to oversee a voluntary cleanup of agricultural chemical contamination are reimbursed to the Remediation Fund.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

The Remediation Fund is managed by the Pollution Control Agency. A separate appropriation is made to cover the costs of overseeing these voluntary cleanups and other agricultural chemical cleanups being performed under MERLA. The expenditures shown for comparison are the amounts in the MERLA Admin appropriation, which includes administration of both voluntary cleanups and State-managed cleanups.

Agency: Agriculture
Earnings Group: MDA Trade Activities

2018-19 Departmental Earnings

Purpose: Fees to defray expenses of participation in agricultural trade promotional activities.

Legal Citation: M.S. 17.1015

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Trade Shows & Exhibits (B046R18); Seminars & Workshops (B046R19)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	92	217	137	167	167	154	154
Resources:							
Departmental Earnings	140	176	120	121	121	122	122
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	140	176	120	121	121	122	122
Expenditures:							
Direct Expenditures	15	256	90	134	134	137	137
Indirect Expenditures							
Total Expenditures	15	256	90	134	134	137	137
Current Difference	125	(80)	30	(13)	(13)	(15)	(15)
Accumulated Ending Balance	217	137	167	154	154	139	139

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: MDA Trade Activities

Background Information:

Activity in this area fluctuates depending on current trade events and the number of businesses that are interested in participating in these events.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Minnesota Grown Fees

Purpose: Licensing and advertising fees from Minnesota Grown promotional activities

Legal Citation: M.S. 17.102 and M.S. 17.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Minnesota Grown (B046A50)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	145	163	102	115	115	83	83
Resources:							
Departmental Earnings	106	122	121	121	121	127	127
Other Resources:							
Earning Transferred In	186	186	186	186	186	186	186
Revenue Collected by Another Agency							
Other Receipts	1	2	1	1	1	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	293	310	308	308	308	315	315
Expenditures:							
Direct Expenditures	275	371	295	340	340	345	345
Indirect Expenditures							
Total Expenditures	275	371	295	340	340	345	345
Current Difference	18	(61)	13	(32)	(32)	(30)	(30)
Accumulated Ending Balance	163	102	115	83	83	53	53

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Minnesota Grown Fees

Background Information:

Fees for licensing to use the Minnesota Grown logo on products grown in Minnesota and revenue from advertising in Minnesota Grown publications is dedicated for use to increase consumer awareness of the logo and demand for Minnesota grown agricultural products.

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

This activity relies on transfers in from a General Fund appropriation.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Nursery and Phytosanitary Fees

Purpose: Fees for nursery inspections, elevator inspections and export phytosanitary certification

Legal Citation: M.S. 18G.10, M.S. 18H.07 and M.S. 18H.17

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Nursery/Phytosanitary (B042A24)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	426	407	362	423	423	519	519
Resources:							
Departmental Earnings	1,025	1,084	1,322	1,322	1,322	1,322	1,322
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	58	10	9	9	9	9	9
Resource Reductions:							
Earnings Transferred Out		20	20	20	20	20	20
Revenue Collected for Another Agency							
Total Resources	1,083	1,074	1,311	1,311	1,311	1,311	1,311
Expenditures:							
Direct Expenditures	956	968	1,107	1,056	1,056	1,087	1,087
Indirect Expenditures	146	151	143	159	159	187	187
Total Expenditures	1,102	1,119	1,250	1,215	1,215	1,274	1,274
Current Difference	(19)	(45)	61	96	96	37	37
Accumulated Ending Balance	407	362	423	519	519	556	556

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Nursery and Phytosanitary Fees

Background Information:

This program performs inspections to monitor for the spread of exotic plants and plant pests and to ensure disease-free nursery stock. The program also has delegated authority from the US Department of Agriculture to issue phytosanitary certificates so Minnesota agri-products can quickly move into and through international markets. Grain elevators are also inspected to expedite corn shipments.

Forecast Basis:

Activity in the nursery industry has fluctuated during recessionary periods due to slowdown in general housing starts but there has been more activity in this area in recent years.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Pesticide Regulation Fees

Purpose: Fees for pesticide registration, regulation, licensing and environmental protection

Legal Citation: M.S. 18B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Pesticide Regulatory (B041A11); Waste Pesticide Cooperative (B041A12)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,487	4,674	3,751	2,860	2,860	2,097	2,097
Resources:							
Departmental Earnings	9,631	9,862	10,021	10,197	11,047	10,370	11,220
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	102	140	110	111	111	111	111
Resource Reductions:							
Earnings Transferred Out	1,857	1,466	1,466	1,366	1,366	1,366	1,366
Revenue Collected for Another Agency							
Total Resources	7,876	8,536	8,665	8,942	9,792	9,115	9,965
Expenditures:							
Direct Expenditures	7,670	8,236	8,294	8,295	9,145	8,340	9,190
Indirect Expenditures	1,019	1,223	1,262	1,410	1,410	1,416	1,416
Total Expenditures	8,689	9,459	9,556	9,705	10,555	9,756	10,606
Current Difference	(813)	(923)	(891)	(763)	(763)	(641)	(641)
Accumulated Ending Balance	4,674	3,751	2,860	2,097	2,097	1,456	1,456

Background Information:

This program ensures that pesticide products can be used in a safe and environmentally protective manner and responds to unsafe products, misuse and incident situations. The program provides for the registration of products, licensing and/or certification of dealers and applicators, regulation of bulk storage and handling, investigation of misuse, emergency response, environmental cleanup, and development of best management practices and environmental monitoring and assessment.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Agency Analysis/Comments:

This departmental earnings group includes revenues and expenditures in the pesticide regulatory account and the waste pesticide account, both in the agricultural fund.

For information about the recommended fee change, see the Waste Pesticide Collection change item in the Department of Agriculture 2018-19 Governor's Budget Recommendations book.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: RFA Aggie Bond Fees

Purpose: Application and origination fees to help defray the cost of issuing Aggie Bond loans

Legal Citation: M.S. 41C.12

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Agy Svs Non-Dedicated Rcpts (B049G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings		7					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		7					
Expenditures:							
Direct Expenditures		7					
Indirect Expenditures							
Total Expenditures		7					
Current Difference							
Accumulated Ending Balance							

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: RFA Aggie Bond Fees

Background Information:

Fees are collected to help defray the cost of selling bonds to lenders so the loans will receive tax-exempt status under Internal Revenue Service code.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Money is deposited into the General Fund and an appropriation is given to the agency for this purpose. Activity is normally very minimal.

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Rural Finance Authority Fees

Purpose: Application fees for the Beginning Farmer and Seller-Sponsored loan programs, Application fees for the Agricultural Improvement loan program, Application fees for the Restructuring loan program, and Application fees for the Livestock Expansion loan program

Legal Citation: M.S. 41B.03, M.S. 41B.043, M.S. 41B.04, and M.S. 41B.045

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Agriculture Fund (2018); Rural Finance Administration (8250)

Appropriation: RFA Administration (B049A90); RFA Disaster Recovery Loans (B049L92); RFA Livestk Equipment Loans (B049L94); Beg F & SS Loan Admin (B049R41); Ag Improvmt Loan Admin (B049R43); Restructure Loan Admin (B049R44); Livstck Expan Loan Admin (B049R45)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	115	117	120	115	115	107	107
Resources:							
Departmental Earnings	2	4	4	4	4	4	4
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2	5	5	5	5	5	5
Expenditures:							
Direct Expenditures		2	10	13	13	13	13
Indirect Expenditures							
Total Expenditures		2	10	13	13	13	13
Current Difference	2	3	(5)	(8)	(8)	(8)	(8)
Accumulated Ending Balance	117	120	115	107	107	99	99

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Rural Finance Authority Fees

Background Information:

The Rural Finance Authority may authorize application and origination fees for the Beginning Farmer and Seller-Sponsored loan programs, Agricultural Improvement loan program, Restructuring Loan program and the Livestock Expansion loan program in order to help defray administrative costs at the Department of Agriculture.

Forecast Basis:

It is assumed that revenues will generally stay the same as we move out in years for budgeting purposes.

Agency: Agriculture

Earnings Group: Seed Inspection Fees

2018-19 Departmental Earnings

Purpose: Fees related to the seed regulatory program

Legal Citation: M.S. 21.92

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Seed Inspection (B042A21)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	435	569	1,050	1,147	1,147	1,250	1,250
Resources:							
Departmental Earnings	1,130	1,607	1,560	1,560	1,560	1,560	1,560
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	4	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out	322	383	322	322	322	322	322
Revenue Collected for Another Agency							
Total Resources	810	1,228	1,241	1,241	1,241	1,241	1,241
Expenditures:							
Direct Expenditures	581	656	1,020	980	980	1,123	1,123
Indirect Expenditures	95	91	124	158	158	181	181
Total Expenditures	676	747	1,144	1,138	1,138	1,304	1,304
Current Difference	134	481	97	103	103	(63)	(63)
Accumulated Ending Balance	569	1,050	1,147	1,250	1,250	1,187	1,187

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Seed Inspection Fees

Background Information:

This program ensures the truthful labeling of agricultural, vegetable, flower, tree and shrub seeds for sale in Minnesota.

Forecast Basis:

Analysis of the industry

Recent Changes:

None

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Seed Potato Inspection Fee

Purpose: Fees for inspection and certification of seed potatoes

Legal Citation: M.S. 21.115

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Seed Potato Inspection (B042A25)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	34	81	97	100	100	124	124
Resources:							
Departmental Earnings	291	279	279	279	279	279	279
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	291	280	280	280	280	280	280
Expenditures:							
Direct Expenditures	212	232	242	218	218	229	229
Indirect Expenditures	32	32	35	38	38	44	44
Total Expenditures	244	264	277	256	256	273	273
Current Difference	47	16	3	24	24	7	7
Accumulated Ending Balance	81	97	100	124	124	131	131

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Seed Potato Inspection Fee

Background Information:

This program provides field inspections, post-harvest tests, seed certification, yield and storage surveys and promotional activities necessary to make certified seed sales viable.

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Wholesale Produce Dealers Fees

Purpose: Fees related to licensing and bonding of wholesale produce dealers who purchase perishable agricultural produce

Legal Citation: M.S. 27.041

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Agriculture Fund (2018)

Appropriation: Wholesale Produce Dealers (B042A28)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	182	222	288	302	302	302	302
Resources:							
Departmental Earnings	140	146	146	146	146	146	146
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	2	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	141	148	148	148	148	148	148
Expenditures:							
Direct Expenditures	88	68	124	132	132	140	140
Indirect Expenditures	13	14	10	16	16	23	23
Total Expenditures	101	82	134	148	148	163	163
Current Difference	40	66	14			(15)	(15)
Accumulated Ending Balance	222	288	302	302	302	287	287

Agency: Agriculture

2018-19 Departmental Earnings

Earnings Group: Wholesale Produce Dealers Fees

Background Information:

This program licenses wholesale purchasers of farm perishable agricultural products so that farmers are paid for what is purchased or the required bond or financial instrument on file with their license is used.

Forecast Basis:

Review of recent activity

Recent Changes:

None

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2018-19 Biennial Budget - Departmental Earnings

Animal Health, Board of

Dog and Cat Breeder Fees
Farmed Cervidae Annual Inspection Fee
Miscellaneous Fees Animal Health Board

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Dog and Cat Breeder Fees

Purpose: Fees collected to help offset the cost of licensing and inspecting dog and cat breeders

Legal Citation: M.S. 347.63

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: DOG, CAT BREEDER-BREED REC (B14BRER)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		14	41	40	40	29	29
Resources:							
Departmental Earnings	14	27	29	29	29	29	29
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14	27	30	30	30	30	30
Expenditures:							
Direct Expenditures			31	41	41	31	31
Indirect Expenditures							
Total Expenditures			31	41	41	31	31
Current Difference	14	27	(1)	(11)	(11)	(1)	(1)
Accumulated Ending Balance	14	41	40	29	29	28	28

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Dog and Cat Breeder Fees

Background Information:

The Board issues licenses for commercial dog and cat breeders. Fees collected are deposited in a dog and cat breeder licensing account and used to help administer the program. The annual license fee is equal to \$10 per adult intact animal, with a maximum of \$250 per facility.

Forecast Basis:

Projected revenues are based on approximately 125 commercial dog and cat breeding facilities.

Recent Changes:

No changes

Agency Analysis/Comments:

The Board projects that collected funds will be used to administer the program. No surplus is anticipated. The program is also supported by general fund dollars.

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Farmed Cervidae Annual Inspection Fee

Purpose: Fees are collected to assist with the cost of regulating the farmed cervidae programs

Legal Citation: M.S. 35.155

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Farmed Cervidae Insp Receipts (B14FCIR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	175	207	125	125	125	111	111
Resources:							
Departmental Earnings	31	31	36	36	36	36	36
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	32	32	38	38	38	38	38
Expenditures:							
Direct Expenditures		114	38	52	52	54	54
Indirect Expenditures							
Total Expenditures		114	38	52	52	54	54
Current Difference	32	(82)		(14)	(14)	(16)	(16)
Accumulated Ending Balance	207	125	125	111	111	95	95

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Farmed Cervidae Annual Inspection Fee

Background Information:

The cervidae (deer) inspection account was established to help offset the costs of administering and enforcing the farmed deer programs. This includes licensing, inspection, and enforcing disease control programs. Each herd owner must pay an annual inspection fee equal to \$10 for each cervid in the herd, up to a maximum of \$100.

Forecast Basis:

Based on fees collected in previous years, along with slight reduction each year due to program attrition.

Recent Changes:

No changes have been made to the fee structure since it was originally established.

Agency Analysis/Comments:

The Board projects that collected funds will be used to administer farmed deer programs. No surplus is anticipated. The program is also supported by general appropriations.

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Fees Animal Health Board

Purpose: Fees for dog and cat kennel licenses, livestock brands, civil penalties, and data practices copies.

Legal Citation: M.S. 347.33, subd. 3 (dog or cat kennel or dealer license), M.S. 35.823, M.S. 35.826, M.S. 35.829 (brands), M.S. 35.95, subd. 1 (civil penalties), M.S. 13.03, subd. 3 (cost of data copies)

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: DOG, CAT BREEDER-BREED REC (B14BRER); Miscellaneous Special Revenue (B14MSRS)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	3	10	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3	10	9	9	9	9	9
Expenditures:							
Direct Expenditures	3	10	9	9	9	9	9
Indirect Expenditures							
Total Expenditures	3	10	9	9	9	9	9
Current Difference							
Accumulated Ending Balance							

Agency: Animal Health, Board of

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Fees Animal Health Board

Background Information:

The Board collects fees to register livestock brands within the state. The fee for registering a livestock brand is \$10 initially and \$10 to re-register the brand every 10 years. The fee to record a transferred brand is also \$10.

The Board administers and conducts a licensing program for kennels and dealers that house stray and abandoned dogs or cats. As of November 22, 2016, there were 80 kennels licensed with the Board. The annual license fee is \$15 for each kennel housing stray and abandoned dogs or cats. These fees were last changed in 1987.

The board occasionally assesses civil penalties for violations of chapter 35 or Board of Animal Health rules. The Board can assess a civil penalty of up to \$10,000 for a violation. A typical civil penalty assessed by the board is \$250.

Forecast Basis:

Current projections are based on past history.

Recent Changes:

No changes.

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2018-19 Biennial Budget - Departmental Earnings

Architecture, Engineering Board

Architecture, Engineering Board Examinations and Licensing Fees

Agency: Architecture, Engineering Board

2018-19 Departmental Earnings

Earnings Group: Architecture, Engineering Board Examinations and Licensing Fees

Purpose: To recover costs of regulation of the industry

Legal Citation: M.S. 326 and MN Rules 1800

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipt (B7E9000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(83)	1,336	1,129	1,129	2,483	2,483
Resources:							
Departmental Earnings	684	2,209	645	2,180	2,180	645	645
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	50						
Revenue Collected for Another Agency							
Total Resources	634	2,209	645	2,180	2,180	645	645
Expenditures:							
Direct Expenditures	689	759	820	794	794	794	794
Indirect Expenditures	28	31	32	32	32	32	32
Total Expenditures	717	790	852	826	826	826	826
Current Difference	(83)	1,419	(207)	1,354	1,354	(181)	(181)
Accumulated Ending Balance	(83)	1,336	1,129	2,483	2,483	2,302	2,302

Agency: Architecture, Engineering Board

2018-19 Departmental Earnings

Earnings Group: Architecture, Engineering Board Examinations and Licensing Fees

Background Information:

The Board of Architecture, Engineering, Land Surveying, Landscape Architecture, Geoscience, and Interior Design examines, certifies, licenses, and regulates individuals practicing architecture, professional engineering, land surveying, landscape architecture, professional geology, and professional soil science, and those who use the title certified interior design. The Board's mission is to protect the public by providing reasonable assurance that the persons engaged in the professions meet and maintain the qualifications and standards required to competently practice in the State of Minnesota.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated for the current fiscal year and next biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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2018-19 Biennial Budget - Departmental Earnings

Attorney General

Charities and Club Registration Fees

Agency: Attorney General

2018-19 Departmental Earnings

Earnings Group: Charities and Club Registration Fees

Purpose: The Attorney General has oversight responsibility for charitable assets and has the authority to enforce Minnesota's laws governing nonprofit charitable organizations.

Legal Citation: M.S. 309.52, M.S. 309.53, M.S. 309.531 and M.S. 325G.27

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipt (G069900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		93	178	239	239	214	214
Resources:							
Departmental Earnings	657	649	625	625	625	625	625
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	657	649	625	625	625	625	625
Expenditures:							
Direct Expenditures	564	564	564	650	650	650	650
Indirect Expenditures							
Total Expenditures	564	564	564	650	650	650	650
Current Difference	93	85	61	(25)	(25)	(25)	(25)
Accumulated Ending Balance	93	178	239	214	214	189	189

Background Information:

The Attorney General has oversight responsibility for charitable assets and has the authority to enforce Minnesota's laws governing nonprofit charitable organizations.

Under Minnesota Statutes § 309.52 and 309.53, most charitable organizations that solicit contributions from the public must register and submit registration documents, annual reports, financial statements, and a \$25.00 registration and annual fee. There is a \$50.00 late fee for past due filings. Charitable trusts and foundations must also register and file annually pursuant to Minnesota Statutes section 501B.38, including a \$25.00 filing fee. This information is made available to the public. More than 14,000 charitable organizations and charitable trusts are currently registered.

Under Minnesota Statutes § 309.531, professional fundraisers must register each year with the Attorney General. The registration fee is \$200. There is a \$300 late fee for past due filings. There are approximately 400 professional fundraisers registered with the Attorney General's Office.

Minnesota Statute § 325G.27 requires that the Attorney General's Office collect \$250 for a first-time registration fee for new clubs and a \$150 registration renewal fee annually for existing Health Clubs, Social Referral Clubs and Buying Clubs.

Recent Changes:

None

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2018-19 Biennial Budget - Departmental Earnings

Barber Examiners, Board of

Barber Examiners Board Licensing Fees

Agency: Barber Examiners, Board of

Earnings Group: Barber Examiners Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the barber profession.

Legal Citation: M.S. 154 and M.R. 2100

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Barbers Non dedicated receipts (B151000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	246	209	223	118	118	78	94
Resources:							
Departmental Earnings	275	271	284	285	318	281	314
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	275	271	284	285	318	281	314
Expenditures:							
Direct Expenditures	312	257	389	325	342	325	344
Indirect Expenditures							
Total Expenditures	312	257	389	325	342	325	344
Current Difference	(37)	14	(105)	(40)	(24)	(44)	(30)
Accumulated Ending Balance	209	223	118	78	94	34	64

Background Information:

The board's mission is to assist the State of Minnesota in meeting the goal of keeping Minnesotans safe by assuring that barbers are appropriately trained and demonstrate the skills necessary to conduct barber services safely and under sanitary conditions that reduce the spread of disease through training, examination, and inspection of barber practices, barber shops and barber schools.

Fees collected support the administrative functions of the board and the following services provided to meet the Board's mission.

Services:

- Set educational standards for licensure.
- Evaluation of qualified applicants through board administered examination of skills and knowledge to provide barbering services in a safe and sanitary manner and in compliance with statutory requirement.
- Licensing of qualified applicants through review of education, training, and performance on examinations.
- License renewal for qualified applicants seeking renewal.
- Conduct inspections of barber shops and schools to ensure compliance with sanitation and disinfection practices and Statute and Rules governing these establishments.
- Responding to public inquires and complains regarding licensee conduct and/or unlicensed activities.
- Conduct investigations and take action against violation of laws and rules the Board is empowered to enforce.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Fees

\$85.00 Examination and Initial Certificate of Registered Barber: The Board administered examination of practical skills and knowledge of barbering to provide barbering services in a safe and sanitary manner. Includes initial certification for individuals that pass the examination.

\$10.00 Retake of written examination: To facilitate a one-time retake of the written portion of the examination when all other parts have been passed.

\$80.00 Registered barber renewal. Renewal of certification for qualified registered barbers.

\$85.00 Temporary Registered Barber, Military: Temporary certification to barber pending examination, examination and initial registration for individuals qualifying as military members and/or spouses per MN Statute §197.4552.

\$95.00 Restoration of Registered Barber: Renewal of registered barber registration and \$15.00 late fee for late renewal combined.

\$180.00 Examination and Initial Certificate of Registration as a Barber Instructor: Licensing of qualified applicants through review of education, training, and performance on examination.

\$80.00 Temporary Teacher Permit: Licensure of experience registered barber currently taking required instructor courses to become licensed to teach in barber school if a fully qualified instructor is unavailable.

\$65.00 Temporary teacher permit renewal. Renewal of certification as a temporary barber teacher.

\$180 Temporary Barber Military: Initial Temporary Teacher Permit and Barber Instructor Examination Registration for individuals qualifying as Military members and/or spouses per MN Statute §197.4552.

\$80.00 Barber Instructor renewal. Renewal of certification for qualified barber instructors.

\$45.00 Student Permit: Permit to provide barber services as a student in a barber school under the supervision of a barber instructor or temporary barber teacher.

\$25.00 Renewal of current student permit: Extends the student permit for an additional 15 monthh period.

\$85.00 Initial Barber Shop Registration: Registration of new barber shop.

\$55.00 Change of ownership or change of location of a currently registered barber shop.

\$85.00 Barber shop renewal of registration: Supports office administrative activities and annual inspection of barber shop.

\$105.00 Restoration of barber shop registration. Renewal of barber shop registration and \$20.00 late fee for late renewal combined.

\$1030 Initial Barber School application: Board review of application, hearings and initial inspection.

\$280.00 Barber School renewal of registration: Supports annual inspections of barber schools.

\$75.00 Home Study Course: Home Study materials provided to new barbers for examination preparation.

\$40.00 Duplicate Registration: Preparation and mailing of duplicate certificate of registration

\$25.00 Letter of Verification: Verification of Minnesota barber registration to additional jurisdictions.

\$100.00 Re-inspections: Fee for additional inspections required to verify corrective activities.

Forecast Basis:

The Minnesota Board of Barber Examiners receives a direct appropriation from the general fund for all operating expenses. All revenues are deposited as non-dedicated receipts in the general fund. The legislature sets all fee amounts in statute to cover the direct and indirect costs the board has. Revenues are projected based on the number of licenses during the previous fiscal year and current fee structure. There is no significant changes anticipated in the number of licensees in the upcoming biennium.

Recent Changes:

The Board recently worked with the legislature to eliminate barriers to becoming a barber in Minnesota. New barbers are no longer required to complete an apprenticeship and take a second State Board Examination to become certified as registered barbers in Minnesota.

Agency Analysis/Comments:

The Minnesota Board of Barber Examiners has historically collected fees sufficient to meet it's expenditures. Recent changes in requirements indicated above are anticipated to bring additional individuals into the profession. The board is recommending a fee increase. For information about the recommended fee change, see the Fee Increase change item in the Board of Barber Examiners 2018-19 Governor's Budget Recommendations book.

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2018-19 Biennial Budget - Departmental Earnings

Behavioral Health and Therapy, Board of
Behavioral Health and Therapy Board Licensing Fees

Agency: Behavioral Health and Therapy, Board of 2018-19 Departmental Earnings

Earnings Group: Behavioral Health and Therapy Board Licensing Fees

Purpose: To recover the costs of regulating the licensed professional counselor profession and the alcohol and drug counselor profession.

Legal Citation: M.S. 148B.53, M.S. 148B.59, M.S. 148F.015, M.S. 148F.115, M.S. 214, and M.S. 319B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: LPC Non Dedicated Receipts (H7X3000); ADC Non Dedicated Receipts (H7X4000); Criminal Background Check Rec (H7X9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,007	1,343	1,676	1,990	1,990	2,324	2,324
Resources:							
Departmental Earnings	983	983	1,009	1,039	1,039	1,047	1,047
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	983	983	1,009	1,039	1,039	1,047	1,047
Expenditures:							
Direct Expenditures	491	457	509	514	514	514	514
Indirect Expenditures	156	193	186	191	191	191	191
Total Expenditures	647	650	695	705	705	705	705
Current Difference	336	333	314	334	334	342	342
Accumulated Ending Balance	1,343	1,676	1,990	2,324	2,324	2,666	2,666

Background Information:

The Board of Behavioral Health and Therapy regulates the practices of professional counseling and alcohol and drug counseling in Minnesota. The Board issues licenses to Licensed Alcohol and Drug Counselors (LADCs) and also issues temporary permits to individuals to practice alcohol and drug counseling. The Board issues licenses to Licensed Professional Counselors (LPCs) and Licensed Professional Clinical Counselors (LPCCs). Applicants for licensure and licensees pay fees for regulating the professions. The fees are set forth in statute: Minnesota Statutes section 148F.115 for LADCs and Minnesota Statutes section 148B.53, subdivision 3, for LPCs/LPCCs.

In addition to fees collected from applicants and licensees, fees are charged to licensure supervisors and sponsors of continuing education activities approved by the Board. All fees are set to recover the Board's direct and indirect expenditures. Fee revenue is used by the Board to fulfill its mission to protect the public through effective licensure and enforcement of the statutes and rules governing the practices of professional counselors and alcohol and drug counselors to ensure a standard of competent and ethical practice.

Fees for professional counselors were initially set in May 2004. New fees and increases in existing fees for professional counselors and professional clinical counselors were established in 2007. Fees for alcohol and drug counselors were set in 1998. In 2003, LADC application and renewal fees were increased, and a \$99 surcharge on all initial applications and all renewals was established to recover program debt. The \$99 surcharge expired on June 30, 2013. In 2007 fees were created for LADC licensure supervisors and continuing education sponsors.

The Board of Behavioral Health and Therapy provides the following services for fees charged:

- Issues initial licenses and renews licenses for qualified professionals.
- Sets educational standards for initial licensure and continuing education requirements for maintaining licensure and approves continuing education activities.
- Reviews applicants' education and training to determine compliance with the Board's licensure requirements.
- Ensures that only applicants who meet licensure requirements are granted a license.
- Responds to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Takes disciplinary or corrective action against applicants or licensees for misconduct.

Provides information about licensure requirements and standards of practice to citizens and other interested persons or agencies, including official online or written license verifications.

Forecast Basis:

Revenues from fees charged to applicants, licensees, licensure supervisors, and sponsors of continuing education activities approved by the Board are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and the number of license renewals processed. There are no significant changes anticipated in the amount of revenue to be generated in the upcoming biennium. The Board expects modest revenue increases that are in line with the fees already in place to fund regulation of the professions.

Recent Changes:

There are no recent revenue changes related to fee increases or decreases.

Agency: Behavioral Health and Therapy, Board of

2018-19 Departmental Earnings

Earnings Group: Behavioral Health and Therapy Board Licensing Fees

Agency Analysis/Comments:

The Board is requesting no changes to current fees.

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2018-19 Biennial Budget - Departmental Earnings

Chiropractic Examiners, Board of
Chiropractic Examiners Licensing Fees

Agency: Chiropractic Examiners, Board of

2018-19 Departmental Earnings

Earnings Group: Chiropractic Examiners Licensing Fees

Purpose: To recover the costs of regulating the chiropractic examiners profession.

Legal Citation: M.S. 148.07, M.S.148.08, M.S. 148.10, M.S. 214, M.S. 319B and M.R. 2500

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Chiro Non Dedicated Receipts (H7H1000); Criminal Background Check Rece (H7H9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	922	971	1,142	1,093	1,093	1,210	1,210
Resources:							
Departmental Earnings	800	800	818	855	855	889	889
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	30						
Revenue Collected for Another Agency							
Total Resources	770	800	818	855	855	889	889
Expenditures:							
Direct Expenditures	499	454	629	513	513	513	513
Indirect Expenditures	222	175	238	225	225	225	225
Total Expenditures	721	629	867	738	738	738	738
Current Difference	49	171	(49)	117	117	151	151
Accumulated Ending Balance	971	1,142	1,093	1,210	1,210	1,361	1,361

Background Information:

The mission of the Minnesota Board of Chiropractic Examiners is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of chiropractic to ensure a standard of competent and ethical practice in the profession..

Fees charged to applicants, prospective applicants, licensees, members of the public, and sponsors of continuing education programs approved by the board are set to recover the board's services as shown below:

- Issue initial licensure and renew licenses for qualified professionals.
- Ensure that only applicants who meet licensure requirements are granted a license.
- Review applicant's education and training and licensee's continuing education to ensure educational and competency standards are met and maintained.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Take disciplinary or corrective action against an applicant or licensee for misconduct.
- Enforce standards of practice and professional conduct for licensees.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Fees are also responsible for covering the Board's prorated share of support functions provided outside of the Board itself:

- Legal support (Attorney General)
- Centralized administrative support (Health Boards Administrative Services Unit)
- Funding for services to health professionals (Health Professionals Services Program)
- Statewide e-licensing system development and operations (MN.IT)

Forecast Basis:

Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

The number of licensees regulated by the Board continues to rise, as do the number of complaints and the complexity of the cases. The Board has not raised fees since January 1993 a result of sound fiscal management, and creative solutions for reducing costs.

Agency Analysis/Comments:

None

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2018-19 Biennial Budget - Departmental Earnings

Commerce

- Auto Theft Prevention Surcharge
- Collections License and Registration Fees
- Currency Exchange License Fees
- Energy Cost Assessments
- Facility Siting and Routing Permit Fees
- Financial Institutions - Examiners Fees and Cost Assessments
- Franchise Registration Fees
- Gold Bullion Dealers
- Insurance Agent License Fees
- Insurance Company Fees, Fines and Penalties
- Made in Minnesota Solar Incentive Program
- Miscellaneous Small Earnings: Fees, Service Charges, Assessments and Fines
- Petroleum Inspection Fees
- Petroleum Tank Release Cleanup
- Propane Liquefied Petroleum Gas Fee
- Real Estate License Fees
- Securities Registration and Amendment Fees, Fines and Penalties
- Technology Fee for On-Line Licensing Products
- Telecommunications Access Minnesota Surcharge
- Telephone Regulation Cost Assessment
- Unclaimed Property Remittances
- Weights and Measures Service Fees
- Worker's Compensation/Self Insurance Application and Filing Fees

For information about the recommended new Sustainable Buildings (GESP) fee see the Sustainable Buildings change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Auto Theft Prevention Surcharge

Purpose: Implement statewide programs to combat automobile theft.

Legal Citation: M.S. 2971.11

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Auto Theft Prevention (B134200); Non Dedicated Receipts (G900900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,835	2,315	2,260	1,760	1,760	1,260	1,260
Resources:							
Departmental Earnings	3,706	3,949	3,500	3,500	3,500	3,500	3,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	2,050	2,025	1,300	1,300	1,300	1,300	1,300
Revenue Collected for Another Agency							
Total Resources	1,656	1,924	2,200	2,200	2,200	2,200	2,200
Expenditures:							
Direct Expenditures	2,160	1,963	2,680	2,680	2,680	2,680	2,680
Indirect Expenditures	16	16	20	20	20	20	20
Total Expenditures	2,176	1,979	2,700	2,700	2,700	2,700	2,700
Current Difference	(520)	(55)	(500)	(500)	(500)	(500)	(500)
Accumulated Ending Balance	2,315	2,260	1,760	1,260	1,260	760	760

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Auto Theft Prevention Surcharge

Background Information:

As required by statute, insurers that write automobile insurance policies collect a surcharge of \$.50 per vehicle per six months of coverage. \$1.3 million of revenue is transferred to the General Fund each fiscal year.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Collections License and Registration Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 332

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500); Non Ded Rec - Market Assurance (B139700)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		639	1,443	1,933	1,933	2,435	2,435
Resources:							
Departmental Earnings	1,183	1,355	1,085	1,085	1,085	1,085	1,085
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,183	1,355	1,085	1,085	1,085	1,085	1,085
Expenditures:							
Direct Expenditures	440	448	491	479	479	479	479
Indirect Expenditures	104	103	104	104	104	104	104
Total Expenditures	544	551	595	583	583	583	583
Current Difference	639	804	490	502	502	502	502
Accumulated Ending Balance	639	1,443	1,933	2,435	2,435	2,937	2,937

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Collections License and Registration Fees

Background Information:

Minnesota Statutes require registration of individual debt collectors and licensure of collection agencies. Both individual collectors and the agencies that employ them pay license fees. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Currency Exchange License Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 53A

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		30	54	89	89	124	124
Resources:							
Departmental Earnings	36	30	42	42	42	42	42
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	36	30	42	42	42	42	42
Expenditures:							
Direct Expenditures	5	5	6	6	6	6	6
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	6	6	7	7	7	7	7
Current Difference	30	24	35	35	35	35	35
Accumulated Ending Balance	30	54	89	124	124	159	159

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Currency Exchange License Fees

Background Information:

Minnesota statute requires licensing of currency exchanges that operate in Minnesota. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Energy Cost Assessments

Purpose: Recover the cost of the Department's analysis, advocacy, and regulatory functions with respect to regulated gas and electric utilities.

Legal Citation: M.S. 216B.62, Subd 2,3,5; 216C.261; 216C.052

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Energy Planning & Systems (B132200); DE - Technical Assistance (B132413); DE - R & D Grants (B132414); Facility Energy Efficiency(B3) (B132415); Audit Investigation Account (B132441); E999 Investigations (B132442); Non Ded Rec - Energy Security (B139510)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,995	3,811	3,469	1,910	1,910	927	927
Resources:							
Departmental Earnings	9,563	10,468	10,225	10,225	10,625	10,225	10,625
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	25	19	19	20	20	20	20
Revenue Collected for Another Agency							
Total Resources	9,538	10,449	10,206	10,205	10,605	10,205	10,605
Expenditures:							
Direct Expenditures	10,768	9,911	10,841	10,274	10,674	10,324	10,724
Indirect Expenditures	954	880	924	914	914	914	914
Total Expenditures	11,722	10,791	11,765	11,188	11,588	11,238	11,638
Current Difference	(2,184)	(342)	(1,559)	(983)	(983)	(1,033)	(1,033)
Accumulated Ending Balance	3,811	3,469	1,910	927	927	(106)	(106)

Background Information:

As required by statute, the department recovers the cost of regulating gas and electric utilities. The regulated companies are assessed for the following costs:

- Investor owned electric utilities, investor owned gas utilities, and electric cooperative companies are assessed for the full cost of regulation. Costs assessed to these companies include 100% of the direct and indirect regulatory costs (including statewide indirect costs) incurred by the Department of Commerce and the Attorney General.
- Municipal gas and electric services are assessed for service area filings and analysis of integrated resource plans.
- Public utilities, cooperatives, and municipalities are assessed for the Department's alternative energy engineering activities.

Assessments are limited by statute. These limitations include:

- Direct cost assessments are limited to two-fifths of one percent of each company's annual gross revenue.
- Indirect cost assessments are limited to one-sixth of one percent of each company's annual gross revenue.

Typically, regulatory costs incurred against a company do not exceed the direct cost limitation. Revenue is deposited on a cash basis while expenditures are reported on an accrual basis. In any given fiscal year, revenue may not equal expenditures because:

- The department, as required by statute, bill in advance for indirect costs.
- The department completes a make-whole settlement after the close of each fiscal year.
- There are statutory assessment limits.
- A small amount of accounts receivable may be outstanding.

Forecast Basis:

Estimate is based on requested funding for gas and electric utility regulation and for the Reliability Administrator. The department assumes 100% of the general fund appropriation will be expended and 100% of the cost will be recovered. Special revenue funds are based on programmatic estimates.

Agency Analysis/Comments:

For information about the recommended fee change, see the Energy Efficiency Resource Standard change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Facility Siting and Routing Permit Fees

Purpose: Recover the cost of the Department's analysis, advocacy, and operations with respect to siting and routing of electric generating plants, electric high voltage lines, wind generators, and pipelines.

Legal Citation: M.S. 116C.712, subd. 5; 116C.69 subd 2-3; 116I.015

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Power Plant Assessment (B132300); Power Plant Siting Appl Fees (B132301)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	463	372	230	73	73	127	127
Resources:							
Departmental Earnings	1,708	2,582	2,620	2,820	2,820	2,820	2,820
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,708	2,582	2,620	2,820	2,820	2,820	2,820
Expenditures:							
Direct Expenditures	1,617	2,470	2,555	2,544	2,544	2,544	2,544
Indirect Expenditures	182	254	222	222	222	222	222
Total Expenditures	1,799	2,724	2,777	2,766	2,766	2,766	2,766
Current Difference	(91)	(142)	(157)	54	54	54	54
Accumulated Ending Balance	372	230	73	127	127	181	181

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Facility Siting and Routing Permit Fees

Background Information:

Fees are paid by utility companies and other proposers of energy facilities to manage the permitting process. Examples of the type of facilities include electric generating plants, electric high voltage lines, wind generators, and pipelines. The fees support the actual cost of personnel, operating costs, and indirect costs.

Forecast Basis:

Current and prior year receipt and expenditure information was reviewed and estimated budgets were created based on that information. These projects are limited in duration; the number and size of new projects has been relatively stable over time.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Financial Institutions - Examiners Fees and Cost Assessments

Purpose: To recover the cost of regulation of banks, trust companies, credit unions, consumer credit companies, mortgage originators, and money transmitters.

Legal Citation: M.S. 46, 47 48, 52, 53, 53A, 55, 56 58

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Financial Institutions (B131300); Mortgage Orig Cons Educ-ITC (B134401); Non Ded Rec - Financial Exams (B139100); Non Ded Rec - Admin Services (B139500); Non Ded Rec - Market Assurance (B139700)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	103	818	1,880	2,060	2,060	2,361	2,987
Resources:							
Departmental Earnings	6,541	6,468	5,887	5,887	7,703	5,887	8,332
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	825	16	19	19	19	19	19
Revenue Collected for Another Agency							
Total Resources	5,716	6,452	5,868	5,868	7,684	5,868	8,313
Expenditures:							
Direct Expenditures	4,347	4,713	5,028	4,907	6,097	4,907	6,737
Indirect Expenditures	654	677	660	660	660	660	660
Total Expenditures	5,001	5,390	5,688	5,567	6,757	5,567	7,397
Current Difference	715	1,062	180	301	927	301	916
Accumulated Ending Balance	818	1,880	2,060	2,361	2,987	2,662	3,903

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Financial Institutions - Examiners Fees and Cost Assessments

Background Information:

The department as required by statute recovers 103% of the cost of examining financial institutions, including banks, credit unions, trust companies and consumer credit companies. The department recovers the direct cost of each examination by charging an hourly rate. Institutions also pay transaction fees for services and certifications provided by the department. At the end of each fiscal year, all costs that have not been recovered are assessed to the institutions.

This earnings category also includes revenue and expenses related to mortgage originators and money transmitters.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Agency Analysis/Comments:

For information about the recommended fee change, see the Funding Flexibility for Safety and Soundness change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Franchise Registration Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 80C

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Market Assurance (B139700)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		103	235	315	315	420	420
Resources:							
Departmental Earnings	432	426	411	411	411	411	411
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	432	426	411	411	411	411	411
Expenditures:							
Direct Expenditures	282	252	289	264	264	264	264
Indirect Expenditures	47	42	42	42	42	42	42
Total Expenditures	329	294	331	306	306	306	306
Current Difference	103	132	80	105	105	105	105
Accumulated Ending Balance	103	235	315	420	420	525	525

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Franchise Registration Fees

Background Information:

Franchisors are required to register with the department to make investment offers in Minnesota. In addition, registered franchisors are required to file annual reports and amendments. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

Earnings Group: Gold Bullion Dealers

2018-19 Departmental Earnings

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 80G

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(1,322)	(1,787)	(2,253)	(2,253)	(2,703)	(2,703)
Resources:							
Departmental Earnings	24	37	75	75	75	75	75
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	375						
Revenue Collected for Another Agency							
Total Resources	(351)	37	75	75	75	75	75
Expenditures:							
Direct Expenditures	843	431	471	455	455	455	455
Indirect Expenditures	128	71	70	70	70	70	70
Total Expenditures	971	502	541	525	525	525	525
Current Difference	(1,322)	(465)	(466)	(450)	(450)	(450)	(450)
Accumulated Ending Balance	(1,322)	(1,787)	(2,253)	(2,703)	(2,703)	(3,153)	(3,153)

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Gold Bullion Dealers

Background Information:

The 2013 bullion coin legislation requires bullion coin dealers to obtain a license and a surety bond. In addition, it also requires those who own a coin business or work directly with the public in selling or buying bullion coins to undergo and pass a background check.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Insurance Agent License Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 60A, 60K, 72B

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500); Non Ded Rec - Market Assurance (B139700)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		7,860	15,652	21,884	21,884	28,138	28,138
Resources:							
Departmental Earnings	9,840	9,770	8,406	8,406	8,406	8,406	8,406
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	9,840	9,770	8,406	8,406	8,406	8,406	8,406
Expenditures:							
Direct Expenditures	1,570	1,527	1,706	1,684	1,684	1,684	1,684
Indirect Expenditures	410	451	468	468	468	468	468
Total Expenditures	1,980	1,978	2,174	2,152	2,152	2,152	2,152
Current Difference	7,860	7,792	6,232	6,254	6,254	6,254	6,254
Accumulated Ending Balance	7,860	15,652	21,884	28,138	28,138	34,392	34,392

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Insurance Agent License Fees

Background Information:

The department licenses insurance agents, adjusters, and agencies that operate in Minnesota. The department also approves continuing education courses for insurance agents. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Insurance Company Fees, Fines and Penalties

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 60A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Ins Exam Rev Fund (B131200); Insurance Fraud Prevention (B134100); Non Ded Rec - Admin Services (B139500); Non Ded Receipts-Insurance (B139600); Non Ded Rec - Market Assurance (B139700)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,249	9,845	16,372	15,787	15,787	15,833	15,833
Resources:							
Departmental Earnings	19,747	18,714	14,115	14,115	15,476	14,115	15,476
Other Resources:							
Earning Transferred In	750	725					
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,036	672	724	725	725	725	725
Revenue Collected for Another Agency							
Total Resources	19,461	18,767	13,391	13,390	14,751	13,390	14,751
Expenditures:							
Direct Expenditures	9,898	11,311	13,118	12,486	13,847	12,486	13,847
Indirect Expenditures	967	929	858	858	858	858	858
Total Expenditures	10,865	12,240	13,976	13,344	14,705	13,344	14,705
Current Difference	8,596	6,527	(585)	46	46	46	46
Accumulated Ending Balance	9,845	16,372	15,787	15,833	15,833	15,879	15,879

Background Information:

The department licenses and audits insurance companies that operate in Minnesota. Revenue from fees for insurance companies, examinations, desk audits, and filings are deposited in either the General Fund or the Special Revenue account. Additionally, fines and penalties can be a substantial source of revenue in any given fiscal year. It is difficult to forecast the frequency and amounts of fines and penalties.

At the end of each fiscal year, the balance in excess of \$25,000 in the insurance exam revolving fund is transferred to the general fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated for the current fiscal year and next biennium.

Agency Analysis/Comments:

For information about the recommended fee change, see the Fraud Bureau Assessment change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Made in Minnesota Solar Incentive Program

Purpose: A solar photovoltaic (PV) and solar thermal incentive program for consumers who install PV and solar thermal systems using solar modules and collectors certified as manufactured in Minnesota.

Legal Citation: M.S. 216C.412

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Made in Minnesota Solar Energy (B132406)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	14,762	29,353	43,158	52,554	52,554	56,947	56,947
Resources:							
Departmental Earnings	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	108	226	150	150	150	150	150
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	15,108	15,226	15,150	15,150	15,150	15,150	15,150
Expenditures:							
Direct Expenditures	471	1,362	5,694	10,697	10,697	10,700	10,700
Indirect Expenditures	46	59	60	60	60	60	60
Total Expenditures	517	1,421	5,754	10,757	10,757	10,760	10,760
Current Difference	14,591	13,805	9,396	4,393	4,393	4,390	4,390
Accumulated Ending Balance	29,353	43,158	52,554	56,947	56,947	61,337	61,337

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Made in Minnesota Solar Incentive Program

Background Information:

Made in Minnesota Solar program is a solar photovoltaic (PV) and solar thermal incentive program for consumers who install PV and solar thermal systems using solar modules and collectors certified as manufactured in Minnesota. The program is administered by the Department of Commerce with an annual budget of up to \$15 million for ten years, including \$250,000 per year for solar thermal rebates. The program is funded with 5% of each public electric utility's total annual Conservation Improvement Program (CIP) budget. The Xcel Renewable Development Fund supplements this amount to bring the total incentives available to \$15 million per year available to public electric utility customers.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated for the current fiscal year and next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Small Earnings: Fees, Service Charges, Assessments and Fines

Purpose: To recover the cost of regulation of the industries

Legal Citation: M.S. 81A, 82A, 83, 325 D

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500); Non Ded Receipts-Insurance (B139600); Non Ded Rec - Market Assurance (B139700); Non Ded Rec - Investigations (B139710); Non Dedicated Receipt (B7E9000); Non Dedicated Receipts (B7P9000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		141	264	306	306	359	359
Resources:							
Departmental Earnings	364	341	280	280	280	280	280
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	364	341	280	280	280	280	280
Expenditures:							
Direct Expenditures	176	173	193	182	182	182	182
Indirect Expenditures	47	45	45	45	45	45	45
Total Expenditures	223	218	238	227	227	227	227
Current Difference	141	123	42	53	53	53	53
Accumulated Ending Balance	141	264	306	359	359	412	412

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Small Earnings: Fees, Service Charges, Assessments and Fines

Background Information:

The department combined several small earnings category into a single miscellaneous account. The miscellaneous earnings category includes revenue and expenditures from campground, subdivided land, athlete agent, cigarette and tobacco license and fee, overpayment from all fees, service contracts, course approvals, coordinator approvals, MA assessment, and notary fines.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Petroleum Inspection Fees

Purpose: Recovers the cost of operations for the Division of Weights & Measures, petroleum supply monitoring, and renewable energy equipment grants.

Legal Citation: M.S. 239.101, Subd. 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Non Dedicated Receipts (G900900); Petroleum Inspection Fees (G906003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	632	836	868	968	968	1,018	1,018
Resources:							
Departmental Earnings	3,997	4,005	4,000	4,000	4,000	4,000	4,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	28	25	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	440	441	440	440	440	440	440
Total Resources	3,585	3,589	3,565	3,565	3,565	3,565	3,565
Expenditures:							
Direct Expenditures	3,348	3,557	3,450	3,500	3,500	3,500	3,500
Indirect Expenditures	33		15	15	15	15	15
Total Expenditures	3,381	3,557	3,465	3,515	3,515	3,515	3,515
Current Difference	204	32	100	50	50	50	50
Accumulated Ending Balance	836	868	968	1,018	1,018	1,068	1,068

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Petroleum Inspection Fees

Background Information:

The Petroleum Inspection Fee is set by statute at \$1.00 per 1,000 gallons. The Petroleum Inspection Fee is paid by licensed petroleum distributors and collected by the Commissioner of the Department of Revenue (DOR). Each month, DOR transfers a portion of the fee to the Department of Commerce. Commerce, by statute, receives \$0.89 of each dollar collected and it is to be used for operations of the Division of Weights & Measures; operating the renewable energy equipment grants; and monitoring Minnesota's supply and inventory of petroleum products.

The remaining \$0.11 of each dollar collected stays with the Department of Revenue and is deposited into the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Petroleum Tank Release Cleanup

Purpose: Provides eligible applicants with reimbursement for a portion of their costs to investigate and clean up contamination from leaking petroleum storage tanks. The program also passes through funds to the Minnesota Pollution Control Agency (MPCA) for administration of the Petroleum Remediation, Tank Compliance and Assistance, and Emergency Response programs, and annually approves the use of funds by the Minnesota Department of Employment and Economic Development (DEED) for the administration of the Contamination Cleanup and Investigation Grant Program.

Legal Citation: M.S. 115C.08

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Petroleum Tank Release Cleanup (2350)

Appropriation: Non Dedicated Receipts (G900901)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	18,391	11,765	14,411	7,975	7,975	7,141	7,141
Resources:							
Departmental Earnings	14,145	26,438	27,000	27,000	27,000	27,000	27,000
Other Resources:							
Earning Transferred In	859	892					
Revenue Collected by Another Agency							
Other Receipts	720	457	246	246	246	246	246
Resource Reductions:							
Earnings Transferred Out	17,174	19,145	23,145	17,543	17,543	17,543	17,543
Revenue Collected for Another Agency							
Total Resources	(1,450)	8,642	4,101	9,703	9,703	9,703	9,703
Expenditures:							
Direct Expenditures	5,074	5,885	10,417	10,417	10,417	10,417	10,417
Indirect Expenditures	102	111	120	120	120	120	120
Total Expenditures	5,176	5,996	10,537	10,537	10,537	10,537	10,537
Current Difference	(6,626)	2,646	(6,436)	(834)	(834)	(834)	(834)
Accumulated Ending Balance	11,765	14,411	7,975	7,141	7,141	6,307	6,307

Background Information:

The Petroleum Tank Release Cleanup Fund (Petrofund) provides eligible applicants with reimbursement for a portion of their costs to investigate and clean up contamination from leaking petroleum storage tanks. The program also:

- Contracts for the removal of abandoned underground petroleum storage tanks;
- Recovers costs from responsible persons for investigation and cleanup work performed by the Minnesota Pollution Control Agency (MPCA) when the responsible persons are unwilling or unable to complete statutorily-required corrective actions;
- Passes through funds to the MPCA for administration of the Petroleum Remediation, Tank Compliance and Assistance, and Emergency Response programs, mainly to pay for state-financed investigation and cleanup projects where no viable responsible person is available; and
- Annually approves the use of funds by the Minnesota Department of Employment and Economic Development (DEED) for the administration of the Contamination Cleanup and Investigation Grant Program.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Transfer Out includes funds spent by the Minnesota Pollution Control Agency and Department of Employment and Economic Development.

Recent Changes:

This program was extended until June 30, 2022.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Propane Liquefied Petroleum Gas Fee

Purpose: Funds energy efficiency improvements to low-income homes using liquefied petroleum gas heating equipment.

Legal Citation: M.S. 239.785

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Liquefied Petro Gas Fee (G906002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	483	433	360	252	252	144	144
Resources:							
Departmental Earnings	410	312	320	320	320	320	320
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	410	312	320	320	320	320	320
Expenditures:							
Direct Expenditures	458	383	426	426	426	426	426
Indirect Expenditures	2	2	2	2	2	2	2
Total Expenditures	460	385	428	428	428	428	428
Current Difference	(50)	(73)	(108)	(108)	(108)	(108)	(108)
Accumulated Ending Balance	433	360	252	144	144	36	36

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Propane Liquefied Petroleum Gas Fee

Background Information:

As required by statute, a fee is charged on all Minnesota sales of liquefied petroleum gas (LPG). Revenue from this fee is collected by the Department of Revenue, and disbursed by the Department of Commerce to non-profit weatherization programs. The weatherization programs work to improve the energy efficiency of residential liquefied petroleum gas heating equipment in low-income homes. Revenue is generated from a one-cent per gallon fee on LPG when it is sold at a terminal.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Real Estate License Fees

Purpose: To recover the cost of regulation of the industry, to promote real estate education and research, and to provide recovery for those individuals financially harmed by the actions of a real estate licensee.

Legal Citation: M.S. 82, 82B, 386

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: RE Educ, Research, & Recov Itc (B134400); Non Ded Rec - Admin Services (B139500); Non Ded Rec - Market Assurance (B139700)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	840	1,144	1,322	795	795	305	305
Resources:							
Departmental Earnings	2,001	2,138	1,784	1,784	1,784	1,784	1,784
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,001	2,138	1,784	1,784	1,784	1,784	1,784
Expenditures:							
Direct Expenditures	1,360	1,557	1,909	1,872	1,872	1,872	1,872
Indirect Expenditures	337	403	402	402	402	402	402
Total Expenditures	1,697	1,960	2,311	2,274	2,274	2,274	2,274
Current Difference	304	178	(527)	(490)	(490)	(490)	(490)
Accumulated Ending Balance	1,144	1,322	795	305	305	(185)	(185)

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Real Estate License Fees

Background Information:

The department licenses real estate agents and companies that operate in Minnesota. All fees collected are deposited as non-dedicated revenue to the General Fund with the exception of a portion of each license fee that is deposited in the Real Estate Education Research and Recovery account in the Special Revenue Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Securities Registration and Amendment Fees, Fines and Penalties

Purpose: As required by statute, the department licenses securities agents and brokers, and collects registration and amendment fees for all investment offerings in Minnesota. Registration fees are set at 1/20 of 1% of the offering price. The department also generates revenue from fines and penalties. All fees collected are deposited as non-dedicated revenue to the General Fund.

Legal Citation: M.S. 80A, 80B

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Market Assurance (B139700)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		40,774	80,711	119,229	119,229	157,832	160,007
Resources:							
Departmental Earnings	41,902	40,979	39,698	39,698	42,358	39,698	42,358
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	41,902	40,979	39,698	39,698	42,358	39,698	42,358
Expenditures:							
Direct Expenditures	960	881	1,018	933	1,418	933	1,418
Indirect Expenditures	168	161	162	162	162	162	162
Total Expenditures	1,128	1,042	1,180	1,095	1,580	1,095	1,580
Current Difference	40,774	39,937	38,518	38,603	40,778	38,603	40,778
Accumulated Ending Balance	40,774	80,711	119,229	157,832	160,007	196,435	200,785

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Securities Registration and Amendment Fees, Fines and Penalties

Background Information:

As required by statute, the department licenses securities agents and brokers, and collects registration and amendment fees for all investment offerings in Minnesota. Registration fees are set at 1/20 of 1% of the offering price. The department also generates revenue from fines and penalties. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Agency Analysis/Comments:

For information about the recommended fee change, see the Securities Funding change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Technology Fee for On-Line Licensing Products

Purpose: To recover the cost of operating and maintaining an electronic licensing database system

Legal Citation: M.S. 45.24

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: License Technology Surcharge (B134001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	4,859	4,750	3,366	294	294		
Resources:							
Departmental Earnings	1,742	1,280	1,300	1,300	1,300	1,300	1,300
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,742	1,280	1,300	1,300	1,300	1,300	1,300
Expenditures:							
Direct Expenditures	1,851	2,656	4,372	1,594	1,594	1,300	1,300
Indirect Expenditures		8					
Total Expenditures	1,851	2,664	4,372	1,594	1,594	1,300	1,300
Current Difference	(109)	(1,384)	(3,072)	(294)	(294)		
Accumulated Ending Balance	4,750	3,366	294				

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Technology Fee for On-Line Licensing Products

Background Information:

The Technology Fee was established to offset the cost of system development and maintenance for on-line licensing products. This fee recovers transaction costs that are incurred.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Telecommunications Access Minnesota Surcharge

Purpose: Provide funding for specialized telecommunications services and equipment in order to make Minnesota's telecommunications network fully accessible to persons with hearing, sight, speech, or mobility issues.

Legal Citation: M.S. 237.50 - 237.56

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: TAM (B133200)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,891	2,268	3,175	3,235	3,235	3,303	3,303
Resources:							
Departmental Earnings	5,598	5,914	5,600	5,600	5,600	5,600	5,600
Other Resources:							
Earning Transferred In	23						
Revenue Collected by Another Agency							
Other Receipts	4	22	7	7	7	7	7
Resource Reductions:							
Earnings Transferred Out	1,240	1,240	1,240	1,240	1,240	1,240	1,240
Revenue Collected for Another Agency							
Total Resources	4,385	4,696	4,367	4,367	4,367	4,367	4,367
Expenditures:							
Direct Expenditures	3,992	3,774	4,291	4,283	4,283	4,283	4,283
Indirect Expenditures	16	15	16	16	16	16	16
Total Expenditures	4,008	3,789	4,307	4,299	4,299	4,299	4,299
Current Difference	377	907	60	68	68	68	68
Accumulated Ending Balance	2,268	3,175	3,235	3,303	3,303	3,371	3,371

Background Information:

The department contracts, through its Telecommunications Access Minnesota (TAM) program, to provide specialized telecommunications services and equipment for Minnesotans with hearing, vision, speech, and physical disabilities. TAM also provides funding for Accessible News for the Blind, Rural Real-Time Captioning, and the Commission of Deaf, Deaf-blind and Hard-of-Hearing Minnesotans.

Revenue to fund these programs is generated by a surcharge on all wired and wireless telephone access lines in Minnesota. Minnesota statutes set a maximum for the surcharge at \$0.20 per month, per access line.

The Public Utilities Commission sets the actual amount of the surcharge based on recommendations from the Department of Commerce.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Telephone Regulation Cost Assessment

Purpose: Recover the cost of the Department's analysis, advocacy, and regulatory operations with respect to regulated telephone companies.

Legal Citation: M.S. 237.295; 237.30

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Telephone Investigation (B133100)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	25	(383)	(422)	(652)	(652)	(780)	(780)
Resources:							
Departmental Earnings	711	1,025	1,130	1,130	1,130	1,130	1,130
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	125	1	2	1	1	1	1
Revenue Collected for Another Agency							
Total Resources	586	1,024	1,128	1,129	1,129	1,129	1,129
Expenditures:							
Direct Expenditures	849	913	1,207	1,106	1,106	1,106	1,106
Indirect Expenditures	145	150	151	151	151	151	151
Total Expenditures	994	1,063	1,358	1,257	1,257	1,257	1,257
Current Difference	(408)	(39)	(230)	(128)	(128)	(128)	(128)
Accumulated Ending Balance	(383)	(422)	(652)	(780)	(780)	(908)	(908)

Background Information:

The department assesses the full cost of telephone regulation to the regulated companies. Approximately 300 regulated telephone companies are assessed for the regulatory costs incurred by the Department of Commerce and the Attorney General. In addition, statewide indirect costs are assessed.

The telephone assessment is limited by statute to three-eighths of one percent of each company's annual gross revenue. Revenue is deposited on a cash basis while expenditures are reported on an accrual basis.

In a given year, revenues may not equal expenditures because:

The department, as required by statute, bills in advance for indirect costs.

- The department completes a make-whole settlement after the close of the fiscal year.
- There are statutory limitations on assessments.
- A small accounts of accounts receivable may be outstanding.

Except for a \$25,000 balance that rolls forward to the next fiscal year, receipts for this account cancel to the general fund at the close of each fiscal year.

Forecast Basis:

Estimates are based on requested funding for telephone regulation. The Department assumes 100% of the appropriation will be expended, and 100% of the cost will be recovered.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

Earnings Group: Unclaimed Property Remittances

2018-19 Departmental Earnings

Purpose: Safeguards abandoned property in perpetuity while processing claims to reunite properties with rightful owners.

Legal Citation: M.S. 345.31-345.60

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		39,572	87,996	117,024	117,024	146,111	146,111
Resources:							
Departmental Earnings	40,613	49,618	30,325	30,325	30,325	30,325	30,325
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	40,613	49,618	30,325	30,325	30,325	30,325	30,325
Expenditures:							
Direct Expenditures	833	910	1,019	960	960	960	960
Indirect Expenditures	208	284	278	278	278	278	278
Total Expenditures	1,041	1,194	1,297	1,238	1,238	1,238	1,238
Current Difference	39,572	48,424	29,028	29,087	29,087	29,087	29,087
Accumulated Ending Balance	39,572	87,996	117,024	146,111	146,111	175,198	175,198

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Unclaimed Property Remittances

Background Information:

Holders of unclaimed property (except real property) are required to remit the abandoned property to the department. The department holds the unclaimed property indefinitely until it is claimed by the rightful owner or heir. Cash and liquidated assets are deposited as non-dedicated revenue to the General Fund.

Forecast Basis:

The forecasted is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and next biennium.

Recent Changes:

None

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Weights and Measures Service Fees

Purpose: Recovers cost of inspecting weighing and measuring equip and metrology lab services

Legal Citation: M.S .239.101, Subd. 2

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Petroleum Inspection (B135100); Non Ded Rec - Weights&Measures (B139810)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		1,255	2,787	3,987	3,987	5,187	5,473
Resources:							
Departmental Earnings	1,255	1,492	1,200	1,200	1,486	1,200	1,486
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		40					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,255	1,532	1,200	1,200	1,486	1,200	1,486
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,255	1,532	1,200	1,200	1,486	1,200	1,486
Accumulated Ending Balance	1,255	2,787	3,987	5,187	5,473	6,387	6,959

Background Information:

The department recovers the full cost of providing weights and measures services. Fees are paid by approximately 5,000 businesses. Costs are recovered by charging cost-based fees for:

- Inspecting and testing commercial weighing and measuring equipment.
- Inspecting the net contents of prepackaged commodities.
- Metrology laboratory calibration services.

Under current law, Weights and Measures is funded by \$0.89 of the Petroleum Inspection Fee. The Petroleum Inspection Fee is collected by the Department of Revenue and transferred to Weights and Measures.

Statute also mandates that Weights and Measures recover costs for services provided. This revenue is deposited into the general fund and is shown in this departmental earnings category. All expenditures for Weights and Measures are shown in the category titled "Petroleum".

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Agency Analysis/Comments:

For information about the recommended fee change, see the Weights and Measures Funding change item in the Department of Commerce 2018-19 Governor's Budget Recommendations book.

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Worker's Compensation/Self Insurance Application and Filing Fees

Purpose: Workers Compensation/Self Insurance Application and Filing Fees

Legal Citation: M.S. 65B, 70A, 79, 179

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dec Receipts-Insurance (B139600)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(364)	(721)	(1,215)	(1,215)	(1,675)	(1,675)
Resources:							
Departmental Earnings	471	466	437	437	437	437	437
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	471	466	437	437	437	437	437
Expenditures:							
Direct Expenditures	706	710	824	790	790	790	790
Indirect Expenditures	129	113	107	107	107	107	107
Total Expenditures	835	823	931	897	897	897	897
Current Difference	(364)	(357)	(494)	(460)	(460)	(460)	(460)
Accumulated Ending Balance	(364)	(721)	(1,215)	(1,675)	(1,675)	(2,135)	(2,135)

Agency: Commerce

2018-19 Departmental Earnings

Earnings Group: Worker's Compensation/Self Insurance Application and Filing Fees

Background Information:

Revenue from these fees is usually not sufficient to recover the cost of regulation as illustrated by the deficit position on the fiscal page. As a result, the department has historically reviewed this earnings category along with the Insurance Agents and Insurance Company categories. The surplus position in those categories will off-set the deficit in Workers Compensation/Self Insurance.

Forecast Basis:

The forecast is based on actual data from prior fiscal years and estimates calculated from the current fiscal year and the next biennium.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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Agency: Corrections

Earnings Group: Aid to Victims of Crime

2018-19 Departmental Earnings

Purpose: Provide funding to programs to aid victims of crime

Legal Citation: M.S. 241.26, subd. 5

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Aid to Victims of Crime (P784241)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	423	460	447	447	447	447	447
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	423	460	447	447	447	447	447
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Aid to Victims of Crime

Background Information:

Offenders are assessed a portion of their earnings to provide funding to programs established by law to aid victims of crime. Receipts collected are transferred to the Department of Public Safety.

Forecast Basis:

No changes are anticipated in the amount of revenue generated.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Charges to Counties - Per Diem Charges for MCF-Red Wing Juveniles

Purpose: Charge counties cost of confinement at MCF-Red Wing

Legal Citation: M.S. 242.192

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: MCF-RW Non Dedicated Revenue (P783019); ISS Non Dedicated Revenue (P784219)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	5,501	4,672	5,125	5,125	5,125	5,125	5,125
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	5,501	4,672	5,125	5,125	5,125	5,125	5,125
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Charges to Counties - Per Diem Charges for MCF-Red Wing Juveniles

Background Information:

Effective 1/1/99, counties are charged 65% of the MCF-Red Wing per diem for cost of confinement, excluding educational costs, and 65% of the cost of confinement of juvenile females committed to the commissioner of corrections. These funds are deposited as non-dedicated receipts.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated by these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Community Supervision Fees from Offenders

Purpose: Collect fees from offenders for supervision

Legal Citation: M.S. 241.272

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Field Services-P&SR Non Ded Re (P786019)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	603	613	600	600	600	600	600
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	603	613	600	600	600	600	600
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Community Supervision Fees from Offenders

Background Information:

Correctional fees collected include fees for community service work placement and supervision, restitution collection, supervision, court-ordered investigations or any other service provided by a probation officer or parole agent for offenders supervised by the commissioner of corrections. To defray costs associated with correctional services, the commissioner of corrections may establish a schedule of correctional fees to charge persons convicted of a crime. The correctional fees on the schedule must be reasonably related to the offender's ability to pay and actual cost of correctional services. Fees collected go to the general fund.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated by these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Corrections Staff Rent/Utilities Fees

Purpose: Charge rent/utilities fees to staff residing at MCF-Togo

Legal Citation: M.S. 241.01, Subd. 5A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: MCF-Togo-CIP Utilities & Rent (P781839); MCF-Togo-Male Utilities & Rent (P781939); MCF-Togo Utilities & Rent (P783139)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1		3	3	3	3	3
Resources:							
Departmental Earnings	5	7	7	7	7	7	7
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5	7	7	7	7	7	7
Expenditures:							
Direct Expenditures	6	4	7	7	7	7	7
Indirect Expenditures							
Total Expenditures	6	4	7	7	7	7	7
Current Difference	(1)	3					
Accumulated Ending Balance		3	3	3	3	3	3

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Corrections Staff Rent/Utilities Fees

Background Information:

Rent and utilities charged to staff residing at MCF-Togo.

Forecast Basis:

This fee is reviewed annually, reflecting inflationary increases. No significant changes are anticipated in the amount of revenue generated by these fees.

Recent Changes:

None

Agency Analysis/Comments:

Fees will be adjusted for inflation and reviewed and approved by Real Estate Management.

Agency: Corrections

Earnings Group: County Probation Reimbursement

2018-19 Departmental Earnings

Purpose: Counties reimburse the state for juvenile probation and parole services

Legal Citation: M.S. 244.19, subd. 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Field Services-P&SR Non Ded Re (P786019)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	4,168	4,245	4,304	4,304	4,304	4,304	4,304
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	4,168	4,245	4,304	4,304	4,304	4,304	4,304
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: County Probation Reimbursement

Background Information:

Counties must reimburse the state for provision of juvenile probation and parole services. Reimbursements are deposited in the general fund.

Forecast Basis:

Revenue generated is anticipated to remain relatively the same in the next biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change in current reimbursement structure.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Dedicated Receipts Miscellaneous

Purpose: Cost recovery for a variety of facility activities

Legal Citation: M.S. 241.01, subd. 5A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Miscellaneous Agency (6000)

Appropriation: MCF-SCL Rental Income (P781036); MCF-STW Dedicated Receipts (P781130); MCF-LL Rental Income (P781236); MCF-ML Dedicated Receipts (P781430); MCF-FRB Dedicated Receipts (P781530); MCF-FRB Rental Income (P781536); MCF-WR-CIP Dedicated Receipts (P781630); MCF-RC Offender Phones (P781720); MCF-RC Dedicated Receipts (P781730); MCF-Togo-CIP-Male Ded Receipts (P781830); MCF-SHK Dedicated Receipts (P782030); MCF-RW Dedicated Receipts (P783030); MCF-Togo Programs (P783138)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	85	90	139	157	157	175	175
Resources:							
Departmental Earnings	72	108	107	107	107	107	107
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	72	108	107	107	107	107	107
Expenditures:							
Direct Expenditures	60	54	80	80	80	80	80
Indirect Expenditures	7	5	9	9	9	9	9
Total Expenditures	67	59	89	89	89	89	89
Current Difference	5	49	18	18	18	18	18
Accumulated Ending Balance	90	139	157	175	175	193	193

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Dedicated Receipts Miscellaneous

Background Information:

Cost recovery for a variety of facility activities is accomplished by charging fees for serving legal papers, copy fees, sale of scrap, rent, and other items.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change in current fee structure.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Fee for Services at MCF - Togo

Purpose: Juvenile Per Diem Charges to Counties

Legal Citation: M.S. 241.01, subd. 7

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: MCF-Togo Programs (P783138); MCF-Togo Juvenile Education (P784055)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,005	429	166				
Resources:							
Departmental Earnings	2,322						
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,322						
Expenditures:							
Direct Expenditures	2,766	207	136				
Indirect Expenditures	132	56	30				
Total Expenditures	2,898	263	166				
Current Difference	(576)	(263)	(166)				
Accumulated Ending Balance	429	166					

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Fee for Services at MCF - Togo

Background Information:

Costs of operating juvenile programs are recovered by charging counties actual per diems for services provided at MCF-Togo. Counties pay a per diem of \$223.00 for room and board with no treatment services and \$283.00 for room and board with treatment services.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated in the upcoming biennium from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No changes in the fee structure are recommended at this time.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Health Care Co-Payment - Offender Assessment

Purpose: Adult Offenders Health Care Co-Payment Obligation

Legal Citation: M.S. 243.212

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Adult Health Care Co-pay (P784142)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	68	80	78	78	78	78	78
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	68	80	78	78	78	78	78
Expenditures:							
Direct Expenditures	66	76	75	75	75	75	75
Indirect Expenditures	2	4	3	3	3	3	3
Total Expenditures	68	80	78	78	78	78	78
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Health Care Co-Payment - Offender Assessment

Background Information:

Offenders in adult facilities shall incur co-payment obligations for health care services provided. The co-payment shall be at \$5.00 per visit to a health care provider. The co-payment, paid from the offender account of earnings and other funds, are appropriated to the commissioner of corrections for the delivery of health care services to offenders.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No changes in the fee structure are recommended at this time.

Agency: Corrections

Earnings Group: Housing Adult Inmates

2018-19 Departmental Earnings

Purpose: Receipts from Housing Inmates from other government units

Legal Citation: M.S. 243.51 and M.S. 253B.045, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: ISS Detention Receipts (P780047); Cost of Confinement-County (P784253)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	176	359	281	5	5	5	5
Resources:							
Departmental Earnings	99	155	75	75	75	75	75
Other Resources:							
Earning Transferred In	85						
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	184	155	75	75	75	75	75
Expenditures:							
Direct Expenditures	1	233	345	75	75	75	75
Indirect Expenditures			6				
Total Expenditures	1	233	351	75	75	75	75
Current Difference	183	(78)	(276)				
Accumulated Ending Balance	359	281	5	5	5	5	5

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Housing Adult Inmates

Background Information:

Receipts from housing inmates are generated when the Department of Corrections enters into agreements with other units of government. Additional revenue is from charges to counties for confinement of persons held temporarily while waiting hearing for civil commitment. These receipts allow the department to fund essential correctional projects.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No changes in the fee structure are recommended at this time.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Inmate Confinement Surcharge Summary

Purpose: Confinement charges deducted from offender monies

Legal Citation: M.S. 243.23, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Correctional Industries (4400)

Appropriation: MCF-SCL Cost of Confinement (P781034); MCF-STW Cost of Confinement (P781134); MCF-LL Cost of Confinement (P781234); MCF-OPH Cost of Confinement (P781334); MCF-ML Cost of Confinement (P781434); MCF-FRB Cost of Confinement (P781534); MCF-WR-CIP Cost of Confinement (P781634); MCF-RC Cost of Confinement (P781734); MCF-Togo-CIP-Male Cost Confine (P781834); MCF-SHK Cost of Confinement (P782034); MCF-Togo-CIP Cost Of Confine (P782134); MCF-RW Cost of Confinement (P783034); MINNCOR Inmate Confinement (P785027)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	12,499	15,507	11,225	5,095	5,095	2,100	2,100
Resources:							
Departmental Earnings	4,629	5,068	4,664	4,664	4,664	4,664	4,664
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	68	79	100	100	100	100	100
Resource Reductions:							
Earnings Transferred Out		1,000	1,000				
Revenue Collected for Another Agency							
Total Resources	4,697	4,147	3,764	4,764	4,764	4,764	4,764
Expenditures:							
Direct Expenditures	1,689	8,429	9,894	7,759	7,759	5,083	5,083
Indirect Expenditures							
Total Expenditures	1,689	8,429	9,894	7,759	7,759	5,083	5,083
Current Difference	3,008	(4,282)	(6,130)	(2,995)	(2,995)	(319)	(319)
Accumulated Ending Balance	15,507	11,225	5,095	2,100	2,100	1,781	1,781

Background Information:

Offenders employed in the MINNCOR interstate programs are assessed confinement charges that are deducted from their pay. These receipts partially fund the MINNCOR program. Offenders in correctional facilities are charged 10% on incoming offender monies. These cost of confinement receipts are used to partially fund offender incarceration costs.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No changes in the fee structure are recommended at this time.

Agency: Corrections

Earnings Group: Lino-Anoka Service Agreement

2018-19 Departmental Earnings

Purpose: Agreement with Anoka County for services provided

Legal Citation: M.S. 241.01, subd. 7

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: MCF-LL Anoka Service Agreement (P781235)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	19	7					
Resources:							
Departmental Earnings	103	82	90	90	90	90	90
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	103	82	90	90	90	90	90
Expenditures:							
Direct Expenditures	110	85	85	85	85	85	85
Indirect Expenditures	5	4	5	5	5	5	5
Total Expenditures	115	89	90	90	90	90	90
Current Difference	(12)	(7)					
Accumulated Ending Balance	7						

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Lino-Anoka Service Agreement

Background Information:

Anoka County Community Corrections reimburses MCF-Lino Lakes for food services, sewer and water, plant maintenance, electricity, laundry services, and garbage services per a joint powers agreement.

Forecast Basis:

No changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Out of State Juvenile Jail Certification Fee

Purpose: Recover costs for certifying out of state juvenile facilities

Legal Citation: M.S. 260B.198, subd. 11

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Out-Of-State Juvenile Inspectn (P787151)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	35	24	35	49	49	49	49
Resources:							
Departmental Earnings	37	32	35	35	35	35	35
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	37	32	35	35	35	35	35
Expenditures:							
Direct Expenditures	47	20	20	33	33	33	33
Indirect Expenditures	1	1	1	2	2	2	2
Total Expenditures	48	21	21	35	35	35	35
Current Difference	(11)	11	14				
Accumulated Ending Balance	24	35	49	49	49	49	49

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Out of State Juvenile Jail Certification Fee

Background Information:

A court may not place a juvenile in a residential or detention facility outside Minnesota unless the commissioner of corrections has certified that facility. The fees, collected by the DOC Facilities Planning and Inspection Unit, are to recover the costs incurred in the certification process.

Forecast Basis:

No changes are anticipated in the amount of revenue generated from fees for the certification process.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Staff and Visitors Meals

Purpose: Fees for meals provided to staff and visitors at facilities

Legal Citation: M.S. 241.01, subd. 7

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: MCF-SCL Staff/Visitors Meals (P781033); MCF-STW Staff/Visitors Meals (P781133); MCF-LL Staff/Visitors Meals (P781233); MCF-OPH Staff/Visitors Meals (P781333); MCF-ML Staff/Visitors Meals (P781433); MCF-FRB Staff/Visitors Meals (P781533); MCF-WR-CIP Staff/Visitors Meal (P781633); MCF-RC Staff/Visitors Meals (P781733); MCF-Togo-CIP-Male Staff/V Meal (P781833); MCF-SHK Staff/Visitors Meals (P782033); MCF-RW Staff/Visitors Meals (P783033); MCF-Togo Staff/Visitors Meals (P783133)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	29	28	32	32	32	32	32
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	29	28	32	32	32	32	32
Expenditures:							
Direct Expenditures	29	28	32	32	32	32	32
Indirect Expenditures							
Total Expenditures	29	28	32	32	32	32	32
Current Difference							
Accumulated Ending Balance							

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Staff and Visitors Meals

Background Information:

The commissioner may provide meals for staff and visitors at correctional facilities for efficiency of operation and may require the participants to pay all or part of the costs of the meals. Funds collected recover the costs of the meals.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Vocational Work Program Fees

Purpose: Fees generated from various work programs for offenders

Legal Citation: M.S. 241.01, subd. 5A and M.S. 241.278

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001)

Appropriation: MCF-SCL Vocational Work Proj (P781032); MCF-STW Vocational Work Proj (P781132); MCF-ML Vocational Work Proj (P781432); MCF-FRB Vocational Work Proj (P781532); MCF-RC Vocational Work Proj (P781732); MCF-SHK Vocational Work Proj (P782032); MCF-RW Vocational Work Proj (P783032); Inst Comm Svc Work Crew (P786245); ICWC Affordable Housing (P786844); Instn Comm Svcs Work Crews-Ded (P786845); ICWC AHP Construction Loan (P786846)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,604	1,666	1,481	1,178	1,178	1,178	1,178
Resources:							
Departmental Earnings	1,781	1,523	1,462	1,762	1,762	1,762	1,762
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,781	1,523	1,462	1,762	1,762	1,762	1,762
Expenditures:							
Direct Expenditures	1,719	1,708	1,765	1,762	1,762	1,762	1,762
Indirect Expenditures							
Total Expenditures	1,719	1,708	1,765	1,762	1,762	1,762	1,762
Current Difference	62	(185)	(303)				
Accumulated Ending Balance	1,666	1,481	1,178	1,178	1,178	1,178	1,178

Agency: Corrections

2018-19 Departmental Earnings

Earnings Group: Vocational Work Program Fees

Background Information:

Offenders working on various institution and community work programs generate dedicated revenue that is utilized to support the work programs.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated from these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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2018-19 Biennial Budget - Departmental Earnings

Cosmetologist Examiners, Board of

Cosmetologist Examiners Board Licensing Fees

Agency: Cosmetologist Examiners, Board of
Earnings Group: Cosmetologist Examiners Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating hair care, skin care, and nail care service providers.

Legal Citation: M.S. 155A

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Cos Non dedicated receipts (B111000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	7,439	7,862	9,101	7,970	7,970	8,228	8,228
Resources:							
Departmental Earnings	1,855	2,585	2,667	2,842	2,842	2,735	2,735
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	5					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,858	2,590	2,667	2,842	2,842	2,735	2,735
Expenditures:							
Direct Expenditures	1,435	1,351	3,798	2,584	2,584	2,584	2,584
Indirect Expenditures							
Total Expenditures	1,435	1,351	3,798	2,584	2,584	2,584	2,584
Current Difference	423	1,239	(1,131)	258	258	151	151
Accumulated Ending Balance	7,862	9,101	7,970	8,228	8,228	8,379	8,379

Background Information:

The Minnesota Board of Cosmetologist Examiners ("BCE") protects the health and safety of Minnesotans and visitors to the state through the regulation of the practice of cosmetology. The BCE's statutory authority resides in M.S. Chapter 155A and is necessary due to concerns for infection control, the use of chemicals, implements, and apparatuses, and the requirement of special skills and education for cosmetology practitioners. The BCE accomplishes its statutory mission by applying the fundamental agency values of service, equality, accuracy, dependability, and advancement.

The BCE's core mission is to constantly strive to serve and care for our licensees, applicants, and the public by being committed to public protection, superior service, excellence, and continuous improvement. The BCE achieves its mission while encouraging industry development, leading with a vision, and making sound decisions. This results in quality outcomes and successful operations.

The BCE provides the following services:

- Review and credentialing of initial license applicant's educational training, preparatory skills, and test scores for minimum competency to provide safe services.
- Review and credentialing of licensure renewal applications.
- Inspections and review of salons and schools to ensure compliance with infection control practices as well as compliance with state statute and rules.
- Complaint investigation and action against practitioners, salons, or schools that violate laws and rules the BCE is empowered to enforce.
- Responses to public inquiries, general complaints, and requests that the Board receives.
- Outreach and communication to practitioners, salons, and schools to encourage compliance with laws and rules and encourage best practices within the profession.

The BCE collects the following types of fees:

- Licensing and administrative fees paid by licensees and applicants for licensure. All fees are a fixed rate, as determined in M.S. Chapter 155A.
- Inspection fines are collected through assessing violations of statutes and rules in which definitive and immediate evidence is found upon inspection. Inspection fines are a fixed rate and set out in M.S. Chapter 155A.
- Civil penalties are collected from licensees who violate state statute or rule and have been afforded their due process through the complaint process. Civil penalty fees can be assessed at up to \$2,000 per violation, but is variable and assessed by the complaint committee.

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- Civil penalties are collected from licensees who violate state statute or rule and have been afforded their due process through the complaint process. Civil penalty fees can be assessed at up to \$2,000 per violation, but is variable and assessed by the complaint committee.

Forecast Basis:

The BCE's budget is exclusively generated from fees and penalties charged to applicants and licensees. Licensing fees and violation penalties are set in M.S. Chapter 155A to cover all direct and indirect costs of the Board. Revenues are projected based on actual revenue collected the previous fiscal year. The BCE anticipates an increase in licensure of approximately 3,500 new licensees each fiscal year; however, this is counter-balanced by the non-renewal of approximately 2,000 licensees each year. This analysis is consistent with previous fiscal years. Additional increases are attributed to implementation of inspection fines, which will be a newly collected revenue beginning in 2017.

Recent Changes:

In 2013, inspection fines were created in statute to address common, definitive, and immediately identifiable violations of cosmetology statute and rules found upon inspection. These penalties required full rulemaking for implementation and are expected to be enforced beginning January 2017.

In 2015, the license fees increased to enhance services provided to licensees, applicants, and the public. Each fee change was set in M.S. Chapter 155A and resulted in an increased return on investment for fee-paying licensees. The increased revenue collected covers the addition of licensing, compliance, inspections, and administrative staff to enhance services, such as expedited application processing, faster complaint resolution, and increased educational inspections.

Agency Analysis/Comments:

The board has consistently over-collected revenue above its base budget appropriation, as it is general funded and the legislature appropriates the base budget of the agency.

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2018-19 Biennial Budget - Departmental Earnings

Dentistry, Board of

Dentistry Board Licensing Fees

Agency: Dentistry, Board of
Earnings Group: Dentistry Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the dental profession.

Legal Citation: M.S. 150A.06-.09, M.S. 214, M.S. 319B, and M.R. 3100

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Dent Non Dedicated Receipts (H7F1000); Criminal Background Check Rec (H7F9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(85)	(275)	57	(183)	(183)	(254)	(254)
Resources:							
Departmental Earnings	1,568	1,888	1,889	1,893	1,893	1,898	1,898
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,568	1,888	1,889	1,893	1,893	1,898	1,898
Expenditures:							
Direct Expenditures	1,251	1,148	1,579	1,377	1,377	1,377	1,377
Indirect Expenditures	507	408	550	587	587	587	587
Total Expenditures	1,758	1,556	2,129	1,964	1,964	1,964	1,964
Current Difference	(190)	332	(240)	(71)	(71)	(66)	(66)
Accumulated Ending Balance	(275)	57	(183)	(254)	(254)	(320)	(320)

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2018-19 Biennial Budget - Departmental Earnings

Dietetics and Nutrition Practice, Board of
Dietetics and Nutrition Practice Licensing Fees

Agency: Dietetics and Nutrition Practice, Board of

2018-19 Departmental Earnings

Earnings Group: Dietetics and Nutrition Practice Licensing Fees

Purpose: To recover the costs of regulating the dietetics and nutrition profession.

Legal Citation: M.S. 148.624, M.S. 148.625, M.S. 214, M.S. 319B, and M.R. 3230

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: DNP Non Dedicated Receipts (H7U1000); Criminal Background Check Rec (H7U9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	75	116	147	143	143	162	162
Resources:							
Departmental Earnings	155	169	163	170	170	171	171
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	5						
Revenue Collected for Another Agency							
Total Resources	150	169	163	170	170	171	171
Expenditures:							
Direct Expenditures	98	105	123	120	120	120	120
Indirect Expenditures	11	33	44	31	31	31	31
Total Expenditures	109	138	167	151	151	151	151
Current Difference	41	31	(4)	19	19	20	20
Accumulated Ending Balance	116	147	143	162	162	182	182

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of dietetics and nutrition to reasonably ensure a standard of competent and ethical practice.

The Board of Dietetics and Nutrition Practice regulates the profession by:

- Setting educational standards for initial licensure.
- Reviewing applicant's education and training to determine compliance with the board's licensure requirements.
- Reasonably ensuring that only applicants who meet licensure requirements are granted a license.
- Issuing initial licensure for qualified professionals.
- Setting continuing education requirements for maintenance of licensure.
- Renewing licenses of qualified professionals.
- Setting standards of practice and professional conduct for licensees.
- Taking disciplinary or corrective action against an applicant or licensee for misconduct.
- Responding to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Providing information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants and licensees are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. A temporary fee reduction approved during the 2005 legislative session was extended during the 2009 legislative session through FY 2013.

Recent Changes:

None

Agency Analysis/Comments:

None

Background Information:

The Board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of dentists, dental therapists, dental hygienists, and dental assistants to ensure safe, competent, and ethical practice.

The Board of Dentistry provides the following services:

- Review applicant education, training, and testing to determine compliance with the Board's licensure requirements.
- Issue initial licensure and renew licenses for qualified professionals.
- Set standards and scope of practice and professional conduct for licensees.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Investigate all complaints, and take corrective or disciplinary action against applicants or licensees as warranted.
- Establish standards for Professional Development (continuing education) for maintaining licensure.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, licensees, and registrants are set to recover the Board's direct and indirect expenditures. Revenues are forecast based on a number of factors, including actual revenue collected in previous years, the number of applicants seeking initial licensure, and trends in the number of licensees and registrants applying for biennial renewal. A small amount of revenue is also received through fines and cost recovery a result of disciplinary actions by the Board.

Recent Changes:

The last time the fees were raised was in the mid-1990s. Fees were actually lowered in 1999, and readjusted to their previous level in 2012 with a change in statutory language. The Board has seen continually growing numbers of licensees until the past two years, when numbers have leveled off. This change affected budget projections, and resulted in the Board under-collecting revenue for the last two biennia, signified with the lack of measurable growth in new licensee numbers and decrease in renewals.

Agency Analysis/Comments:

None

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2018-19 Biennial Budget - Departmental Earnings

District Courts

District Court Credit Card Convenience Fee

Miscellaneous Court Fees - Specialty Court Participation Fees

Agency: District Courts

2018-19 Departmental Earnings

Earnings Group: District Court Credit Card Convenience Fee

Purpose: Convenience fee charged for interactive voice response and interactive web response credit card payments of fees and fines.

Legal Citation: M.S. 480.237

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Statewide Convenience Fee (J330CNV)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	226	247	518	318	318	118	118
Resources:							
Departmental Earnings	475	804	500	500	500	500	500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	475	804	500	500	500	500	500
Expenditures:							
Direct Expenditures	454	533	700	700	700	618	618
Indirect Expenditures							
Total Expenditures	454	533	700	700	700	618	618
Current Difference	21	271	(200)	(200)	(200)	(118)	(118)
Accumulated Ending Balance	247	518	318	118	118		

Agency: District Courts

2018-19 Departmental Earnings

Earnings Group: District Court Credit Card Convenience Fee

Background Information:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Forecast Basis:

Forecast to continue at current levels. This program has been in place for several years and currently is not expected to increase.

Recent Changes:

No changes in the last couple of years.

Agency Analysis/Comments:

This appropriation currently uses all revenue to offset costs.

Agency: District Courts

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Court Fees - Specialty Court Participation Fees

Purpose: Participation Fees Collected from Specialty Court Clients

Legal Citation: M.S. 357.42

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 6th District DWI Court Fees (J330DW6); Second Specialty Fees (J330SP2); Fourth Specialty Fees (J330SP4); Fifth Specialty Fees (J330SP5); Sixth Specialty Fees (J330SP6); Seventh Specialty Fees (J330SP7); Eighth Specialty Fees (J330SP8); Ninth Specialty Fees (J330SP9)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	688	720	664	446	446	319	319
Resources:							
Departmental Earnings	184	219	45	45	45	45	45
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	184	219	45	45	45	45	45
Expenditures:							
Direct Expenditures	152	275	263	172	172	170	170
Indirect Expenditures							
Total Expenditures	152	275	263	172	172	170	170
Current Difference	32	(56)	(218)	(127)	(127)	(125)	(125)
Accumulated Ending Balance	720	664	446	319	319	194	194

Agency: District Courts

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Court Fees - Specialty Court Participation Fees

Background Information:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Forecast Basis:

Forecast to continue at current levels. This program has been in place for several years and currently is not expected to increase.

Recent Changes:

No changes have been made in the last couple of years.

Agency Analysis/Comments:

Forecast to offset all Revenue received with expenditures.

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2018-19 Biennial Budget - Departmental Earnings

Education

- Minnesota Career Information System (MCIS)
- Miscellaneous Dept of Education Receipts
- School Administrator Licensing

Agency: Education

2018-19 Departmental Earnings

Earnings Group: Minnesota Career Information System (MCIS)

Purpose: To collect fees necessary to recover all expenditures related to the operation of the Minnesota Career Information System.

Legal Citation: M.S. 124D.505

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: MCIS Service Fees (E370100)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	79	36	92	35	35	35	35
Resources:							
Departmental Earnings	444	591	598	679	679	725	725
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	444	591	598	679	679	725	725
Expenditures:							
Direct Expenditures	453	472	587	602	602	615	615
Indirect Expenditures	34	63	68	77	77	86	86
Total Expenditures	487	535	655	679	679	701	701
Current Difference	(43)	56	(57)			24	24
Accumulated Ending Balance	36	92	35	35	35	59	59

Background Information:

The Minnesota Career Information System (MCIS) is a fee-based subscription available in more than 80 percent of Minnesota schools. The system is Internet-based and offers a wealth of career, educational and labor market information in one comprehensive, easy-to-use tool. MCIS included interest and skill assessments, information on colleges, program requirements for various occupations, ACT practice tests and more. MCIS also includes a student Personal Learning Plan that meets the requirements of MS 120B.125. Using MCIS, students have the option of building a portfolio which will populate their Personal Learning Plan and track progress toward their educational goals.

MCIS is used by schools, colleges, libraries, Workforce Centers and many community-based organizations. There are a variety of subscription fee levels, based on the number of users at each site. The system is updated annually to ensure that the information is current and reliable.

Forecast Basis:

The revenue collected is on a fee for subscription basis. The fee is set based on the number of users at a given site. An annual subscription includes:

- Unlimited access to the Website
- Free training via hands-on workshops held around the state
- Free technical support
- Listserv membership

Agency: Education

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Dept of Education Receipts

Purpose: The purpose of these accounts is to facilitate the accurate and timely processing of receipts and payments to the department of Education.

Legal Citation: M.S. 124D.1195, M.S. 120A.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001)

Appropriation: Commodity Donated Food Rev (E370110); Reimb Recalls Fd/Bev (E370111); Rent Revolving Account (E372040); Pcard Revolving Account (E372050); Deposit Clearing Account (E37DCLR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,870	1,860	2,264	(1,466)	(1,466)	(5,196)	(5,196)
Resources:							
Departmental Earnings	4,956	4,854	5,005	5,005	5,005	5,005	5,005
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,956	4,854	5,005	5,005	5,005	5,005	5,005
Expenditures:							
Direct Expenditures	4,966	4,450	8,735	8,735	8,735	8,735	8,735
Indirect Expenditures							
Total Expenditures	4,966	4,450	8,735	8,735	8,735	8,735	8,735
Current Difference	(10)	404	(3,730)	(3,730)	(3,730)	(3,730)	(3,730)
Accumulated Ending Balance	1,860	2,264	(1,466)	(5,196)	(5,196)	(8,926)	(8,926)

Agency: Education

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Dept of Education Receipts

Background Information:

Receipts for commodity donated foods that have been lost, damaged, recalled or diverted for processing. Minnesota uses the funds to issue payments for the value of the lost, damaged, recalled or diverted commodity donated foods and related costs. The revolving accounts are used to facilitate the processing of large volume payments for rent and purchasing card transactions. The clearing account is used to comply with state policy regarding the processing of deposits.

Agency: Education

Earnings Group: School Administrator Licensing

2018-19 Departmental Earnings

Purpose: To assure staffing by qualified administrators.

Legal Citation: M.S. 122A.14, Subd. 9

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: School Administrator Licensing (E37ND04)

Fee Change?

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		11	12	(30)	(30)	(46)	(46)
Resources:							
Departmental Earnings	222	206	210	215	215	215	215
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	222	206	210	215	215	215	215
Expenditures:							
Direct Expenditures	193	188	235	213	213	213	213
Indirect Expenditures	18	17	17	18	18	19	19
Total Expenditures	211	205	252	231	231	232	232
Current Difference	11	1	(42)	(16)	(16)	(17)	(17)
Accumulated Ending Balance	11	12	(30)	(46)	(46)	(63)	(63)

Background Information:

This fee is charged to candidates submitting applications for administrator and other related school licenses. The fee is non-dedicated, but is intended to cover General Fund appropriations used to fund the functions of the Board of School Administrators (the Board) and the Department of Education's cost of issuing the license. The Board was created by the Legislature in 2001. There are 10 members appointed by the Governor. The Board is responsible for the licensing of school administrators (including variances), approval of administrator preparation or alternative programs, continuing education for administrators' professional development, enforcing school administrators' code of ethics covering standards of professional practice, and approving licenses and renewals for administrators. The Department of Education's Educator Licensing Division processes the licenses for school administrators.

Forecast Basis:

Current fee for active licenses is \$75 and \$32.50 for retirees. The estimate assumes the same level of activity for the biennium.

Recent Changes:

The 2014 Legislature increased the base appropriation for the Board of School Administrators to \$225,000 annually.

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2018-19 Biennial Budget - Departmental Earnings

Emergency Medical Services Regulatory Board

Emergency Medical Svcs Reg Data Practices / Cost of Copies

Emergency Medical Svcs Regulatory Board Licensing Fees

Agency: Emergency Medical Services Regulatory Board
Earnings Group: Emergency Medical Svcs Reg Data Practices / Cost of Copies
2018-19 Departmental Earnings

Purpose: Revenue related to costs of copies.

Legal Citation: M.S. 13.03 subd 10, M.S. 144E.123

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Request For Data-Misc Receipts (H7S1400)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	22	18	23	23	23	23	23
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	22	18	23	23	23	23	23
Expenditures:							
Direct Expenditures	22	18	23	23	23	23	23
Indirect Expenditures							
Total Expenditures	22	18	23	23	23	23	23
Current Difference							
Accumulated Ending Balance							

Background Information:

The mission of the board is to protect the public's health and safety through regulation and support of the EMS system. Services provided by the board include:

- Administer a statewide EMS data collection program for 500,000 ambulance runs per year under Minn. Stat. 144E.123.
- Ensure effective delivery of emergency care through the analysis and distribution of collected data.
- Respond to data requests under the Data Practices Act, Minn. Stat. Ch. 13.

Forecast Basis:

Revenues are collected to recover the costs of copies and data requests; estimates are based on receipts from prior years.

Recent Changes:

None

Agency Analysis/Comments:

None

Agency:	Emergency Medical Services Regulatory Board	2018-19 Departmental Earnings
Earnings Group:	Emergency Medical Svcs Regulatory Board Licensing Fees	

Purpose: To recover the costs of regulating emergency medical services professions.

Legal Citation: M.S. 144E.29

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Ems Receipts (H7S1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	65	101	66	101	101	66	66
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	65	101	66	101	101	66	66
Expenditures:							
Direct Expenditures	65	101	66	101	101	66	66
Indirect Expenditures							
Total Expenditures	65	101	66	101	101	66	66
Current Difference							
Accumulated Ending Balance							

Agency: Emergency Medical Services Regulatory Board

2018-19 Departmental Earnings

Earnings Group: Emergency Medical Svcs Regulatory Board Licensing Fees

Background Information:

Services provided by the board include:

- Administer and enforce statutory provisions relating to ambulance services and EMS training programs.
- Certify EMS personnel on a biannual basis.
- Investigate, hear, and resolve complaints against EMS providers to ensure competent and safe EMS systems.
- Ensure active medical direction for the pre-hospital EMS system throughout the state of Minnesota.

Forecast Basis:

Revenues are collected through charges to ambulance services licensees and an additional vehicle fee, training program approvals, duplicate card issuance, and fines for violations of statutes. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. All revenue collected is deposited into the General Fund. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium. Because nearly 65% of the ambulance personnel in Minnesota are volunteers, the fees charged do not enable the board to recover its cost.

Recent Changes:

The last time ambulance and other fees were increased or assessed was in FY 2000.

Agency Analysis/Comments:

None

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2018-19 Biennial Budget - Departmental Earnings

Employment and Economic Development

Job Skills Partnerships Program

MN Trade Office

Services for the Blind-Operations and Communication

Small Business Application Fee

Small Business Investment Tax Credit (Angel)

Agency: Employment and Economic Development

2018-19 Departmental Earnings

Earnings Group: Job Skills Partnerships Program**Purpose:**

The commissioner may charge each employer an application fee, not to exceed \$500 per employer, for the purpose of covering the cost of administering the jobs training program as outlined in M.S. 116L.41 Subd 5.

Legal Citation:

M.S. 116L.41 Subd 5

Dedicated Receipts: Yes**Non-Dedicated Receipts:**

No

Fund:

Restrict Misc Special Revenue (2000)

Appropriation:

Job Training Grants Admin (B221552)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			4				
Resources:							
Departmental Earnings		4	9	9	9	9	9
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		4	9	9	9	9	9
Expenditures:							
Direct Expenditures			12	8	8	8	8
Indirect Expenditures			1	1	1	1	1
Total Expenditures			13	9	9	9	9
Current Difference		4	(4)				
Accumulated Ending Balance		4					

Background Information:

Jobs Training grants program was established in the Laws 2015, 1st special session, Chapter 1, Article 2. subd. 8 for the purpose of providing funds for new or expanding businesses to train individuals hired into newly created jobs. The statute allows the commissioner to charge each employer an application fee of up to \$500. The fee is deemed approved under sections 16A.1283 and is deposited in the jobs training account in the special revenue funds and the amounts in the account are appropriated to the commissioner for the costs of administering the program. If an application is denied because program funding is not available, the fee is returned to the employer.

Forecast Basis:

We forecasted awarding 18 grants in FY17 with a fee of \$500 per employer for a total of 9,000 in revenues.

Agency: Employment and Economic Development

2018-19 Departmental Earnings

Earnings Group: MN Trade Office**Purpose:** To recover the cost of promoting international trade and attracting investment from foreign countries. As well as trade-related marketing materials.**Legal Citation:** M.S. 116J.966 and M.S. 116J.035**Dedicated Receipts:** Yes **Non-Dedicated Receipts:** No**Fund:** Restrict Misc Special Revenue (2000)**Appropriation:** Trade Office Revenue (B221920)**Fee Change?** No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	9	108	87				
Resources:							
Departmental Earnings	104	155	202	202	202	202	202
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	24		10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	128	155	212	212	212	212	212
Expenditures:							
Direct Expenditures	28	175	298	211	211	211	211
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	29	176	299	212	212	212	212
Current Difference	99	(21)	(87)				
Accumulated Ending Balance	108	87					

Background Information:

Minnesota businesses reimburse the Minnesota Trade Office (MTO) for their participation in international trade activities such as missions to other countries. The MTO also collects fees for providing trade-related activities marketing materials to businesses and organizations (Certificates of Free Sale, publications, and market research reports).

Forecast Basis:

Anticipated Trade Missions in future years, based on previous years.

Recent Changes:

FY 2016 had no trade missions.

Agency Analysis/Comments:

Goal is to break even with a small amount of carry over for missions crossing fiscal years.

Agency: Employment and Economic Development 2018-19 Departmental Earnings

Earnings Group: Services for the Blind-Operations and Communication

Purpose: To help blind persons enter in business for themselves and to provide access to the printed word for blind, visually impaired and physically impaired Minnesotans.

Legal Citation: M.S. 248.07, subd. 5; M.S. 248.07, subd. 8

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: BEP GENERAL SUP (B223015); BEP ESCROW MDSE (B223016); BEP OPERATIONS (B223017); BEP ESCROW FED (B223018); SSB Communication Center (B223480)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	858	845	866	867	867	868	868
Resources:							
Departmental Earnings	258	285	391	295	295	295	295
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	250	309	543	543	543	543	543
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	508	594	934	838	838	838	838
Expenditures:							
Direct Expenditures	490	545	907	811	811	811	811
Indirect Expenditures	31	28	26	26	26	26	26
Total Expenditures	521	573	933	837	837	837	837
Current Difference	(13)	21	1	1	1	1	1
Accumulated Ending Balance	845	866	867	868	868	869	869

Background Information:

Communication Center: Reimbursement from other states for the estimated cost of providing for the production and handling of Braille books, audio tapes, and related services for the blind. This fee offsets some of the costs to produce braille/audio materials. Fees are based on general market tolerance and actual costs to produce materials.

Braille Textbooks:

- Braille Textbooks, New: \$5.75
- Braille Textbook, previously transcribed and electronic: \$0.95
- Braille Non-textbook New and Copies: \$1.95
- Braille Non-textbook Email: \$1.75
- Braille Non-textbook Electronic: \$0.10

All fees are per braille page.

Audio charges:

- Audio charges per recorded hour for schools: \$2.00
- Audio charges per recorded hour for business/organizations: \$12.50
- No charge for personal use or staff.

Business Enterprise Program: This fee exists to provide for general operation to BEP. Revenues are assessments on blind vendor operations (including interest earned). The funds may be used for:

- Technical Support
- Purchase, upkeep and replacement of vending equipment
- Reimbursements to management committee members for attendance at meetings or approved conference; and
- Purchase of fringe benefits for blind vending operators.

Fees are based on a sliding scale from the operators' monthly net proceeds; this means the monthly cash receipts including any vending machine or other income, less merchandise purchases, general expenses, and payroll, (excluding set-aside charges). The sliding scale is:

- On the first \$100 or portion thereof: 2 percent
- On the second \$100 or portion thereof: 4 percent
- On the third \$100 or portion thereof: 6 percent
- On the fourth \$100 or portion thereof: 8 percent
- On the fifth \$100 or portion thereof: 10 percent
- On the sixth \$100 or portion thereof: 12 percent
- On the seventh \$100 or portion thereof: 14 percent
- Any amounts over \$700: 16 percent.

Forecast Basis:

Communication Center: Revenue was based on past requests for materials and costs to produce that material. The trends vary depending upon requests received, however, stay consistent through the year.

Business Enterprise Program: The revenue generated for this fund has been pretty consistent year after year. The trend indicates the amount collected from blind vendors has been declining. This is consistent with the fact that the annual vending sales for these vendors has also been in decline and the expenses they incur in the operation of their business are increasing each year.

Recent Changes:

Communication Center: The fees have not changed for 5 years, however there was a cost study done 2 years ago comparing other producers of braille. The study confirmed our prices were aligned with the market.

Agency: Employment and Economic Development

2018-19 Departmental Earnings

Earnings Group: Services for the Blind-Operations and Communication

Business Enterprise Program (BEP): The fee has not been changed since inception. This is a sensitive subject for the BEP blind vendor participants and though the discussion has been broached periodically, the BEP Program has chosen not to pursue this further.

Agency Analysis/Comments:

Communication Center: The majority of Braille sold is produced by the 60+ volunteers. Nine-nine percent (99%) of audio charges are produced by 100+ volunteers. The funds received are used to offset cost of the Audio and Braille Units.

Business Enterprise Program: The agency continues to be prudent with its use of these funds. It prioritizes how these funds will be utilized each year to ensure specific needs are always met. Depending on the year-to-year balance and collections, the agency will adjust its amount of expenditures accordingly.

Agency: Employment and Economic Development

2018-19 Departmental Earnings

Earnings Group: Small Business Application Fee**Purpose:** Application fee for certifying qualified small businesses under M.S. 116J.8738, Qualified Expansion of Greater Minnesota Business Program.**Legal Citation:** M.S. 116J.8738 Subd 3**Dedicated Receipts:** Yes **Non-Dedicated Receipts:** No**Fund:** Restrict Misc Special Revenue (2000)**Appropriation:** SmBus Loan Guarantee Trust Fd (B221105); Qualified Expansion Gr MN Bus (B221139)**Fee Change?** No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	3	25	8	5	5	5	5
Resources:							
Departmental Earnings	22						
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	22						
Expenditures:							
Direct Expenditures		15	2				
Indirect Expenditures		2	1				
Total Expenditures		17	3				
Current Difference	22	(17)	(3)				
Accumulated Ending Balance	25	8	5	5	5	5	5

Background Information:

The Qualified Expansion of Greater Minnesota Business Program was created in the Laws of 2013. The commissioner may impose an application fee in an amount sufficient to defray the commissioner's cost of processing certifications.

Forecast Basis:

DEED is charging 3% for an application fee on program operations and services, so if we presume all of the \$7 million tax base per year is awarded, then \$210,000 per year will be collected. There were \$150k in awards in FY15, \$383k in FY16, \$0 in FY17 to date.

Recent Changes:

The 2015 legislature amended the statute language regarding the fees, making it explicit that application fees are deposited in the program's administration account in the special revenue fund, thus allowing DEED to spend the fees on program operations and services.

Agency: Employment and Economic Development

2018-19 Departmental Earnings

Earnings Group: Small Business Investment Tax Credit (Angel)

Purpose: To provide tax incentives to investors or investment funds. Applications and annual report fees are collected to recover the cost of administering the program.

Legal Citation: M.S. 116J.8737

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Small Business Invest Tax Cred (B221140)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	820	774	730	641	641	534	534
Resources:							
Departmental Earnings	361	419	393	308	308	150	150
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		16					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	361	435	393	308	308	150	150
Expenditures:							
Direct Expenditures	367	426	443	376	376	384	384
Indirect Expenditures	40	53	39	39	39	40	40
Total Expenditures	407	479	482	415	415	424	424
Current Difference	(46)	(44)	(89)	(107)	(107)	(274)	(274)
Accumulated Ending Balance	774	730	641	534	534	260	260

Background Information:

The Small Business Investment Tax Credit (Angel Tax Credit) program was created on April 1, 2010 to provide tax incentives to investors or investment funds that put money into startup and emerging companies focused on high technology and new proprietary technology. Application and annual report fees are collected to recover the cost of administering the program.

Forecast Basis:

Estimates are on a calendar year and projections are on a fiscal year.

If the certifications portion of the program does not get extended again, the future years' revenue will be adjusted to annual fees only.

Angel CY16 Estimate

Type	Estimated Participants	\$ per filing	Total Fees
Investor Certifications	500	\$350	\$ 175,000
Fund Certifications	25	\$1,000	\$25,000
Business Certifications	180	\$150	\$27,000
Annual Reports	1800	\$100	\$ 180,000
Total			\$ 407,000

Recent Changes:

The program was authorized by the 2016 legislature to continue through the end of CY2017.

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2018-19 Biennial Budget - Departmental Earnings

Explore Minnesota Tourism
Tourism Program Revenue

Agency: Explore Minnesota Tourism

2018-19 Departmental Earnings

Earnings Group: Tourism Program Revenue

Purpose: Promote tourism in Minnesota

Legal Citation: M.S. 116U.45

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Tourism Promotional Revenue (B202404); Explore Minnesota USA (B202405); Worldwide Web (B202417)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	686	806	902				
Resources:							
Departmental Earnings	1,177	1,368	1,302	1,302	1,302	1,302	1,302
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	93	54	70	70	70	70	70
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,270	1,422	1,372	1,372	1,372	1,372	1,372
Expenditures:							
Direct Expenditures	1,150	1,326	2,274	1,372	1,372	1,372	1,372
Indirect Expenditures							
Total Expenditures	1,150	1,326	2,274	1,372	1,372	1,372	1,372
Current Difference	120	96	(902)				
Accumulated Ending Balance	806	902					

Agency: Explore Minnesota Tourism

2018-19 Departmental Earnings

Earnings Group: Tourism Program Revenue

Background Information:

These earnings recover the costs of tourism promotional efforts, such as producing and distributing publications, mailing list management, trade and consumer shows, and other programs.

Forecast Basis:

Forecast is based on past levels of similar programs.

Recent Changes:

No significant changes.

Agency Analysis/Comments:

The agency has generally been recovering costs at an appropriate level. Due to the fiscal year calendar timing vs. the tourism promotion seasons, we often carry funds forward between fiscal years, in order to use the funds in the next fiscal year. For example, ads sold in spring/summer are used to recover the costs of printed material for the following year.

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2018-19 Biennial Budget - Departmental Earnings

Gambling Control Board

Gambling License and Regulatory Fees

Agency: Gambling Control Board

2018-19 Departmental Earnings

Earnings Group: Gambling License and Regulatory Fees

Purpose: To cover cost of regulating lawful gambling in Minnesota.

Legal Citation: M.S. 349.16, Subd 6, M.S. 349.161, M.S. 349.163, M.S. 349.165-167

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Gambling Control Acct (G090001); Gambling Control Acct (G906001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	952	1,015	1,644	1,819	1,819	2,225	2,225
Resources:							
Departmental Earnings	2,924	3,711	3,800	3,800	3,800	3,800	3,800
Other Resources:							
Earning Transferred In	283		10				
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	250	70	70	70	70	70	70
Revenue Collected for Another Agency							
Total Resources	2,957	3,641	3,740	3,730	3,730	3,730	3,730
Expenditures:							
Direct Expenditures	2,894	2,998	3,551	3,310	3,310	3,310	3,310
Indirect Expenditures		14	14	14	14	14	14
Total Expenditures	2,894	3,012	3,565	3,324	3,324	3,324	3,324
Current Difference	63	629	175	406	406	406	406
Accumulated Ending Balance	1,015	1,644	1,819	2,225	2,225	2,631	2,631

Background Information:

The Board collects license and permit fees from manufacturers and distributors of gambling equipment, linked bingo providers and nonprofit organizations conducting charitable gambling.

Annual License Fees:

- Manufacturer of gambling equipment fee is \$10,000, licensed manufacturers also pay \$30 for each item of gambling equipment submitted for approval and \$125 for each sample of gambling equipment tested by the Board.
- Linked Bingo Providers fee is \$5,000,
- Distributors of gambling equipment fee is \$7,000. Distributor Salespersons fee is \$150.
- Nonprofits licensed to conduct gambling in MN pay \$350 for an organization license, \$100 for gambling manager, and \$150 for premises permits for each site where gambling is conducted. Licensed nonprofit organizations also pay a regulatory fee of 0.125% of gross receipts. The regulatory fee is collected by the Minnesota Department of Revenue with monthly lawful gambling tax payments then transferred from Revenue to the Gambling Control Board.
- The fee for nonprofits conducting limited gambling (up to five days of activity, total prizes of \$50,000 or less) is \$100 per event (\$150 if not submitted 30 days before the event).

Forecast Basis:

Revenue forecast is based on current revenues.

Recent Changes:

On 7/1/2015 the following fees became effective:

Manufacturer license fee increased to \$10,000, game approval fees paid by manufacturers increased to \$30, game testing to \$125

Distributor license fee increased to \$7,000, Distributor Salespersons to \$150

Regulatory fee paid by nonprofit organizations conducting gambling increased from 0.1% (.001) to 0.125% (.00125).

Permit fee for nonprofit organizations conducting limited gambling (up to 5 days of activity, total prizes valued at \$50,000 or less per year) increase to \$100 (\$150 if not submitted 30 days before event).

Agency Analysis/Comments:

At current levels lawful gambling regulation fund balance will be sufficient to fund lawful gambling regulation in Minnesota.

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2018-19 Biennial Budget - Departmental Earnings

Health

- Adoption Registry Filing and Administrative Fees
- Adverse Event Reporting
- Asbestos Abatement Fees
- Birth Center License Fees
- Body Art Establishment and Technician Licensure Fees
- Certified Copies of Vital Records and Related Services Fees
- Doula Registry Fees
- Drinking Water Service Connection Fee
- Electronic Health Records Service Provider Application and Certification Fees
- Food Beverage and Lodging Licensure Fees
- Food Manager Certification Fee
- Funeral Establishments and Funeral Director Licensure Fees
- Health Care Facility License Fees
- Health Maintenance Organizations Application and Renewal Fee
- Hearing Instrument Dispensers Certification and Examination Fee
- Home Care Licenses Summary
- Interpreter Roster Application Fee
- Laboratory Accreditation Fee
- Lead Program and Certification Fees
- Manufactured Home Park and Recreational License Fees
- Medical Cannabis Program Fees
- Newborn Screening Fee
- Occupational Therapist License Fees
- Plan Review and Inspection Fees for Water Treatment
- Public Pool Plan Review, Inspection, and Licensure Fees
- Radioactive Materials Registration and License Fees
- Radon Licensing
- Speech Language Pathologist and Audiologist Registration Fee
- Statewide Hospitality Facility License Fee Summary
- Temporary Nursing Provider Fee
- Trauma Centers
- Well Management Program Fees
- X-Ray Machines Registration and Inspection Fees

Agency: Health

Earnings Group: Adoption Registry Filing and Administrative Fees

2018-19 Departmental Earnings

Purpose: To cover the costs of the Putative Father Adoption Registry. (H1239708)

Legal Citation: M.S. 259.52

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-DHP (H12970J)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	68	44	52	4	4	(44)	(44)
Resources:							
Departmental Earnings	58	55	55	55	55	55	55
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	67	61	61	61	61	61	61
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	125	116	116	116	116	116	116
Expenditures:							
Direct Expenditures	121	91	145	145	145	145	145
Indirect Expenditures	28	17	19	19	19	19	19
Total Expenditures	149	108	164	164	164	164	164
Current Difference	(24)	8	(48)	(48)	(48)	(48)	(48)
Accumulated Ending Balance	44	52	4	(44)	(44)	(92)	(92)

Background Information:

Minnesota Statutes, section 259.52, establishes the Minnesota Fathers' Adoption Registry (MFAR) to allow putative fathers (men who believe they are a biological father but have not established paternity) to receive notice if plans are made to place the child for adoption. The legislation directs the district court administrator in every judicial district to assess a \$75 adoption filing fee surcharge on each adoption petition filed in the district court for the purpose of implementing and maintaining the MFAR. MDH also receives a \$25 dollar administrative fee for completing searches of the MFAR data base, from agents or agencies supervising adoption placements. Child support enforcement searches are exempted from paying the administrative fee for searching the MFAR.

Forecast Basis:

Revenues from the MFAR fees have been declining for the past several years. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast.

Recent Changes:

The MFAR fee has not changed since it was established in 1997.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

Earnings Group: Adverse Event Reporting

2018-19 Departmental Earnings

Purpose: To cover the costs of the statewide Adverse Health Events program.

Legal Citation: M.S. 144.706

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	291	425	548	549	549	550	550
Resources:							
Departmental Earnings	531	532	416	416	416	416	416
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	531	532	416	416	416	416	416
Expenditures:							
Direct Expenditures	355	367	368	368	368	368	368
Indirect Expenditures	42	42	47	47	47	47	47
Total Expenditures	397	409	415	415	415	415	415
Current Difference	134	123	1	1	1	1	1
Accumulated Ending Balance	425	548	549	550	550	551	551

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Adverse Event Reporting

Background Information:

Minnesota Statutes, section 144.706, establishes the Adverse Health Events system that program requires reporting on 29 serious reportable events whenever they occur in hospitals and ambulatory surgical centers. Each of the events are described in statute.

Forecast Basis:

Revenues have exceeded the appropriation in recent years.

Recent Changes:

The Adverse Health Events reporting system was established in 2003. It has not received a major update since its inception.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine where a change is needed align the appropriation with revenue.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Asbestos Abatement Fees

Purpose: To recover the cost of the program that licenses asbestos abatement contractors, certifies workers/site supervisors, approves training courses and inspects project sites for appropriate work practices.

Legal Citation: M.S. 326.75

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	783	729	796	810	810	824	824
Resources:							
Departmental Earnings	509	550	571	571	571	571	571
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	509	550	571	571	571	571	571
Expenditures:							
Direct Expenditures	464	403	468	468	468	468	468
Indirect Expenditures	99	80	89	89	89	89	89
Total Expenditures	563	483	557	557	557	557	557
Current Difference	(54)	67	14	14	14	14	14
Accumulated Ending Balance	729	796	810	824	824	838	838

Background Information:

This program protects the health of children and adults by providing support and technical assistance to regulated parties and property owners on issues related to asbestos; credentialing regulated parties and professions and performing compliance monitoring of their activities; and developing relationships with a broad spectrum of citizens and communities; and state, federal, and local agencies. The problem of asbestos exposure affects all people residing in older homes or visiting older buildings as a part of their daily routine.

Forecast Basis:

Forecast is consistent with collections from recent years. The revenue generated for the Asbestos Program is closely associated with the construction industry and increased capital investment by building owners in existing buildings. Revenues tend to rise and fall in correlation with the economy.

Recent Changes:

The program was established in 1988. The fees established at that time have not been modified. Through statutory change in 1994, three additional credential categories and associated fees were established.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Birth Center License Fees

Purpose: Fees recover costs associated with licensing and regulating birth centers.

Legal Citation: M.S. 144.615, subd. 8

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	7	10	13	7	7	1	1
Resources:							
Departmental Earnings	3	3	1	1	1	1	1
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3	3	1	1	1	1	1
Expenditures:							
Direct Expenditures			6	6	6	6	6
Indirect Expenditures			1	1	1	1	1
Total Expenditures			7	7	7	7	7
Current Difference	3	3	(6)	(6)	(6)	(6)	(6)
Accumulated Ending Balance	10	13	7	1	1	(5)	(5)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Birth Center License Fees

Background Information:

This fee program was established in 2011 in anticipation of the establishment of birth centers in the state, partly due to changes in Medicaid coverage of birth center services in the federal Affordable Care Act. It was also assumed that birth centers would be popular for women who do not wish to give birth in a hospital.

Forecast Basis:

The forecast is based on the establishment of birth centers in the state. The number of birth centers in the state has been below initial expectations.

Recent Changes:

The program has not changed since it was established.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

Earnings Group: Body Art Establishment and Technician Licensure Fees

2018-19 Departmental Earnings

Purpose: Fees for licensing body art establishments and technicians.

Legal Citation: M.S. 146B.10

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(10)	(81)	(118)	(53)	(53)	11	(82)
Resources:							
Departmental Earnings	92	119	137	137	321	137	352
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	23	12	1				
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	115	131	138	137	321	137	352
Expenditures:							
Direct Expenditures	152	134	61	61	296	55	296
Indirect Expenditures	34	34	12	12	54	10	54
Total Expenditures	186	168	73	73	350	65	350
Current Difference	(71)	(37)	65	64	(29)	72	2
Accumulated Ending Balance	(81)	(118)	(53)	11	(82)	83	(80)

Background Information:

Body art is physical body adornment, including but not limited to tattooing and body piercing. Legislation to require licensure of body art establishments and the practice of body art was enacted in 2010. There are a variety of fees for body art technicians and establishments.

Forecast Basis:

Licenses for body art establishments are renewed every three years. Licenses for body art technicians are renewed every other year. These cycles impact the revenues and expenditures from the program. Forecasted program costs are in excess of projected revenues.

Recent Changes:

Fees have not been changed since they were set in 2010.

Agency Analysis/Comments:

Licensing fees are not sufficient to support MDH work required to educate practitioners about their obligations under the law, verify qualifications and issue licenses, maintain the data system, inspect new body art establishments in a timely fashion, maintain a regular inspection schedule for existing establishments and investigate complaints.

For information about the recommended fee change, see the Body Art Regulation change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Certified Copies of Vital Records and Related Services Fees

Purpose: To recover the costs of providing vital record services to the public.

Legal Citation: M.S. 144.226

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200); Other Misc Special Revenue (2001)

Appropriation: Non-dedicated Receipts-DHP (H12970J); MRC Transition Account (H12MRCJ)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	455	914	1,458	885	885	312	312
Resources:							
Departmental Earnings	715	728	556	556	556	556	556
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	2,508	2,491	2,491	2,491	2,491	2,491	2,491
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,223	3,219	3,047	3,047	3,047	3,047	3,047
Expenditures:							
Direct Expenditures	2,261	2,230	3,040	3,040	3,040	3,040	3,040
Indirect Expenditures	503	445	580	580	580	580	580
Total Expenditures	2,764	2,675	3,620	3,620	3,620	3,620	3,620
Current Difference	459	544	(573)	(573)	(573)	(573)	(573)
Accumulated Ending Balance	914	1,458	885	312	312	(261)	(261)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Certified Copies of Vital Records and Related Services Fees

Background Information:

This fee program recovers costs to the department of collecting, maintaining and providing vital records.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast.

Recent Changes:

The last major fee change was in 2005. In 2015, statutory changes altered the classification of data on some birth records, which decreased revenues by \$3,000 per year.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

Earnings Group: Doula Registry Fees

2018-19 Departmental Earnings

Purpose: Recover the cost of regulating this profession

Legal Citation: M.S. 148.997

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(9)	(5)	(6)	(8)	(8)	(10)	(9)
Resources:							
Departmental Earnings	4	3			4		2
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4	3			4		2
Expenditures:							
Direct Expenditures		3	2	2	5	2	5
Indirect Expenditures		1					
Total Expenditures		4	2	2	5	2	5
Current Difference	4	(1)	(2)	(2)	(1)	(2)	(3)
Accumulated Ending Balance	(5)	(6)	(8)	(10)	(9)	(12)	(12)

Background Information:

Legislation to establish this program was enacted in 2007. This program maintains a website listing the names and contact information of individuals that the department has verified are certified by any one of seven national doula certifying organizations. There are currently six doulas active on the registry. A doula registration is effective for three years.

Forecast Basis:

Fee revenue and expenditure projections for the coming biennium are based on a relatively small number of registered doulas.

Recent Changes:

The fee program has not changed since it was established in 2007.

Agency Analysis/Comments:

Operating costs for the regulation of several health occupations, including doulas, have risen in recent years. MDH has proposed a mix of fee increases and surcharges to support operating costs and criminal background checks.

For information about the recommended fee change, see the Health Occupations Program change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Drinking Water Service Connection Fee

Purpose: To recover the cost of administering the drinking water program. H1232101

Legal Citation: M.S. 144.383

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	4,313	4,262	4,519	4,559	4,559	4,599	4,598
Resources:							
Departmental Earnings	8,459	8,491	8,520	8,520	10,183	8,520	11,846
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	8,463	8,491	8,520	8,520	10,183	8,520	11,846
Expenditures:							
Direct Expenditures	7,209	7,195	7,122	7,122	8,519	7,122	9,916
Indirect Expenditures	1,305	1,039	1,358	1,358	1,625	1,358	1,891
Total Expenditures	8,514	8,234	8,480	8,480	10,144	8,480	11,807
Current Difference	(51)	257	40	40	39	40	39
Accumulated Ending Balance	4,262	4,519	4,559	4,599	4,598	4,639	4,637

Background Information:

MDH assumed primary enforcement responsibility for the federal Safe Drinking Water Act (SDWA) in 1977 under Minnesota Statutes, section 144.381 to 144.387. The drinking water service connection fee was established in 1992 (MS 144.3831) to support activities of the MDH's drinking water program and ensure compliance with the SDWA.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The service connection fee was last increased in 2005 from \$5.21 to \$6.36.

Agency Analysis/Comments:

MDH has proposed increasing the public water service connection fee beginning January 1, 2018, from \$6.36 to \$9.00 per year. When fully implemented, the proposal will provide \$3,326,000 in revenue per year and reduce reliance on Drinking Water Revolving Funds.

For information about the recommended fee change, see the Drinking Water Protection change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Electronic Health Records Service Provider Application and Certification Fees

Purpose: To cover the cost of certifying the authority of health information exchange service providers to operate in Minnesota.

Legal Citation: M.S. 62J.4982, subd. 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-DHP (H12970J)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	70	108	85	(45)	(45)	(208)	(175)
Resources:							
Departmental Earnings	130	175	91	91	91	91	91
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	130	175	91	91	91	91	91
Expenditures:							
Direct Expenditures	75	165	186	133	186	186	186
Indirect Expenditures	17	33	35	121	35	35	35
Total Expenditures	92	198	221	254	221	221	221
Current Difference	38	(23)	(130)	(163)	(130)	(130)	(130)
Accumulated Ending Balance	108	85	(45)	(208)	(175)	(338)	(305)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Electronic Health Records Service Provider Application and Certification Fees

Background Information:

The Health Information Exchange oversight program was established in 2010 to ensure the quality, security and efficiency of the exchange of the electronic transmission of health-related information between organizations. The program requires any entity that provides health information exchange services to be certified by MDH, and to pay application and certification fees.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The fee structure was last changed in 2015.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Food Beverage and Lodging Licensure Fees

Purpose: To support licensing and inspection activities to determine compliance with rules and laws to protect public health and safety.

Legal Citation: M.S. 157.16

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,124	1,158	1,169	1,218	1,218	1,268	1,268
Resources:							
Departmental Earnings	5,870	5,972	5,879	5,879	6,678	5,879	6,678
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,870	5,972	5,879	5,879	6,678	5,879	6,678
Expenditures:							
Direct Expenditures	4,722	4,917	4,896	4,895	5,566	4,895	5,566
Indirect Expenditures	1,114	1,044	934	934	1,062	934	1,062
Total Expenditures	5,836	5,961	5,830	5,829	6,628	5,829	6,628
Current Difference	34	11	49	50	50	50	50
Accumulated Ending Balance	1,158	1,169	1,218	1,268	1,268	1,318	1,318

Background Information:

Laws specifying the authority to regulate food, beverage and lodging (FBL) establishments have been enacted and amended since 1902. The current fees for the program were adopted in 2005. The department has the authority to delegate those responsibilities to local governments. In cases, where the department has delegated its authority, the local government is responsible for collecting the fees to cover the cost of the regulatory activities.

Forecast Basis:

The forecast is based on the number and types of establishments the department regulates and projected costs of regulating those facilities.

Recent Changes:

The last major update to fees was in 2009.

Agency Analysis/Comments:

The Departments of Health and Agriculture share the responsibility for licensing and inspecting retail food establishments in Minnesota based on the retail food establishments primary mode of business. Over time, however, the retail food business model has changed making this distinction less clear, leading to confusion and inconsistency during the licensing and inspection process. MDH has proposed aligning many aspects of our retail food licensing and inspection programs with the intent of reducing confusion for the public, industry and state staff, and increasing consistency for all regulated retail food establishments.

For information about the recommended fee change, see the Food, Pools and Lodging change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Food Manager Certification Fee

Purpose: To cover the costs of a statewide certification program for food managers.

Legal Citation: M.S. 157.16

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	692	737	805	808	808	811	811
Resources:							
Departmental Earnings	454	449	423	423	423	423	423
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	454	449	423	423	423	423	423
Expenditures:							
Direct Expenditures	334	318	353	353	353	353	353
Indirect Expenditures	75	63	67	67	67	67	67
Total Expenditures	409	381	420	420	420	420	420
Current Difference	45	68	3	3	3	3	3
Accumulated Ending Balance	737	805	808	811	811	814	814

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Food Manager Certification Fee

Background Information:

The Food Manager Certification program is a statewide registration of certified food managers, effective July 1, 2000. The current fee of \$35 is for support of the issuance of approximately 12,000 certificates annually (which are active for three years), oversight of the certification activity and data management functions including web communications.

Forecast Basis:

The fee certification is for three years. Revenues fluctuate reflecting the three year cycle. The program is expected to continue to remain relatively stable with possibly a small increase in the numbers certified.

Recent Changes:

The fee was last increased in 2009.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Funeral Establishments and Funeral Director Licensure Fees

Purpose: To cover the cost of regulating funeral homes and mortuary science occupations in order to maintain professional standards.

Legal Citation: M.S. 149A.65

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	669	706	692	522	522	352	352
Resources:							
Departmental Earnings	444	580	370	370	370	370	370
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	444	581	370	370	370	370	370
Expenditures:							
Direct Expenditures	338	495	460	454	454	454	454
Indirect Expenditures	69	100	80	86	86	86	86
Total Expenditures	407	595	540	540	540	540	540
Current Difference	37	(14)	(170)	(170)	(170)	(170)	(170)
Accumulated Ending Balance	706	692	522	352	352	182	182

Background Information:

This fee program is responsible for licensing and regulating funeral homes, crematories, morticians, funeral directors, mortuary science interns and cemetery business practices. The Mortuary Science program licenses and regulates approximately 559 mortuaries, 59 crematories, and 2 alkaline hydrolysis facilities, and 1,278 morticians/funeral directors. The activities include licensure, regulation, education, and enforcement. Additionally, the program manages the Disaster Portable Morgue Unit and coordinates and trains the Disaster Mortuary Emergency Response Team.

Forecast Basis:

The accumulated surplus is expected to decline as expenditures align with revenues due to recent changes.

Recent Changes:

The program was last updated in 2015 with an appropriation and spending increase of \$187,000 per year beginning in FY 2016. The change enables MDH to inspect each mortuary science establishment once every two years, enhances training requirements for practitioners and updates safety requirements for mortuary science establishments.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Health Care Facility License Fees

Purpose: To recover the cost of licensing hospitals and nursing homes that includes issuing licenses, inspecting facilities, investigating complaints, issuing deficiency orders and reviewing construction plans.

Legal Citation: M.S. 144.122, 144.53, 144.554, 144A.07, 144A.753

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); State Government Special Rev (1200); Restrict Misc Special Revenue (2000)

Appropriation: DHP Incoming Contracts (H12202J); Freestanding Outpatient Surgic (H12291J); Non-dedicated Receipts-CM (H12970H); CM GF Non-dedicated Receipt (H12971H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(8,716)	(9,347)	(10,044)	(8,901)	(8,901)	(7,758)	(7,740)
Resources:							
Departmental Earnings	6,131	5,888	6,873	6,873	7,189	6,873	8,665
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	113	103	125	125	125	125	1,601
Total Resources	6,018	5,785	6,748	6,748	7,064	6,748	7,064
Expenditures:							
Direct Expenditures	6,563	6,416	4,707	4,707	5,005	4,707	5,005
Indirect Expenditures	86	66	898	898	898	898	898
Total Expenditures	6,649	6,482	5,605	5,605	5,903	5,605	5,903
Current Difference	(631)	(697)	1,143	1,143	1,161	1,143	1,161
Accumulated Ending Balance	(9,347)	(10,044)	(8,901)	(7,758)	(7,740)	(6,615)	(6,579)

Background Information:

Fees collected are to recover costs associated with licensing and regulating nursing homes, boarding care homes, hospitals, supervised living facilities, out-patient surgical centers and costs associated with the adverse health events reporting system. Costs include license processing, on-site surveys, inspections by the state Fire Marshal, background studies, complaint investigations and fees collected from hospitals and ambulatory surgical centers.

Forecast Basis:

Revenue estimates are made using current provider and bed counts as the base starting point. Revenues are then projected using trends and expected changes in fee-paying entities. Expenses are based on budgeted workload projections and estimated costs. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast.

Recent Changes:

In 2015, legislation shifted \$1,500,000 of the cost of this program to the general fund beginning in FY 2017.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

For information about the recommended fee change, see the Protect Vulnerable Adults in Health Care Settings and Nonrefundable Fee Clarification change items in the Department of Health 2018-19 Governor's Budget Recommendations book. Also, see the Assisted Living Consumer Survey and Report Card change item in the Department of Human Services 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Health Maintenance Organizations Application and Renewal Fee

Purpose: To recover the cost of the regulation, complaint investigation and enforcement of HMOs, APNs and CISNs.

Legal Citation: M.S. 62D.21

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,635	1,873	1,937	1,651	1,651	1,365	1,365
Resources:							
Departmental Earnings	1,169	1,119	1,163	1,163	1,163	1,163	1,163
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out		77	77	77	77	77	77
Revenue Collected for Another Agency							
Total Resources	1,169	1,042	1,086	1,086	1,086	1,086	1,086
Expenditures:							
Direct Expenditures	853	767	1,152	1,152	1,152	1,152	1,152
Indirect Expenditures	78	211	220	220	220	220	220
Total Expenditures	931	978	1,372	1,372	1,372	1,372	1,372
Current Difference	238	64	(286)	(286)	(286)	(286)	(286)
Accumulated Ending Balance	1,873	1,937	1,651	1,365	1,365	1,079	1,079

Background Information:

The Health Maintenance Organization (HMO) Program has been in operation since 1973 when the HMO Act was adopted. This program is responsible for licensing Minnesota HMOs, as well as ongoing monitoring for continuing compliance with applicable laws and rules governing financial solvency and quality assurance. We also investigate complaints filed by enrollees. At the present time there are nine HMOs as well as three county based purchasers (CBPs) which, although not licensed, are subject to laws that regulate HMOs. HMOs are required to file many different kinds of documents for review and approval. Each such filing must include a fee, which is set in administrative rule. In addition, HMOs are required to pay an annual certificate of authority renewal fee. The fee system has been in place since the inception of the HMO program. The renewal fee includes a flat payment of \$21,500 per HMO, plus 70 cents per enrollee.

Forecast Basis:

MN Rules 4685.2800 sets out the basis for the fees. Renewal fees are based on a formula of 70 cents per enrollee, plus \$21,500 per HMO. Filing fees are based on the cost of agency oversight and monitoring, which is an ongoing function. Filing fees are based on the department's cost for administering the program, including salaries as well as indirect costs. The forecasted expenditures in future years are in excess of projected fee revenue. However, in the past, actual expenditures have been below forecasted amounts.

Recent Changes:

The current fees HMOs are required to pay were adopted in 2000.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Hearing Instrument Dispensers Certification and Examination Fee

Purpose: To recover the cost of regulation of the hearing instrument industry including: enforcement of standards, licensure examination and complaint investigation.

Legal Citation: M.S. 153A.17

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(28)	15	24	24	24	3	6
Resources:							
Departmental Earnings	187	205	164	164	204	164	205
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	22	8	21				
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	209	213	185	164	204	164	205
Expenditures:							
Direct Expenditures	135	166	155	155	186	155	201
Indirect Expenditures	31	38	30	30	36	30	36
Total Expenditures	166	204	185	185	222	185	237
Current Difference	43	9		(21)	(18)	(21)	(32)
Accumulated Ending Balance	15	24	24	3	6	(18)	(26)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Hearing Instrument Dispensers Certification and Examination Fee

Background Information:

This program protects purchasers and consumers of hearing instruments by regulating (examining, credentialing and investigating activities) the dispensing of hearing instruments by certified dispensers.

Forecast Basis:

The forecast is based on the number of providers, current fee levels and the cost of regulating providers.

Recent Changes:

Fees for this program were last changed in 2009.

Agency Analysis/Comments:

Operating costs for the regulation of several health occupations, including hearing aid dispensers, have risen in recent years. MDH has proposed a mix of fee increases and surcharges to support operating costs and criminal background checks.

For information about the recommended fee change, see the Health Occupations Program change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Home Care Licenses Summary

Purpose: To recover the costs of licensing home care providers that includes issuing licenses, inspecting facilities, investigating complaints, issuing deficiency orders and reviewing construction plans.

Legal Citation: M.S. 144A.472

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,883	296	467	300	300	122	174
Resources:							
Departmental Earnings	2,617	3,563	3,739	3,739	4,181	3,739	4,181
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		7					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,617	3,570	3,739	3,739	4,181	3,739	4,181
Expenditures:							
Direct Expenditures	3,557	2,858	3,280	3,290	3,680	3,290	3,680
Indirect Expenditures	647	541	626	627	627	627	627
Total Expenditures	4,204	3,399	3,906	3,917	4,307	3,917	4,307
Current Difference	(1,587)	171	(167)	(178)	(126)	(178)	(126)
Accumulated Ending Balance	296	467	300	122	174	(56)	48

Background Information:

This activity oversees home care providers, including housing with services (HWS) establishments and the assisted living home care providers.

Forecast Basis:

The forecast is based on estimates of the number of fee payers, fee rates and regulatory costs. Actual revenues have been lower than forecasted revenues in recent years.

Recent Changes:

In 2015, legislation increased spending by \$11,000 in FY 2017 and \$22,000 in FY 2018 and 2019 to implement new dementia training requirements. In 2016, legislation changed the definition of residential hospice, increasing the allocation and revenue by \$5,000 per year beginning in FY 2017.

Agency Analysis/Comments:

MDH will monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

For information about the recommended fee change, see the Protect Vulnerable Adults in Health Care Settings and Nonrefundable Fee Clarification change items in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Interpreter Roster Application Fee

Purpose: Establish a roster of available spoken language health care interpreters.

Legal Citation: M.S. 144.058

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	565	584	692	788	788	884	884
Resources:							
Departmental Earnings	176	181	165	165	165	165	165
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	176	181	165	165	165	165	165
Expenditures:							
Direct Expenditures	133	56	58	58	58	58	58
Indirect Expenditures	24	17	11	11	11	11	11
Total Expenditures	157	73	69	69	69	69	69
Current Difference	19	108	96	96	96	96	96
Accumulated Ending Balance	584	692	788	884	884	980	980

Background Information:

The Health Occupations Program within the Minnesota Department of Health (MDH) has maintained a roster of spoken language health care interpreters since 2009, under the authority of Minnesota Statutes section 144.058. Spoken language health care interpreters accompany non-English speaking patients to their medical appointments and provide translation services. The annual fee to be included in the roster is \$50. The current appropriation of \$21,000 per year was established in 2009 and has not been increased since then.

Forecast Basis:

The forecast is based on the number of fee payers, fee rates and the cost of operating the program.

Recent Changes:

The fees have not increased since the establishment of the program in 2009.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Laboratory Accreditation Fee

Purpose: To recover the costs incurred to certify laboratories.

Legal Citation: M.S. 144.98

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P); Non-dedicated Receipts-PHL (H12970S)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(107)	(63)	(22)	(103)	(103)	(184)	(184)
Resources:							
Departmental Earnings	395	411	411	411	411	411	411
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	395	411	411	411	411	411	411
Expenditures:							
Direct Expenditures	286	308	413	413	413	413	413
Indirect Expenditures	65	62	79	79	79	79	79
Total Expenditures	351	370	492	492	492	492	492
Current Difference	44	41	(81)	(81)	(81)	(81)	(81)
Accumulated Ending Balance	(63)	(22)	(103)	(184)	(184)	(265)	(265)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Laboratory Accreditation Fee

Background Information:

This program certifies public and private environmental laboratories to perform testing for federal programs that require laboratory certification. The program works closely with the Minnesota Pollution Control Agency and environmental health programs within the department to assure the accuracy of data used, thereby assuring the quality of environmental conditions in Minnesota.

Forecast Basis:

The forecast is based on the number of accredited labs, fee revenue and the cost of accreditation to the department.

Recent Changes:

The accreditation was last changed in 2013.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Lead Program and Certification Fees

Purpose: To recover costs of licensing and certifying contractors, approving training courses, and inspecting sites for appropriate work practices.

Legal Citation: M.S. 144.9505

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	147	116	51	94	94	(235)	(235)
Resources:							
Departmental Earnings	69	62	410	410	410	410	410
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	69	62	410	410	410	410	410
Expenditures:							
Direct Expenditures	82	106	308	621	621	602	602
Indirect Expenditures	18	21	59	118	118	115	115
Total Expenditures	100	127	367	739	739	717	717
Current Difference	(31)	(65)	43	(329)	(329)	(307)	(307)
Accumulated Ending Balance	116	51	94	(235)	(235)	(542)	(542)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Lead Program and Certification Fees

Background Information:

This program protects the health of children, pregnant women and other adults with primary and secondary lead exposure prevention methods.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The program and fee structure was last changed in 2015.

Agency Analysis/Comments:

The impact of recent statutory changes is not fully reflected in forecasted revenues, which may be greater than the forecast. MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Manufactured Home Park and Recreational License Fees

Purpose: To fully recover the cost of licensure, inspection and enforcement activities related to Mobile Home Parks and Recreational Camp Areas.

Legal Citation: M.S. 327.15

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	240	250	327	339	339	351	351
Resources:							
Departmental Earnings	493	503	492	492	492	492	492
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	493	503	492	492	492	492	492
Expenditures:							
Direct Expenditures	396	354	403	403	403	403	403
Indirect Expenditures	87	72	77	77	77	77	77
Total Expenditures	483	426	480	480	480	480	480
Current Difference	10	77	12	12	12	12	12
Accumulated Ending Balance	250	327	339	351	351	363	363

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Manufactured Home Park and Recreational License Fees

Background Information:

This program performs licensing, plan review, and inspection activities for manufactured home parks and recreational camping areas. The manufactured home park and recreational camping rules have been in effect since the 1950's.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The last fee increase for this program was enacted in 2009. In 2016, legislation provided an exemption from special event camping area licensure for a privately owned area used once a year for less. The change is estimated to reduce revenue by \$5,000 per year beginning in FY 2017.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

Earnings Group: Medical Cannabis Program Fees

2018-19 Departmental Earnings

Purpose: The recover the cost of regulating the Medical Cannabis Program

Legal Citation: M.S. 152.35

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: OMC Revenue (H12970M); Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		202	(257)	(99)	(99)	(66)	(66)
Resources:							
Departmental Earnings	249	374	887	762	762	762	762
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	249	374	887	762	762	762	762
Expenditures:							
Direct Expenditures	47	690	612	612	612	612	612
Indirect Expenditures		143	117	117	117	117	117
Total Expenditures	47	833	729	729	729	729	729
Current Difference	202	(459)	158	33	33	33	33
Accumulated Ending Balance	202	(257)	(99)	(66)	(66)	(33)	(33)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Medical Cannabis Program Fees

Background Information:

The fee program was established in 2014 to support the operation of the Medical Cannabis Program.

Forecast Basis:

The forecast is based on the projected number of fee payers, fee levels and the cost of operating the program.

Recent Changes:

The fees have not changed since establishment of the program.

Agency Analysis/Comments:

MDH has proposed measures that address administrative needs and the structural deficit in the state government special revenue fund.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Newborn Screening Fee

Purpose: To fully recover the costs to perform testing and follow-up services for the Newborn Screening Program.

Legal Citation: M.S. 144.125

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-PHL (H12970S); PHL GF Non-dedicated Receipt (H12971S)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	3,696	2,722	3,547	3,645	3,645	3,743	3,743
Resources:							
Departmental Earnings	7,950	10,478	9,750	9,750	9,750	9,750	9,750
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,950	10,478	9,750	9,750	9,750	9,750	9,750
Expenditures:							
Direct Expenditures	7,309	7,909	8,106	8,106	8,106	8,106	8,106
Indirect Expenditures	1,615	1,744	1,546	1,546	1,546	1,546	1,546
Total Expenditures	8,924	9,653	9,652	9,652	9,652	9,652	9,652
Current Difference	(974)	825	98	98	98	98	98
Accumulated Ending Balance	2,722	3,547	3,645	3,743	3,743	3,841	3,841

Background Information:

This program screens every Minnesota newborn for more than fifty treatable disorders. By detecting these conditions soon after birth, these babies can be successfully treated and live healthy lives. Without early detection these disorders can lead to chronic illness, physical disability, mental retardation, developmental problems, and early death. The current fee is \$135 per specimen. An additional \$15 per specimen fee is collected to cover the General Fund cost of follow-up services for children who are found to be deaf or hard-of-hearing through the newborn screening program.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are increasing.

Recent Changes:

Fees related to this program last changed in 2013.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Occupational Therapist License Fees

Purpose: To recover costs to regulate occupational therapy professionals to assure that minimum standards are established.

Legal Citation: M.S. 148.6445

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	564	636	603	647	647	691	703
Resources:							
Departmental Earnings	362	343	326	326	396	326	422
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	362	343	326	326	396	326	422
Expenditures:							
Direct Expenditures	238	313	237	237	286	237	315
Indirect Expenditures	52	63	45	45	54	45	60
Total Expenditures	290	376	282	282	340	282	375
Current Difference	72	(33)	44	44	56	44	47
Accumulated Ending Balance	636	603	647	691	703	735	750

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Occupational Therapist License Fees

Background Information:

Protects consumers of occupational therapy services by credentialing practitioners and investigating complaints of alleged incompetence or illegal activity.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

Fees were last changed in 2007.

Agency Analysis/Comments:

Operating costs for the regulation of several health occupations, including therapists, have risen in recent years. MDH has proposed a mix of fee increases and surcharges to support operating costs and criminal background checks.

For information about the recommended fee change, see the Health Occupations Program change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

Earnings Group: Plan Review and Inspection Fees for Water Treatment

2018-19 Departmental Earnings

Purpose: To offset the cost of reviewing plans and field inspections.

Legal Citation: M.S. 115.77

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(134)	(192)	(237)	(305)	(305)	(373)	(373)
Resources:							
Departmental Earnings	108	112	94	94	94	94	94
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	108	112	94	94	94	94	94
Expenditures:							
Direct Expenditures	136	131	136	136	136	136	136
Indirect Expenditures	30	26	26	26	26	26	26
Total Expenditures	166	157	162	162	162	162	162
Current Difference	(58)	(45)	(68)	(68)	(68)	(68)	(68)
Accumulated Ending Balance	(192)	(237)	(305)	(373)	(373)	(441)	(441)

Background Information:

The commissioner's authority to approve the site, design, construction, and alteration of public water supplies was established in 1977 by Minnesota Statutes 144.383, and Minnesota Rules 4720.0010-0015. The rules were amended in 1997 to include fees for this service. The program reviews plans to ensure compliance with state standards, and other widely recognized national standards for health and safety of community public water systems. The program also works with the engineering consultants and municipal governments to optimize system design, and conducts inspections of water system infrastructure construction. The program also evaluates and prioritizes proposals for loans from the Drinking Water Revolving Fund.

Forecast Basis:

Revenue for this program is generated by drinking water construction projects and will vary depending on economic conditions, and the availability of grants and low interest loans. For the past several years, revenues have fallen short of expenditures. It is possible that revenues may increase as the economy improves, but the forecast is for revenues will continue to be below expenditures.

Recent Changes:

The program has not had any recent changes.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Public Pool Plan Review, Inspection, and Licensure Fees

Purpose: To offset the cost of reviewing plans, conducting field inspections, and licensing pools.

Legal Citation: M.S. 144.1222

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(377)	(421)	(310)	(375)	(375)	(440)	(440)
Resources:							
Departmental Earnings	607	686	597	597	597	597	597
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	607	686	597	597	597	597	597
Expenditures:							
Direct Expenditures	533	479	556	556	556	556	556
Indirect Expenditures	118	96	106	106	106	106	106
Total Expenditures	651	575	662	662	662	662	662
Current Difference	(44)	111	(65)	(65)	(65)	(65)	(65)
Accumulated Ending Balance	(421)	(310)	(375)	(440)	(440)	(505)	(505)

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Public Pool Plan Review, Inspection, and Licensure Fees

Background Information:

This program is responsible for reviewing plans and specifications for construction and remodeling of public swimming pools, spas, and water parks prior to construction, conducting inspections and licensing functions. The program has been operating since the 1980's.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast.

Recent Changes:

Fees were last increased in 2009.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Radioactive Materials Registration and License Fees

Purpose: The state has taken over the registering and licensing of radioactive materials from the Federal government. The fee covers the cost of license and inspection activity.

Legal Citation: M.S. 144.1205

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	285	255	410	491	491	572	572
Resources:							
Departmental Earnings	736	777	766	766	766	766	766
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	736	778	766	766	766	766	766
Expenditures:							
Direct Expenditures	626	520	575	575	575	575	575
Indirect Expenditures	140	103	110	110	110	110	110
Total Expenditures	766	623	685	685	685	685	685
Current Difference	(30)	155	81	81	81	81	81
Accumulated Ending Balance	255	410	491	572	572	653	653

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Radioactive Materials Registration and License Fees

Background Information:

The Minnesota Department of Health assumed regulatory control of all radioactive materials in March 2006. The staff necessary to implement the regulatory and licensing program is fully trained. The regulated community that uses radioactive materials is primarily comprised of healthcare, industrial, research and academic facilities.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The program's fees were set and rules promulgated in 2004.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

Earnings Group: Radon Licensing

2018-19 Departmental Earnings

Purpose: To ensure that radon-related work meets best practice standards, is of high quality, and effectively reduces the risk of lung cancer by minimizing radon exposures.

Legal Citation: M.S. 144.4961

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			(92)	(294)	(294)	(238)	(238)
Resources:							
Departmental Earnings				258	258	447	447
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources				258	258	447	447
Expenditures:							
Direct Expenditures		84	170	170	170	170	170
Indirect Expenditures		8	32	32	32	32	32
Total Expenditures		92	202	202	202	202	202
Current Difference		(92)	(202)	56	56	245	245
Accumulated Ending Balance		(92)	(294)	(238)	(238)	7	7

Background Information:

Radon is a colorless, odorless radioactive gas that seeps up from the earth. When inhaled, it gives off radioactive particles that can damage the cells that line the lung. There is no known, safe level and the greatest risk for exposure is where radon gas can concentrate--indoors. To prevent lung cancer from radon, it is necessary to have qualified contractors install radon-reduction systems in homes with high radon levels. This program licenses and regulates certain radon mitigation services.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. The accumulated deficit is expected to balance out over the forecasted period.

Recent Changes:

The program was established in 2015 and modified in 2016.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Speech Language Pathologist and Audiologist Registration Fee

Purpose: To regulate these providers to assure that minimum standards are established, complaints are investigated and enforcement action taken.

Legal Citation: M.S. 148.5194

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	275	303	331	326	326	321	337
Resources:							
Departmental Earnings	307	299	270	270	303	270	304
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	307	299	270	270	303	270	304
Expenditures:							
Direct Expenditures	228	224	231	231	245	231	253
Indirect Expenditures	51	47	44	44	47	44	48
Total Expenditures	279	271	275	275	292	275	301
Current Difference	28	28	(5)	(5)	11	(5)	3
Accumulated Ending Balance	303	331	326	321	337	316	340

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Speech Language Pathologist and Audiologist Registration Fee

Background Information:

Protects consumers of speech, language pathologists, and audiologist services by credentialing practitioners and investigating complaints.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The last fee change was in 2009.

Agency Analysis/Comments:

Operating costs for the regulation of several health occupations, including speech language pathologists and audiologists, have risen in recent years. MDH has proposed a mix of fee increases and surcharges to support operating costs and criminal background checks.

For information about the recommended fee change, see the Health Occupations Program change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

Earnings Group: Statewide Hospitality Facility License Fee Summary

2018-19 Departmental Earnings

Purpose: To support program development, technology and training services.

Legal Citation: M.S. 157.16

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	774	879	952	976	976	1,000	1,000
Resources:							
Departmental Earnings	793	761	780	780	780	780	780
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	793	761	780	780	780	780	780
Expenditures:							
Direct Expenditures	565	575	635	635	635	635	635
Indirect Expenditures	123	113	121	121	121	121	121
Total Expenditures	688	688	756	756	756	756	756
Current Difference	105	73	24	24	24	24	24
Accumulated Ending Balance	879	952	976	1,000	1,000	1,024	1,024

Background Information:

Laws granting the authority to regulate food, beverage, and lodging establishments have been enacted and amended since 1902. The current statewide hospitality fee was adopted in 2005, and funds the Partnership and Workforce Development Unit (PWDU) within the department's Environmental Health Services (EHS) section. The purpose of the unit is to assist state and local agencies in providing uniform and consistent services, statewide. This unit is responsible for providing training, education, development and monitoring of data systems, program evaluations, and development and maintenance of these partnerships.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The fee has not been increased since it was established in 2005.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Temporary Nursing Provider Fee

Purpose: To recover costs of the supplemental nursing services employment agency registry serving the health care industry by providing individuals for direct contact services.

Legal Citation: M.S. 144A.71

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-CM (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	465	534	716	634	634	552	552
Resources:							
Departmental Earnings	75	210	58	58	58	58	58
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	75	210	58	58	58	58	58
Expenditures:							
Direct Expenditures	5	5	118	118	118	118	118
Indirect Expenditures	1	23	22	22	22	22	22
Total Expenditures	6	28	140	140	140	140	140
Current Difference	69	182	(82)	(82)	(82)	(82)	(82)
Accumulated Ending Balance	534	716	634	552	552	470	470

Background Information:

This program's fees are collected to recover costs associated with registering and regulating Supplemental Nursing Staffing Agencies (SNSA). Program costs include registration processing, on-site surveys, monitoring, and complaint investigations. The regulations were established primarily to provide hourly payable rates to be reimbursable by Medicaid for nursing home staffing costs incurred by providers hiring staffing pool services. In order for a health care facility to employ the services of nursing related staff from a service pool, the provider must be registered with the Department of Health.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted revenues and expenditures fluctuate according to events.

Recent Changes:

The fee last increased 2015 on supplemental nursing agencies to increase the number of inspections, complaint investigations and enforcement actions when necessary.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health
Earnings Group: Trauma Centers

2018-19 Departmental Earnings

Purpose: To support implementation of a voluntary, statewide trauma system.

Legal Citation: 144.603; 05 004 09 003 003

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: CM GF Non-dedicated Receipt (H12971H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		27	36	45	45	54	54
Resources:							
Departmental Earnings	359	351	360	360	360	360	360
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	359	351	360	360	360	360	360
Expenditures:							
Direct Expenditures	272	285	295	295	295	295	295
Indirect Expenditures	60	57	56	56	56	56	56
Total Expenditures	332	342	351	351	351	351	351
Current Difference	27	9	9	9	9	9	9
Accumulated Ending Balance	27	36	45	54	54	63	63

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Trauma Centers

Background Information:

Minnesota Laws of 2015, Chapter 4 (H.F.No. 139) established a statewide, voluntary trauma registry system. Hospitals that choose to participate can be certified as one of six levels of trauma care. Non-dedicated general fund receipts support the operations of the statewide trauma registry and the state trauma council.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Trauma-designated hospitals that choose to participate pay a base charge per facility and a charge per licensed bed or bassinet. Forecasted revenue is the same as expenditures.

Recent Changes:

The related fees have not changed since the statewide trauma system was established in 2005. Expenditures from the Health Care Access Funds also supports this activity.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: Well Management Program Fees

Purpose: To recover the cost of licensing well contractors, pump installers, elevator shaft contractors, dewaterers, monitoring well contractors and explorers, and to regulate construction/sealing of wells, environmental boreholes, elevator shafts, exploratory boreholes and heat/loops pumps.

Legal Citation: M.S. 1031.52

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(1,183)	(1,118)	(902)	(1,678)	(1,678)	(2,454)	(2,255)
Resources:							
Departmental Earnings	3,389	3,446	3,230	3,230	3,429	3,230	3,429
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,389	3,446	3,230	3,230	3,429	3,230	3,429
Expenditures:							
Direct Expenditures	2,721	2,697	3,364	3,364	3,364	3,364	3,364
Indirect Expenditures	603	533	642	642	642	642	642
Total Expenditures	3,324	3,230	4,006	4,006	4,006	4,006	4,006
Current Difference	65	216	(776)	(776)	(577)	(776)	(577)
Accumulated Ending Balance	(1,118)	(902)	(1,678)	(2,454)	(2,255)	(3,230)	(2,832)

Background Information:

The mission of the MDH Well Program is to protect the safety of well water, and to locate and seal abandoned wells, which can act as conduits for contamination to drain deep into the ground and pollute our irreplaceable groundwater supplies. Principal tasks of the program include maintaining and enforcing well/boring regulations, licensing and training well/boring contractors, assuring the sealing of unused wells and borings, providing education and technical assistance to contractors, consultants, and the public, and maintaining records on wells and borings.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast.

Recent Changes:

During the 2013 session, legislation was enacted that expanded the types of bored geothermal heat exchangers subject to regulation by the department. This increased fee revenues and expenditures.

Agency Analysis/Comments:

MDH has proposed an alignment of codes for wells and borings to simplify administration processes, assure greater fairness among fee payers, improve protection of groundwater for well owners and address program needs. Total revenues would remain less than the established appropriation from the state government special revenue fund for this activity.

For information about the recommended fee change, see the Wells and Borings change item in the Department of Health 2018-19 Governor's Budget Recommendations book.

Agency: Health

2018-19 Departmental Earnings

Earnings Group: X-Ray Machines Registration and Inspection Fees

Purpose: To recover the costs of X-Ray registration and inspection program.

Legal Citation: M.S. 144.121

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,330	1,759	2,070	2,069	2,069	2,068	2,068
Resources:							
Departmental Earnings	1,443	1,421	1,378	1,378	1,378	1,378	1,378
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,443	1,421	1,378	1,378	1,378	1,378	1,378
Expenditures:							
Direct Expenditures	877	926	1,150	1,158	1,158	1,158	1,158
Indirect Expenditures	137	184	229	221	221	221	221
Total Expenditures	1,014	1,110	1,379	1,379	1,379	1,379	1,379
Current Difference	429	311	(1)	(1)	(1)	(1)	(1)
Accumulated Ending Balance	1,759	2,070	2,069	2,068	2,068	2,067	2,067

Agency: Health

2018-19 Departmental Earnings

Earnings Group: X-Ray Machines Registration and Inspection Fees

Background Information:

This program protects the health and safety of the public from unnecessary exposure to ionizing radiation. The department requires that ionizing radiation-producing equipment be registered and inspected once every four years.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program.

Recent Changes:

The last fee increase was in 2009.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

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2018-19 Biennial Budget - Departmental Earnings

Higher Education, Office of
Private Postsecondary Licensure and Registration Fees

Agency: Higher Education, Office of

2018-19 Departmental Earnings

Earnings Group: Private Postsecondary Licensure and Registration Fees

Purpose: Registration and licensing fees for private and out-of-state public postsecondary institutions/career schools

Legal Citation: M.S. 141 and M.S. 136A.0411, M.S. 136A.61 to M.S. 136A.741

Dedicated Receipts: Yes **Non-Dedicated Receipts:**

Fund: Restrict Misc Special Revenue (2000)

Appropriation: PIR/PCS Licensure (E602500)

Fee Change?

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,431	1,750	1,751	1,558	1,558	1,341	1,341
Resources:							
Departmental Earnings	751	529	529	600	600	600	600
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	751	529	529	600	600	600	600
Expenditures:							
Direct Expenditures	396	494	684	762	762	762	762
Indirect Expenditures	36	34	38	55	55	55	55
Total Expenditures	432	528	722	817	817	817	817
Current Difference	319	1	(193)	(217)	(217)	(217)	(217)
Accumulated Ending Balance	1,750	1,751	1,558	1,341	1,341	1,124	1,124

Background Information:

Licensure of private degree granting postsecondary institutions.

Statutes require the Office of Higher Education to set minimum standards for private and out-of-state institutions that offer academic programs in Minnesota. The Minnesota Private Institution Registration Act (M.S. 136A.61-136A.71) provides quality control and consumer protection for private and out-of-state postsecondary institutions offering associate degree and higher educational programs within the state. Licensing of private schools (M.S. 136A.82-136A.83.4) provides quality control and consumer protection for private, career training providers offering programs below the associate degree level.

Standards address the quality of academic programs faculty, facilities and other program resources, financial stability, advertising and promotion, and protection for students if an institution does not maintain the program as promised or ceases operations. State oversight protects prospective students from schools that collect tuition money fraudulently, "diploma mills" that sell degrees without offering legitimate programs, and schools that lack sufficient expertise or financial resources to develop and maintain adequate postsecondary programs.

Forecast Basis:

Based on historical receipt patterns.

Recent Changes:

None

Agency Analysis/Comments:

State participation in State Authorization Reciprocity Agreements (SARA) will continue to decrease future revenues.

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2018-19 Biennial Budget - Departmental Earnings

Historical Society

Historic Tax Credit Grant/Fee

Agency: Historical Society

2018-19 Departmental Earnings

Earnings Group: Historic Tax Credit Grant/Fee

Purpose: To offset costs associated with administering the tax grant/credit program

Legal Citation: M.S. 290.0681, subd. 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Grant/Credit Admin Revenue (E402HAD)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	103	141	200	200	200	200	200
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	103	141	200	200	200	200	200
Expenditures:							
Direct Expenditures	103	141	200	200	200	200	200
Indirect Expenditures							
Total Expenditures	103	141	200	200	200	200	200
Current Difference							
Accumulated Ending Balance							

Agency: Historical Society

2018-19 Departmental Earnings

Earnings Group: Historic Tax Credit Grant/Fee

Background Information:

The fee is collected to offset costs associated with administering the tax grant/credit program.

Recent Changes:

Fee was changed in 2013.

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2018-19 Biennial Budget - Departmental Earnings

Human Rights

Compliance Certificates

Pay Equity Certificates

Agency: Human Rights

2018-19 Departmental Earnings

Earnings Group: Compliance Certificates

Purpose: Fees collected for the issue of Certificates of Compliances to fund the cost of issuing certificates and investigating grievances.

Legal Citation: M.S. 363A.36, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Compliance Certificates (G172000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	376	539	288	62	62		
Resources:							
Departmental Earnings	196	53	40	55	55	55	55
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	196	53	40	55	55	55	55
Expenditures:							
Direct Expenditures	33	304	266	117	117	55	55
Indirect Expenditures							
Total Expenditures	33	304	266	117	117	55	55
Current Difference	163	(251)	(226)	(62)	(62)		
Accumulated Ending Balance	539	288	62				

Background Information:

The fee for the Workforce Certificate of Compliance is statutorily set in Minn. Stat. 363A.36 Subd. 2 at \$150. The period of 4 years for the certificate's validity is set in Minn. Stat. 363A.36 Subd. 1. Revenue from this fee is statutorily dedicated to a special revenue account to support the activities of this program.

On 8/1/2013, Compliance certificates switched from two-year to four-years in duration. Since this became effective, 1,046 four-year certificates have been issued by MDHR. None of these certificates will be up for renewal during the FY16-FY17 biennium, but the Department will continue to collect fees from newly certified contractors and contractors whose certification had lapsed.

Forecast Basis:

This program has been in place for decades and the Department has used past certificate fee data as well as analysis of recent changes to generate projections.

Recent Changes:

In 2013, this certificate was changed from being valid for 4 years instead of the prior 2 years. At that time, the fee was also changed from \$75 to \$150 to keep it revenue neutral. Since then no additional changes have been made to the fees or the program more generally.

Agency Analysis/Comments:

Fees generated by this certificate do not fully cover the cost of the program and have not for decades. It was not the apparent legislative intent for this fee to fully cover the cost of the program in Minn. Stat. 363A.36-37 and related statutes.

Agency: Human Rights

2018-19 Departmental Earnings

Earnings Group: Pay Equity Certificates

Purpose: Fees collected for the issue of Certificates for Pay Equity to fund the cost of issuing certificates and investigating grievances.

Legal Citation: M.S. 363A.44

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pay Equity Certificates (G172900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		74	24	14	14		
Resources:							
Departmental Earnings	74	42	30	30	30	42	42
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	74	42	30	30	30	42	42
Expenditures:							
Direct Expenditures		92	40	44	44	42	42
Indirect Expenditures							
Total Expenditures		92	40	44	44	42	42
Current Difference	74	(50)	(10)	(14)	(14)		
Accumulated Ending Balance	74	24	14				

Background Information:

The fee for the Equal Pay Certificate is statutorily set in Minn. Stat. 363A.44, Subd. 2 at \$150. The period of 4 years for the certificate's validity is set in Minn. Stat. 363A.44, Subd. 1. Revenue from this fee is statutorily dedicated to a special revenue account to support the activities of this program.

Since 8/1/2014, MDHR has issued 194 Certificates of Equal Pay. The estimate for Equal Pay Certificates to be issued in the new biennium is 524 (assuming 7% exempt companies under 40 employees) of contract-awardees receiving contracts of \$500K or more will apply and receive certificates and that most of these will be awarded in the current biennium.

Forecast Basis:

The Department is basing the projection for next biennium on the number of certificates issued since 2014 and the projected number of state contracts over \$500,000 in the next biennium.

Recent Changes:

This program was created in 2014 and new companies are still entering the program as they bid on and obtain contracts that meet the requirements laid out in Minn. Stat. 363A.44. Due to having a shorter history for the program, projections are likely to be somewhat more variable in the near term than for other fees MDHR collects.

Agency Analysis/Comments:

Fees generated by this certificate do not fully cover the cost of the program. When the Women's Economic Security Act (WESA) law was enacted by the legislature, creating this program, there as general fund money included to pay for a vast majority of the program's expenses. It was not the apparent legislative intent for this fee to fully cover the cost of the program in Minn. Stat. 363A.44.

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2018-19 Biennial Budget - Departmental Earnings

Human Services

- Alternative Care
- Background Study Fees
- Child Support Enforcement Division Fees
- Federal Collections Fee
- Human Services Licensing Division
- Human Services Miscellaneous Fees
- MA-EPD Premium
- Minnesota Sex Offender Program Cost of Care
- Minnesota Sex Offender Program Industry
- MinnesotaCare Premium/BHP Trust Fund
- Nursing Home Advisory Council Fee
- Rental Income
- Shared Services
- State Operated Services Cost of Care Recoveries
- Work Activity Income

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Alternative Care

Purpose: Client premium required from some 135-day eligible to help pay program participation costs

Legal Citation: M.S. 256B.0913

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 34 Alternative Care Grants (H551227); 34 Medicaid Services (H551563)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	1,347	1,228	1,600	1,600	1,600	1,600	1,600
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,347	1,228	1,600	1,600	1,600	1,600	1,600
Expenditures:							
Direct Expenditures	1,347	1,228	1,600	1,600	1,600	1,600	1,600
Indirect Expenditures							
Total Expenditures	1,347	1,228	1,600	1,600	1,600	1,600	1,600
Current Difference							
Accumulated Ending Balance							

Background Information:

Alternative Care is state funded and as of 11/1/13 also receives a FFP. The program was designed with client participation to support the program. A fee is required for all Alternative Care eligible clients to help pay for the cost of participating in the program. The amount of the fee that the client pays is determined as follows:

- When the Alternative Care client's income less recurring and predictable medical expenses is less than 100% FPG and their total assets are less than \$10,000 the fee is zero,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 100% FPG but less than 150% FPG and total assets are less than \$10,000 the fee is 5% of the total cost of the Alternative Care services that the client uses,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 150% FPG but less than 200% FPG and total assets are less than \$10,000 the fee is 15% of the total cost of the Alternative Care services that the client uses,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 200% FPG or,
- When the Alternative Care client's assets are equal to or greater than \$10,000, the fee is 30% of the cost of AC services that the client uses.

Fees are due and payable each month Alternative Care services are received unless the actual cost of the services is less than the fee, in which case the fee is the lesser amount. The commissioner will bill and collect the fee from the client and the money collected is deposited in the general fund.

Forecast Basis:

None

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

None

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Background Study Fees

Purpose: To recover the cost of background studies

Legal Citation: M.S. 144.057, 245C.10, 524.5-118., 518.165 Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 11 Licensing/Bkgrd Studies (H551127)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	3,500	4,055	2,887	2,886	2,886	2,886	2,886
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out			100				
Revenue Collected for Another Agency			100				
Total Resources	3,500	4,055	2,687	2,886	2,886	2,886	2,886
Expenditures:							
Direct Expenditures	3,500	4,055	2,687	2,886	2,886	2,886	2,886
Indirect Expenditures							
Total Expenditures	3,500	4,055	2,687	2,886	2,886	2,886	2,886
Current Difference							
Accumulated Ending Balance							

Background Information:

The Licensing Division conducts background studies on prospective adoptive families, on prospective guardians and guardians ad litem, and on employees and contractors providing services for agencies licensed by DHS, MDH, programs serving youth and children licensed by the Department of Corrections (DOC) and non-licensed Personal Care Provider Organizations (PCPO). Currently, county licensing agencies only completed background studies on family child care providers.

Revenues obtained from these background studies are placed in Appropriation H551127, a 2000 fund account. The background study fees collected are appropriated to the Commissioner for the purpose of conducting background studies. (See Minnesota Statutes, section 245C.10). There are 12 revenue accounts and three revenue source codes. The earnings report identifies background study fees collected under these revenue source codes. It does not include revenues collected from state agencies. The total background study fees collected in FY10 were \$3,653,000.

Forecast Basis:

Budgets and revenues are based on interagency agreements with MDH, BBHT, DOC and the Minnesota Supreme Court. Charges are set forth in M.S. 245C.10 subd. 2 & 3.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

Proposed revenues and expenditures in FY18 and FY19 reflect the impact of the Governor's budget recommendation to require background studies of Non-Emergency Medical Transportation (NEMT) drivers and expand the Department of Human Services existing authority to conduct background studies in a few other special circumstances.

This recommendation does not change the amount of the fee (which is \$20.00 per background study) and is budget neutral. Revenue from charging the existing background study fee offsets the department's cost of conducting the studies.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Child Support Enforcement Division Fees

Purpose: To offset the cost of child support enforcement

Legal Citation: M.S. 518A.51, Subd 7

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 44 Child Support Enforce Grts (H551194); 91 TIV-D Child Support Admin (H551299)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	5,065	5,331	6,192	6,192	6,192	6,192	6,192
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,065	5,331	6,192	6,192	6,192	6,192	6,192
Expenditures:							
Direct Expenditures	5,065	5,331	6,192	6,192	6,192	6,192	6,192
Indirect Expenditures							
Total Expenditures	5,065	5,331	6,192	6,192	6,192	6,192	6,192
Current Difference							
Accumulated Ending Balance							

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Child Support Enforcement Division Fees

Background Information:

Laws of 2003, 1st Special Session, Chapter 14, Article 6, Section 58, Subd. 7 provided a vehicle for DHS to charge a 1% cost recovery fee of the amount of child support collected/recovered. Laws of Minnesota 2011, 1st Special Session, Chapter 9, Article 1, section 32 increased the fee from 1% to 2%. This language has been codified in M.S. 518A.51.

Forecast Basis:

The amount is 2% of projected child support collections/recoveries for the fee-eligible applicants (federal and state share).

Recent Changes:

This fee was implemented on July 1, 2004, based on legislation cited above. The fee increase was implemented on January 1, 2012, based on the legislation cited above.

Agency Analysis/Comments:

None.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Federal Collections Fee

Purpose: To offset cost of child support enforcement

Legal Citation: M.S. 518A.51, Subd 7

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 44 Child Support Enforce Grts (H551194); 91 TIV-D Child Support Admin (H551299)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	1,467	1,455	1,783	1,783	1,783	1,783	1,783
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,467	1,455	1,783	1,783	1,783	1,783	1,783
Expenditures:							
Direct Expenditures	1,467	1,455	1,783	1,783	1,783	1,783	1,783
Indirect Expenditures							
Total Expenditures	1,467	1,455	1,783	1,783	1,783	1,783	1,783
Current Difference							
Accumulated Ending Balance							

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Federal Collections Fee

Background Information:

Laws of 2006, Regular Session, Chapter 282, Article 18, section 3 amends M.S. 2004, section 518.551, subdivision 7 to include the collection of a \$25 fee from each individual who has never received assistance under a state program funded under Tile IV-A of the Social Security Act and for whom the public authority has collected at least \$500 of support. This language has been codified in M.S. 518A.51.

Forecast Basis:

The amount is the projected collections of the \$25 fee (federal and state share).

Recent Changes:

The fee was implemented in August 2007 with a retroactive collection based on an effective date of October 1, 2006 based on the legislation cited above.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Human Services Licensing Division

Purpose: To collect licensing fees for rules 3, 4, 29, 31, 32, 36, 80, 223 and programs under M.S. 245A.22, children's residential facilities, and program under M.S. 245D.

Legal Citation: M.S. 245A.10 Subd. 3, 4 and 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: 91 Non Dedicated Revenue (H551000); 91 Non Dedicated Revenue (H551446)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							2
Resources:							
Departmental Earnings	3,942	4,094	4,350	4,350	8,250	4,350	8,050
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,942	4,094	4,350	4,350	8,250	4,350	8,050
Expenditures:							
Direct Expenditures	3,942	4,094	4,350	4,350	8,248	4,350	8,048
Indirect Expenditures							
Total Expenditures	3,942	4,094	4,350	4,350	8,248	4,350	8,048
Current Difference					2		2
Accumulated Ending Balance					2		4

Background Information:

This earnings statement included licensing fees collected pursuant to M.S. 245A.10. License fees are treated as non-dedicated revenues and deposited into the state government special revenue fund.

Forecast Basis:

License fees vary by type of program licensed. The forecast is based on current collection history.

Recent Changes:

Fees were increased in 2003 and the fee schedule was placed in statute. In 2005, the fee schedule was reduced 25 percent for child care centers. In 2011, fees were increased \$900,000 and license fees were placed in the state government special revenue fund. In 2013, a fee schedule was adopted for the Home and Community-Based Services programs (MN Stat. Chapter 245D) to be licensed beginning January 1, 2014.

Agency Analysis/Comments:

Laws of Minnesota 2013, Chapter 198, Article 59, Section 59, requires a report on transfer of vulnerable adult maltreatment investigation duties.

Under paragraph (a), the Commissioner of Human Services shall provide a follow-up report on the collection of fees and actual licensing and maltreatment investigation costs resulting from the reform of the standards and oversight for home and community-based services as adopted and funded by the 2013 Legislature.

Under paragraph (b), the report must identify the actual fees collected based on provider revenue, distinguish the amount of fees collected based on non-medical assistance revenue, and determine the impact of the non-medical assistance revenues on future licensing fees.

Under paragraph (c), the report must recommend how maltreatment investigations, when conducted by the Commissioner of Human Services, should be funded and at what amount. The recommendation must identify whether maltreatment investigation costs should be recovered through licensure fees, an appropriation from the general fund, provider fines for substantiated maltreatment, licensing fee surcharges related to substantiated maltreatment, or a combination of these sources.

Under paragraph (f), the Commissioner must submit the report with draft legislation proposing alternative fees, if necessary, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by July 1, 2015.

For information about the recommended fee change see the 245D Licensing Fee Reform change item in the Department of Human Services 2018-19 Governor's Budget Recommendations book.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Human Services Miscellaneous Fees

Purpose: Human Services Miscellaneous Fees

Legal Citation:

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001)

Appropriation: 57 Comp Gamble Indian Game (H551334); 44 Child Support Recoupment (H551400); 13 Systems Operations (H551403); 12 Systems Operations (H551404); 14 Systems Operations (H551405); 16 Systems Operations (H551406); 15 Systems Operations (H551407); 11 Provider Screening (H551567); 16 MN.IT@DHS (H551661); 11 FMO Systems Operations (H551662); 13 Provider Screening (H551677)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	369	1,459	2,131	2,131	2,131	2,131	2,131
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	369	1,459	2,131	2,131	2,131	2,131	2,131
Expenditures:							
Direct Expenditures	369	1,459	2,131	2,131	2,131	2,131	2,131
Indirect Expenditures							
Total Expenditures	369	1,459	2,131	2,131	2,131	2,131	2,131
Current Difference							
Accumulated Ending Balance							

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: MA-EPD Premium

Purpose: MA-EPD provides subsidized health insurance coverage using a base \$35 or sliding fee for premiums, along with a one half percent of any unearned income.

Legal Citation: M.S. 256B.057

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 33 Medicaid Services (H551072); 33 Medical Assistance Grants (H551148)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	12,307	8,882	5,000	5,000	5,000	5,000	5,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,307	8,882	5,000	5,000	5,000	5,000	5,000
Expenditures:							
Direct Expenditures	12,307	8,882	5,000	5,000	5,000	5,000	5,000
Indirect Expenditures							
Total Expenditures	12,307	8,882	5,000	5,000	5,000	5,000	5,000
Current Difference							
Accumulated Ending Balance							

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: MA-EPD Premium

Background Information:

M.S. 256B.057 provides that individuals enrolling the MA-EPD program will be charged a premium based on a sliding scale or a minimum \$35 premium, whichever is greater. The premium cannot exceed 7.5% of a person's gross income. People enrolled in MA-EPD who have unearned income must also pay one half percent of their gross unearned income, in addition to the premium.

Forecast Basis:

The forecasted amounts are based on DHS's projections of MA-EPD enrollment. Premiums are assessed using a predetermined sliding scale of 1% to 7.5% of gross income or \$35 minimum, whichever is greater. Unearned Income Obligation is ½% of gross unearned income.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

None.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Minnesota Sex Offender Program Cost of Care

Purpose: To provides services to individuals who have been civilly committed to receive sex offender treatment.

Legal Citation: M.S. 246B.01, Subd. 2b

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: 71 MN Sex Offender Program (Non-Dedicated Rev) (H550000); 91 Non Dedicated Revenue (H551000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(68,122)	(141,212)	(218,380)	(218,380)	(292,976)	(292,418)
Resources:							
Departmental Earnings	10,473	11,920	14,500	15,000	15,558	15,000	15,726
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	49	3,086	6,739	5,951	5,951	5,951	5,951
Revenue Collected for Another Agency							
Total Resources	10,424	8,834	7,761	9,049	9,607	9,049	9,775
Expenditures:							
Direct Expenditures	69,108	72,454	75,091	73,807	73,807	73,807	73,807
Indirect Expenditures	9,438	9,470	9,838	9,838	9,838	9,838	9,838
Total Expenditures	78,546	81,924	84,929	83,645	83,645	83,645	83,645
Current Difference	(68,122)	(73,090)	(77,168)	(74,596)	(74,038)	(74,596)	(73,870)
Accumulated Ending Balance	(68,122)	(141,212)	(218,380)	(292,976)	(292,418)	(367,572)	(366,288)

Background Information:

Minnesota Sex Offender Program (MSOP) provides services to individuals who are committed with “sexual psychopathic personality and/or a “sexually dangerous person.” MSOP services include assessment, diagnosis, care, treatment, supervision and other services to clients.

MSOP is funded by general fund appropriations. When a county commits someone to the program, under M.S. 246B.10, the county is responsible for part of the cost of care. For commitments that occurred before August 2011, the county share is ten percent. For commitments after that date, the county share is 25 percent.

Forecast Basis:

Cost of Care is defined in M.S. 246B.01, Subd. 2b as the commissioner’s charge for housing and treatment provide to any person admitted to MSOP. That statute also specifies that: “ ‘charge for housing and treatment services’ means the cost of services, treatment, maintenance, bonds issued for capital improvements, depreciation of buildings and equipment, and indirect costs related to the operation of state [MSOP] facilities. The commissioner may determine the charge for services on an anticipated average per diem basis as an all-inclusive charge per facility.”

Recent Changes:

Under the authority of M.S. 246B.01, Subd. 2b, Cost of Care per diem rates for services are calculated and set annually based on estimated costs for the upcoming fiscal year.

Agency Analysis/Comments:

Cost of Care per diem rates are exempt from the legislative approval requirement of M.S. 16A.1283 because they are a charge for “services provided for the direct and primary use of private individuals.”

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Minnesota Sex Offender Program Industry

Purpose: To provide educational training, meaningful employment, and the teaching of proper work habits to the patients of the Minnesota Sex Offender program.

Legal Citation: M.S. 246B.06

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Minnesota State Industries (4503)

Appropriation: 71 MSOP Vocational Program (H550002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,194	971	964	1,089	1,089	999	999
Resources:							
Departmental Earnings	1,449	1,158	1,500	1,500	1,500	1,500	1,500
Other Resources:							
Earning Transferred In			300	300	300	300	300
Revenue Collected by Another Agency							
Other Receipts	8	5	10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,457	1,163	1,810	1,810	1,810	1,810	1,810
Expenditures:							
Direct Expenditures	2,680	1,170	1,685	1,900	1,900	1,900	1,900
Indirect Expenditures							
Total Expenditures	2,680	1,170	1,685	1,900	1,900	1,900	1,900
Current Difference	(1,223)	(7)	125	(90)	(90)	(90)	(90)
Accumulated Ending Balance	971	964	1,089	999	999	909	909

Background Information:

In accordance with the provisions of M.S. 246B.06, the Commissioner of Human Services is authorized to establish industrial and commercial activities to provide education training, meaningful employment, and the teaching of proper work habits for clients of the Minnesota Sex Offender Program (MSOP). The vocational work program is supported with the net profits and general fund money.

Forecast Basis:

Work Activity programs are operated by the Minnesota Sex Offender Program. Revenue from the operations of work activity programs are used to pay resident wages according to their productivity, and to purchase equipment, supplies, and other expenses necessary to operate the program. Workers are not considered state employees and do not qualify for state benefits. Wages are based on the prevailing minimum wage of the State of Minnesota. The commissioner has the authority to retain up to 50 percent of any payments made to a client participating in the vocational work program for the purpose of reducing state costs associated with operating the Minnesota sex offender program. Charges for services and products are established through an analysis of all factors discussed above.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

Minnesota State Industries is exempt from M.S. 16A.1283. Minnesota State Industries is provided for the direct and primary use of private individuals, businesses, or other entities.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: MinnesotaCare Premium/BHP Trust Fund

Purpose: Minnesota Care provides subsidized health insurance coverage using a sliding-scale for premiums.

Legal Citation: M.S. 246L.15, Subd. 1

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Health Care Access (2360); Federal (3000)

Appropriation: 31 Minnesotacare Grants (H551070); 31 Federal S-CHIP Grant (H551190); 31 Minnesotacare Premiums/Non-BHP (H551552); 31 Minnesotacare Premiums/BHP (H551619)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(361)	(565)	(565)	(565)	(565)	(565)
Resources:							
Departmental Earnings	15,186	29,740	45,690	47,497	47,497	46,560	46,560
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	15,186	29,740	45,690	47,497	47,497	46,560	46,560
Expenditures:							
Direct Expenditures	15,547	29,944	45,690	47,497	47,497	46,560	46,560
Indirect Expenditures							
Total Expenditures	15,547	29,944	45,690	47,497	47,497	46,560	46,560
Current Difference	(361)	(204)					
Accumulated Ending Balance	(361)	(565)	(565)	(565)	(565)	(565)	(565)

Background Information:

Minnesota Statutes 256L.15 provides that individuals enrolling in the program will be charged a subsidized premium based on a sliding scale. The premium charge ranges from \$4 to \$80 per person per month. The Health Care Access Fund (Fund 2360), and BHP Trust Fund fund the remaining program cost.

Forecast Basis:

The forecasted amounts are based on DHS's projections of Minnesota Care enrollment, distinguished by children and parents vs. adults without children. Monthly enrollment projections are multiplied by projected premiums per enrollee per month times 12.

Recent Changes:

Minnesota recently received federal approval of its Basic Health Plan (BHP). With this approval, effective 1/1/15, Minnesota will use the federal BHP Trust Fund to cover a percentage of the costs (instead of Title 19). BHP premium revenue is not shared with the federal Trust Fund.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Nursing Home Advisory Council Fee

Purpose: Collection of fees from nursing homes and boarding care homes.

Legal Citation: M.S. 144A.33

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 53 Nursing Home Adv Council (H551118); 14 Nursing Home Adv Council (H551617)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	153	155	187	187	187	187	187
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	153	155	187	187	187	187	187
Expenditures:							
Direct Expenditures	153	155	187	187	187	187	187
Indirect Expenditures							
Total Expenditures	153	155	187	187	187	187	187
Current Difference							
Accumulated Ending Balance							

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Nursing Home Advisory Council Fee

Background Information:

M.S. 144A.33 authorized the development and funding of the Resident and Family Advisory Council Education program to assist residents and families of residents in nursing homes to understand their rights and responsibilities. Funding for the program is through a \$5 per bed surcharge for each license application or renewal fee for nursing homes and boarding care homes under M.S. 144.53 or M.S. 144A.07.

Forecast Basis:

The forecast amount is based on a fee of \$5 times the estimated number of licensed beds in nursing homes and boarding care homes.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Rental Income

Purpose: To maintain the Direct Care and Treatment buildings and property being rented

Legal Citation: M.S. 245.037

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Dhs Chemical Dependency Servs (4101)

Appropriation: 62 CARE - Statewide (H556002); 61 Ded Srvs-Lease Inc-Syswide (H556023); 61 Ded Srv-Lease Inc-Brainerd (H556049)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	627	521	805	178	178	53	53
Resources:							
Departmental Earnings	344	412	381	375	375	375	375
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		21					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	344	433	381	375	375	375	375
Expenditures:							
Direct Expenditures	450	149	1,008	500	500	375	375
Indirect Expenditures							
Total Expenditures	450	149	1,008	500	500	375	375
Current Difference	(106)	284	(627)	(125)	(125)		
Accumulated Ending Balance	521	805	178	53	53	53	53

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Rental Income

Background Information:

M.S. 245.037 authorizes the Commissioner of Human Services to charge and collect rent (M.S. 16B.24, Sub. 5) for state property at the regional treatment centers (RTC). The funds are dedicated to the facility and are used to maintain buildings and property of the RTC campuses.

Forecast Basis:

Rates are based on projection of actual costs of maintaining and utilization of buildings.

Recent Changes:

Rates are adjusted as costs increase or decrease.

Agency Analysis/Comments:

SOS Rental Income is exempt from 16A.1283. Leases are provided for the direct and primary use of a private individual, business, or other entity.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Shared Services

Purpose: To retain the revenue required for the provision of services that are of mutual benefit to the state, other governmental entities and private business and organizations

Legal Citation: M.S. 246.57

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 61 DD-Mobile Crisis Teams (H556027); 61 Comm Partnership Network (H556047)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,092	704	147	8	8	3	3
Resources:							
Departmental Earnings	4,110	1,272	5	5	5	5	5
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,110	1,272	5	5	5	5	5
Expenditures:							
Direct Expenditures	4,192	1,714	144	10	10	5	5
Indirect Expenditures	306	115					
Total Expenditures	4,498	1,829	144	10	10	5	5
Current Difference	(388)	(557)	(139)	(5)	(5)		
Accumulated Ending Balance	704	147	8	3	3	3	3

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: Shared Services

Background Information:

M.S. 246.57 was enacted to allow DHS to provide services to other governmental agencies and both non-profit and for-profit organizations through shared service agreements of mutual benefit to the state, other governmental entities, and other organizations and the public. Rates are established by the respective programs providing the services.

Forecast Basis:

Fees are established based on projection of actual costs required to provide services.

The Community Partnership Network ended operations 06/30/16. Final expenditures will process in FY17.

Recent Changes:

Rates are adjusted as costs increase or decrease.

Agency Analysis/Comments:

Shared service rates are exempt from 16A.1283. Shared services are provided for the direct and primary use of a private individual, business, or other entity.

Agency: Human Services

2018-19 Departmental Earnings

Earnings Group: State Operated Services Cost of Care Recoveries

Purpose: To provide care and treatment to individuals admitted to Direct Care and Treatment programs regardless of their ability to pay

Legal Citation: M.S. 246.50, Subd. 5

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Sos Tbi & Adol Ent Svcs (4100); Dhs Chemical Dependency Servs (4101); Mn State Operated Comm Svcs (4350)

Appropriation: 91 Non Dedicated Revenue (H551000); 61 SOS-Adult Mental Hlth Svcs (H556000); 63 SOS-Forensic Services (H556001); 62 CARE - Statewide (H556002); 62 Waivered Services (MSOCS) (H556009); 62 TBI-Brainerd (H556032); 63 Ded Svcs-Outpatient (SP) (H556034); 62 CABHS - MITH (H556040); 61 Community Health Clinics (H556043); 61 SOS Spec Health Care Rcpts (H556050)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(135,073)	(276,714)	(457,642)	(457,642)	(615,872)	(613,687)
Resources:							
Departmental Earnings	185,834	163,678	161,013	164,986	167,171	164,986	168,844
Other Resources:							
Earning Transferred In	7,693	22,951	17,004	4,940	4,940	4,940	4,940
Revenue Collected by Another Agency							
Other Receipts	118	145	750	750	750	750	750
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	193,645	186,774	178,767	170,676	172,861	170,676	174,534
Expenditures:							
Direct Expenditures	319,424	318,376	350,028	319,239	319,239	319,256	319,256
Indirect Expenditures	9,294	10,039	9,667	9,667	9,667	9,667	9,667
Total Expenditures	328,718	328,415	359,695	328,906	328,906	328,923	328,923
Current Difference	(135,073)	(141,641)	(180,928)	(158,230)	(156,045)	(158,247)	(154,389)
Accumulated Ending Balance	(135,073)	(276,714)	(457,642)	(615,872)	(613,687)	(774,119)	(768,076)

Background Information:

Direct Care and Treatment provides direct care services to persons with disabilities. This includes services to adults and adolescents with mental illness, individuals committed as mentally ill and dangerous, individuals with developmental disabilities and persons with chemical dependency. The majority of these services are funded with direct appropriations. Enterprise services are funded through collections from third party resources.

Direct Care and Treatment bills Medical Assistance, Medicare, the Chemical Dependency Treatment Fund, private and commercial insurance, counties, and individuals for services provided. Appropriated services for adults with mental illness, on average collect approximately 25% of their costs. Appropriated services for individuals committed as mentally ill and dangerous on average collect approximately 10% of their costs. Enterprise services are expected to recover 100% of their costs.

Forecast Basis:

Cost of Care is defined in M.S. 246.50, Subd. 5 as the commissioner's charge for services provided to any person admitted to a state [Direct Care and Treatment] facility. That statute also specifies that: " 'charge for services' means the usual and customary fee charged for services provided to clients. The usual and customary fee shall be established in a manner required to appropriately bill services to all payers and shall include the costs related to the operations of any program offered by the state."

Recent Changes:

Under the authority of M.S. 246.50, Subd. 5, Cost of Care per diem rates for appropriated services are calculated and set annually based on estimated costs for the upcoming fiscal year. Cost of Care per diem rates for enterprise services are negotiated annually with county providers based on individual client service needs.

Agency Analysis/Comments:

Cost of Care per diem rates are exempt from the legislative approval requirement of M.S. 16A.1283 because they are a charge for "services provided for the direct and primary use of private individuals."

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Agency: Human Services
Earnings Group: Work Activity Income

2018-19 Departmental Earnings

Purpose: To provide therapeutic work activities for developmentally disabled and mentally ill individuals

Legal Citation: M.S. 246.56

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Mn State Operated Comm Svcs (4350)

Appropriation: 62 Waivered Services (MSOCS) (H556009); 63 Ded Svcs-Work Actv (SP) (H556033)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	273	257	228	228	228	228	228
Resources:							
Departmental Earnings	1,578	1,630	1,572	1,572	1,572	1,572	1,572
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	401	405	321	321	321	321	321
Revenue Collected for Another Agency							
Total Resources	1,177	1,225	1,251	1,251	1,251	1,251	1,251
Expenditures:							
Direct Expenditures	1,193	1,254	1,251	1,251	1,251	1,251	1,251
Indirect Expenditures							
Total Expenditures	1,193	1,254	1,251	1,251	1,251	1,251	1,251
Current Difference	(16)	(29)					
Accumulated Ending Balance	257	228	228	228	228	228	228

Background Information:

In accordance with the provision of M.S. 246.56, the Commissioner of Human Services is authorized to create a work activity center revolving fund for the purposes of receiving and expending money to provide therapeutic work activities for developmentally disabled and mentally ill residents and patients. Participants must receive pay as prescribed in the United States Department of Labor regulations, in accordance with the employment of workers with disabilities under special certificates. Work Activity programs include the provision of services and the manufacture, processing, and repairing of goods, wares and merchandise.

Forecast Basis:

Work Activity programs are operated by the Minnesota Security Hospital and Minnesota State Operated Community Services. Revenue from the operations of work activity programs are used to pay resident wages according to their productivity, and to purchase equipment, supplies, and other expenses necessary to operate the program. Workers are not considered state employees and do not qualify for state benefits. Wages are based on the prevailing wages of comparable jobs in the community and on the worker's productivity compared to production of a non-disabled worker. In accordance with M.S. 256.151, wages cannot be less than 25% of the current applicable wage (federal or state, whichever is higher). However, a worker whose earning or productive capacity is impaired may be paid a sub-minimum wage authorized by a special certificate issued by the U.S. Department of Labor. Charges for services and products are established through an analysis of all factors discussed above.

Recent Changes:

N/A

Agency Analysis/Comments:

Work Activity rates are exempt from 16A.1283. Work Activity services are provided for the direct and primary use of a private individual, business, or other entity

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2018-19 Biennial Budget - Departmental Earnings

Iron Range Resources and Rehabilitation Board
IRRRB Departmental Earnings

Agency: Iron Range Resources and Rehabilitation Board
Earnings Group: IRRRB Departmental Earnings

2018-19 Departmental Earnings

Purpose: Recover partial operating and program costs.

Legal Citation: M.S. 298.22, M.S. 298.296, M.S. 298.221

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Iron Range Resources & Rehab (2370); Douglas J Johnson Econ Protect (2380); Giants Ridge Golf & Ski Resort (4600)

Appropriation: Administration Board (B43BDAS); Giants Ridge Golf & Ski Resort (B43BDGR); Mining Revenue Board (B43BDMR); Giants Ridge Rollover (B43GRRO); Administration DJJ NE4 (B43N4AS); Mining Revenue DJJ (B43N4MR); Corpus DJJ (B43N6AS); Administration TEPF (B43TCAS); Mining Revenue TEPF (B43TCMR); Rollover TEPF (B43TCRO)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(1,637)	(1,660)	(1,970)	(3,940)	(3,940)	(5,910)	(5,910)
Resources:							
Departmental Earnings	15,232	4,437	5,364	5,364	5,364	5,364	5,364
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	15,232	4,437	5,364	5,364	5,364	5,364	5,364
Expenditures:							
Direct Expenditures	15,255	4,747	7,334	7,334	7,334	7,334	7,334
Indirect Expenditures							
Total Expenditures	15,255	4,747	7,334	7,334	7,334	7,334	7,334
Current Difference	(23)	(310)	(1,970)	(1,970)	(1,970)	(1,970)	(1,970)
Accumulated Ending Balance	(1,660)	(1,970)	(3,940)	(5,910)	(5,910)	(7,880)	(7,880)

Background Information:

Iron Range Resources and Rehabilitation Board (IRRRB) is a state economic development agency created by the governor and the legislature in 1941 to diversify the economy of the iron mining areas of northeastern Minnesota. The agency serves the interest of the Taconite Assistance Area (TAA), a geographical region including parts of Cook, Lake, St. Louis, Itasca, Aitkin and Crow Wing counties. As part of its core mission of economic development, IRRRB owns and operates Giants Ridge golf and ski resort. The agency also generates a small amount of revenues from its economic development activities by leasing buildings to local businesses and other miscellaneous activities.

Forecast Basis:

Giants Ridge

Giants Ridge, located in Biwabik, supports and promotes tourism and recreational opportunities and enhances the quality of life for area residents, while improving the economic enhancement and diversification of the IRRRB service area. The Giants Ridge recreation area includes: a snow sports area with alpine and Nordic skiing and snow tubing; two golf courses; mountain bike trails; disc golf; lake access; and private sector lodging and residential redevelopment.

Annual Departmental Earning Estimate: \$5,075,951

Douglas J Johnson Economic Protection Fund

The operating account of this fund receives lease payments on buildings owned by the IRRRB that are leased to businesses.

Annual Departmental Earning Estimate: \$117,591

Board Administration

The Board Administration budget receives miscellaneous receipts throughout the fiscal year.

Annual Departmental Earning Estimate: \$50,000

Recent Changes:

None.

Agency Analysis/Comments:

The agency recommends no change in fees at this time.

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2018-19 Biennial Budget - Departmental Earnings

Labor and Industry

- Combative Sports Fees
- Construction Codes Fees
- Employment Agency Licensure
- Labor and Industry Data Practices - Cost of Copies
- Logger Assessment
- Qualified Rehabilitation Consultant Services Billed to Insurers
- Rehabilitation Provider Registration and Managed Care Organization Fees
- Residential Contractor Recovery Fund
- Workers Compensation and Construction Codes Penalties

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Combative Sports Fees

Purpose: To regulate and make sure both boxing and mixed martial arts (MMA) events are conducted safely and fairly in Minnesota.

Legal Citation: M.S. 341.321

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Combative Sports (B425000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	95	102	108	96	96	84	84
Resources:							
Departmental Earnings	71	64	65	65	65	65	65
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	71	64	65	65	65	65	65
Expenditures:							
Direct Expenditures	64	58	77	77	77	77	77
Indirect Expenditures							
Total Expenditures	64	58	77	77	77	77	77
Current Difference	7	6	(12)	(12)	(12)	(12)	(12)
Accumulated Ending Balance	102	108	96	84	84	72	72

Background Information:

DLI was directed by the Minnesota Legislature to take over the duties and authority of the Combative Sports Commission as of July 1, 2012. DLI's Office of Combative Sports regulates both boxing and mixed martial arts (MMA) events. These inherently dangerous sports can result in injury during competition and can have long term health consequences.

The state's Boxing Board was reestablished in 2006 and was officially renamed the Combative Sports Commission (CSC) in the 2008 legislative session to reflect the agency's expanded oversight of mixed martial arts (MMA) and tough person events. This Commission was reestablished to minimize the health and safety risks associated with combative sports.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

A fee decrease for the Office of Combative Sports (OCS) was made in FY2016. Total annual license fees and event fees decreased by \$2,000. The fee change was needed for Minnesota to be competitive for OCS events with other states and jurisdictions.

Agency Analysis/Comments:

Revenue decreased from \$119,000 in FY 2014 to \$64,000 in FY 2016 due to decline in number of events. The number of events is forecasted to remain similar to the FY 2016 level.

Agency: Labor and Industry

Earnings Group: Construction Codes Fees

2018-19 Departmental Earnings

Purpose: The Construction Codes and Licensing Division (CCLD) works to protect the health, safety, and welfare of the public by providing reasonable and uniform standards for Minnesota's buildings and construction professionals.

Legal Citation: M.S. 326B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Construction Code (2020)

Appropriation: Construction Codes & Licensing (B424000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	12,826	15,508	19,495	19,541	19,541	19,264	16,781
Resources:							
Departmental Earnings	30,005	31,084	28,912	29,614	27,131	29,614	27,131
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	586	383	287	287	287	287	287
Resource Reductions:							
Earnings Transferred Out	1,515						
Revenue Collected for Another Agency							
Total Resources	29,076	31,467	29,199	29,901	27,418	29,901	27,418
Expenditures:							
Direct Expenditures	23,421	24,215	25,922	26,947	26,947	26,993	26,993
Indirect Expenditures	2,973	3,265	3,231	3,231	3,231	3,231	3,231
Total Expenditures	26,394	27,480	29,153	30,178	30,178	30,224	30,224
Current Difference	2,682	3,987	46	(277)	(2,760)	(323)	(2,806)
Accumulated Ending Balance	15,508	19,495	19,541	19,264	16,781	18,941	13,975

Background Information:

The Construction Codes and Licensing Division (CCLD) works to protect the health, safety and welfare of the public by providing reasonable, uniform and balanced standards for Minnesota's buildings and construction professionals. CCLD oversees construction-related activities in the areas of licensing, plan review, education, code development, enforcement and inspection in Minnesota. This provides for the safety of the people of Minnesota and fosters a competitive construction economy that encourages business growth and employment opportunity.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

Effective January 1, 2012, Minnesota Session Laws, 2010, reorganized and aligned all CCLD license fees for consistency and uniformity among licensees. Previously each license category maintained a legacy fee structure carried forward from its previous regulatory agency before becoming a part of the Department of Labor and Industry in 2005. Individual license fees were reduced \$20 for FY2016 and FY2017, the reduction is set to sunset on June 30th, 2017.

Agency Analysis/Comments:

Proposes extending the individual license fee reduction that is sun setting on June 30th, 2017 and proposes reductions to business license fees and building permit fees for state owned and state licensed facilities. The proposed reductions are for four years. For information about the recommended fee change, see the CCLD (Construction Codes & Licensing Division) Fee Reduction change item in the Department of Labor and Industry 2018-19 Governor's Budget Recommendations book.

Agency: Labor and Industry

Earnings Group: Employment Agency Licensure

2018-19 Departmental Earnings

Purpose: Protect the general public that utilize professional employment agencies and to ensure that these professionals are licensed, registered, and operating in compliance with the law. Fees are collected for licensing of fee employment agencies and for examining individual applicants for certain positions within these organizations.

Legal Citation: M.S. 184.28, M.S. 184.29, and M.S. 184A.09

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: General Fund Labor Standards (B424100)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(12)	(27)	(42)	(42)	(58)	(58)
Resources:							
Departmental Earnings			1	1	1	1	1
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources			1	1	1	1	1
Expenditures:							
Direct Expenditures	10	13	14	15	15	15	15
Indirect Expenditures	2	2	2	2	2	2	2
Total Expenditures	12	15	16	17	17	17	17
Current Difference	(12)	(15)	(15)	(16)	(16)	(16)	(16)
Accumulated Ending Balance	(12)	(27)	(42)	(58)	(58)	(74)	(74)

Agency: Labor and Industry
Earnings Group: Employment Agency Licensure

2018-19 Departmental Earnings

Background Information:

The purpose of this activity is to protect the general public that utilize professional employment agencies and to ensure that these professionals are licensed, registered, and are operating in compliance with the law.

Forecast Basis:

Fees are established by statute. They are collected for the licensing of fee employment agencies and for the examining of individual applicants for certain positions within these organizations.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current fee.

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Labor and Industry Data Practices - Cost of Copies

Purpose: Copies of workers' compensation claim documents are provided to requesting parties and charges are assessed on a per-copy fee (plus applicable postage costs). The copy fees and postage amounts collected are used to recover the expenses associated with this activity.

Legal Citation: M.S. 13.03, subd 10

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Workers Compensation (2830)

Appropriation: Copy File Review (B422120)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	233	231	229	223	223	213	213
Resources:							
Departmental Earnings	270	286	270	270	270	270	270
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	270	286	270	270	270	270	270
Expenditures:							
Direct Expenditures	234	250	236	240	240	240	240
Indirect Expenditures	38	38	40	40	40	40	40
Total Expenditures	272	288	276	280	280	280	280
Current Difference	(2)	(2)	(6)	(10)	(10)	(10)	(10)
Accumulated Ending Balance	231	229	223	213	213	203	203

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Labor and Industry Data Practices - Cost of Copies

Background Information:

The revenue reported as Data Practices/Cost of Copies represents amounts collected from requesting parties for copies of workers' compensation claim documents. The Copy File Review office within the Compliance Records and Training unit provides the copies to requesting parties and charges a per copy fee (plus applicable postage costs). The copy fees and postage amounts collected are used to recover the expenses associated with this activity.

Forecast Basis:

The current fee is 55 cents per copy.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current fee. Comparisons of revenue to expenditures will be made on an ongoing basis to ensure that copy fees collected will recover amounts expended.

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Logger Assessment

Purpose: To cover the cost of providing safety education training to Minnesota loggers and to allow the payment of rebates to logging businesses that successfully complete loggers safety training each year.

Legal Citation: M.S. 176.130 subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Workers Compensation (2830)

Appropriation: Loggers Exp & Reimb (B423801)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	112	60	55	20	20		
Resources:							
Departmental Earnings	731	747	740	740	740	740	740
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	731	747	740	740	740	740	740
Expenditures:							
Direct Expenditures	779	748	771	755	755	735	735
Indirect Expenditures	4	4	4	5	5	5	5
Total Expenditures	783	752	775	760	760	740	740
Current Difference	(52)	(5)	(35)	(20)	(20)		
Accumulated Ending Balance	60	55	20				

Background Information:

The purpose of this activity is to provide Minnesota loggers with the safety training necessary to reduce the rate of on-the –job accidents, injuries, and fatalities in this industry. Assessments collected from wood mills located in Minnesota are based on the number of cords of wood purchased or acquired each calendar year in excess of 5,000 cords.

Collected fees are disbursed two ways. The first \$125,000 is allocated for the provision of safety training programs. The remainder is rebated to logging companies who provide proof of attendance at approved training programs. The rebate is used to offset the high cost of workers' compensation insurance premiums in the logging industry.

Forecast Basis:

The assessment rate is 30 cents per cord. Revenue from the logger assessments has been relatively stable in recent years. This stability is expected to continue.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current fee.

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Qualified Rehabilitation Consultant Services Billed to Insurers

Purpose: To provide vocational rehabilitative services for those injured workers to whom primary liability had been denied by an insurer. Based on a negotiated agreement, the fees are billed to recover at least a portion of the salary and other costs involved in getting injured workers returned to work.

Legal Citation: M.S. 176.104

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Workers Compensation (2830)

Appropriation: Work Comp Fund Work Comp Div (B421320)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(1,513)	(3,196)	(5,158)	(5,158)	(7,209)	(7,209)
Resources:							
Departmental Earnings	430	385	450	450	450	450	450
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	430	385	450	450	450	450	450
Expenditures:							
Direct Expenditures	1,636	1,742	2,030	2,114	2,114	2,114	2,114
Indirect Expenditures	307	326	382	387	387	387	387
Total Expenditures	1,943	2,068	2,412	2,501	2,501	2,501	2,501
Current Difference	(1,513)	(1,683)	(1,962)	(2,051)	(2,051)	(2,051)	(2,051)
Accumulated Ending Balance	(1,513)	(3,196)	(5,158)	(7,209)	(7,209)	(9,260)	(9,260)

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Qualified Rehabilitation Consultant Services Billed to Insurers

Background Information:

The Vocational Rehabilitation unit provides vocational rehabilitation services to injured workers whose claims have been denied liability by an insurer or self-insurer. The amount billed for services rendered is \$75 per hour. The services provided in cases where liability is denied are subject to negotiated settlements in accordance with Minnesota Rules. As a result, fees recovered are less than the total costs of the services provided

Forecast Basis:

Revenues are expected to remain stable during the biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current fee.

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Rehabilitation Provider Registration and Managed Care Organization Fees

Purpose: To help defray the cost of regulation of rehabilitation providers and managed care organizations, and to discourage statutory violations.

Legal Citation: M.S. 176.102 and M.S. 176.1351

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Workers Compensation (2830)

Appropriation: Work Comp Fund Work Comp Div (B421320)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(46)	(99)	(163)	(163)	(231)	(231)
Resources:							
Departmental Earnings	65	62	62	62	62	62	62
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	65	62	62	62	62	62	62
Expenditures:							
Direct Expenditures	93	96	105	109	109	109	109
Indirect Expenditures	18	19	21	21	21	21	21
Total Expenditures	111	115	126	130	130	130	130
Current Difference	(46)	(53)	(64)	(68)	(68)	(68)	(68)
Accumulated Ending Balance	(46)	(99)	(163)	(231)	(231)	(299)	(299)

Background Information:

Fees are collected to help defray the cost of regulation of rehabilitation providers and managed care organizations. The overall purpose is the reduction of workers' compensation costs. Benefits include enhancement of early return-to-work outcomes, reduced lost-time workers' compensation claims, the review and provision of dispute resolution services, and the protection of access and quality controls for the injured workers. Penalties are assessed to discourage statutory violations rather than to recover program costs.

Forecast Basis:

The primary components of this revenue source are as follows: rehabilitation provider registration, renewal, and disciplinary fees, and managed care organization certification fees.

Recent Changes:

None

Agency Analysis/Comments:

Rehabilitation provider registration fees and managed care organization certification fees are collected to recover a portion of the costs of these activities. To set fees at a level which would recover costs would require charging significantly higher amounts, thereby driving potential participants out of the programs.

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Residential Contractor Recovery Fund

Purpose: To compensate homeowners and lessees of Minnesota residential property who have experienced direct out-of-pocket losses as a result of a Minnesota licensed contractor's deceptive actions or non-performance.

Legal Citation: M.S. 326B.89

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Contractor Recovery (B424130)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,145	5,953	7,584	8,268	8,268	8,950	8,950
Resources:							
Departmental Earnings	2,741	2,798	2,592	2,592	2,592	2,592	2,592
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	25	42					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,766	2,840	2,592	2,592	2,592	2,592	2,592
Expenditures:							
Direct Expenditures	1,944	1,200	1,869	1,871	1,871	1,873	1,873
Indirect Expenditures	14	9	39	39	39	39	39
Total Expenditures	1,958	1,209	1,908	1,910	1,910	1,912	1,912
Current Difference	808	1,631	684	682	682	680	680
Accumulated Ending Balance	5,953	7,584	8,268	8,950	8,950	9,630	9,630

Background Information:

The purpose of the Contractor Recovery Fund is to compensate homeowners and lessees of Minnesota residential property who have experienced direct out of pocket losses as a result of the deceptive actions or the non-performance of a Minnesota licensed residential contractor.

During the Residential Building Contractor licensure process an additional fee is collected based on contractor annual gross receipts. The fee amounts collected are placed in a dedicated special revenue account. Licenses are renewed every two years.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

None

Agency Analysis/Comments:

The Contractor Recovery Fund compensates owners or lessees of residential property in Minnesota who have suffered a direct out-of-pocket loss due to a licensed contractor's fraudulent, deceptive or dishonest practices, conversion of funds or failure of performance. The fund is strongly affected by the construction industry; a fund balance is kept to cover increased payments/lower revenues experienced during slow construction periods.

Agency: Labor and Industry 2018-19 Departmental Earnings
Earnings Group: Workers Compenstaion and Construction Codes Penalties

Purpose: To encourage compliance with workers' compensation and construction codes laws.

Legal Citation: M.S. 176 and M.S. 326B.04, subd 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Workers Compensation (2830)

Appropriation: Special Comp Fund Revenues (B422320); Assigned Risk Safety (B423800); General Fund Labor Standards (B424100)

Fee Change?

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,441	4,987	4,702	4,879	4,879	5,028	5,028
Resources:							
Departmental Earnings	1,826	2,234	3,012	3,012	3,012	3,012	3,012
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	60						
Revenue Collected for Another Agency							
Total Resources	1,766	2,234	3,012	3,012	3,012	3,012	3,012
Expenditures:							
Direct Expenditures	2,024	2,381	2,544	2,575	2,575	2,575	2,575
Indirect Expenditures	196	138	291	288	288	288	288
Total Expenditures	2,220	2,519	2,835	2,863	2,863	2,863	2,863
Current Difference	(454)	(285)	177	149	149	149	149
Accumulated Ending Balance	4,987	4,702	4,879	5,028	5,028	5,177	5,177

Agency: Labor and Industry

2018-19 Departmental Earnings

Earnings Group: Workers Compensation and Construction Codes Penalties

Background Information:

The revenues in this category is from penalties that are assessed to encourage compliance with various aspects of the workers' compensation law and construction code and licensing law. Workers' compensation penalties can be assessed to insurers, self-insurers, third-party administrators, and employers for a variety of actions. Construction code and licensing penalties are assessed to individuals and businesses in response to administering the statewide building, electrical, plumbing, high pressure piping, and boiler codes and licensing requirements, and also for taking punitive actions against those who fail to meet licensing or installation requirements.

Forecast Basis:

Increased success in agency efforts to educate its clientele and its success in enforcement of those laws correspond to reduced penalty assessments. However, the agency is projecting stable revenues over the next biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current fee.

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2018-19 Biennial Budget - Departmental Earnings

Legal Professions Boards

- Certifying Accrediting Agencies and Annual Renewal Fees
- Legal Profession Board Credit Card Convenience Fee
- Licensing Attorneys
- Regulating Continuing Legal Education
- Regulation of Attorney Actions and Ethical Practice
- Reimbursement of Clients Defrauded by Attorneys

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Certifying Accrediting Agencies and Annual Renewal Fees

Purpose: To regulate the certification of attorneys as specialists in designated areas of legal practice to enhance public access to legal services.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Legal Certification Bd (J650LCB)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	91	82	81	29	29	20	20
Resources:							
Departmental Earnings	40	44	45	45	45	45	45
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	41	44	45	45	45	45	45
Expenditures:							
Direct Expenditures	50	45	97	54	54	54	54
Indirect Expenditures							
Total Expenditures	50	45	97	54	54	54	54
Current Difference	(9)	(1)	(52)	(9)	(9)	(9)	(9)
Accumulated Ending Balance	82	81	29	20	20	11	11

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Certifying Accrediting Agencies and Annual Renewal Fees

Background Information:

Fees for certifying accrediting agencies and annual renewal fee

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Legal Profession Board Credit Card Convenience Fee

Purpose: Fee for credit card processing.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Attorney Regis Operations (J650ARF)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5	5	5	5	5	5	5
Resources:							
Departmental Earnings	3	1	88	88	88	88	88
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3	1	88	88	88	88	88
Expenditures:							
Direct Expenditures	3	1	88	88	88	88	88
Indirect Expenditures							
Total Expenditures	3	1	88	88	88	88	88
Current Difference							
Accumulated Ending Balance	5	5	5	5	5	5	5

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Licensing Attorneys

Purpose: To regulate the examination and licensing of individuals who practice as attorneys at law in Minnesota so that established qualifications are met and licensed attorneys are competent.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Board Of Law Examiners (J650BLE); Continuing Legal Education (J650CLE); Public Defense Board (J650PDB)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,588	2,340	2,163	1,575	1,575	1,075	1,075
Resources:							
Departmental Earnings	1,521	1,551	1,313	1,313	1,313	1,313	1,313
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	7	7	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out			24				
Revenue Collected for Another Agency							
Total Resources	1,528	1,558	1,294	1,318	1,318	1,318	1,318
Expenditures:							
Direct Expenditures	1,776	1,735	1,882	1,818	1,818	1,818	1,818
Indirect Expenditures							
Total Expenditures	1,776	1,735	1,882	1,818	1,818	1,818	1,818
Current Difference	(248)	(177)	(588)	(500)	(500)	(500)	(500)
Accumulated Ending Balance	2,340	2,163	1,575	1,075	1,075	575	575

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Licensing Attorneys

Background Information:

Fees charged to enter practice of law in Minnesota, including Bar examination fees.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Regulating Continuing Legal Education

Purpose: To regulate accredited courses and satisfactory completion of those course/programs which satisfy the educational requirements of attorneys to continue their legal education throughout the period of their active practice of law so that the public has access to better legal practice.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Continuing Legal Education (J650CLE)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	877	949	902	546	546	387	387
Resources:							
Departmental Earnings	568	450	347	347	347	347	347
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	3					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	570	453	347	347	347	347	347
Expenditures:							
Direct Expenditures	498	500	703	506	506	499	499
Indirect Expenditures							
Total Expenditures	498	500	703	506	506	499	499
Current Difference	72	(47)	(356)	(159)	(159)	(152)	(152)
Accumulated Ending Balance	949	902	546	387	387	235	235

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Regulating Continuing Legal Education

Background Information:

Fees charged to practicing attorneys to regulate the requirements for continuing legal education.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Regulation of Attorney Actions and Ethical Practice

Purpose: Monitor attorney compliance with the code of professional responsibility, advise lawyers about ethical questions and receive, investigate and assist in disposition of complaints against licensed attorneys so that the public is served by attorneys who practice law in accord with adopted codes of professional conduct.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Attorney Regis Operations (J650ARF); Continuing Legal Education (J650CLE); Lawyer Assistance (J650LAP); Lawyer Prof Respsblty Bd (J650LPR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	4,524	4,378	4,347	3,038	3,038	2,089	2,089
Resources:							
Departmental Earnings	3,724	3,798	3,729	3,729	3,729	3,729	3,729
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	302	375	309	309	309	309	309
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,026	4,173	4,038	4,038	4,038	4,038	4,038
Expenditures:							
Direct Expenditures	4,172	4,204	5,347	4,987	4,987	4,987	4,987
Indirect Expenditures							
Total Expenditures	4,172	4,204	5,347	4,987	4,987	4,987	4,987
Current Difference	(146)	(31)	(1,309)	(949)	(949)	(949)	(949)
Accumulated Ending Balance	4,378	4,347	3,038	2,089	2,089	1,140	1,140

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Regulation of Attorney Actions and Ethical Practice

Background Information:

Fee charged to attorney and legal corporations to advise on ethical questions and respond to complaints.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Reimbursement of Clients Defrauded by Attorneys

Purpose: To reimburse clients defrauded by attorneys for the portion of the loss attributable to attorney misfeasance.

Legal Citation: M.S. 481.01, MS 481.2 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Client Security Bd-Itc (J650CSB)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	3,656	3,688	3,985	3,562	3,562	3,530	3,530
Resources:							
Departmental Earnings	407	399	389	389	389	389	389
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	18	19	27	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	425	418	416	409	409	409	409
Expenditures:							
Direct Expenditures	393	121	839	441	441	441	441
Indirect Expenditures							
Total Expenditures	393	121	839	441	441	441	441
Current Difference	32	297	(423)	(32)	(32)	(32)	(32)
Accumulated Ending Balance	3,688	3,985	3,562	3,530	3,530	3,498	3,498

Agency: Legal Professions Boards

2018-19 Departmental Earnings

Earnings Group: Reimbursement of Clients Defrauded by Attorneys

Background Information:

Fees from attorney registration, interest earned, and restitution.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

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2018-19 Biennial Budget - Departmental Earnings

MNsure

Premium Withhold

Agency: MNSure

2018-19 Departmental Earnings

Earnings Group: Premium Withhold

Purpose: Provides operations funding for MNSure.

Legal Citation: M.S. 62V.05, Subd. 2.

Dedicated Receipts: Yes **Non-Dedicated Receipts:**

Fund: MN Health Insurance Exchange (4120)

Appropriation: MNSure Enterprise Fund Approp (H601500)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	592	733	585	1,181	1,181	672	672
Resources:							
Departmental Earnings	4,451	8,806	12,779	15,284	15,284	15,590	15,590
Other Resources:							
Earning Transferred In			177				
Revenue Collected by Another Agency							
Other Receipts	16	8					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,467	8,814	12,956	15,284	15,284	15,590	15,590
Expenditures:							
Direct Expenditures	4,326	8,962	12,360	15,793	15,793	15,793	15,793
Indirect Expenditures							
Total Expenditures	4,326	8,962	12,360	15,793	15,793	15,793	15,793
Current Difference	141	(148)	596	(509)	(509)	(203)	(203)
Accumulated Ending Balance	733	585	1,181	672	672	469	469

Background Information:

MNSure's operating costs are allocated in accordance with a federal Public Assistance Cost Allocation Plan. The costs allocated to (i.e. of benefit to) the private programs offered through MNSure are financed by the Premium Withhold. The costs allocated to the public health care programs offered through MNSure are charged to (recovered from) the DHS budget. The Departmental Earnings Report appropriately reflects only the Premium Withhold revenue.

Forecast Basis:

Statute authorizes MNSure to retain a percentage the premiums for private health care plans sold through MNSure (up to 1.5% in 2014, up to 3.5% thereafter). The Premium Withhold forecast is based on the estimated annual premiums multiplied by the annual "withhold percent". The MNSure Board establishes the annual withhold percent in October for the upcoming year. The withhold percentages in effect for 2014 and 2015 are 1.5% and 3.5%, respectively. For forecast purposes, it is assumed the withhold percent will remain at 3.5 % beyond 2015. The final step is to translate the calendar year based forecasts into the state fiscal year based budget periods.

Recent Changes:

None.

Agency Analysis/Comments:

The Premium Withhold process involves several steps, including: carrier premium reporting, MNSure invoicing, carrier payment, and MNSure receipting. This process extends over several months.

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2018-19 Biennial Budget - Departmental Earnings

Management and Budget

Combined Charities Operating Revenue

Public Employee Insurance Program Operating Revenue

Agency: Management and Budget

2018-19 Departmental Earnings

Earnings Group: Combined Charities Operating Revenue

Purpose: Recover cost of administering the state employees annual Combined Charities Campaign.

Legal Citation: M.S. 43A.50, subdivision 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:**

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Combined Charities Admin (G100011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	7	7	7	7	7	7	7
Resources:							
Departmental Earnings	4	4	4	4	4	4	4
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4	4	4	4	4	4	4
Expenditures:							
Direct Expenditures	3	3	3	3	3	3	3
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	4	4	4	4	4	4	4
Current Difference							
Accumulated Ending Balance	7	7	7	7	7	7	7

Agency: Management and Budget

2018-19 Departmental Earnings

Earnings Group: Combined Charities Operating Revenue

Background Information:

The Minnesota State Employees' Combined Charities Campaign is a unique opportunity for Minnesota state employees to donate to the charity or charities of their choice through the convenience of payroll deduction. The Combined Charities Campaign is planned and run each year by state employees.

Forecast Basis:

Annual revenue is based on estimated applications for campaign in any given fiscal year. Historically, about 40 entities apply to participate in the Combined Charities Campaign each year. The application cost is \$100.

Recent Changes:

None.

Agency: Management and Budget

2018-19 Departmental Earnings

Earnings Group: Public Employee Insurance Program Operating Revenue

Purpose: Recover cost of administering the Public Employee Insurance Program (PEIP).

Legal Citation: M.S. 43A.316, subdivision 9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Public Employees Insurance (4700)

Appropriation: Public Employees Insur Prog (G100055)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	33,031	31,496	30,160	28,968	28,968	27,776	27,776
Resources:							
Departmental Earnings			550	550	550	550	550
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	160	271	240	240	240	240	240
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	160	271	790	790	790	790	790
Expenditures:							
Direct Expenditures	1,691	1,601	1,976	1,976	1,976	1,976	1,976
Indirect Expenditures	4	6	6	6	6	6	6
Total Expenditures	1,695	1,607	1,982	1,982	1,982	1,982	1,982
Current Difference	(1,535)	(1,336)	(1,192)	(1,192)	(1,192)	(1,192)	(1,192)
Accumulated Ending Balance	31,496	30,160	28,968	27,776	27,776	26,584	26,584

Background Information:

The Public Employees Insurance Program (PEIP) is a statewide health, dental, and life insurance pool managed by Minnesota Management and Budget (MMB) and offered to local units of government. The program is defined in M.S. 43A.316 and provides Minnesota's public employers with the option to purchase an affordable, uniform package of health care and other benefits for employees, their dependents, and retirees. PEIP is available to local units of government within Minnesota including counties, cities, townships, school districts, and other jurisdictions.

Forecast Basis:

The forecast is based on current membership levels with no significant growth or reduction anticipated. Current revenue and expenditures have been trended forward based on medical inflation.

Recent Changes:

PEIP admin fees have remained fairly flat over the last five years.

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2018-19 Biennial Budget - Departmental Earnings

Marriage and Family Therapy, Board of
Marriage and Family Therapy Board Licensing Fees

Agency: Marriage and Family Therapy, Board of 2018-19 Departmental Earnings
Earnings Group: Marriage and Family Therapy Board Licensing Fees

Purpose: To recover the costs of regulating the marriage and family therapist profession.

Legal Citation: M.S. 148B.17, M.S. 214, M.S. 319B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: MFT Non Dedicated Receipts (H7M1000); Criminal Background Check Rec (H7M9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	454	469	488	441	441	409	409
Resources:							
Departmental Earnings	344	361	357	369	369	369	369
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	10						
Revenue Collected for Another Agency							
Total Resources	334	361	357	369	369	369	369
Expenditures:							
Direct Expenditures	233	242	324	311	311	311	311
Indirect Expenditures	86	100	80	90	90	90	90
Total Expenditures	319	342	404	401	401	401	401
Current Difference	15	19	(47)	(32)	(32)	(32)	(32)
Accumulated Ending Balance	469	488	441	409	409	377	377

Background Information:

The board's mission is to protect the public and ensure a standard of competent and ethical care through effective licensure and enforcement of the statutes and rules governing the practice of marriage and family therapy.

The Board of Marriage and Family Therapy provides the following services:

- Set standards for initial licensure and review an applicant's education and training to ensure compliance with all requirements;
- Conduct an in-person examination of each applicant's knowledge of the laws and rules governing the practice of marriage and family therapy in Minnesota prior to issuing LMFT license;
- Annually review qualifications and renew licenses of current, qualified licensees;
- Hold licensees accountable for their professional conduct based on legal, ethical and professional standards;
- Investigate complaints made against licensees and applicants, and allegations of unlicensed practice of marriage and family therapy;
- Take disciplinary or corrective action against a licensee or applicant when warranted by conduct and necessary to protect the public;
- Review and approve all continuing education programs used by licensees to meet continuing education requirements for license renewal;
- Maintain mandated and educational information on a public website;
- Work collaboratively with academic institutions and national and state MFT professional associations to identify, discuss and address issues involving the education, licensure and practice of marriage and family therapists;
- Provide information about licensure and standards of practice to citizens and other business entities;
- Provide primary source license verification to individuals, other licensing entities, health care providers and payers;
- Regularly collaborate with other government entities including Minnesota Department of Human Services, Minnesota Department of Health, Health Professional Services Program, and Minnesota Department of Revenue.

Five fees are for various applications: (1) Application for National Examination (\$110); (2) Application for LAMFT Licensure (\$75); (3) Application for LMFT Licensure (\$110); (4) Application for LMFT Licensure by Reciprocity (\$220); and (5) Program Sponsor Application for CE Course Approval (\$60).

Eights fees relate to issuance or renewal of license: (1) Initial LMFT license fee (prorated based upon month of issuance); (2) LMFT annual license renewal fee (\$125); (3) LMFT annual license renewal late fee (\$50); (4) LAMFT annual license renewals (\$75); (5) LAMFT annual license renewal late fee (\$25); (6) License reinstatement fee (after license expiration) (\$150); (7) LMFT Emeritus License status (one-time fee) (\$125); (8) Temporary license for members of military (\$100).

The Board administers five "miscellaneous" fees" (1) Paper license verification by mail (\$10); (2) Duplicate license certificate (\$25); (3) Duplicate license renewal card (\$10); (4) Board mailing list (\$60); (5) Board rule book (\$10). In addition, the Board may impose fees relating to disciplinary action to reimburse the board for all or part of the cost of a legal proceeding resulting in disciplinary action against a licensee.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law.

Agency: Marriage and Family Therapy, Board of

2018-19 Departmental Earnings

Earnings Group: Marriage and Family Therapy Board Licensing Fees

Application, licensure and renewal revenue continues to increase at a small, steady rate as we continue to see growth in the profession. There are, however, no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

The board last increased its licensure and renewal fees in 2001. The Board decreased 3 fees in 2013: Application for National Examination in MFT \$110 (decrease from \$220); Application for Reciprocity Licensure \$220 (decreased from \$330); late fee for LAMFT licensee renewal \$25 (decreased from \$50).

Agency Analysis/Comments:

Board appropriation levels remained low over several biennium's, despite steady growth in application and license numbers. Necessary increases in appropriation occurred for the FY14-15 and FY 16-17 biennium. Additional increases are sought for the FY18-19 biennium, to allow the board to perform all functions necessary to fulfill its mission. While the board's funding reserves currently exceed its annual spending appropriation, such fund balance levels are appropriate once appropriate staffing and expenditure levels necessary for efficient Board operation are achieved.

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2018-19 Biennial Budget - Departmental Earnings

Mediation Services, Bureau of
Mediation Services Bureau Fees

Agency: Mediation Services, Bureau of

2018-19 Departmental Earnings

Earnings Group: Mediation Services Bureau Fees

Purpose: The Bureau of Mediation Services (BMS) collects \$100 from each arbitrator who applies to be on the BMS arbitration roster; this cost is collected for the BMS administrative work to maintain the roster and to publish the roster to the website.

Legal Citation: MS 179.02 6 and 179A.04 Subd. 3 (10)

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: General (1000); Other Misc Special Revenue (2001)

Appropriation: BMS Non Dedicated Revenue (G450100); BMS Working Fund (G450200)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			3	4	4	5	5
Resources:							
Departmental Earnings		3	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		3	8	8	8	8	8
Expenditures:							
Direct Expenditures			7	7	7	8	8
Indirect Expenditures							
Total Expenditures			7	7	7	8	8
Current Difference		3	1	1	1		
Accumulated Ending Balance		3	4	5	5	5	5

Agency: Mediation Services, Bureau of

2018-19 Departmental Earnings

Earnings Group: Mediation Services Bureau Fees

Background Information:

The Bureau of Mediation Services maintains a list of arbitrators who have met rigorous standards of relevant labor relations experience, knowledge of collective bargaining, and arbitration. Requirements for empanelment, referral, conduct and removal of persons on the roster are listed in MN Rules Chapter 5530. Arbitrator's pay a fee of \$100 to apply to be included on this list.

Forecast Basis:

No significant changes are anticipated in the amount of revenue generated by these fees.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure, the fees are sufficient to cover the costs.

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2018-19 Biennial Budget - Departmental Earnings

Medical Practice, Board of

Medical Practice Board Licensing Fees

Agency: Medical Practice, Board of

2018-19 Departmental Earnings

Earnings Group: Medical Practice Board Licensing Fees

Purpose: To recover the costs of regulating the following professions: physicians (PY), physician assistants (PA), respiratory therapists (RT), athletic trainers (AT), acupuncturists (AP), genetic counselors, licensed traditional midwives (MW), naturopaths (ND), telemedicine physicians (TM) and professional firms (PF).

Legal Citation: M.S. 147, 147A,B,C,D,E,F, M.S. 148, M.S. 214, M.S. 319B, M.R. 5600.2500

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Med Pract NonDedicate Receipts (H7B1000); Med Pract Workshop (H7B3000); Criminal Background Check Rece (H7B9210)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	8,085	9,000	10,965	11,420	11,420	12,592	12,324
Resources:							
Departmental Earnings	5,586	5,860	5,950	5,973	5,973	6,008	6,108
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	603						
Revenue Collected for Another Agency							
Total Resources	4,983	5,860	5,950	5,973	5,973	6,008	6,108
Expenditures:							
Direct Expenditures	3,528	3,220	4,788	4,053	4,321	4,053	4,348
Indirect Expenditures	540	675	707	748	748	748	748
Total Expenditures	4,068	3,895	5,495	4,801	5,069	4,801	5,096
Current Difference	915	1,965	455	1,172	904	1,207	1,012
Accumulated Ending Balance	9,000	10,965	11,420	12,592	12,324	13,799	13,336

Background Information:

The board's mission is to protect the public through effective licensure/registration and enforcement of the statutes and rules governing the practice of the health professions regulated by the Board.

The Board of Medical Practice provides the following services:

- Issue initial credentials and renew licenses/registrations for qualified professionals.
- Ensure that only applicants who meet licensure/registration requirements are granted a credential.
- Respond to public and agency inquiries, complaints, and reports regarding credentialing processes and conduct of applicants and licensees/registrants.
- Take disciplinary or corrective action against an applicant or licensee/registrant for misconduct.
- Enforce standards of practice and professional conduct for licensees.
- Set educational standards for initial credentialing and continuing education requirements for maintaining a credential.
- Review applicant's education and training to determine compliance with the board's licensure/registration requirements.
- Provide information about licensure/registration requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees/registrants, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure/registration, and any fee changes set in current law. There are minimum changes anticipated to the amount of revenue generated in the upcoming biennium, based on the addition of a newly regulated profession.

Recent Changes:

Addition of a newly regulated profession, genetic counselors.

Agency Analysis/Comments:

Implementation of licensure of genetic counselors will involve appointment of an advisory council and establishment of processes for issuing credentials, similar to processes currently in place for credentialing of other allied health professions regulated by the Board. For information about the recommended fee changes see the Board of Medical Practice New Fee and Move Fees from Rule to Statute change item in the Board of Medical Practice 2018-19 Governor's Budget Recommendations book.

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2018-19 Biennial Budget - Departmental Earnings

Natural Resources

- Aquatic Invasive Species
- DNR Miscellaneous
- Electronic Licensing
- Fire Fighting
- Forestry Nursery Account
- Game and Fish
- Land Recreation
- Minerals Earnings
- Parks Earnings
- Real Estate Earnings
- Reclamation Earnings
- Timber and Related Earnings
- Water Earnings
- Water Recreation

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Aquatic Invasive Species

Purpose: To fund programs related to controlling and education of aquatic exotic species such as zebra mussel and Eurasian watermilfoil.

Legal Citation: M.S. 86B.415, M.S. 86D.15; M.S. 84D.13, Subd. 5; M.S. 84D.108

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Invasive Species (2112)

Appropriation: EWR Non Dedicated Receipts IS (R292A37); ENF Non Dedicated Rcpts IS (R297A09)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		231	568	111	111	30	224
Resources:							
Departmental Earnings	1,445	1,387	1,393	1,385	2,691	1,385	3,126
Other Resources:							
Earning Transferred In	1,840	1,825	1,799	1,799	1,799	1,799	1,799
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,285	3,212	3,192	3,184	4,490	3,184	4,925
Expenditures:							
Direct Expenditures	3,034	2,852	3,632	3,242	4,354	3,242	4,405
Indirect Expenditures	20	23	17	23	23	23	23
Total Expenditures	3,054	2,875	3,649	3,265	4,377	3,265	4,428
Current Difference	231	337	(457)	(81)	113	(81)	497
Accumulated Ending Balance	231	568	111	30	224	(51)	721

Background Information:

Most of the invasive species prevention and management activities are conducted or directed by staff from Department of Natural Resources (DNR) Division of Ecological and Water Resources – Invasive Species Program. The program hires approximately 150 seasonal staff during the summer to inspect boats at public water accesses and help implement management activities. In total, the equivalent of more than 25 full-time positions is focused on invasive species work. We receive additional funding for these efforts from the Great Lakes Restoration Initiative (GLRI) and General Fund. Three-quarters of the watercraft inspectors are funded from the Invasive Species Account and the remaining one-quarter with GLRI funds. General Fund supports other AIS program needs.

Forecast Basis:

Currently the Invasive Species Program is funded through the Invasive Species Account which receives approximately \$1,348,000 annually from the Watercraft Surcharge of \$5, and about \$35,000 from tickets issued to citizens who do not follow the rules for preventing the spread of invasive species.

Recent Changes:

The 2014 legislature provided counties ongoing funding of \$10 million per year for local AIS programs. DNR received one-time General Fund dollars to support the counties in FY 2015. This funded 3 FTE. DNR needed to continue funding these three positions to support and oversee these local efforts over the length of the county funding. As a stop-gap to address this shortfall in FY16/17, the DNR eliminated two small grant programs (local unit of government inspection grants \$150,000 and public awareness grants \$75,000) and cut \$150,000 provided to the Parks and Trails Division for BMPs (best management practices) for water access sites.

Agency Analysis/Comments:

The AIS account has a projected structural imbalance each year from FY18 to FY21. The account has a projected deficit in FY18 that grows to \$1.4 million in FY21.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: DNR Miscellaneous

Purpose: Receipts from sale of documents, publications, aerial photos and payments for cooperative agreements are used to cover the cost of providing these materials or services.

Legal Citation: M.S. 16A.055; M.S. 84.026; M.S. 84.0855, Subd. 1; M.S. 84.67; M.S. 88.6435, Subd. 4; M.S. 89.22; M.S. 325G.051

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Other Misc Special Revenue (2001); Water Recreation (2100); Snowmobile (2101); All-Terrain Vehicle (2102); Off-Highway Motorcycle (2103); Off-Road Vehicle (2104); State Park (2106); Cross Country Ski (2116); Natural Resource Misc Statutory (2117); Game And Fish (Operations) (2200); Gift (2403)

Appropriation: Deposit Clearance (R290Y99); LAM Env Coop Res Match (R291026); LAM Minerals Coop Agreement (R291200); LAM Minerals Publications (R291205); LAM Deposit Clearance GEN (R291Y99); EWR Coop Agreements (R292200); EWR Publications (R292212); EWR Coop Agreement (R292226); EWR Non Game Gift (R292227); EWR Red River Coord (R292253); EWR UNIMIN Mitigation (R292281); EAW SLR Project Funds SR (R292294); EWR Deposit Clearance GEN (R292Y99); FOR Coop Agreement For Mgmt (R293200); FOR Coop Agreement Fire Fghtng (R293201); FOR Wildlife Habitat Co-op Agr (R293206); FOR Balsam Bough (R293208); FOR Res Assess Prod & Serv (R293212); FOR Sales & Publications (R293217); FOR Camp Ripley Coop Agr (R293226); FOR State Forest Land Use (R293229); FOR Emergency Fire Non State (R293232); FOR Non Dedicated Receipts GEN (R293A01); FOR Deposit Clearance GEN (R293Y99); PAT Coop Agrmnts (R294204); PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Tower Soudan Coop (R294213); PAT Soudan Minos (R294216); PAT Coop MNDOT Trails (R294229); PAT Fort Snelling Upper Bluff (R294237); PAT Publications (R294238); PAT Deposit Clearance GEN (R294Y91); FAW Fisheries Publications (R296201); FAW Fisheries Coop Agreement (R296205); FAW Wildlife Publications (R296212); FAW Wildlife Coop Agreement (R296220); FAW Lk Sup LaMP/SLR RAP Capcty (R296251); FAW NON-FED INCOMING GRANTS (R296264); FAW SLR Project Funds SR (R296294); FAW Non Dedicated Rcpts WRA (R296A51); FAW Non Dedicated Rcpts SNOW (R296A52); FAW Non Dedicated Rcpts ATV (R296A53); FAW Non Dedicated Rcpts OHM (R296A54); FAW Non Dedicated Rcpts ORV (R296A55); FAW Non Dedicated Rcpts SP (R296A56); FAW Non Dedicated Rcpts G&F (R296A57); FAW Deposit Clearance GEN (R296Y9F); FAW Deposit Clearance GEN (R296Y9X); ENF Forfeited Prop Flee (R297200); ENF Coop Agreements (R297220); ENF Deposit Clearance GEN (R297Y99); Reg Ops Resale Acct (R298209); OCO Sales Revenue (R298219); OCO MCV Sales Income SR (R298220); OCO State Fair Operations SR (R298222); OCO Creative Svcs Coop Mgmt (R298225); OCO Creative Svcs Publication (R298226); OCO MCV Gift Fund GFT (R298230); Non Dedicated Rcpts GEN (R298A00); Deposit Clearance GEN (R298Y99); IT Co-op Agreements (R299202)

Fee Change? No

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: DNR Miscellaneous

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,518	2,177	1,435	(5,618)	(5,618)	(6,947)	(6,947)
Resources:							
Departmental Earnings	11,272	7,839	3,283	3,223	3,223	3,223	3,223
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	11,272	7,839	3,283	3,223	3,223	3,223	3,223
Expenditures:							
Direct Expenditures	10,534	8,478	10,162	4,493	4,493	4,493	4,493
Indirect Expenditures	79	103	174	59	59	59	59
Total Expenditures	10,613	8,581	10,336	4,552	4,552	4,552	4,552
Current Difference	659	(742)	(7,053)	(1,329)	(1,329)	(1,329)	(1,329)
Accumulated Ending Balance	2,177	1,435	(5,618)	(6,947)	(6,947)	(8,276)	(8,276)

Background Information:

Sale of maps, documents, aerial photos and publications - Receipts from the sale of maps, resource-related documents, aerial photos and other publications are authorized to be deposited in the natural resource fund and appropriated to the commissioner for purposes for which the money was received. Rates charged are set to cover production and printing costs. Handling and mailing costs are also recovered when applicable. This approach to pricing generally does not include the agency professional time required to research, create, write, photograph, edit or review such documents or publications.

Cooperative Agreements - The agency is authorized to enter into agreements with public and private entities for the provision of statutorily prescribed natural resource services provided by the department. The Forestry Division engages in cooperative agreements for the purposes of fire prevention, emergency fire suppression, forest management, or wildlife habitat. Cooperative Agreements compensate the division for agreed to services. Fire protection and suppression agreements account for approximately 74% of the Forestry division cooperative agreement revenue and the Camp Ripley forest management agreement accounts for 24%.

State Forest Land Use – These fees are paid by individuals or groups for the use of state forest including motorcycle, snowmobile, and sports car rallies, races, orienteering trials; group campouts that do not occur at designated group camps; dog sled races; dog trials; large horse trail rides; and commercial uses. The purpose of the fee is to recoup the costs of maintaining areas for the uses or mitigate resource impacts of those uses. Fees are established in rule and total annual revenue is typically about \$500.

Balsam Bough – Established in the laws of 2001, it is meant to provide regulation and oversight to the harvesting and sale on the wholesale level of decorative materials and trees. Decorative material is defined in M.S. 88.641, subd 1b, and primarily covers the harvest and sale of conifer boughs, branches and tops to be used as seasonal decoration. Actual and estimated receipts are low—about \$1,000 to \$2,000 per fiscal year. Actual and budgeted expenditures reflect the minimal number of staff hours associated with this program effort. MS 88.6435, subd 1 states: A person may not buy more than 100 pounds of decorative boughs in any calendar year without a bough buyer's permit. The annual fee for a permit to buy decorative boughs is \$25. Subd 4b, states that expenditures under this statute allow for costs associated with balsam bough education programs for harvesters and buyers.

Forecast Basis:

Cooperative Agreement rates are negotiated and determined individually. Agreements are frequently renewed and projections are based on the anticipated agreements carrying forward and expected new agreements. The contracts typically will specify the services to be provided, the amount to be paid and/or method of reimbursement. The division enters into numerous cooperative agreements; all DNR divisions use the same statutory citation relating to cooperative agreements, M.S. 84.026.

Other fees in this category are primarily estimated on past revenue and program estimates.

Recent Changes:

In 2015, legislative language in M.S. 88.6435 Subd. 4 was changed to expand the use of the forest bough account beyond balsam bough educational purposes to include special forest product information and education.

Agency Analysis/Comments:

Annual revenues and expenditures from the sale of documents, publications, state land use and cooperative agreements are not significantly over or under recovering costs.

The 2015 change expanding the use of the forest bough account to include special product information and education will allow annual revenues and expenditures to more closely align. The money will be used for the expansion of special forest resource product

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: DNR Miscellaneous

information, outreach and education. The annual fee revenue collected will not be affected by this change.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Electronic Licensing

Purpose: Revenues are used to support licensing activities and maintain the Electronic Licensing System (ELS).

Legal Citation: M.S. 97A.485

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001); Water Recreation (2100); Snowmobile (2101); All-Terrain Vehicle (2102); Off-Highway Motorcycle (2103); Off-Road Vehicle (2104); State Park (2106); Cross Country Ski (2116); Natural Resource Misc Statutory (2117); Game And Fish (Operations) (2200); Computerized Lic Deer/Bear Mgm (2201)

Appropriation: PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Seminars (R294211); FAW Licensing Computerized Lic (R296057); FAW Lic Fed Duck Stamp Sales (R296229); FAW Electronic Licens WRA ITC (R296231); FAW Electronic Licens SNOW ITC (R296232); FAW Electronic Licens ATV ITC (R296233); FAW Electronic Licens OHM ITC (R296234); FAW Electronic Licens ORV ITC (R296235); FAW Electronic Licens PRK ITC (R296236); FAW Electronic Licens G&F ITC (R296237); FAW Electronic Licens SKI ITC (R296238); FAW Elec Lic Statutory Msc ITC (R296239)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(5,619)	(5,675)	(5,639)	(5,646)	(5,646)	(5,637)	(5,637)
Resources:							
Departmental Earnings	4,416	4,458	4,508	4,508	4,508	4,508	4,508
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	8	6	7	8	8	8	8
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,424	4,464	4,515	4,516	4,516	4,516	4,516
Expenditures:							
Direct Expenditures	4,480	4,428	4,522	4,507	4,507	4,502	4,502
Indirect Expenditures							
Total Expenditures	4,480	4,428	4,522	4,507	4,507	4,502	4,502
Current Difference	(56)	36	(7)	9	9	14	14
Accumulated Ending Balance	(5,675)	(5,639)	(5,646)	(5,637)	(5,637)	(5,623)	(5,623)

Background Information:

These fees exist to support licensing activities and maintain the Electronic Licensing System (ELS). Issuing fees are charged on the sales of licenses, permits, and registrations. Fee amounts vary by transaction. The following departmental earnings are deposited to the funds(s).

Dedicated		
Departmental Earnings	Fee Amount	Activity Supported
FAW License Fed Duck Stamp Sales	\$1.00 Fulfillment Fee \$1.00 ELS Fee	Mailing services Electronic Licensing System (ELS)
FAW Electronic License WRA ITC	\$1.50 Watercraft Title Registration	Electronic Licensing System (ELS)
FAW Electronic License SNOW ITC	\$1.50 Snowmobile Registration/Renewal	Electronic Licensing System (ELS)
FAW Electronic License ATV ITC	\$1.50 ATV Registration/Renewal	Electronic Licensing System (ELS)
FAW Electronic License OHM ITC	\$1.50 Off Hwy Motorcycle Registration/Renewal	Electronic Licensing System (ELS)
FAW Electronic License ORV ITC	\$1.50 Off Road Vehicle Registration/Renewal	Electronic Licensing System (ELS)
FAW Electronic License PRK ITC	\$1.22 License Issuing Fee	Electronic Licensing System (ELS)
FAW Electronic License SKI ITC	\$1.22 Cross Country Ski pass	Electronic Licensing System (ELS)
FAW Elec License Statutory Misc ITC	\$1.22 Balsam Bough \$1.22 Horse Trail Pass	Electronic Licensing System (ELS)
FAW Electronic License G & F ITC	\$.71 - \$2.50 multiple license types \$3.00 Walk In Access Validation	Electronic Licensing System (ELS)
FAW Licensing Computerized License	\$1 Youth Deer Licenses (muzzleloader, archery, firearm)	Electronic Licensing System (ELS)

Forecast Basis:

Receipts are forecasted based on a 3-year history. Additional input comes from program staff which assess license activity that may impact future license sales. Other adjustments may be made due to fee increases, participation rates, or prior year weather condition impacts. License issuing fees are calculated on a per transaction basis. An overall combined trend shows revenues are stable, however individual accounts may experience slight fluctuation.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Electronic Licensing

Recent Changes:

The 2015 legislative session resulted in a change how ATV's are classified moving from a weight classification to a tire width classification. This had no impact to fee's or frequency in registration. The Federal Duck Stamp Act of 2014 increased the fee from \$15 to \$25 to support wildlife habitat. The last fee change was in 1991.

Agency Analysis/Comments:

These fees are costs directly associated with the electronic licensing system. All receipts in this earnings category are to recover actual costs. The agency does not over or under-recover costs. Regular reviews occur to monitor balances.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Fire Fighting

Purpose: Revenue is used to recover the costs of transporting and inspecting federal excess fire equipment for local fire departments; recover costs for wildfire suppression from legally responsible parties; recover costs of firefighting equipment issued by the interagency fire cache and receive federal reimbursement for costs of out-of-state fire mobilizations.

Legal Citation: M.S. 88.17, Subd. 5b; M.S. 88.75, Subd. 1; M.S. 84.026

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Other Misc Special Revenue (2001); Natural Resource Misc Statutry (2117)

Appropriation: FOR Burn Permit (R293205); FOR Emergency Fire Non State (R293232); FOR Fire Equip Coop (R293233); FOR Emergency Fire Federal (R293236); FOR Non Dedicated Receipts GEN (R293A01)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,976	3,066	3,536	3,959	3,959	4,683	4,683
Resources:							
Departmental Earnings	3,422	5,754	3,305	3,305	3,305	3,305	3,305
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,422	5,754	3,305	3,305	3,305	3,305	3,305
Expenditures:							
Direct Expenditures	2,332	5,284	2,882	2,581	2,581	2,581	2,581
Indirect Expenditures							
Total Expenditures	2,332	5,284	2,882	2,581	2,581	2,581	2,581
Current Difference	1,090	470	423	724	724	724	724
Accumulated Ending Balance	3,066	3,536	3,959	4,683	4,683	5,407	5,407

Background Information:

This revenue category is made up of the following cost reimbursements:

- Wildfire suppression costs. Parties who violate wildfire restrictions, and whose actions result in a wildfire incident that requires an agency response, are liable for the DNR's costs for wildfire suppression and containment. By statute, such reimbursements are deposited to the General Fund as non-dedicated receipts. Amounts vary significantly depending on incident costs.
- Fire equipment. Surplus or excess federal fire equipment is transported to or within the state, fully inspected and then turned over to local fire departments. Such local fire agencies reimburse the DNR for these costs. Amounts vary depending on the cost of the equipment being reimbursed.
- Fire cache. Fire equipment and supplies are stocked at the interagency fire center in Grand Rapids. Costs to use or purchase supplies and equipment are reimbursed by outside agencies. Amounts vary depending on the item used or purchased.
- Out-of-state firefighting. DNR provides resources (staff, equipment and miscellaneous supplies) when mobilized by federal agencies to assist in fighting out-of-state wildfires. The federal agency reimburses the DNR for costs incurred in responding to these out-of-state wildfire incidents.
- Burn Permits. The state treasury has a burning permit account established in the natural resources fund. The fee is used to operate the burning permit system. Non-commercial fees are \$5 annually. Commercial enterprises that obtain multiple permits are charged \$5 per site up to a maximum of \$50 per individual business enterprise per year.

Forecast Basis:

The forecast of receipts and expenditures is based on historical trends. Wildfire suppression costs and reimbursements are dependent on a number of unknown variables including the weather and the severity of the state's and western-U.S. fire season. As a result actual receipts and expenditures can vary significantly from the projections.

Estimated percentage of revenue received in this category is Wildfire suppression 16%, Cache Sales 4%, Out-of-state firefighting 75%, and all others 5%.

Recent Changes:

No recent changes are associated with these earnings categories.

Agency Analysis/Comments:

With the exception of burning permits, these charges are all for direct cost reimbursements. All receipts in this earnings category are to recover actual costs. The agency does not over or under recover costs. Burning permit revenues are stable and recovering costs.

Agency: Natural Resources

Earnings Group: Forestry Nursery Account

2018-19 Departmental Earnings

Purpose: To account for revenues and expenditures of the Forestry Nursery operations.

Legal Citation: M.S. 89.37, Subd. 7 and Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: FOR Nurseries Account (R293204)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	971	965	851	(1,044)	(1,044)	(1,055)	(1,055)
Resources:							
Departmental Earnings	1,804	2,049	2,100	2,100	2,100	2,100	2,100
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,804	2,049	2,100	2,100	2,100	2,100	2,100
Expenditures:							
Direct Expenditures	1,810	2,163	3,995	2,111	2,111	2,111	2,111
Indirect Expenditures							
Total Expenditures	1,810	2,163	3,995	2,111	2,111	2,111	2,111
Current Difference	(6)	(114)	(1,895)	(11)	(11)	(11)	(11)
Accumulated Ending Balance	965	851	(1,044)	(1,055)	(1,055)	(1,066)	(1,066)

Background Information:

The Forest Nursery account has two revenue sources. One is for the sale of seedlings and the other for the sale of tree seeds. Proceeds from the sale of nursery seed and seedlings are deposited into the account for the purposes of recovering nursery operational costs. The costs of running the nursery include production, shipping, and capital projects. All nursery operations are self-supporting. Seed and seedling prices are variable and set by the DNR. Production is capped at 10 million seedlings annually. Under Minnesota Laws Chapter 89, DNR nursery stock may not be planted for ornamental purposes, nor can it be resold, given away, or removed with the roots attached for a period of 10 years from the date of purchase. A minimum order of 500 trees is required. The DNR nursery produces products for reforestation using localized seed sources.

Forecast Basis:

The forecast is based on projected sales of nursery stock. Prices are based on a combination of factors:

1. Surveys of private nurseries to obtain nursery pricing information, which allows the DNR's forest nursery to set its pricing to be comparable and competitive with private nurseries.
2. Production estimates of the various tree species needed in future years.
3. Analysis of nursery operations, which enables the nursery to set its product pricing to meet the objective of recovering all nursery costs for production, marketing, and distribution.

The State Forest Nurseries seedling sales over the past several years have remained steady at just under 5 million seedlings per year. The current price structure is self-supporting at that seedling production level. The operating budget of the State Forest Nursery will be based upon sales of at least 5 million seedlings annually. Seedlings sales account for 90% of annual sales revenue and seed sales account for 10% of revenue.

Recent Changes:

The DNR operated two nurseries prior to July 2013. The Badoura Nursery is now the only operating DNR forest seedling producer. This has resulted in significant infrastructure reductions to reduce production costs and balance income with costs.

Agency Analysis/Comments:

The agency prepares a fund statement for the Forest Nurseries account. The Division of Forestry produces and distributes an annual report on its nursery operations. This Forestry activity has been reviewed extensively by the agency and outside auditors in the past several years. Nursery pricing and sales are currently recovering operating costs. No significant over or under account balance is anticipated.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Game and Fish

Purpose: To fund game and fish programs including but not limited to: fisheries operations to monitor fish populations, protect and restore habitat and stock fish in public waters; wildlife operations to manage wildlife populations, protect and restore habitats; ecological services programs relating to the protection of ecosystems and enforce game and fish laws.

Legal Citation: M.S. 16A.68; 17.4988, s2-4; 84.0911; 84.152; 84D.11; 86B.706; 97A.055; 97A.065, s2; 97A.071, s2; 97A.075; 97A.221; 97A.225; 97A.341, s5; 97A.433, s3; 97A.431 s3; 97A.435, s3; 97A.473; 97A.4742; 97A.475; 97B.002; 97B.015, s4; 97B.025; 97B.401; 97C.081, s3; 103G.611, s1a; 103G.615; 609.101; MR 6234.2800

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Water Recreation (2100); Game And Fish (Operations) (2200); Computerized Lic Deer/Bear Mgm (2201); Deer Habitat Improvement (2202); Waterfowl Habitat Improvement (2203); Trout And Salmon Management (2204); Pheasant Habitat Improvement (2205); Wild Rice Management (2206); Wildlife Acquisition Surcharge (2207); Wild Turkey Management (2208); Lifetime Fish & Wildlife Trust (2210); Walleye Stamp Account (2211); Wolf Management & Monitoring (2213)

Appropriation: EWR Lic Srchrg Inv Species (R292206); EWR Non Dedicated Receipts G&F (R292A35); PAT Non Dedicated Receipts G&F (R294A26); FAW Trout & Salmon Mgmt (R296003); FAW Walleye Stocking (R296005); FAW Wldlf Land Acq Surchg (R296022); FAW Deer Bear Mgmt (R296023); FAW Deer Habitat Improvement (R296024); FAW Wtrfowl Habitat Improv (R296025); FAW Pheasant Habitat Improv (R296026); FAW Wild Turkey Management (R296028); FAW Wild Rice Management (R296211); FAW Deer Feed & Cervidae Hlth (R296213); FAW Wolf Mgmt & Monitoring (R296223); FAW Lic Surcharge Walk-in Prog (R296225); FAW Lic Surcharge Venison Prog (R296226); FAW Walk-in Access Program (R296227); FAW Non Dedicated Rcpts G&F (R296A02); FAW Non Dedicated Rcpts TROUT (R296A03); FAW Non Dedicated Rcpts LT (R296A06); FAW Non Dedicated Rcpts WALLYE (R296A07); FAW Non Dedicated Rcpts WRA (R296A51); ENF Firearm Safety Training (R297201); ENF Adult Hunter Education (R297204); ENF Paybacks SR (R297223); ENF Non Dedicated Rcpts G&F (R297A06)

Fee Change? Yes

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Game and Fish

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	79,494	91,461	108,948	114,200	114,200	124,551	128,163
Resources:							
Departmental Earnings	88,321	93,576	91,605	89,755	99,397	89,616	99,258
Other Resources:							
Earning Transferred In	937	947	951	951	951	951	951
Revenue Collected by Another Agency	12,841	13,909	13,535	13,535	13,535	13,535	13,535
Other Receipts	144	151	145	145	145	145	145
Resource Reductions:							
Earnings Transferred Out	1,217	1,228	1,225	1,229	1,229	1,239	1,239
Revenue Collected for Another Agency							
Total Resources	101,026	107,355	105,011	103,157	112,799	103,008	112,650
Expenditures:							
Direct Expenditures	86,825	87,628	97,137	90,314	96,344	90,314	97,826
Indirect Expenditures	2,234	2,240	2,622	2,492	2,492	2,492	2,492
Total Expenditures	89,059	89,868	99,759	92,806	98,836	92,806	100,318
Current Difference	11,967	17,487	5,252	10,351	13,963	10,202	12,332
Accumulated Ending Balance	91,461	108,948	114,200	124,551	128,163	134,753	140,495

Background Information:

The following departmental earnings are deposited to the fund(s) and exist to support game and fish programs including but not limited to:

1. Fish and wildlife operations to monitor populations, protect and restore habitats;
2. Ecological and water resources programs relating to the protection of ecosystems; and
3. Enforce game and fish laws.

Dedicated		
Departmental Earnings	Fee Amount	Activity Supported
Wildlife Acquisition Surcharge	\$3.25 Small game 72 hour license \$6.50 Other license types that include small game	Acquisition and development of wildlife lands
Waterfowl Stamp	\$3.25 Small game 72 hour license \$6.75 Super Sport and Waterfowl stamp	Activities associated with improvement of waterfowl habitat
Trout Stamp	\$9 Stamps, validation, resident super sports \$18 Resident married combo super sport	Development, restoration, maintenance, improvement, protection, and preservation of habitat for trout and salmon in trout streams and lakes
Pheasant Stamp	\$3.75 Small game 72 hour license \$6.75 Stamps, super sport	Activities associated with improvement of pheasant habitat
Wild Rice	\$23.78 Season Harvester \$13.78 Resident Harvester– 1 day \$28.78 Nonresident Harvester – 1 day	Management of designated public waters to improve natural wild rice production
Hunting Donation	\$1, \$3, or \$5	Administration of Walk-in access program
Hunting Surcharge	\$5 of multiple non-resident license types \$1 on bonus deer permits	Administration of Walk-In Access and Venison donation programs
Fishing Surcharge	\$5 on non-resident licenses	Ecological and Waters License Surcharge to help prevent the spread and manage aquatic Invasive Species
Walleye Stamp	\$5 Stamp and validation	Stocking walleyes purchased from the private sector in waters of the state
Wolf License	\$2.78 application	Application is for costs associated with conducting the wolf license drawing

	\$28.78 resident wolf firearm, trapping \$248.78 non-resident wolf firearm, trapping	and wolf management research, damage control, enforcement, and education
Wolf Allocation	\$.50	Wolf management, research, damage control, enforcement, and education
Non-Dedicated		
Departmental Earnings	Fee Amount	Activity Supported
Application Fees	\$2.78 Application Fee \$10.78 Camp Ripley	Costs associated with drawings for turkey, prairie chicken, moose, elk, bear, Camp Ripley hunts
Game and Fish Commercial License	Various	Aquaculture, minnow, fishing, charter, trapping, other
Fishing License	Various	Manage, protect, and regulate fish and wildlife resources
Hunting License	Various	Manage, protect, and regulate fish and wildlife resources
Sportsman's License	\$38 Individual \$52 Combination	Manage, protect, and regulate fish and wildlife resources
DNR Sale of Fish/Eggs	Various	Surplus production stock, exchange of products, or sole source for suckers primarily to aquaculture facilities and businesses
Sport Fish Restoration revenues (DJ)	Various	Manage, protect, and regulate fish and wildlife resources
Wildlife Restoration revenues (PR)	Various	Manage, protect, and regulate fish and wildlife resources
Game and Fish Miscellaneous	Various	
Game and Fish Fines	Various	
Game and Fish Forfeits	Various	
DNR Restitution	Various	Restore damaged property
Aquatic Plant Management	Various	Permits to remove plants to gain access to a water body
Aeration System Permit	\$250 annual fee, unless waived	Permits to allow the use of these systems to protect shoreline or fish populations
Game and Fish Lifetime License Activation	Equal to annual license fee	Annual transfer from trust fund to license accounts
Fishing Contests Permit	\$25 - \$500	Manage, protect, and regulate fish and wildlife resources
Super Sports	\$93 Individual Resident \$117 Married Combo	Waterfowl, trout, and pheasant stamps, emergency deer feeding, deer habitat, deer bear management, wolf allocation

	Resident	
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The Enforcement safety training section collects program fees to offset the costs of administering the Firearms Safety and Youth and Adult Hunter Education Training (FAS). In 2010 an online option was introduced which has led to an increase in the number of adults being trained. The online course is administered by a contract vendor and they collect a fee from the user separate from the state fee. The state fee is currently set at \$7.50 to partially recover costs for ammunition, ear plugs, targets, and numerous other expenditures including but not limited to; instructor training materials, student training materials and field day props. State statute also allows the volunteer instructor group to collect a fee up to a matching \$7.50. This matching fee is not receipted by the state in any way. Duplicate certificate fees are \$5.

Forecast Basis:

Fish & Wildlife receipts are forecasted based on a three year history. Additional input comes from program staff which assesses fish and wildlife population trends that may impact future license and stamp sales. Other adjustments may be made due to fee increases, participation rates, or prior year weather condition impacts.

The projection of Sport Fish and Wildlife Restoration revenues is based on the history of federal revenues (federal apportionment) available to the DNR for these programs and future apportionment estimates from the federal aid office.

Enforcement receipts generated from enforcement activities are projected based on a five-year history and planned changes in enforcement operations over the next three to five years. The Enforcement fees are currently under recovering the expenses of the program. The FAS program has seen a 76% increase (including online) in the number of users over the past five years. Costs associated with the program have also increased, largely due to the price of ammunition, printing and shipping expenditures. These costs are expected to continue to increase in the near future.

Recent Changes:**2016 Session Changes**

- Allows tribal members who possess a valid tribal identification card to harvest wild rice without a state license.
- Allows nonresident, active members of the state's National Guard, to obtain a resident hunting or fishing license.

2015 Session Changes

- Enforcement – Fees for the Firearms Safety and Youth and Adult Hunter Education Training (FAS) were increased in 2005. At that time, the fee was raised from \$5.00 to \$7.50. The fee increase slightly over- recovered expenditures but is currently under-recovering expenditures. Ideally, the program fees would be aligned across all programs and revenue account codes (such as ATV, Snowmobile, FAS) to account for an average of the expenditures and receipts. Some of the training materials are interchangeable between programs. By aligning the fees, there would be better continuity and less confusion among volunteers while still meeting the statutory requirement that the programs don't "significantly over recover or under recover" the expenditures.

Agency Analysis/Comments:

The Fish and Wildlife division manages fish and wildlife populations, their habitats, and use of these public resources, including fishing, hunting, and trapping. Our goal is to sustain healthy populations of fish and wildlife, high quality recreational opportunities,

and vibrant local economies. In partnership with citizens, we protect and restore natural lands, lakes, and streams, monitor harvested species, anticipate and respond to new challenges, and promote the state's hunting and fishing heritage. Hunters, anglers, and wildlife viewers and photographers benefit from diverse, abundant species, accessible public lands, and high quality recreational experiences.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Revenues and expenditures go to designated programs to ensure funding is provided for specific activities. Fees established are set in statute and are supported by stakeholders. The agency prepares a fund statement to monitor balances. A budget oversight committee also provides an annual review of activities and trends. Recommendations are made and taken into consideration before new fees are proposed.

The Enforcement division currently offers three main programs: FAS, Snowmobile and ATV safety training. The FAS fee of \$7.50 is currently under-recovering costs. The Snowmobile fee of \$5.00 is currently under-recovering costs. The ATV fee of \$15 is currently over-recovering costs. These fees generally only recover expenditures related to materials and shipping costs used in the programs. As stated previously, these costs have increased in recent years.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Land Recreation

Purpose: To fund snowmobile, ATV, off highway motorcycle, off road vehicle, cross country ski programs and horse trails.

Legal Citation: M.S. 84.82; 85.41, 85.42; 84.922, s2,5; 84.788, s3; 84.798, s3; 84.8712; 84.86, s1(6); 84.925, s1(b); 84.791, s2; 84.83, s5, 97A.065, s2, 609.101, s4; 84.8205; 85.46; 84.9275; 84.8035; 84.8015; 84.7945

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Snowmobile (2101); All-Terrain Vehicle (2102); Off-Highway Motorcycle (2103); Off-Road Vehicle (2104); Cross Country Ski (2116); Natural Resource Misc Statutry (2117)

Appropriation: PAT Woodenfrog Forst Sewer GEN (R294024); PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Non Dedicated Rcpts SNOW (R294A22); PAT Non Dedicated Receipts ATV (R294A23); PAT Non Dedicated Receipts OHM (R294A24); PAT Non Dedicated Receipts ORV (R294A25); ENF Snow Safety Training (R297202); ENF Non Dedicated Rcpts SNOW (R297A02); ENF Non Dedicated Rcpts ATV (R297A03); ENF Non Dedicated Rcpts OHM (R297A04); ENF Non Dedicated Rcpts ORV (R297A05)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	26,749	24,557	25,271	19,804	19,804	16,565	17,957
Resources:							
Departmental Earnings	8,749	10,556	10,903	9,403	12,128	10,903	14,278
Other Resources:							
Earning Transferred In	10,589	10,863	10,963	10,990	10,990	11,056	11,056
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	19,338	21,419	21,866	20,393	23,118	21,959	25,334
Expenditures:							
Direct Expenditures	21,069	20,224	26,488	22,945	24,273	22,945	24,749
Indirect Expenditures	461	481	845	687	692	687	694
Total Expenditures	21,530	20,705	27,333	23,632	24,965	23,632	25,443
Current Difference	(2,192)	714	(5,467)	(3,239)	(1,847)	(1,673)	(109)
Accumulated Ending Balance	24,557	25,271	19,804	16,565	17,957	14,892	17,848

Background Information:

Snowmobile: Fees from the registration of snowmobiles and unrefunded gasoline taxes attributable to snowmobile use are the main sources of funding in the Snowmobile Trails and Enforcement Account. The account funds may be spent only as appropriated by law, for:

- A grant-in-aid program to local units of government for construction and maintenance of snowmobile trails.
- Acquisition, development, and maintenance of state administered snowmobile trails.
- Snowmobile safety programs.
- Enforcement of snowmobile laws.
- Grants to local law enforcement agencies.

The following earnings are deposited as non-dedicated receipts to the Snowmobile account:

- Snowmobile registrations
- Snowmobile trail permits
- Snowmobile fines
- Snowmobile (track) studs - civil citations

The following earnings are deposited as dedicated receipts:

- Adult snowmobile training
- Youth snowmobile training

Off-highway Vehicle (OHV) Program: includes the 3 vehicle types defined as All-Terrain Vehicle (ATV), Off-Highway Motorcycle Account (OHM) and Off-Road Vehicle Account (ORV). Registrations and safety training earnings are deposited as non-dedicated receipts to the accounts for ATV, OHM and ORV. ATV civil citations and unrefunded gas tax are deposited as non-dedicated receipts or transferred in. Non-resident trail passes are required for ATVs, OHMs or ORVs

ATV: (M.S. 296A.18, Subd. 4 and M.S. 84.927, Subd. 1). The ATV Account was established in 1984. The ATV Account may be used, within guidelines of the Statewide Comprehensive Outdoor Recreation Plan, only for (M.S. 84.92):

- Acquisition, maintenance, and development of trails and use areas;
- Administration, enforcement, and implementation of applicable statutes;
- Grant-in-aid programs to counties and municipalities to construct and maintain ATV trails and use areas;
- Education and training program;
- Grant-in-aid to local safety programs;
- Safety and public education grants to local law enforcement agencies; and
- Maintenance of certain forest roads and county forest roads that are part of a designated trail system within state forest boundaries.

ATV registration fee, which covers a three-year registration period, was raised from \$30 to \$45 for machines in public use on and after July 1, 2007. A non-resident pass fee of \$20/year was implemented starting in 2010 season which will provide a slight increase in revenue of approximately \$20,000 annually.

OHM: (M.S. 296A.18, Subd. 5 and M.S. 84.794, Subd. 1). Account was established in 1993. The OHM account may only be spent for (M.S. 84.794):

- Administration, enforcement, and implementation of OHM sections of statutes (M.S. 84.787 to 84.795);
- Acquisition, maintenance, and development of OHM trails and use areas; and
- Grants-in-aid to counties and municipalities to construct and maintain OHM trails and use areas. Grants must be guided by the

Statewide Comprehensive Outdoor Recreation Plan.

The OHM registration fee is \$30 for a 3 year period per machine. A non-resident pass fee of \$20/year was implemented starting in 2014 season which will provide a slight increase in revenue.

ORV: (M.S. 296A.18, Subd. 6 and M.S. 84.803, Subd. 1). Account was established in 1993. The ORV Account may only be spent for (M.S. 84.803):

- Administration, enforcement, and implementation of M.S. 84.773 to 84.805;
- Acquisition, maintenance, and development of off-road vehicle trails and use areas;
- Grant-in-aid programs to counties and municipalities to construct and maintain off-road vehicle trails and use areas;
- Grants-in-aid to local safety programs; and
- Enforcement and public education grants to local law enforcement agencies.

The ORV registration fee is \$30 for a 3 year period per machine. A non-resident pass fee of \$20/year or \$30/3 years was implemented starting in 2012 season. The three year average of trail pass fees collected is \$6,000.

Cross-country ski pass: are deposited as dedicated receipts in the Natural Resources Fund, Cross Country Ski account. Ski passes are required for all trail users when skiing on state and grant-in-aid ski trails across Minnesota. The funds from this fee are used to support grooming and maintenance of both grant-in-aid and state park ski trails.

Horse pass: Established in 2007, a horse trail pass for individuals riding on state trails, state forests, state parks, and state recreation areas is required. The horse pass fee is \$4 daily and a \$20 annual for users age 16 and older. Receipts are deposited in a horse trail account in the natural resources fund and are dedicated for horse trail and trail facility development, maintenance and enforcement in state trails, forests, parks and recreation areas.

Enforcement: The ENF safety training section collects program fees to offset the costs of administering the ATV, snowmobile, and Off-highway motorcycle (OHM) and Off-highway vehicle (OHV) safety training programs. The fee for the ATV program is \$15; youth snowmobile is \$5; adult snowmobile is \$10 and OHM and OHV fees are \$5 each. Duplicate certificate fees are \$5.

Forecast Basis:

Snowmobile: Revenue projections are based on a review of actual receipts over the past (9) fiscal years. Snowmobile registrations and gas tax receipts are the largest receipt items in the account.

Registrations are strongly influenced by winter weather while gas tax receipts are largely predictable.

Average annual revenues deposited into the Natural Resources Fund, Snowmobile account are estimated at about \$6 million.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Off-highway Vehicle (OHV) Program: Revenue projections are based on a review of actual receipts over a five-year period. ATV registration fees, the largest receipt item in the account, are anticipated to continue to grow. OHM registration growth is expected to be moderate. ORV registration growth is anticipated to be modest. The expenditures from ATV, OHM and ORV exceed receipts and transfers in for the last 5 years. The fund balance for ATV, OHM and ORV is expected to decline through FY2017.

ATV, OHM and ORV have appropriated dedicated dollars for projects like the expansion of the Iron Range Off-highway Vehicle Recreation Area that are available until spent. Those projects are underway and dollars are being spent now. One-time appropriation in FY2009 \$400,000 from the ATV Account, \$75,000 from the OHM Account and \$125,000 from the ORV Account for OHV (off-highway vehicle) facility development, specifically for the Iron Range Off Highway Vehicle State Recreation Area (IROHVRA); this appropriation is until spent. In FY2009 Parks and Trails received a line item appropriation for an ATV grant of \$100,000 to the Moose Trail as a match to federal funding, a one-time appropriation that the 2010 Legislature modified this funding to be available until

spent.

Cross Country Ski: Projected revenues are based on the average actual receipts over the last five-years.

Horse Pass: Projected revenue is based on a five-year average of actual receipts.

Enforcement: The numbers of program users is expected to stay nearly the same as the previous five years. However, costs associated with the programs have increased, largely due to the price of printing and shipping expenditures. These costs are expected to continue to increase in the near future.

Recent Changes:

Snowmobile: The 2013 legislature provided for a non-trail registration for snowmobiles that do not operate on state or grant-in-aid snowmobile trails at a cost of \$45 for three years.

The 2012 legislature combined the registration and state trail sticker fees into a single registration. The price of the three year state trail sticker has been included in the price of snowmobile registration which is now \$75 for a three year period.

In FY2009 the Parks and Trails Division received a one-time appropriation of \$100,000 from the snowmobile account for a highway underpass at the Iron Range Vehicle State Recreation Area, this is available until spent.

ATV, OHM or ORV: No recent changes for these fees.

Cross Country Ski pass: The 2010 legislature increased the annual pass for individuals 16 years or older from \$14.00 to \$19.00, and the three-year pass for individuals 10 years or older from \$39.00 to \$54.00. Daily Ski pass for individuals 16 years of age or older increased from \$4.00 to \$5.00.

Horse pass: There have not been any significant changes to the horse pass fee since its inception in 2007.

Agency Analysis/Comments:

Snowmobile: The agency prepares a detailed annual fund statement for the Snowmobile Account. Revenue increases will be necessary at some point in the future to counter the effects of inflation.

ATV, OHM and ORV Account(s): The agency prepares a detailed annual statement for the ATV, OHM and ORV Account(s) as a component of the Natural Resources Fund. The division of Parks and Trails is contributing to ensure the funds health by planning for actual expenditures statewide remaining under the legislatively authorized biennial budget amounts for Parks and Trails and OHV GIA in FY15 and plan to continue to do the same for FY16 and FY17. Discussions of a possible fee change are an option to fund trail development and operations.

Cross Country ski pass: The agency annually prepares an account statement and monitors the account balance. Planned expenditures are reduced if actual receipts do not meet revenue projections, subject to the account balance. Currently, the account balance is healthy. **Horse pass:** The agency prepares a detailed annual statement for the horse trail pass recreation account as a component of the Natural Resources Fund. Planned expenditures are reduced if actual receipts do not meet revenue projections, subject to the account balance. Currently, the account balance is healthy.

Enforcement: The agency anticipates an alignment of fees across the program spectrum. Along with the alignment there is an anticipated increase in snowmobile, OHM, and OHV fees. The ATV fee of \$15 is currently over recovering costs. These fees generally only recover expenditures related to materials and shipping costs used in the programs.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Minerals Earnings

Purpose: To generate revenues from minerals leases on acquired lands, school trust lands (permanent school and permanent university), and tax-forfeited lands.

Legal Citation: M.S. 93.17, 93.25; 93.20; 93.25; 93.222; 92.50; 93.41; 85.052, s4c; 93.33, 93.285

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); All-Terrain Vehicle (2102); Mineral Management (2114); Game And Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: LAM Permanent School (R290240); LAM Permanent University (R290245); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); Deposit Clearance (R290Y99); LAM Special Advance Royalties (R291201); LAM Weighmasters RevolvingAcct (R291203); LAM Mining Rent and Royalties (R291204); LAM Non Dedicated Receipts GEN (R291A00); LAM Non Dedicated Receipts ATV (R291A01); LAM Non Dedicated Receipts G&F (R291A02); LAM Non Dedicated Receipts MMA (R291A03); LAM Deposit Clearance GEN (R291Y99)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	195,067	216,275	225,996	235,151	235,151	245,847	245,847
Resources:							
Departmental Earnings	41,588	22,520	19,112	18,568	18,568	18,568	18,568
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	11,937	5,267	1,725	118	118		
Revenue Collected for Another Agency							
Total Resources	29,651	17,253	17,387	18,450	18,450	18,568	18,568
Expenditures:							
Direct Expenditures	8,428	7,507	8,211	7,729	7,729	7,720	7,720
Indirect Expenditures	15	25	21	25	25	25	25
Total Expenditures	8,443	7,532	8,232	7,754	7,754	7,745	7,745
Current Difference	21,208	9,721	9,155	10,696	10,696	10,823	10,823
Accumulated Ending Balance	216,275	225,996	235,151	245,847	245,847	256,670	256,670

Background Information:

The Division of Lands and Minerals manages mineral exploration and mine development on state-owned and tax-forfeited lands to generate equitable rental and royalty income. The State of Minnesota leases state-owned mineral interests and surface interests for minerals exploration and mining through public sales and negotiations. From 1890 through June 2016, mineral exploration and mining on state-owned lands have generated \$712 million. Revenue received from the state mineral leases is deposited into the appropriate fund or account based on land classification.

LAM Mining Rent and Royalties – Mineral leases generate revenue from a rental fee paid by the leaseholder to reserve the minerals under lease and a royalty payment for any actual minerals removed from state lands.

The state receives revenue from 478 current (as of October 1, 2016) mineral leases. Following is a summary of state mineral leases by lease type and acres under lease.

Lease Type	Number of Leases	Number of Acres
Iron Ore/Taconite	110	9,552.71
Metallic Minerals	264	93,716.45
Peat	9	3,690.45
Industrial Minerals	9	3,919.19
Residue	11	2,927.27
Total	403	113,806.07

The rental fee is a fixed amount paid quarterly, in advance, to reserve access to the minerals. Each and all of the state mineral leases require a rental payment.

The royalty payment is a payment for actual minerals removed from state lands. The royalty payment is based on the actual amount of material removed multiplied by a dollar per ton, or volumetric, royalty rate negotiated in the long term lease agreements. In FY 2016, the state received royalty revenue from four lease types: iron ore/taconite, peat, industrial minerals and residue.

In FY16, mineral revenue totaled \$22.5 million, which was a decrease from previous years of record high mineral revenue.

LAM Weighmasters Revolving Account – Most of the state mineral leases have a “Weighmasters” provision that require leaseholders to reimburse the state for the actual cost of inspection to insure the accuracy of the reporting of tonnage removed under lease.

LAM Non Dedicated Receipts MMA – The 2005 legislature created the Minerals Management Account. The legislation authorizes directing 20% of mineral revenue from state mineral trust lands to the Mineral Management Account. Total receipts deposited into this account for FY2016 were approximately \$4.4 million.

Expenditures in this account support evaluation of state minerals, state mineral leasing, and state mineral lease administration. 70% of the costs are personnel; the remainder is rental, maintenance, and communications, travel, and equipment costs. The state has authorized \$2.955 million in Fiscal Year 2016 expenditures for mineral management activities. Expenditures from this account are to cover the Division’s work to perform mineral management responsibilities including: state mineral evaluation and promotion, issuing leases for exploration and mining, negotiating royalty rates and rentals, and managing revenue transactions related to mining and exploration. The program also provides technical assistance to local governments on mineral resources and mining issues.

The legislation also directed that at the end of each quarter (September 30th, December 31st, March 31st and June 30th), the amount of the fund balance that exceeds \$3 million is distributed to the permanent school, university and local taxing funds in proportion to the revenue received into these three accounts.

The long-term leases include provisions to escalate the royalty rate using agreed upon published prices of iron ore and steel products.

LAM Special Advance Royalties – Twenty-seven of the state's 133 taconite/iron ore leases require the lease holder to pay the state a minimum annual royalty. The minimum annual payment is held in a special advance royalty account and is recoverable if there is future production on the lease. In FY 2016 \$388,152 of minimum annual payments were collected and \$131,134 of the balance was applied to FY2016 production.

Forecast Basis:

The biennial budget forecast for mineral revenue is based mostly on an estimate of state-owned crude ore production and royalty rates. Lands and Minerals engineers consult with company engineers to determine production levels and make the forecast. Earnings also depend on escalator clauses in individual leases. Iron ore/taconite leases have escalator clauses that track iron ore prices and steel prices. All forecasts are forward-looking and contain an element of uncertainty. The forecast relies heavily on the production at the U.S. Steel mines, which contain a significant tonnage of state-owned iron ore.

Recent Changes:

The recent drop in mineral revenue is largely due to falling world metal/commodity prices.

Agency Analysis/Comments:

Minnesota has abundant mineral resources. The United States Geologic Survey ranks Minnesota number three in non-fuel mineral production, behind only Nevada and Arizona. 80% of the iron ore used to make steel in North America is provided by Minnesota's Mesabi Range.

Funding for mineral management activities is primarily through the Mineral Management Fund. The fund was established in the 2005 legislature by retaining 20% of mineral royalty and rental income. In 2005 total mineral income was \$21.0 million. Recognizing that future years' income is uncertain, the percentage was believed to provide a level of funding than what was then deemed adequate for the Division's mineral management activities. The amount spent on these activities was capped at \$2,896,000 each year. The balance in the Mineral Management fund was to be reviewed annually and any portion of the balance in excess of \$3 million would be returned to the appropriate trust that generated the mineral income.

Although mineral activities and mineral income have grown significantly in the past 10 years, the amount DNR is appropriated to spend on mineral management activities and the cap that can be held in reserve was only increased in the last legislature from \$2,896,000 to \$2,995,000 (FY2016) to \$3,015,000 (FY2017). With inflationary pressures on salaries, expenses and overheads, staff have been focusing more, and more, time on current lease administration issues with less, and less, time and resources for previous work exploring, researching and advancing the future of the state's mineral resources.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Parks Earnings

Purpose: Revenues generated partially fund the cost of maintaining and operating state parks.

Legal Citation: M.S. 89.21, 16A.125, 85.053, 85.056, 85.052

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Other Misc Special Revenue (2001); State Park (2106); Natural Resource Misc Statutory (2117); Permanent School (3800)

Appropriation: PAT St Forest Susp School (R290243); PAT Park Reservation System SP (R294201); PAT St Forest Campground NRMS (R294205); PAT Working Capital (R294206); PAT Douglas Lodge (R294207); PAT Fort Snelling Upper Bluff (R294237); PAT Non Dedicated Receipts SP (R294A03)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,502	5,311	10,189	5,362	5,362	6,705	6,028
Resources:							
Departmental Earnings	21,645	24,407	21,976	21,976	23,076	21,976	23,311
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	21,645	24,407	21,977	21,977	23,077	21,977	23,312
Expenditures:							
Direct Expenditures	17,767	19,433	26,676	20,506	22,283	20,476	22,556
Indirect Expenditures	69	96	128	128	128	128	128
Total Expenditures	17,836	19,529	26,804	20,634	22,411	20,604	22,684
Current Difference	3,809	4,878	(4,827)	1,343	666	1,373	628
Accumulated Ending Balance	5,311	10,189	5,362	6,705	6,028	8,078	6,656

Background Information:

Parks departmental earnings are intended to partially fund the maintenance and operation of the state park system.

	Fees	Date of last fee change
Forest Campgrounds	\$14 to \$50	1/1/2014
Tours/Golf/Misc Income	Varies	
Reservations	\$10.50/\$8.50	5/1/2014
Parks Permits	Annual: \$25	5/1/2003
Annual park permit – motorcycle	\$20	7/1/2010
Daily	\$5	7/1/2007
Group Daily	\$3	7/1/2007
Handicapped	\$12	1/1/1991
Second vehicle – annual	\$18	5/1/2003
Camping Fees	Backpack/canoe: \$13 to \$23	4/1/2014
Class 3	\$50 to \$125	1/1/2012
Horseback	\$21 to \$23	4/1/2014
Tipi	\$30/\$35	1/1/2013
Camper Cabin	\$55 to \$70	4/1/2014
Drive in Sites	\$13 to \$23	4/1/2014
Electric Fee	\$8	4/1/2014
Water and Sewer Fee	\$6	1/1/2012

Parks Concession	see Commissioner order 59-3
Parks Facilities Rentals	see Commissioner order 59-3
Parks Equip Rental	charges defray expenses
Parks Sale of Consumables	charges defray expenses
Parks Sale of Merchandise	charges defray expenses
Douglas Lodge rentals	charges defray expenses
Douglas Lodge sale of consumables	charges defray expenses

The main Parks Working Capital account is a special revenue account established under MS 85.22 as a revolving account. Proceeds from retail sales are used to purchase the merchandise and consumable inventories, and receipts from rentals are used to buy and maintain rental equipment. The excess of revenue over expenditures from sales and rentals is used to fund resource management and interpretation efforts in state parks.

The Douglas Lodge account is a special revenue fund established under M.S. 85.22 for the operation of the Douglas Lodge complex

at Itasca State Park. Revenue from lodging, restaurant and merchandise sales are deposited as dedicated receipts to this account. Parks division expenditures to operate the Douglas Lodge complex are paid from the account. The account is intended to be self-sustaining.

State Park Fund Account is a Natural Resources Fund account established under 85.052 to support the operation of the state park system. Revenues are received from park permits, campground and lodging reservations, tours, and concessions at the parks.

Fort Snelling Upper Bluff Account was established under 85.034 subd 7 and the revenue is generated by a lease to the Minneapolis Park and Recreation Board for the athletic fields and golf course operations. Money in the account is to be used for the payment of expenses related to the leasing and operation of the property.

St Forest Campground NRMS (Natural Resource Misc Statutory) and Parks and Trails State Forest Suspense School accounts: Parks maintains and operates the 55 forest campgrounds. Park expenditures include the annual costs of operating the forest campgrounds, approximately \$370,000 per year. Receipts from forest campgrounds located on state lands (not school trust land), \$155,173 in FY 2014, are deposited into the natural resources fund and appropriated to the DNR Commissioner.

Forecast Basis:

Forecast revenues are based on a five-year history of parks usage and receipts in the various categories.

Recent Changes:

In mid-FY14 the division took initiative to increase revenues to the Working Capital account and the State Park Fund by increasing fees for camping and equipment rental as well as retail prices of merchandise and consumables. The division saw a 20% increase in camping revenue between CY14 and CY15. The division exceeded CY15 revenue in October of CY16. Retail revenue was also increased 20% between CY14 and CY15, and CY16 exceeded CY15 in October. Adjustments were made to the pricing of consumables (firewood and ice) in CY14 which increased 13% over CY13. CY15 revenue was up another 14% over CY14, and CY16 exceeded CY15 in October. Equipment rental revenue has also increased with a 35% increase between CY13 and CY14 and a 19% increase between CY14 and CY16.

Agency Analysis/Comments:

Parks has initiated efforts to identify ways to generate additional revenues, increase work efficiencies and make other significant changes in the operation and management of the state park system and network of forest campgrounds. Consistent with broader agency priorities, Parks is implementing an operating strategy that includes the management, protection and restoration of the resources contained within state park boundaries. At the same time, Parks intends to explore ways for the park and forest campground operations to become more self-sufficient.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Real Estate Earnings

Purpose: To generate revenues from real estate transactions on acquired lands, school trust lands (permanent school and permanent university), and tax-forfeited lands.

Legal Citation: M.S. 85.015; 84.63; 84.631; 84.632; 89.17; 92.50; 94.16; 84.415; 84.153; 89.17; 92.46; 92.50; 97A.135; 84.972; 94.28; 94.16; 89.035; 97A.055; s2(3); 92.115; 94.10, 89.035, 92.501; 89.035; 84.41, s5

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Natural Resource Misc Statutry (2117); Land Aquisition (2118); Game And Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: LAM Permanent School (R290240); LAM St Forest Susp School (R290244); LAM St Forest Susp Univ (R290247); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); LAM Land Management Account (R291202); LAM Lakeshore Lease (R291210); LAM Land Exchange Appraisal (R291211); LAM-Land Acquisition (R291222); LAM Wild Rice LEG SR (R291225); LAM Non Dedicated Receipts GEN (R291A00); LAM Non Dedicated Receipts G&F (R291A02); FOR Land Acquisition (R293203); FOR Burntside State For Recei (R293213); FOR Pillsbury St Forest Rcpts (R293223); PAT Land Acq (R294202); PAT Working Capital (R294206); FAW Land Acq Fisheries (R296204); FAW Land Acq Wildlife (R296209); FAW WL Beltrami Island Cons (R296215); FAW Public Grazing Program (R296222); MR Facility Rent & Maint (R298211)

Fee Change? No

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Real Estate Earnings

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(132)	1,159	7,058	6,957	6,957	7,381	7,381
Resources:							
Departmental Earnings	2,961	7,260	1,896	1,896	1,896	1,896	1,896
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,961	7,260	1,896	1,896	1,896	1,896	1,896
Expenditures:							
Direct Expenditures	1,670	1,361	1,997	1,472	1,472	1,472	1,472
Indirect Expenditures							
Total Expenditures	1,670	1,361	1,997	1,472	1,472	1,472	1,472
Current Difference	1,291	5,899	(101)	424	424	424	424
Accumulated Ending Balance	1,159	7,058	6,957	7,381	7,381	7,805	7,805

Background Information:

The Division of Lands and Minerals manages the real estate transactions on 5.5 million acres of state-owned land. Real estate management generates revenue from leases, utility licenses, road easements, and land sales.

Leases

There are multiple types of real estate leases issued by the DNR. The leases authorize the use of the land for purposes including: agriculture, hunting cabins, towers, aggregate removal, wild rice farming, driveways, auxiliary mining facilities, access to private lands, and other miscellaneous uses. The leases are issued under the authority of Minnesota Statutes, sections 84.153, 89.17, 92.46, 92.50, 92.501, and 92.502. DNR also issues grant-in-aid trail permits for crossing state land under the authority of Minnesota Statutes, sections 89.17 and 92.50.

A rental is charged for the use of the land and if a resource is being removed, such as under an aggregate lease, a fee is also charged for the material removed. The payments are deposited into the funds as directed by state law. For example, the revenue from leases on school trust land is deposited into the Forest Suspense Account – school fund.

The lease rates are reviewed upon issuance and renewal of the leases. The annual lease rate for miscellaneous leases is 7.25% of market value. The payment for aggregate is based on the type of materials and ranges from \$.055 to \$1.25 per cubic yard. The payment under agriculture leases is based on the use of the land (i.e., crops, hay, pasture, animal grazing) and the locality. The agriculture lease rates range from \$5 per acre to \$151 per acre. The hunting cabin leases have a lease rate that increases \$10 annually, with a current rate of \$ 680 per lease. The grant-in-aid trail permits have a fee of \$40 per forty acres crossed for school trust lands.

Utility Licenses

Utility licenses are issued under the authority of Minn. Stat., sec. 84.415 and Minnesota Rules, Chapter 6135. A utility license is required for passage over, under, or across any school, university, internal improvement, swamp, or other land or public water under the control of the commissioner of natural resources. A utility license covers telephone, electric power lines, cables, and mains or pipe lines for gas, liquids, or solids in suspension (e.g., sewer). Most utility licenses are issued for a term of 50 years, but the applicant may request a term of 25 years.

There are three fees possible under a utility license: an application fee that covers the DNR staff cost for issuance of the license, a monitoring fee for large scale utility projects that covers the staff costs for monitoring the construction of the utility line, and a market value fee for the use of the state lands or waters for the term of the license. Starting in July of 2014, there are no application fees charged unless the utility license is for an electric power line, cable or conduit of 100 kilovolts or greater or if the utility license is for a main pipeline for gas, liquids or solids in suspension.

The application fee is \$2,250 for water crossing license and \$3,500 for a land crossing license. The monitoring fee is based on projected hours for the staff work at the division's professional services rate that recovers costs. The market value fee for water crossing licenses is set in rules based on type of utility, number of crossings and length of each crossing. The market value fee for land crossing licenses is set in rules, based on type of utility, number of crossings, and length of each crossing, plus an additional fee not to exceed 15 percent of the value of the land in excess of \$100 per acre of the actual acreage taken by the right-of-way.

Road Easements

Easements to the United States, the state or subdivision of the state are issued under Minn. Stat., sec. 84.63, and cover the following types of easements: trails, highways, roads, flowage for development of fish and game resources, stream protection, and flood control. Road easements to private parties are issued under Minn. Stat., sec. 84.631. Road easements on school trust lands can now be issued to individuals, but only up to a term of 50 years. Easements for ingress and egress to cross a state trail, when the private party has a preexisting right, are issued under Minn. Stat., sec. 85.015, subd. 1b. The easements can be issued for a short term, but the majority of the easements are issued in perpetuity, subject to continued use.

There are three fees possible under an easement: an application fee that covers the DNR staff cost for issuance of the easement, a

monitoring fee for large scale projects that covers the staff costs for monitoring the construction of the road, and a market value fee for the use of the state lands in perpetuity or for the term of the easement.

The application fee is \$2,000. The monitoring fee is based on projected hours for the staff work at the rate that recovers costs. The market value fee is based on the market value of the land, with a reduced fee for short term easements.

Land sales

State-owned land administered by the DNR is sold under Minnesota Statutes, sections 84.0273, 85.015, 92.06-92.16, and 94.09-94.165. The sale of school and university land raises revenue for the Permanent School Fund and the Permanent University Fund. The sale of administrative sites raises revenue that is deposited into the Facilities Management Account and used to acquire facilities or renovate buildings for administrative use or to acquire land for administrative buildings for the DNR.

The revenue from the sale of acquired land that is not an administrative site but within a management unit of the outdoor recreation system is deposited into the Land Acquisition Account. The revenue from the sale of acquired land that is not an administrative site and not within a management unit of the outdoor recreation system is deposited into the School Trust Lands Account.

Proceeds in the Land Acquisition Account may be used to acquire land within the outdoor recreation system or pay for expenses incurred by the DNR to sell or exchange state land. Proceeds in the School Trust Lands Account are to be used to extinguish by condemnation the school trust interest in lands where the designation or management prohibits the long-term generation of revenue.

The bidder is charged land sale costs and a market value payment for the land.

The land sale costs include the actual costs for valuation, survey review, advertising, deed tax, recording fees, and certain auction costs. The market value payment is based on an appraisal or valuation for each specific parcel offered.

Other fees

The DNR may collect damages to the land, crops, minerals or aggregate. These are infrequent fees and principally arise in situations where the utility license or lease will prevent the development of the mineral or aggregate resource. The fees are based on an estimated valuation of the resource to be damaged or prevented from being developed.

For land exchanges, the proposer of a land exchange has to bear a portion of the costs for valuation and survey. The fees are based on actual costs to be incurred.

The Division of Forestry

Forestry collects revenues into three accounts; FOR Burntside State Forest Receipts, FOR Pillsbury State Forest Receipts, and FOR Land Acquisition.

The FOR Burntside State Forest Receipts and FOR Pillsbury State Forest Receipts revenues are from timber sales and land lease revenues on specific lands within the Burntside and Pillsbury State Forests respectively. These revenues are used to pay for forest management activities within those two state forests. Pillsbury State Forest Revenues are distributed every 5 years (Laws of 1899 Ch. 214, Sec 10) with 1/6 of proceeds to the state and the remainder to the University of Minnesota, county and townships as described in law.

The FOR Land Acquisition revenues are from the sale of forestry administered acquired lands. Revenues are used to pay for the costs of land sales and acquiring lands from willing sellers for state forest purposes under the authority of MS 89.032.

The Forestry Division annually collects approximately \$72,000 in revenue from these leases and easements.

Forecast Basis:**Leases**

Projections are based on recent receipts. There are no expected significant changes in the leasing programs.

Utility Licenses

Projections are based on an analysis of recent and historical patterns for issuance and projected impacts from changes in the fees that started in July of 2014. Prior to the legislative changes that eliminated fees, the DNR on average issued 235 utility licenses per year, with 200 of them being water crossing licenses and 35 being land crossing licenses. Starting in FY2014 there has been an increase in utility license applications for crossing state lands and waters. In FY2016, there was a total of 342 licenses issued, of which 272 were water crossing licenses and 70 were land crossing licenses.

Road Easements

Projections for revenue are based on an analysis of recent and historical patterns for issuance. On average, the DNR issues 30 easements per year.

Land sales

Land sale revenue varies by year based on the number of parcels offered for sale and the number of parcels sold. Projections are based on the average from sales in recent years.

Projections for revenue for the Division of Forestry are based on historical analysis and estimates of future activity.

Forestry: Projections for revenue are based on a historical analysis and estimates of future activity.

Recent Changes:**Leases**

The lease rate for miscellaneous leases was last adjusted in January of 2013. Previously the rate was 6% for governmental lessees and 9% for all other lessees for land value at or over \$800 per acre. It is both the rate and market value that will impact revenue received. The lease rate for communications towers was last adjusted in January of 2015. Over time, there should be a modest increase in communication tower lease revenue which is included in the overall miscellaneous lease revenue.

The lease rate for aggregate was last adjusted in April of 2012. The rates increased based on the market. Over time, there should be a modest increase in aggregate lease revenue.

The agricultural lease rate was last adjusted in January of 2012. The rates increased based on the market. Over time, there should be a modest increase in agriculture lease revenue.

All the hunting cabin leases are renewed at the same time. The current set of leases were renewed in 2010, with a rate of \$620, based on an analysis of the public and private market for hunting cabin leases, along with a \$10 per year rental increase for the 10 year term. At the time of renewal, the lease rate was \$340 per year. There was an increase in revenue in 2010, with modest increases each subsequent year.

The grant-in-aid trail permit fee has been identified as due for review; the rate has not been changed for over 10 years. The grant-in-aid trail program is now managed by the Parks and Trails Division.

Utility Licenses: Prior to July 2009, the applicant paid a \$500 application fee and a fee for the use of the land. The 2009 legislature and the 2010 legislature enacted changes in the fees for utility licenses that resulted in increased application fees and monitoring fees for large scale projects. Legislation enacted in 2013 and 2015 changed the fee structure for utility licenses. There are now no application fees for licenses crossing state lands and state waters unless the utility license is for an electric power line, cable or conduit of 100 kilovolts or greater or if the utility license is for a main pipeline for gas, liquids or solids in suspension.

Easements

Prior to July 2009, the applicant would, in some instances, pay an application fee and would, in most instances, pay for the use of the land. Starting in July of 2009, based on changes by the 2009 legislature, the applicant pays an application fee of \$2,000 for any type of easement, and, in most instances, pays for the use of the land. There was a modest increase in revenue with this change.

Land sales

The fees are based on actual land sale costs and market value determinations.

Agency Analysis/Comments:

Lands and Minerals: The lease fees for use of the land and removal of resources reflect market value rates. DNR does not collect a fee from the lessees that recover the cost of issuing the leases. Prior to FY2014, that cost was covered by the general fund and game and fish fund appropriations to the Lands and Minerals Division. Starting with FY2014, the costs for issuing leases are borne by the division administering the land, with payment made to Lands and Minerals through internal billing.

The removal of application fees for most of the utility licenses has resulted in a higher loss than originally estimated to the account from which the DNR was using to pay for the staff to do the work of issuing the licenses and monitoring construction of the low impact licenses. The legislature appropriated \$ 410,000 from the general fund to the DNR in FY2016 to cover the loss in application and monitoring fee revenue to replace the fee revenue that would otherwise have been paid by the applicants, but this was about \$50,000 short of the amount needed.

The application fees received for road easements are sufficient to cover the costs for DNR to review and issue the easements and monitor road construction, neither under recovering nor over recovering costs.

The land sales are recovering a significant portion of the costs of offering the parcels for sale. The sale costs are not always recovering the costs of staff time for preparing the sale information. Those costs are then borne by the division administering the land, with payment made to the Lands and Minerals Division through internal billing.

Forestry: Revenues and expenses associated with these fees are not incurring any significant overage or underage. No changes are being requested.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Reclamation Earnings

Purpose: Revenues are used to pay for the state's cost for issuing permits, evaluating reclamation plans and monitoring reclamation activities for mine properties.

Legal Citation: M.S. 93.481; 93.482

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Mining Administration Account (2115)

Appropriation: LAM Mining Admin Permit Issue (R291020)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(273)	(185)	(95)	(386)	(386)	(436)	(436)
Resources:							
Departmental Earnings	636	948	625	625	625	625	625
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	3	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	639	951	628	628	628	628	628
Expenditures:							
Direct Expenditures	551	861	919	678	678	678	678
Indirect Expenditures							
Total Expenditures	551	861	919	678	678	678	678
Current Difference	88	90	(291)	(50)	(50)	(50)	(50)
Accumulated Ending Balance	(185)	(95)	(386)	(436)	(436)	(486)	(486)

Background Information:

In 2009, the governor signed legislation that created a fee structure to assess companies holding mining permits, known as *Permits to Mine*. The fee was established to pay for the state's cost for issuing permits, evaluating reclamation plans and monitoring reclamation activities for mine properties. During the 2010 legislative session, the fee structure for mineland reclamation permits was modified to fully recover the cost of issuing and managing permits. Specifically, the permit program functions include: 1) reducing the environmental impacts of mining, 2) ensuring reclamation mining during and following completion of mining, 3) ensuring public review and input to the permitting process, and 4) enforcing reclamation rules.

The permitting fees are appropriated to the department for the management of the Mineland Reclamation Permitting Program.

The fees are assessed to operators of taconite mines, scam mines, non-ferrous (i.e. copper, nickel) mineral operations, and horticultural peat mines.

Annual Permit to Mine Fees

Type of Mine	Category	Fee Amount
Taconite	Production in previous year	\$60,000
Taconite	No production in previous year	\$30,000
Non-Ferrous	Production in previous year	\$75,000
Non-Ferrous	No production in previous year	\$37,500
Scram	Production in previous year	\$5,000
Scram	No production in previous year	\$2,500
Peat	Production in previous year	\$1,000
Peat	No production in previous year	\$500

Application Fee for a New Operation

Type of Mine	Category	Fee Amount
Taconite	New taconite mining operation	\$25,000
Non-Ferrous	New non-ferrous metallic mining operation	\$50,000
Scram	New scam mining operation	\$10,000
Peat	New peat operation	\$5,000

Application Fee for Amending a Permit

Type of Mine	Category	Fee Amount
Taconite	Amending a taconite mining permit	\$2,500
Non-Ferrous	Amending a non-ferrous metallic mining permit	\$5,000
Scram	Amending a scam mining permit	\$1,000
Peat	Amending a peat operation permit	\$500

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Reclamation Earnings

Application Fee for an Assigned Permit

Type of Mine	Category	Fee Amount
Taconite	Assigning a taconite mining permit	\$2,500
Non-Ferrous	Assigning a non-ferrous metallic mining permit	\$5,000
Scram	Assigning a scram mining permit	\$1,000
Peat	Assigning a peat operation permit	\$500

Supplemental fees may be assessed if the cost to issue, amend, or assign permits exceeds the application fee.

Forecast Basis:

Mineland Reclamation Permit Fees revenue - The forecast for permit fee revenue is based on companies that currently hold permits, have applied for permits, and projections of companies that are expected to apply for permits, request permit assignments, or amendments.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

There is a funding gap when the Department is requested to review and approve wetland impacts and mitigation under a mining reclamation plan under a permit to mine when the request is not part of an overall amendment of a permit to mine. This contributes to the structural deficit and the negative accumulated balance.

Agency: Natural Resources 2018-19 Departmental Earnings

Earnings Group: Timber and Related Earnings

Purpose: Revenues from the sale of timber on several classifications of state land and forest management services provided to private land owners.

Legal Citation: M.S. 16A.125, s5; 88.79, s1(6); 88.79, s2; 88.79, subd 1(5); 89.035; 89.17; 90.101; 90.151, s1; 90.181, s2; 90.191; 90.193; 90.195

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Forest Management Investment (2113); Game And Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: FOR Permanent School (R290241); FOR St Forest Susp School (R290242); FOR St Forest Susp Univ (R290248); FOR Consul Conservation Areas (R290281); FOR Volstead Lands (R290291); Deposit Clearance (R290Y99); FOR Fed Good Neighbor Agmt (R293202); For Svs To Priv Landowners (R293209); FOR Pillsbury St Forest Rcpts (R293223); FOR Non Dedicated Receipts GEN (R293A01); FOR Non Dedicated Rcpts FMIA (R293A03); FOR Deposit Clearance GEN (R293Y99); PAT Working Capital (R294206); FAW WL Beltrami Island Cons (R296215); FAW Non Dedicated Rcpts G&F (R296A02)

Fee Change? No

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Timber and Related Earnings

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(4,398)	(6,311)	(7,481)	(14,694)	(14,694)	(18,327)	(18,327)
Resources:							
Departmental Earnings	22,568	22,067	22,174	22,074	22,074	22,024	22,024
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	22,568	22,067	22,174	22,074	22,074	22,024	22,024
Expenditures:							
Direct Expenditures	24,394	23,108	29,310	25,578	25,578	25,579	25,579
Indirect Expenditures	87	129	77	129	129	129	129
Total Expenditures	24,481	23,237	29,387	25,707	25,707	25,708	25,708
Current Difference	(1,913)	(1,170)	(7,213)	(3,633)	(3,633)	(3,684)	(3,684)
Accumulated Ending Balance	(6,311)	(7,481)	(14,694)	(18,327)	(18,327)	(22,011)	(22,011)

Background Information:

Approximately 99% percent of the revenue received in this category is from timber sales on DNR-administered forest lands. Proceeds from the harvest of state timber are deposited in accounts according to the type of land ownership. Account and land type names are the same unless noted otherwise.

- Forest Management Investment Account for acquired lands
- Special Revenue fund for Consolidated Conservation lands (seven counties)
- Beltrami Island State Forest
- Volstead Lands
- Parks and Trails Working Capital
- Pillsbury State Forest
- Permanent University account
- Permanent School Fund
- Federal Good Neighbor Authority (Chippewa and Superior National Forests) under a Federal agreement

Forest management expenditures to manage forested lands are spent from an annual appropriation from the Forest Management Investment Account. The account receives timber sales revenue and reimbursements from the various land ownerships for forest management work conducted by the Forestry Division on their behalf. Activities can include timber sales management, reforestation, maintaining forest roads silviculture and other forest management related projects to build and maintain healthy sustainable forests, provide wildlife habitat, prepare for changing climate, maintain water quality, and support the state's economy.

Timber revenue is variable and dependent on tree species, permit volume, distance from a market, harvest location accessibility, and other economic factors. Less than one tenth of one percent of the timber sales revenue collected is from penalties.

Forest management assistance provided by the Forestry Division to private landowners with less than one thousand forested acres is another piece of this earnings category. These services include technical advice, writing and approving forest stewardship plans, timber cruising, scaling and marketing assistance and the rental of tree planter equipment.

The writing of forest stewardship plans is a base fee of \$350 plus \$7 per acre. There is a \$50 charge for the DNR to review, approve and register forest stewardship plans written by consulting foresters. Tree planter rental is \$40 per day. The fee for private land timber sales is 13% of the timber sale proceeds.

Forecast Basis:

State Land Timber Sales - The state timber revenue forecast is the culmination of four separate forecasts: (i) sales volume, (ii) per unit sales price, (iii) removals (harvest) volume, and (iv) per unit removals price. Sales and removals volume and per unit removals price forecasts rely entirely on internal timber sales data. External product market data is used in combination with historical stumpage price data to forecast unit sales prices. Each forecast variable is adjusted for known factors impacting the system. Examples can include large scale blowdown areas, changes in mill capacity or other situations impacting price or market demand. The resulting parameter estimates are used to forecast gross timber revenue which is allocated by fund (land status).

Private Forest Services - Revenue items in this earnings category are primarily based on a three-year history of receipts.

Recent Changes:

Laws of 2004 authorized the creation of the Forest Management Investment Account (FMIA) in the Natural Resources Fund. In the laws of 2005, a portion of the revenues previously transferred from the Forest Suspense account to the General Fund were directed

to be deposited in the FMIA. A primary objective in creating the account was to more clearly associate timber sale revenues with forest management expenditures. Laws of 2016 authorized the deposit of timber revenue collected from DNR managed sales conducted on behalf of the Federal Government in the Chippewa and Superior National Forests. The recovery of forest management FMIA expenditures on Federal lands will be transferred from those timber receipts.

Agency Analysis/Comments:

The Division of Forestry is not requesting changes to the Forest Management Investment Account at this time.

The fund balances in the Forest Management Investment Account dropped by \$2.2 million in FY2012, \$.9 million in 2013, and \$254 thousand in FY2014. The FY2014 ending fund balance was \$1.1 million. Higher timber prices and increased general fund appropriations have allowed for the recovery of the FMIA year-end balances in fiscal year 2015 and 2016. The Forest Management Investment Account is no longer over appropriated and revenues have exceeded costs for the last two years. The FY2016 ending fund balance was \$7 million. The year-end fund balance is not anticipated to change significantly in FY2017.

The August 2014 Legislative Auditor Report entitled "*DNR Forest Management*" found that "departmental accounting changes have compounded the effects of reduced Forestry Division funding." The report also contained a recommendation that "The legislature should reassess its approach to funding the Forestry Division's management of state-owned land." The recommendation was made "because the Forest Management Investment Account, which is a primary source of division funding, is unreliable."

The Forestry Division has evaluated options from the legislative audit findings and is not requesting changes to the Forest Management Investment Account at this time.

1. The internal accounting practices affecting the account have been reviewed. Changes to better identify direct timber management related expenditures are providing more accurate distributions of funds to strengthen the Forest Management Investment Account fund balance.
2. Revenues from timber sales on state lands have stabilized and increased over the past two years, providing the opportunity to better utilize the Forest Management Investment Account as a funding instrument.
3. The timber market remains volatile and changes may be requested in the future.

Private Forest Management Assistance - These services over recovered costs in fiscal year 2016. The forestry division has significantly expanded its private forestry assistance efforts in FY2017. Private forest management assistance accounts are being reviewed and expenditures are anticipated to increase in the coming biennium.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Water Earnings

Purpose: To regulate use of ground and surface water.

Legal Citation: M.S. 103G.301, s2 & 3; 103G.271, s6; 103G.515, s4; 103I.681, s11; MR 6115.0130

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Natural Resource Misc Statutory (2117); Water Management Account (2120)

Appropriation: LAM-Mineral Water Permitting (R291218); EWR Water Management Acct (R292010); EWR Fees Account (R292201); EWR Underground Gas Storage (R292202); EWR NonDedicated Rec ITC WM (R292A38)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	(36)	(36)	(35)	(359)	(359)	(358)	(891)
Resources:							
Departmental Earnings	5,346	5,229	5,241	5,241	6,002	5,241	6,001
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	6	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,348	5,235	5,243	5,243	6,004	5,243	6,003
Expenditures:							
Direct Expenditures	5,319	5,195	5,537	5,203	6,497	5,203	6,991
Indirect Expenditures	29	39	30	39	39	39	39
Total Expenditures	5,348	5,234	5,567	5,242	6,536	5,242	7,030
Current Difference		1	(324)	1	(532)	1	(1,027)
Accumulated Ending Balance	(36)	(35)	(359)	(358)	(891)	(357)	(1,918)

Background Information:

The largest revenue item, water appropriation permits, is required for uses of more than 10,000 gallons per day or one million gallons per year. About 1.4 trillion gallons of water is appropriated each year in Minnesota. Of this amount, about 280 billion gallons is groundwater and more than 1.1 trillion gallons is surface water. Agricultural irrigation is mostly from groundwater and about 66% of the water used by municipalities is groundwater. Energy and mining industries use predominantly surface water. In FY2016, there were approximately 9,500 active water appropriation permits. About 6,900 permits are for agricultural irrigation. State statutes require annual water use reports and fees. There are maximum fees for large water volume users: \$250,000 for a city of the first class, \$60,000 for holders of 1 to 3 permits; \$90,000 for holders of 4 or 5 permits, and \$300,000 for those large water volume users who hold more than 5 permits.

A public waters permit is required for work that would change or otherwise alter the course, current or cross-section of public water. These permit fees generate about \$140,000 per year.

A dam safety permit enables the division to better regulate the safety of dam structures. Inspections are required whenever a dam is over 6 feet in height or creates a reservoir with over 15 acre-feet of stored water capacity. Inspections are required on the construction of new dams, as well as on existing structures. These permit fees generate about \$90,000 per year.

These departmental earnings generated by the division are non-dedicated receipts deposited to the Natural Resources Fund.

Direct expenditures are those that relate to the regulation of water use and dam inspections, as tracked by the division, and are only a portion of total division expenditures.

Forecast Basis:

Projected receipts are based on historical activity at the permit and fee rates in current law.

Recent Changes:

The laws of 2009 (Ch. 37, Art 1, Sec. 34) increased the summer surcharge water use fee from \$20 to \$30 and raised the fees for large volume users.

The laws of 2008 (Ch. 363, Art. 5, Sec.19) implemented an increase in water use fees of 50 cents per million gallons and raised the minimum fee from \$101 to \$140. Once-through system fees also increased from \$300 to \$420 per million gallons. These increases will generate approximately \$500,000 per year in additional revenue.

The Laws of 2005 increased the permit application fee from \$75 to \$150 and implemented a summer surcharge of \$20 per million gallons for water uses in June, July and August that exceed water volumes used in January for public water suppliers, golf courses and landscape irrigation (Laws of 2003, First Special Session, Chapter 1, Article 2, Section 121). In FY2006, the summer surcharge generated an additional \$630,000. Earnings from the summer surcharge are related to water uses for turf and landscape irrigation requirements that will vary from year to year.

The Laws of 2003 authorized an increase in the water use fees that generated an additional \$1.2 million per year. The 2003 fee increase was based on inflation since the last fee increase and applies to most water users: commercial and industrial users, municipal, and agricultural users (Laws of 2003, Chapter 128, Article 1, Sections 116-117). The fee for once-through systems used for air conditioning or heating also increased from \$200 to \$300 per million gallons. Once-through systems, over the long-term, must be converted to other cooling and heating technologies by 2010.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Water Earnings

Agency Analysis/Comments:

Public Water permit fees do not collect enough money to fund working on them. Water use fees subsidize work on public water permits. The annual appropriation from the Water Management Account to the Division is \$5M. We spend about \$2.5M on water appropriation permitting and \$2.5M on public water work permitting-but public water permits provide only \$160,000 of the revenue to the Water Management Account.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Agency: Natural Resources

2018-19 Departmental Earnings

Earnings Group: Water Recreation

Purpose: To fund water recreation programs including but not limited to: boat and water safety programs (administration, enforcement and education), acquisition development and maintenance of public water access, and watercraft registration and titling.

Legal Citation: M.S. 86A.21, s5(b); 86B.415; 86B.705, s2; 86B.870; 609.101, s4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Water Recreation (2100)

Appropriation: PAT Water Recreation Marina (R294219); PAT Non Dedicated Receipts WRA (R294A01); ENF Non Dedicated Rcpts WRA (R297A01)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,809	4,235	5,262	2,165	2,165	803	2,703
Resources:							
Departmental Earnings	7,117	7,183	6,789	6,789	9,789	6,789	10,789
Other Resources:							
Earning Transferred In	10,685	10,948	11,104	11,131	11,131	11,199	11,199
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	750	750	750	750	750	750	750
Revenue Collected for Another Agency							
Total Resources	17,052	17,381	17,143	17,170	20,170	17,238	21,238
Expenditures:							
Direct Expenditures	17,980	15,513	19,282	17,611	18,711	17,510	18,991
Indirect Expenditures	646	841	958	921	921	921	921
Total Expenditures	18,626	16,354	20,240	18,532	19,632	18,431	19,912
Current Difference	(1,574)	1,027	(3,097)	(1,362)	538	(1,193)	1,326
Accumulated Ending Balance	4,235	5,262	2,165	803	2,703	(390)	4,029

Background Information:

The Division of Parks and Trails uses the water recreation account funds to provide the public with a system of public water access to lakes and rivers. Public water access sites are the gateway for water recreation activities, especially boating, canoeing, kayaking, and angling. Minnesota is third in the nation for the number of registered boats and first in the nation for the number of registered boats per capita. Minnesota also has the first and largest state water trails system in the nation. The funding directly supports: 1,496 public water access sites, 4,500+ miles of State Water Trails on 34 rivers plus Lake Superior, and 10 small craft harbors/protected accesses on Lake Superior.

Distributed around the state, the funds pay for all costs associated with facility maintenance and program operation including personnel, equipment, supplies and services. The water recreation funds are matched with federal boat access dollars which help the DNR expand and improve existing boat access facilities. The ability to incorporate best management practices for accessibility, storm water, and the prevention of the spread of aquatic invasive species will keep the water recreation economy strong.

The Division of Enforcement provides grants to 72 sheriff departments and together they patrol waterways to enforce boating laws and educate the public. The goal is to reduce boating accidents and injuries and increase safety and enjoyment for boaters and paddlers. The county sheriffs are mandated to enforce boating safety statutes and rules, place and maintain waterway markers, investigate boating accidents and drowning, issue event and temporary structure permits, inspect rental craft and perform search, rescue and recovery operations.

A Boating Safety course is required for boat operators ages 12-17 and optional for 18+. The boating safety training is offered in an online or workbook home study course. The online fee is \$22.50, which is paid to a private vendor. The home study course is free to the user; funded from federal grant dollars.

The Division of Ecological and Water Resources manages aquatic plants and water resources. They conduct monitoring, provide technical assistance and oversight, provide leadership in the development of plans and rules, evaluate projects that effect lakes, rivers and wetlands, issues permits and oversees permit implementation for aquatic plant management, all to ensure Minnesota's water resources are healthy.

In 2015 there were 810,000 registered boats, which has remained strong for a decade, but costs of managing water recreation programs and facilities now exceed revenue due to inflation and changing customer demands. Boat license fees have not increased since 2006. Prior to 2006, registration fees for boats less than 17 feet in length and all canoes and kayaks had not increased since 1981. Fees for other watercraft were last increased in 2000.

These are the current fees which are deposited into the Water Recreation account:

Water titling fees last changed in 1991; watercraft titling \$15, title transfer \$10; title correction \$10; security interest \$10; duplicate \$4; assignment of Interest \$1; watercraft surcharge \$5.00; also deposited are watercraft fines, restitution, exotic species civil fines, and harbor and marina fees.

The watercraft registration fees last changed in 2005; boat for hire greater than 19ft \$75.00; dealer's license \$67.50; watercraft non-profit \$4.50; non-motorized greater than 10ft to less than 19ft \$10.50 (last change in 2013 to exempt watercraft less than 10'); personal watercraft/jet skis \$37.50; pleasure craft less than 17ft \$18.00; 17-19ft \$27.00; 19-26ft \$45.00; 26-40ft \$67.50; greater than 40ft \$90.00; rental or lease less than 19ft \$90.00; and transfer/duplicate/renewal \$4.50.

Fees for watercraft registration, license issuance and watercraft titling make up approximately 40 percent of the revenue for this account. Unrefunded gasoline taxes on watercraft (transfers into the account) made up approximately 60 percent of the revenue. Revenues and expenditures have been fairly steady.

Forecast Basis:

Revenue projections are based on a review of actual receipts over a five-year period.

Watercraft titling is a one-time fee, paid at the time of watercraft purchase. Watercraft registrations and the invasive species surcharge cover a three-year period. These three receipt items have not increased over the past 10 years.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes:

There have been no recent fee changes.

Agency Analysis/Comments:

The economic impact of recreational boating in Minnesota is estimated to be 5.46 billion dollars/year (Source: NMMA and the Recreational Marine Research Center at Michigan State University) with watercraft registrations remaining steady over the last decade.

With inflationary pressures on salaries, expenses and overhead, the water recreation fund has a projected deficit beginning in FY18, with a \$1.5 million gap between projected revenues and projected expenditures.

Information related to the Governor recommended fee changes that impact this fee group is available in the Department of Natural Resources budget book.

Table of Contents
2018-19 Biennial Budget - Departmental Earnings

Nursing Home Administrators, Board of
Nursing Home Administrators Licensing Fees

Agency: Nursing Home Administrators, Board of

2018-19 Departmental Earnings

Earnings Group: Nursing Home Administrators Licensing Fees

Purpose: To recover the costs of regulating nursing home administrators.

Legal Citation: M.S. 144A.18 – M.S. 144A.28, M.S. 214, and M.R. 6400

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: NHA Non Dedicated Receipts (H7K1000); Volunteer Health Care Prov Pro (H7K6000); ASU Criminal Background Check (H7K9210); NHA Criminal Background Check (H7K9211)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	162	195	230	151	151	126	126
Resources:							
Departmental Earnings	220	227	233	235	235	235	235
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	10						
Revenue Collected for Another Agency							
Total Resources	210	227	233	235	235	235	235
Expenditures:							
Direct Expenditures	150	155	281	226	226	226	226
Indirect Expenditures	27	37	31	34	34	34	34
Total Expenditures	177	192	312	260	260	260	260
Current Difference	33	35	(79)	(25)	(25)	(25)	(25)
Accumulated Ending Balance	195	230	151	126	126	101	101

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing nursing home administrators to ensure a standard of competent and ethical practice.

The Board of Nursing Home Administrators provides the following services:

- Issue initial licensure and renew licenses for qualified professionals.
- Ensure that only applicants who meet licensure requirements are granted a license.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Take disciplinary or corrective action against an applicant or licensee for misconduct.
- Set standards of practice and professional conduct for licensees.
- Set educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Review applicant's education and training to determine compliance with the board's licensure requirements.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants historically seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium. The board is able to manage at these levels given the shared Executive Director with two independent boards. Staffing levels will be considered in this biennium with anticipated modification to this staffing model in FY 20-21

Recent Changes:

The board reduced its annual license and registration fees in 1997.

Agency Analysis/Comments:

The board will attempt to maintain their expenses, fee schedule and spending authority to their previous approved budget levels. It is anticipated that the next biennial budget will require modification.

Table of Contents
2018-19 Biennial Budget - Departmental Earnings

Nursing, Board of
Nursing Board Licensing Fees

Agency: Nursing, Board of
Earnings Group: Nursing Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the nursing profession.

Legal Citation: M.S. 148.171 - M.S. 148.285, M.S. 214, M.S. 319B and M.R. 6301-6340

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Nursing Non Dedicated Receipts (H7C1000); Conference Fees - Nursing Bd (H7C4000); Criminal Background Check Rec (H7C9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	7,589	8,936	10,403	8,957	8,957	8,577	8,577
Resources:							
Departmental Earnings	6,762	6,498	5,857	5,908	5,908	5,870	5,870
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	75						
Revenue Collected for Another Agency							
Total Resources	6,687	6,498	5,857	5,908	5,908	5,870	5,870
Expenditures:							
Direct Expenditures	3,781	3,512	5,262	4,585	4,585	4,585	4,585
Indirect Expenditures	1,559	1,519	2,041	1,703	1,703	1,703	1,703
Total Expenditures	5,340	5,031	7,303	6,288	6,288	6,288	6,288
Current Difference	1,347	1,467	(1,446)	(380)	(380)	(418)	(418)
Accumulated Ending Balance	8,936	10,403	8,957	8,577	8,577	8,159	8,159

Background Information:

Applicants for licensure, licensees, and nursing corporations pay fees that are set in rule or statute which support the following services:

- Issue initial licensure and renew licenses for practical, professional and advanced practice nurses register public health nurses, nursing corporations and nurses from bordering states who are eligible for recognition of their license from that state as authority to practice in Minnesota.
- Verify license, disciplinary, and workforce data to consumers, employers, and boards of nursing and other agencies.
- Approve and regularly survey licensure-preparing nursing education programs.
- Respond to public and agency inquiries, complaints and reports regarding licensure and conduct of applicants and licensees.
- Conduct investigations, resolve jurisdictional complaints and take disciplinary or corrective action against an applicant or licensee for jurisdictional violation of laws.
- Submit disciplinary data to national and federal data bases as required by law.

Forecast Basis:

Fees are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on actual revenue collected in the previous year, the number of applicants seeking initial licensure and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated with the exception the Board will now collect a licensure fee for advanced practice registered nurses as a result of 2014 legislation.

Recent Changes:

The registered and licensed practical nurse licensure fee was last changed in 2000 and a change is not projected for the FY2018-2019 biennium. The 2014 legislature amended the Nurse Practice Act to require licensure for advanced practice registered nurses effective January 1, 2015. The Board anticipates revenue will increase approximately \$700,000, which will be used to cover expenditures related to salaries for licensure, enforcement and disciplinary functions and development of data base and online services modifications.

Agency Analysis/Comments:

Since FY2000 the board generated revenues greater than expenses. This imbalance was a result of an increase in nurses entering Minnesota, cost efficiencies and budget restrictions imposed on the board. However, the Board projects the balance to decrease beginning in FY2018 and through FY2021 resulting in less than one year's operating expenses in reserve by approximately one-half.

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2018-19 Biennial Budget - Departmental Earnings

Optometry, Board of

Optometry Board Licensing Fees

Agency: Optometry, Board of
Earnings Group: Optometry Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the optometry profession.

Legal Citation: M.S. 148.52, 145.711, 214, 319B, and M.R. 6500

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Opt Non Dedicated Receipts (H7J1000); Criminal Background Check Rec (H7J9210)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	88	72	77	35	35	11	41
Resources:							
Departmental Earnings	129	160	155	157	217	156	216
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	129	160	155	157	217	156	216
Expenditures:							
Direct Expenditures	112	117	164	145	175	145	176
Indirect Expenditures	33	38	33	36	36	36	36
Total Expenditures	145	155	197	181	211	181	212
Current Difference	(16)	5	(42)	(24)	6	(25)	4
Accumulated Ending Balance	72	77	35	11	41	(14)	45

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of optometry to reasonably ensure a standard of competent and ethical practice.

The Board of Optometry regulates the profession by:

- Setting educational standards for initial licensure.
- Reviewing applicant's education and training to determine compliance with the board's licensure requirements.
- Reasonably ensuring that only applicants who meet licensure requirements are granted a license.
- Issuing initial licensure for qualified professionals.
- Setting continuing education requirements for maintenance of licensure.
- Renewing licenses of qualified professionals.
- Setting standards of practice and professional conduct for licensees.
- Taking disciplinary or corrective action against an applicant or licensee for misconduct.
- Responding to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Providing information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. This biennium the board of directors recommended an increase in the 'not to exceed' fees. With none board controlled expenses increasing by nearly \$20,000 (MNIT, HPSP, ASU, AG) the board felt a modest change was necessary to meet their legislative mandate. The board will set annual fees to maintain a positive year-end balance and not over or under charge for those services.

Recent Changes:

Overall, board fees have been increased one time since 1987. Nationally, the Minnesota Board of Optometry fees remain in the lowest quartile when compared with other state boards from information gathered by the Association of Regulatory Boards annual report. With the proposed fee increase, the fees will remain in the lowest 50% of all state boards for the annual renewal of license which accounts for 87% of the board's overall revenue. Stakeholders have been included in discussions on the fee changes and there is no formal opposition to the fiscal request.

Agency Analysis/Comments:

Historically, the Board has been conservative in their spending and the establishment of fees is reflective of having one fee increase since 1987. Operational spending controls and limits have been established. Board staff levels remain at a .8 FTE or two, part time staffing pattern. The increased fees are necessary to assure adequate staffing and program needs are met. Board members have demonstrated prudent stewardship of their revenue and expense management. For information about the recommended fee change see the Board of Optometry Fee Increase change item in the 2018-19 Governor's Budget Recommendations book.

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2018-19 Biennial Budget - Departmental Earnings

Peace Officer Standards and Training Board

Peace Officers Standards and Training Board Licensing Fees

Agency:	Peace Officer Standards and Training Board	2018-19 Departmental Earnings
Earnings Group:	Peace Officers Standards and Training Board Licensing Fees	

Purpose: To cover the administrative costs of testing and licensing peace officers, and part-time officers .

Legal Citation: M.S. 626.843-45; M.S. 326.3386; M.R. 6700.0600

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P7T9900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		124	80	128	128	157	157
Resources:							
Departmental Earnings	555	474	480	480	480	480	480
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	555	474	480	480	480	480	480
Expenditures:							
Direct Expenditures	407	488	407	425	425	429	429
Indirect Expenditures	24	30	25	26	26	26	26
Total Expenditures	431	518	432	451	451	455	455
Current Difference	124	(44)	48	29	29	25	25
Accumulated Ending Balance	124	80	128	157	157	182	182

Agency:	Peace Officer Standards and Training Board	2018-19 Departmental Earnings
Earnings Group:	Peace Officers Standards and Training Board Licensing Fees	

Background Information:

The fee is for to cover the administrative costs of testing and licensing peace officers, part-time officers and constables. The fees are \$90 for a Peace Officer License and \$105 for a Peace Officer Examination.

Forecast Basis:

It is assumed past actual revenues will prevail for fiscal years 17-19.

Recent Changes:

The fee was last changed in 1998 to recover costs.

Agency Analysis/Comments:

The accumulated ending balance has been increasing. The fees appear to be covering the cost of the activity.

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2018-19 Biennial Budget - Departmental Earnings

Perpich Center for Arts Education

Perpich Center for Arts Education Fees

Agency: Perpich Center for Arts Education

2018-19 Departmental Earnings

Earnings Group: Perpich Center for Arts Education Fees

Purpose: Miscellaneous fees collected

Legal Citation: M.S. 129C.10, Subd. 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: PDR Courses & Publications (E25PDC0); Space Rental (E25REN0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	22	43	47	52	52	50	50
Resources:							
Departmental Earnings	146	127	304	28	28	28	28
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	21	30	29	29	29	29	29
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	167	157	333	57	57	57	57
Expenditures:							
Direct Expenditures	146	149	325	56	56	56	56
Indirect Expenditures		4	3	3	3	3	3
Total Expenditures	146	153	328	59	59	59	59
Current Difference	21	4	5	(2)	(2)	(2)	(2)
Accumulated Ending Balance	43	47	52	50	50	48	48

Agency: Perpich Center for Arts Education

2018-19 Departmental Earnings

Earnings Group: Perpich Center for Arts Education Fees

Background Information:

Perpich collects income for sales of publications. The fees for the publications range from \$28 to \$30. This fee covers the cost of printing and shipping the publication. The most recent printing of these publications was in 2014. This fee is determined at the time of printing and ensures that we are recouping our costs.

Perpich collects invoice from the lease of space. The fee amounts vary depending on space usage, janitorial and other staffing needs. The Department of Administration helps administer the leases. A matrix was created in 2014 to assist in determining lease amounts. This matrix is updated annually with the previous year's janitorial and security staff payroll, supplies, etc. This matrix helps to determine the correct amount to charge to ensure we are covering our costs.

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2018-19 Biennial Budget - Departmental Earnings

Pharmacy, Board of

Pharmacy Board Licensing Fees

Agency: Pharmacy, Board of
Earnings Group: Pharmacy Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating pharmacists, pharmacies, drug wholesalers, and drug manufactures and the Board's share of the costs of operating the Prescription Monitoring Program.

Legal Citation: MN Stats §§151.065, 214.055 & 214.06.

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Pharm Non Dedicated Receipts (H7D1000); Criminal Background Check Rece (H7D9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	998	775	1,048	850	850	810	810
Resources:							
Departmental Earnings	2,520	2,951	2,985	2,984	2,984	2,984	2,984
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,520	2,951	2,985	2,984	2,984	2,984	2,984
Expenditures:							
Direct Expenditures	2,348	2,266	2,807	2,608	2,608	2,608	2,608
Indirect Expenditures	395	412	376	416	416	416	416
Total Expenditures	2,743	2,678	3,183	3,024	3,024	3,024	3,024
Current Difference	(223)	273	(198)	(40)	(40)	(40)	(40)
Accumulated Ending Balance	775	1,048	850	810	810	770	770

Background Information:

The core functions of the Board of Pharmacy are:

- Setting educational and examination standards for initial and continuing licensure of pharmacists;
- Setting standards for the registration of pharmacy interns and technicians;
- Conducting inspections of all pharmacies, drug wholesalers, drug manufacturers and controlled substance researchers with physical facilities located within the state;
- Responding to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants, registrants, and licensees;
- Setting standards of practice and conduct for licensees and pursuing educational or disciplinary action with licensees, to ensure that standards are met;
- Providing information and education about licensure requirements, standards of practice and Minnesota drug law to the public and to other interested audiences;
- Providing expertise on issues relating to pharmacy practice and pharmaceuticals to the Legislature, the Governor's Office and other federal, state and local agencies; and
- Administering the State's Prescription Monitoring Program (PMP).

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and registrants are set to recover most of the board's direct and indirect expenditures. The Prescription Monitoring Program is funded by an appropriation to the Board of Pharmacy, the cost of which is shared by the Pharmacy Board and by the boards that license prescribers. Revenues are forecast based on a number of factors, including actual revenue collected in previous years, the historical trend in the number of applicants seeking initial licensure, the historical trend in the number of licensees and registrants that renew their license or registration and the fees established in MN Stats. §151.065.

Recent Changes:

The last fee increases were authorized by the Legislature in 2015 and went into effect in fiscal year 2016. Prior to the 2016 increases, there had been no fee increases since fiscal year 2012. The fiscal year 2012 fee increases were the first since fiscal year 2002. So, the Board has had only three increase spread out over the past 14 years. The difference in revenues collected between fiscal years 2015 and 2016 was approximately \$434,000.

Agency Analysis/Comments:

As noted above, the Board is not requesting authority to collect additional fees at this time. However, it is likely that a fee increase will be necessary during the 2020-2021 biennium. The Board ended fiscal year 2016 with approximately \$1.05 million in reserves. Since the Board is not requesting a fee increase at this time, it will need to draw down those reserves – to approximately \$63,000 at the end of fiscal year 2019.

Even though the Board will not be requesting a fee increase, it will request that its appropriation be increased by \$55,000 in FY 2018 and \$95,000 in FY 2019. This represents a 2.2% increase in FY 2018 from the current base appropriation of \$2,506,000. The FY 2019 appropriation would be 3.8% larger than the current base. The Board needs an increased appropriation to cover:

- Increased costs of in-state travel for inspections and complaint investigations;
- Rent increases; and
- Increased salary and benefit costs related to reclassification of a clerical position and potential cost-of-living increases.

Approximately 93% of the Board's expenditures that are covered by its appropriation are in three areas: salaries and benefits, office rent and information technology costs. Along with the other health licensing boards, the Board is currently leasing office space under a contract. Consequently, rent costs cannot be reduced. Since the Legislature consolidated all state IT services within MN.IT, the Board has had very limited control over its IT budget, not being able to even negotiate its contracts with external IT vendors. Consequently, it is unlikely that the Board would be able to decrease IT expenditures. If the request for an increase in its base appropriation is not granted, the Board will have no viable alternative but to lay off staff. That would result in fewer inspections of licensed facilities, delayed processing of citizen complaints, and longer wait times for the issuance of licenses and registrations.

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2018-19 Biennial Budget - Departmental Earnings

Physical Therapy, Board of
Physical Therapy Board Licensing Fees

Agency: Physical Therapy, Board of

2018-19 Departmental Earnings

Earnings Group: Physical Therapy Board Licensing Fees

Purpose: To recover the costs of regulating physical therapist professions.

Legal Citation: M.S. 148.65-148.78, 214, 319B and M.R. 5600.0100 – 5601.3000

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Phy Th Non Dedicated Receipts (H7W1000); Criminal Background Check Rec (H7W9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	554	544	778	782	782	886	886
Resources:							
Departmental Earnings	625	651	650	650	650	650	650
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	30						
Revenue Collected for Another Agency	47						
Total Resources	548	651	650	650	650	650	650
Expenditures:							
Direct Expenditures	384	310	544	439	439	439	439
Indirect Expenditures	174	107	102	107	107	107	107
Total Expenditures	558	417	646	546	546	546	546
Current Difference	(10)	234	4	104	104	104	104
Accumulated Ending Balance	544	778	782	886	886	990	990

Background Information:

Board services are entirely supported by the fees collected. Board services include credentialing, complaint review and investigation, and education services:

- Issuing initial licenses and renewing licenses for qualified professionals.
- Ensuring that only applicants who meet licensure requirements are granted a license.
- Responding to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Taking disciplinary or corrective action against an applicant or licensee for misconduct.
- Setting standards of practice and professional conduct for licensees.
- Setting educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Reviewing applicant's education and training to determine compliance with the board's licensure requirements.
- Providing information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

The fees are paid by physical therapist and physical therapist assistant licensees and applicants for licensure, and by sponsors of continuing education courses. All fees are established in statute.

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, and the number of applicants seeking initial licensure. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

Fees have not been increased since 1994.

Agency Analysis/Comments:

No fee changes are being requested.

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2018-19 Biennial Budget - Departmental Earnings

Podiatric Medicine, Board of
Podiatric Medicine Licensing Fees

Agency: Podiatric Medicine, Board of

2018-19 Departmental Earnings

Earnings Group: Podiatric Medicine Licensing Fees

Purpose: To recover the costs of regulating the podiatric medicine, orthotics, prosthetics, and pedorthist professions.

Legal Citation: M.S. 153.02, 153.16, 153B.85, 214, 319B and M.R. 6900

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Pod Med Non Dedicated Receipts (H7Q1000); Criminal Background Check Rec (H7Q9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	136	141	168	61	61	108	108
Resources:							
Departmental Earnings	106	116	90	276	276	125	125
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	3						
Revenue Collected for Another Agency							
Total Resources	103	116	90	276	276	125	125
Expenditures:							
Direct Expenditures	75	67	165	191	191	191	191
Indirect Expenditures	23	22	32	38	38	38	38
Total Expenditures	98	89	197	229	229	229	229
Current Difference	5	27	(107)	47	47	(104)	(104)
Accumulated Ending Balance	141	168	61	108	108	4	4

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of podiatric medicine to ensure a standard of competent and ethical practice.

The Board of Podiatric Medicine provides the following services:

- Issue initial licensure and renew licenses for qualified professionals.
- Ensure that only applicants who meet licensure requirements are granted a license.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Take disciplinary or corrective action against an applicant or licensee for misconduct.
- Set standards of practice and professional conduct for licensees.
- Set educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Review applicant's education and training to determine compliance with the board's licensure requirements.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, licensees, and for license verifications approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. Changes anticipated to the amount of revenue generated in the second year of this biennium include revenue fees from the newly licensed professions of orthotics, prosthetics and pedorthists beginning January 1, 2018.

Recent Changes:

Licensure is now required for the professions of orthotics, prosthetics and pedorthists beginning January 1, 2018 with the Board of Podiatric Medicine being the administering entity.

Agency Analysis/Comments:

None.

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2018-19 Biennial Budget - Departmental Earnings

Pollution Control

- Air Quality Fee
- DVS Motor Vehicle Transfer Fee
- Dry Cleaner Fee
- E-Waste
- Hazardous Waste Fee
- Low Level Radioactive Waste Generator Fee
- PCA Income Agreements
- Paint Stewardship Admin Fees
- Petroleum Brownfields Program Fee
- Pollution Prevention Fee
- Subsurface Sewage Treatment Systems (SSTS) Licensing
- Subsurface Sewage Treatment Systems (SSTS) Tank Fee
- Underground Storage Tank Certification Program
- Waste Disposal Facility Operators and Inspector Certification Program
- Wastewater Operator Certification Program
- Water Quality Fee

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Air Quality Fee

Purpose: Fees are used to support the air quality programs, which include monitoring, permitting, permit enforcement and other functions to improve and protect air quality in Minnesota.

Legal Citation: M.S. 116.07, Subd4(d)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (G900909); AQ Environ Fund Non Dedicated (R32A001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		14,156	29,721	45,241	45,241	60,761	60,761
Resources:							
Departmental Earnings	14,156	15,565	15,520	15,520	15,520	15,520	15,520
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14,156	15,565	15,520	15,520	15,520	15,520	15,520
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	14,156	15,565	15,520	15,520	15,520	15,520	15,520
Accumulated Ending Balance	14,156	29,721	45,241	60,761	60,761	76,281	76,281

Background Information:

The fee exists to cover the costs of operating the Air Program, including the reasonable costs of developing, reviewing, and acting on applications for agency permits, implementing and enforcing permits and other air quality functions to improve and protect air quality in Minnesota.

The annual fee is used to pay for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of subchapter V of the federal Clean Air Act. These reasonable costs (of the MPCA Air Program) include the costs of reviewing and acting on an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analysis, and demonstrations; preparing inventories and tracking emissions, and providing information to the public about these activities.

The fee is determined by dividing the Air Programs related cost by the number of tons of emissions, as calculated by rule. The fee for calendar year 2016 is \$86.76 per ton of emissions.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Revenue forecasts are adjusted annually by the change in Consumer Price Index, as established by the fee calculation in rule. Generally, as fee-related emissions decrease, and CPI slowly increases, the fee rate per ton of emissions slowly increases to cover the cost of the agency's Air Program.

Recent Changes:

Fees change at the beginning of each calendar year, based on the appropriation level provided by the legislature. The fee increase from CY 15 to CY 16 was minimal, and revenue generated increased only slightly.

Agency Analysis/Comments:

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: DVS Motor Vehicle Transfer Fee

Purpose: Funds are appropriated to state agencies for environmental issues involving motor vehicles such as tire waste management and cleanup activities.

Legal Citation: M.S. 115.908, Sub. 1

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Environmental (2800)

Appropriation: Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P07771E)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		10,750	21,445	31,445	31,445	41,445	41,445
Resources:							
Departmental Earnings	10,750	10,695	10,000	10,000	10,000	10,000	10,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10,750	10,695	10,000	10,000	10,000	10,000	10,000
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	10,750	10,695	10,000	10,000	10,000	10,000	10,000
Accumulated Ending Balance	10,750	21,445	31,445	41,445	41,445	51,445	51,445

Background Information:

The Motor Vehicle Title Transfer Fee (MVTF) was first established in law in 1972, charging \$1 per automobile title transferred to fund an MPCA grant program for collection of abandoned automobiles. The Waste Management Act established the current MVTF in 1984 as a \$4 fee on initial registration of a vehicle weighing more than 1,000 pounds and at each subsequent title transfer. Originally, the statute had a sunset date of 1994, which the Legislature extended in 1992 and 1995. The continuing need to fund pollution-prevention and cleanup activities related to auto pollution, including Superfund sites, prompted the Legislature to eliminate the sunset altogether in 1997. An August 2002 statewide survey performed by St. Cloud State University found that 60% of Minnesotans supported a \$6.00 increase in the MVTF if it were used to “pay for both new and existing environmental protection programs related to vehicle pollution.”

In 2003, a stakeholder group (The Funding Options Working Group) recommended to the Legislature that the MVTF remain a funding source for environmental activities because of the clear nexus between air pollution and the increasing impacts from automotive vehicle emissions. Currently, the MVTF of \$10 per vehicle title transfer that are deposited into the Environmental Fund support about 80 FTEs of activities at MPCA focused on reducing not only air pollution impacts from automobiles, but also the environmental impacts of road and bridge construction and maintenance, and other aspects of automobile and vehicle use and disposal.

Ongoing MPCA program activities include: permitting, compliance, and enforcement, pollution prevention activities, restoration of contaminated water, and remediation of polluted land that directly result from the environmental impacts of automobiles, roads, and bridges.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

A conservative estimate of revenues based upon the last four-year average, in consultation with the Minnesota Department of Public Safety, is used for forecasting revenues. It is believed that when the economy is strong, fees from new car sales make up a greater proportion of annual revenues, opposed to during years of weaker economic activity, where re-transfer of vehicles become a larger proportion of fee receipts. Therefore, the trends in fee receipts vary little from year-to-year.

Recent Changes:

In 2005, the fee was raised from six dollars to \$10.00 per title registered or transferred.

Agency Analysis/Comments:

In 2007 the legislature directed the Motor Vehicle Transfer Fee be deposited into the Environmental Fund as a non-dedicated receipt.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Dry Cleaner Fee

Purpose: To provide a means for Minnesota dry cleaners to fund cleanup at sites that have been contaminated by dry cleaning operations.

Legal Citation: M.S. 115B.49, Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Remediation Fund (2801)

Appropriation: Drycleaning Environmental (G904003); Dry Cleaners Projects (R32L112)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	879	795	563	43	43	45	45
Resources:							
Departmental Earnings	476	469	650	650	650	650	650
Other Resources:							
Earning Transferred In			743				
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	476	469	1,393	650	650	650	650
Expenditures:							
Direct Expenditures	560	701	1,913	648	648	648	648
Indirect Expenditures							
Total Expenditures	560	701	1,913	648	648	648	648
Current Difference	(84)	(232)	(520)	2	2	2	2
Accumulated Ending Balance	795	563	43	45	45	47	47

Background Information:

In 1995, the Minnesota Cleaners Association worked with the MPCA to modify MN Statute 115B Environmental Response and Liability Act to include a provision (115B.47 – 115B.51) that established a fund for the reimbursement of owners and operators of dry cleaning facilities for response actions taken with respect to releases from the dry cleaning facility.

Currently the fee structure is as follows:

Annual Registration Fees – The owner or operator of a dry cleaning facility shall register on or before October 18th of each year, or quarterly, as established in Minn. Stat. 115B.49, subd. 4., and pay a registration fee for the facility based on size as follows:

1. Less than 5 Full Time Employees (FTEs) - \$1,900;
2. 5 -10 FTEs = \$4,100; and
3. >10 FTEs = \$7,550

Product Fees – A person who sells dry cleaning solvents for use by dry cleaning facilities shall collect and remit to department of revenue, on or before the 20th of the month following the month in which the sales of dry cleaning solvents are made, as established in Minn. Stat. 115B.49, subd. 4., solvent fees per gallon sold are as follows:

1. Tetrachloroethene (Perchloroethylene or Perc) = \$19.80
2. Hydrocarbon-based solvents = \$10.50; and
3. Other non-aqueous solvents = \$4.90.

Minn. Stat. 115B.49, subd. 4b states the fee shall be adjusted each year to maintain an annual income to the account of \$650,000.

Money in the account may be used:

- (1) for environmental response costs incurred by the commissioner under section 115B.50, subdivision 1;
- (2) for reimbursement of amounts spent by the commissioner from the remediation fund for expenses described in clause (1);
- (3) for reimbursements under section 115B.50, subdivision 2; and
- (4) for administrative costs of the commissioner of revenue

At the request of the owner or operator of a dry cleaning facility who takes response actions at the facility in accordance with a response action plan approved by the commissioner, the commissioner shall reimburse the owner or operator for all but \$10,000 of the environmental response costs incurred by the owner or operator if the commissioner determines that the costs are reasonable and were actually incurred. If the commissioner reimburses an owner or operator for environmental response costs under this subdivision for which the owner or operator has insurance coverage, the commissioner is subrogated to the rights of the owner or operator with respect to that insurance coverage to the extent of the reimbursement. Acceptance of reimbursement under this subdivision constitutes an assignment by the owner or operator with respect to any insurance coverage applicable to the costs that are reimbursed.

Forecast Basis:

The basis of our forecast includes:

Number of active dry cleaning facilities identified by the Department of Revenue for the previous year is the same for the year the Registration fees are calculated.

Solvent volumes sold during the previous year are the same for the year the solvent fee is calculated.

We also note that:

The number of active dry cleaning facilities paying registration fees is decreasing each year.

The volume of Perchloroethylene sold each year is decreasing.

Recent Changes:

The last time the fees changed includes:

- Registration fee was last changed effective July 1, 2016.
- The solvent fee was last changed effective November 1, 2015.

Due to the decrease in both numbers of dry cleaning facilities paying registration fees and volume of perchloroethylene sold each year, an increase in fees was necessary to generate the \$650,000 per year required by statute.

Agency Analysis/Comments:

The MPCA adjusts the fees each year to reach \$650,000 per year to the fund as required by statute. Each year the number of active dry cleaning facilities decrease, and they are using less solvents. Fees for individual owners or operators increase each year. Current fees are projected to generate approximately \$653,377 to the Fund.

It is noted that the potential liability for cleanup costs related to this program far exceeds the \$650,000 per year amount collected

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: E-Waste**Purpose:**

To establish the avenues for Minnesota residents to recycle rather than dispose of electronics. State statute bans disposing of electronic components such as video display devices and computers in landfills. This program provides a mechanism to collect and recycle electronic devices covered by the ban. Electronic manufacturers are required to register annually and pay a fee to cover the Agency's costs of administering this program.

Legal Citation:

M.S. 115A.1314

Dedicated Receipts:

No

Non-Dedicated Receipts:

Yes

Fund:

Environmental (2800)

Appropriation:

Non Dedicated Receipts (G900909); CM Environ Fund Non Dedicated (R32C002)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		280	680	980	980	1,280	1,280
Resources:							
Departmental Earnings	280	400	300	300	300	300	300
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	280	400	300	300	300	300	300
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	280	400	300	300	300	300	300
Accumulated Ending Balance	280	680	980	1,280	1,280	1,580	1,580

Background Information:

The fee exists to implement the E-Waste Program as required by statute. Our responsibilities include coordinating registration and reporting and reviewing the collector, recycler and manufacturer data, conducting compliance and enforcement activities if necessary, and to potentially offer grants to counties outside the 11-county metro area. The program is accomplished through efforts of the MPCA and Departments of Revenue and Administration.

The registration fee for manufacturers that sell 100 or more video display devices to households in the state during the previous calendar year is \$2,500, plus a variable recycling fee. The variable recycling fee is calculated according to formula.

Fee revenue is used by the agency to administer the program, and make grants to counties outside the 11-county metropolitan area and to private entities that collect for recycling covered electronic devices in counties outside the 11-county metropolitan area, where the collection and recycling is consistent with the respective county's solid waste plan. In awarding competitive grants, preference is given to counties and private entities that are working cooperatively with manufacturers to help them meet their recycling obligations.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

The basis of forecasts is the trend from the past couple fiscal years.

Recent Changes:

The fees were changed in the 2016 Legislative session to only include manufacturers who sell 100 or more video display devices to households in the state. All factors of the variable fee formula were reduced.

Agency Analysis/Comments:

Departmental earnings and expenditures over the past 2 fiscal years are nearly equal.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Hazardous Waste Fee

Purpose: Recover the costs of regulating hazardous waste recyclers, generators, transporters and waste treatment, storage and disposal facilities.

Legal Citation: M.S. 116.07, subd. 4(d) and M.S. 116.12

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (G900909); Lnd Environ Fund Non Dedicated (R32L003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		4,611	7,610	14,751	14,751	19,401	19,401
Resources:							
Departmental Earnings	4,611	2,999	7,141	4,650	4,650	4,650	4,650
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,611	2,999	7,141	4,650	4,650	4,650	4,650
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,611	2,999	7,141	4,650	4,650	4,650	4,650
Accumulated Ending Balance	4,611	7,610	14,751	19,401	19,401	24,051	24,051

Background Information:

These fees recover the costs of regulating hazardous waste recyclers, generators and transporters, and permitted treatment storage and disposal facilities. The MPCA provides regulatory oversight for the entire State including the Metro Counties. This oversight includes compliance assistance and appropriated enforcement actions, facility inspections, training, rule applicability and determination, program policy, and rule updates. The MPCA implements statewide initiatives for specific wastes like pharmaceuticals and mercury containing products. MPCA is also tasked with maintaining the electronic systems for reporting to EPA, online services to obtain/renew licenses, reporting of generator figures, as well as fee payment and collection.

Fee amounts and categories include:

HW Non Metro Base Fee – \$496.24 (\$483.00 last year)

HW Non Metro Per Pound Fee – \$0.0798 (\$0.0947 last year)

HW Non Metro Base Fee – \$261.58 (\$258.00 last year)

HW Metro Per Pound Fee - \$0.0168 Per Pound (\$0.0187 last year)

1. 0031 Nonmetropolitan Area Generator Fees

Base fee - \$496.24 (\$483.00 last year)

Per pound fee - \$0.0798 (\$0.0947 last year)

1. 0020 Hazardous Waste Facility Fees

Fees are also charged for permitted hazardous waste treatment, storage and disposal facilities. These fees are assessed based on the types of units each facility operates, and takes into consideration that many facilities operate more than one type of hazardous waste management (i.e. storage units AND a treatment unit). The MPCA collects fees from these facilities on an annual basis as well as every time their permit reapplication is due. This year, these annual fees ranged anywhere from \$9,310 to \$143,870. The application fees ranged from \$3,170 to \$100,270. Overall, through their annual and application fees, the permitted treatment, storage and disposal facilities are mandated to collect 19% of the dollars appropriated by the Minnesota Legislature for the hazardous waste program at the MPCA.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Fees are calculated based off of Minnesota Rule 7046. Minnesota Rule 7046 does allow a correction factor of up to 5% of the total appropriated dollars to be collected from generators in order to address expected future shortfalls in payments of assessed fees. However, the Agency has not added any correction factor to our fees since at least 2007 because we have a very high payment return rate from generators. Therefore, the hazardous waste licensing fees have stayed very consistent for numerous years.

Recent Changes:

The exact dollars assessed to each generator do change each year based on fluctuations in the number of generators in the state as well as the overall number of pounds reported by those generators. The last changes to Minnesota Rules Ch. 7046, which contains the fee calculation rules, was in 2007. Fee changes for hazardous waste generator base fees were in the \$3.00 to \$15.00 range, per generator, from 2015 to 2016 invoices. These changes did not impact the revenue generated.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Hazardous Waste Fee

Agency Analysis/Comments:

The Minnesota Legislature mandates that the MPCA collect revenue annually through assessing hazardous waste generator fees as well as permit fees in order to fund the cost of the program. In recent years, the amount of this Legislative appropriation has been \$2,500,00. In accordance to Minnesota Rule 7046.0060 subp 1 (Step 2), an additional \$2,000,000 is added to the target fiscal goal. This brings the total amount that the hazardous waste program targets to collect to \$4,500,000.

The program has been successfully recovering in excess of 98% of hazardous waste related fees on an annual basis.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Low Level Radioactive Waste Generator Fee

Purpose: To pay for costs incurred by the Agency in performing its responsibilities under the Midwest Low-Level Radioactive Waste Compact.

Legal Citation: M.S. 116C.834

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: CM Environ Fund Non Dedicated (R32C002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		34	47	57	57	67	67
Resources:							
Departmental Earnings	34	13	10	10	10	10	10
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	34	13	10	10	10	10	10
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	34	13	10	10	10	10	10
Accumulated Ending Balance	34	47	57	67	67	77	77

Background Information:

The fee was part of legislative authorization in 1993 for Minnesota to join an interstate compact commission, the "Midwest Interstate Low Level Radioactive Waste Compact Commission." The purpose of state participation was to cooperate in setting up a joint disposal site for low level radioactive waste (LLRW), which, even though less radioactive than spent reactor fuel, has been quite controversial among the public. It is different from other wastes in that Congress authorized states to control, or even prohibit, the flow of LLRW into their borders, if they wished. LLRW as defined in Minnesota and other states is not legal for disposal in standard MMSW or industrial landfills, so disposal capacity became a significant concern when the few available sites closed. The latest site to close was in Barnwell, SC. However, this scarcity has been manageable because many generators who produced LLRW in the past have stopped producing and disposing of it, given the increased costs and advances in technology. The availability of space will take on a new importance when today's operating reactors need to be dismantled and disposed, which will produce large quantities of LLRW.

The fee is based on volume of waste generated and disposed of out of state. The rates are as follows:

- - No Fee = 1-100 cubic feet shipped for disposal
- - \$100 flat fee = 100-1,000 cubic feet shipped for disposal
- - \$2.75/cubic foot = over 1,000 cubic feet shipped for disposal.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Currently, there are 3 fee payers, resulting in approximately \$10,000 per year. Fees stay relatively level unless there is a cleanup project.

Recent Changes:

Fees have never been changed.

Agency Analysis/Comments:

Since the legislation passed and the state rules were adopted, it has not been necessary to set up a Midwest landfill for LLRW within the compact member states. However, disposal options are very limited and expensive. Disposal access for Minnesota generators is limited to one facility in Texas (depending on whether the Texas/Vermont Compact has given permission), and one in Utah, which is open only for low-strength wastes. The compact commission continues to meet yearly, to participate in national conferences, and monitor the disposal situation.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: PCA Income Agreements

Purpose: The MPCA enters into written income agreements with outside parties that agree to pay the MPCA for specific tasks and services.

Legal Citation: M.S. 115.06, Subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Marathon Petroleum Agreement (R32A105); Flint Hills Resources Agreemen (R32A107); Environmental Impact Statement (R32A115); Product Stewardship County Rei (R32C147); EQB - Environmental Impact Sta (R32C148); EQB Agreements (R32C158); Income Agreements (R32C161); ECOS ITRC (R32L141)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	273	117	131	131	131	131	131
Resources:							
Departmental Earnings	207	3,268	4,657	3,189	3,189	3,189	3,189
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	207	3,268	4,657	3,189	3,189	3,189	3,189
Expenditures:							
Direct Expenditures	307	3,227	4,639	3,171	3,171	3,171	3,173
Indirect Expenditures	56	27	18	18	18	18	18
Total Expenditures	363	3,254	4,657	3,189	3,189	3,189	3,191
Current Difference	(156)	14					(2)
Accumulated Ending Balance	117	131	131	131	131	131	129

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: PCA Income Agreements

Background Information:

This earnings group represents income agreements with outside parties that request specific agency-delivered tasks and services. Monies received by the agency are used to offset the cost of service delivery under the specific agreements.

Forecast Basis:

There is little basis for forecasting as outside parties request agency services on an as-needed basis.

Recent Changes:

N/A

Agency Analysis/Comments:

Income agreements are created to cover the costs of agency provided services.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Paint Stewardship Admin Fees**Purpose:**

To establish a statewide product stewardship program that manages architectural paint by reducing the paint's waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for end-of-life recycling and reuse.

Legal Citation:

M.S. 115A.1415, Subd. 16

Dedicated Receipts:

Yes

Non-Dedicated Receipts:

No

Fund:

Restrict Misc Special Revenue (2000)

Appropriation:

Product Stewardship (R32C135)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			5			(16)	(17)
Resources:							
Departmental Earnings	231	118	78	68	68	68	68
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	231	118	78	68	68	68	68
Expenditures:							
Direct Expenditures	149	52	51	50	50	50	50
Indirect Expenditures	82	61	32	34	35	34	34
Total Expenditures	231	113	83	84	85	84	84
Current Difference		5	(5)	(16)	(17)	(16)	(16)
Accumulated Ending Balance		5		(16)	(17)	(32)	(33)

Background Information:

The fee exists to support agency responsibilities to operate the paint stewardship program, including: reviewing and evaluating the functioning of the program, conducting compliance and enforcement activities (if necessary) and ensuring proper reimbursement payments to local government programs. The program addresses the statutory requirement for architectural paint sold in the state, that producers must, individually or through a stewardship organization, implement and finance a statewide product stewardship program that manages the architectural paint by reducing the paint's waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for end-of-life recycling and reuse.

The fee amount is \$.75 on every gallon of architectural paint sold, which is collected during the retail transaction.

Forecast Basis:

The basis of establishing forecasted revenues is the level of prior biennial receipts against the cost to operate the program. This fee amount of \$.75 per gallon has not changed since established in 2013.

Recent Changes:

None

Agency Analysis/Comments:

Present receipts are sufficient to cover the cost of program operations, without a significant over- or under-collection.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Petroleum Brownfields Program Fee

Purpose: To cover costs of requested services from the Petroleum Brownfields Program.

Legal Citation: M.S. 115C.03 09

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Petroleum Brownfields Program (R32L109)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	130	69					
Resources:							
Departmental Earnings	207	241	239	239	239	239	239
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	207	241	239	239	239	239	239
Expenditures:							
Direct Expenditures	227	263	192	192	192	192	192
Indirect Expenditures	41	47	47	47	47	47	47
Total Expenditures	268	310	239	239	239	239	239
Current Difference	(61)	(69)					
Accumulated Ending Balance	69						

Background Information:

The fee exists to cover costs to the agency for providing voluntarily requested services, including two: assist in determining whether a release has occurred; assist in or supervise the development and implementation of reasonable and necessary corrective actions; and assist in or supervise the investigation, development, and implementation of actions to minimize, eliminate, or clean up petroleum contamination at sites where it is not certain that the contamination is attributable to a release.

The current fee of \$125 per hour addresses costs to provide items and activities requested by customers concerning petroleum contaminated properties, such as: closure and liability letters, review of investigations and cleanups, review development response action plans. Additionally, the Petroleum Brownfield Program (PBP) provides services to property developers, public redevelopment agencies, cities, and other parties seeking liability assurances and technical review of their cleanup plans.

Forecast Basis:

We anticipate a slight increase in demand for services (i.e., number of yearly applications), based on a relatively stable and improving economy, continued demand for redevelopment of contaminated urban properties into mainly commercial/residential/mixed-use projects, existing numbers of contaminated properties. Therefore, the near-term trend appears as continued stability to growth in receipts.

Recent Changes:

The fee was last changed in 2011 from \$150 to \$125 per hour.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Pollution Prevention Fee

Purpose: Maintains a program that encourages toxic pollution prevention by providing technical assistance and grants to parties that are handling these substances and compounds.

Legal Citation: M.S. 115D.12

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: CM Environ Fund Non Dedicated (R32C002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		1,385	2,284	4,584	4,584	5,934	5,934
Resources:							
Departmental Earnings	1,385	899	2,300	1,350	1,350	1,350	1,350
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,385	899	2,300	1,350	1,350	1,350	1,350
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,385	899	2,300	1,350	1,350	1,350	1,350
Accumulated Ending Balance	1,385	2,284	4,584	5,934	5,934	7,284	7,284

Background Information:

This fee exists to provide the pollution prevention technical assistance established under the Toxic Pollution Prevention Act: to assemble, catalog, and disseminate information on pollution prevention; to provide technical research and assistance, including on-site consultations to identify alternative methods that may be applied to prevent pollution and to provide assistance for planning, excluding design engineering services; and hold outreach programs including seminars, workshops, training programs, and other similar activities designed to provide pollution prevention information and assistance to eligible recipients and other interested persons.

The fee is \$150 for each toxic pollutant reported released plus a fee based on the total pounds of toxic pollutants reported as released from each facility. Facilities reporting less than 25,000 pounds annually of toxic pollutants released per facility will be assessed a fee of \$500. Facilities reporting annual releases of toxic pollutants in excess of 25,000 pounds shall be assessed a graduated fee at the rate of two cents per pound of toxic pollutants reported. Persons who generate more than 1,000 kilograms of hazardous waste per month but who are not subject to the fee under paragraph (a) must pay a pollution prevention fee of \$500 per facility.

Activities supported by this fee include: to protect the public health, welfare, and the environment, the legislature declares that it is the policy of the state to encourage toxic pollution prevention. The preferred means of preventing toxic pollution are techniques and processes that are implemented at the source and that minimize the transfer of toxic pollutants from one environmental medium to another. The legislature intends that the programs developed shall encourage and lead to a greater awareness of the need for and benefits of toxic pollution prevention, and to a greater degree of cooperation and coordination among all elements of government, industry, and the public in encouraging and carrying out pollution prevention activities.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

The forecast is based on what was collected under previous years in the projected in change in numbers of generators. Historically, fee revenues do not vary significantly from year to year.

Recent Changes:

Fees have not changed since their establishment in 1990.

Agency Analysis/Comments:

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Subsurface Sewage Treatment Systems (SSTS) Licensing

Purpose: The fee is established to defray the cost of licensing persons who design, install and maintain, pump or inspect subsurface sewage treatment systems (SSTS).

Legal Citation: M.S. 115.56, Subd. 4

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		423	820	1,297	1,297	1,717	1,717
Resources:							
Departmental Earnings	423	397	477	420	420	420	420
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	423	397	477	420	420	420	420
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	423	397	477	420	420	420	420
Accumulated Ending Balance	423	820	1,297	1,717	1,717	2,137	2,137

Background Information:

The fee exists to provide a licensing program that ensures persons are technically qualified to design, install, maintain, pump, inspect, or provide service to a subsurface sewage treatment system. Licenses allow work on subsurface sewage treatment systems that do not require a state permit using prescriptive designs and design guidances provided by the agency. License persons who design systems using these prescriptive designs and design guidances are not subject to the additional licensing requirements.

The fee is \$200 per year per individual or no more than \$400 per year for a business with multiple licenses.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

The number of licensed persons of remained fairly consistent over the last four years. Forecasted revenues are based off of the trend over time in both the numbers of licensees and actual receipts. This fee is not anticipated to increase substantially over the next biennium.

Recent Changes:

This fee was last changed in February 2008, when annual licenses for individuals increased from \$100-\$200 per year, and the limit for multiple licensees at a single business increased from \$200 per year to \$400 per year.

Agency Analysis/Comments:

The agency only collected 32% of wastewater program costs through both licensing and tank fees in FY2016; an under-recovery of \$1,043,000.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Subsurface Sewage Treatment Systems (SSTS) Tank Fee

Purpose: To support new system and technology review, provide technical assistance for local governments and enforcement for subsurface sewage treatment systems (SSTS).

Legal Citation: M.S. 115.551

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		295	394	807	807	1,087	1,087
Resources:							
Departmental Earnings	295	99	413	280	280	280	280
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	295	99	413	280	280	280	280
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	295	99	413	280	280	280	280
Accumulated Ending Balance	295	394	807	1,087	1,087	1,367	1,367

Background Information:

This fee supports staff costs required to accomplish agency review of warranted subsurface sewage treatment systems, provision of technical assistance and, as needed, enforcement. The fee is \$25 for each septic system tank installed in the previous calendar year, and for performance based systems, the tank fee is limited to \$25 per household system installation.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Projections assumes no significant change in revenues over the next few years due to both the lack of changes in SSTS rules and the relatively consistent number of tank installations per year. Additionally, projections consider trends, if any, as they are reflected in the annual SSTS report.

Recent Changes:

This fee has not changed since it was established in 2003.

Agency Analysis/Comments:

The agency only collected 32% of wastewater program costs through both licensing and tank fees in FY2016; an under-recovery of \$1,043,000.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Underground Storage Tank Certification Program

Purpose: To certify persons who install, repair, or remove underground storage tanks.

Legal Citation: M.S. 116.491, Subd. 2

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Petroleum Tank Release Cleanup (2350)

Appropriation: Lnd Petro Fund Non Dedicated (R32L002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		6	11	17	17	23	23
Resources:							
Departmental Earnings	6	5	6	6	6	6	6
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6	5	6	6	6	6	6
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	6	5	6	6	6	6	6
Accumulated Ending Balance	6	11	17	23	23	29	29

Background Information:

The fee exists to pay for administering the Underground Storage Tank Certification Program. Program activities include processing applications, conducting examinations, issuing and renewing certificates and providing training for contractors and supervisors who perform certain underground petroleum storage tank activities.

The fee for each new, modified, or renewal application for contractor or supervisor certification is \$50. These fees are credited to the Petroleum Tank Release Cleanup Fund.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Historical certification numbers of applications receiving for tank certification each year were reviewed, and it was noted that approximately 75 tank service providers receive their certification or renewal certification each year. It is seen that there is a consistent number of tank contractors and supervisors that receive this annual certification. When the economy is doing well and new gas stations are being built, there is a corresponding increase in the number of new supervisors and contractors that apply for certification. When the economy slows down, the opposite effect is seen.

Recent Changes:

This fee has never been changed, and the fee amount is established in statute.

Agency Analysis/Comments:

The current fee adequately covers the cost of MPCA staff processing tank certification applications.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Waste Disposal Facility Operators and Inspector Certification Program

Purpose: Train inspectors and operators of waste water disposal facilities.

Legal Citation: M.S. 116.41, Subd 2

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Lnd General Fund Non Dedicated (R32L001); WQ General Fund Non Dedicated (R32W001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		10	17	25	25	33	33
Resources:							
Departmental Earnings	10	7	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10	7	8	8	8	8	8
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	10	7	8	8	8	8	8
Accumulated Ending Balance	10	17	25	33	33	41	41

Background Information:

The fee supports the assurance that standards of competence for persons operating and inspecting various classes of disposal facilities exist, and makes training available to persons operating facilities for the disposal of waste and for inspectors of such facilities so they are able to be certified at the standardized level of competence.

Currently the fees are:

- application examination, \$15
- issuance of certificate, \$15
- re-examination for failure to pass examination, \$15
- renewal of certificate, \$15
- replacement certificate, \$5 and
- reinstatement of reciprocity certificate, \$30

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Revenue forecasts are based upon the trends and current collections, which have remained fairly consistent over the last five years.

Recent Changes:

None

Agency Analysis/Comments:

The fees are deposited in the General Fund, and the MPCA receives an Environmental Fund appropriation from which resources to operate the certification program are paid. With the fees deposited into one fund and appropriation made from the other, this has created a 100% under-recovery to the Environmental Fund and the amount of the annual appropriation.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Wastewater Operator Certification Program

Purpose: To provide technical certification for operators of wastewater treatment plants.

Legal Citation: M.S. 116.07, Subd. 4(d)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: WQ Spec Rev Fund Non-Dedicated (R32W002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		60	125	189	189	253	253
Resources:							
Departmental Earnings	60	65	64	64	64	64	64
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	60	65	64	64	64	64	64
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	60	65	64	64	64	64	64
Accumulated Ending Balance	60	125	189	253	253	317	317

Background Information:

This fee exists to cover the reasonable costs of maintaining and implementing a wastewater certification program for operators of wastewater treatment plants. Fee amounts vary depending on the type of certification service that has been requested. The Minnesota Department of Health (MDH) administers the program for certification of water treatment plant operators and the agency is responsible for the certification of wastewater treatment operators. In 1996, when the responsibility for rulemaking was transferred from the Certification Council to MDH and PCA, the legislature elected not to separate the fees for the MDH and PCA certification programs. The agencies are individually appropriated the funds to cover the cost of their certification programs from the State Government Special Revenue Fund. Both agencies deposit certification fees into this fund.

Local units of government represent the majority of customers in this certification program. Fees types and amounts include: Wastewater exam application fee is \$55

- Wastewater certification fee (after passing the exam) is \$45
- Wastewater renewal fee (every 3 years) is \$23.
- Wastewater reinstatement fee is \$40.
- Waste disposal (spray and land application) exam application fee is \$15.
- Waste disposal certification fee is \$15.
- Waste disposal renewal fee is \$15, however if an operator had a valid wastewater certification, the renewal fee is waived and renewed at no charge (in Rule).
- Waste disposal reinstatement fee is \$30.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

The revenue forecast for these fees has remained fairly consistent over the last couple years. Projections are based upon recent history of operators requesting and attending training. It is anticipated that there will not be a significant change in numbers of persons attending training, seeking certification or renewal in near future years.

Recent Changes:

Wastewater operator certification fees last increased on January 1, 2011. The fee for an application exam increased from \$23 to \$45, and the certification fee (for those who passed the exam) increased from \$32 to \$55.

Agency Analysis/Comments:

Since 2012, the agency has been under-recovering program costs from the State Government Special Revenue Fund by between 16% and 33%, with an average of 25% under-recovery.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Water Quality Fee

Purpose: To cover the reasonable costs of reviewing and acting upon applications for permits, implementing and enforcing the conditions of water permits pursuant to pollution control rules.

Legal Citation: M.S. 116.07, Subd 4(d)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (G900909); WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		5,432	10,802	15,935	15,935	20,795	20,795
Resources:							
Departmental Earnings	5,432	5,370	5,133	4,860	4,860	4,860	4,860
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,432	5,370	5,133	4,860	4,860	4,860	4,860
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	5,432	5,370	5,133	4,860	4,860	4,860	4,860
Accumulated Ending Balance	5,432	10,802	15,935	20,795	20,795	25,655	25,655

Background Information:

Fees were first collected in 1986 to supplement the Federal and MN General Fund funding for the required activities under the NPDES program for wastewater, stormwater and feedlots. The programs are delegated from EPA. We have both State and Federal requirements. Fees were intended to have the polluter pay vs citizen of the state pay for clean water permits and enforcing the conditions of water permits. In practice, fee increases for these activities have not been approved by the legislature, therefore, it has been a combination of both general funds and fees. Additionally, having the permittees pay the full cost would, in some cases, be cost prohibitive. Also, prior to the early 1990's, some activities were funded through the Wastewater Construction Grant program.

Application fees correlate to the level of effort required by the MPCA to process the different types of permit applications and develop a permit that complies with applicable regulations and establish processes for determining that a facility is being operated in full compliance with all applicable requirements. The fees cover the cost of regulatory activities of the MPCA associated with the permit and are not limited to the cost of preparing the permit. The permit application fees are based on an assessment of the level of MPCA effort required for each type of application or activity as determined by staff responsible for these activities.

Application type, Points and Application fee (\$310/point)

Individual Permit Reissuance, No Modifications. Application for reissuance of an existing permit with no modifications to the permit requested. Points 4, Application Fee \$1,240.

Individual Permit Reissuance, Modifications. Application for reissuance of an existing permit with modifications to the permit requested. Modifications include the addition of chemical treatment, addition of a storage facility, replacement or rehab of existing treatment components. Points 8, Application Fee \$2,480.

Individual Permit Reissuance, Construction, No Increased Design Flow. Application for reissuance of an existing permit with construction and no increase in design flow. Construction includes constructing new treatment components, or upgrading or expanding the facility. Points 8, Application Fee \$2,480.

Individual Permit Reissuance, Construction, Increased Design Flow. Application for reissuance of an existing permit with construction and an increased average wet weather design flow for municipal or private domestic facilities or increased maximum daily flow for industrial facilities. Points 30, Application Fee \$9,300.

Individual Wastewater Permit Issuance. Application for an individual permit for a private or municipal treatment system that does not have an existing state-issued permit. This would apply to new industrial treatment and municipal wastewater treatment facilities and existing unpermitted facilities where a permit is required by Minnesota Rules and Statutes. Points 30, Application Fee \$9,300.

Individual Permit Minor Modification Requested by Permittee. Application for a minor modification to an existing permit mid permit cycle per Minn. R. 7001.0190, subp. 3. Minor modifications include correcting errors, more frequent monitoring, change in a voluntary construction schedule or removal of a monitoring station that has been terminated. Points 4, Application Fee \$1,240.

Individual Permit Major Modification. Application for a major modification to an existing permit mid permit cycle for reasons not covered under Minn. R. 7001.0190, subp. 3. Major modifications include change in a compliance schedule or alterations to existing treatment components. Points 8, Application Fee \$2,480.

Individual Permit Major Modification, Construction, No Increased Design Flow. Application for a major modification to an existing permit mid permit cycle for reasons not covered under Minn. R. 7001.0190, subp. 3 and include construction but no increase in design flow. Major modifications include a change to a compliance schedule, construction of new treatment components, or upgrading or expanding the facility. Points 8, Application Fee \$2,480.

Individual Permit Major Modification, Construction, Increased Design Flow. Application for a major modification to an existing permit mid permit cycle that includes construction and an increased average wet weather design flow for municipal or private domestic facilities or increased maximum daily flow for industrial facilities. Points 30, Application Fee \$9,300.

General Permit Issuance and Reissuance. Application requesting coverage under one of the MPCA's general permits. Points 4,

Application Fee \$1,240.

General Permit Modification. Application requesting changes in a Notice of Coverage issued under one of the general permits. A general permit modification includes a change in the type of chemical addition in a Notice of Coverage. Points 4, Application Fee \$1,240.

Individual Pretreatment Permit Issuance. Application for a new individual pretreatment permit. A pretreatment permit is required if a facility generates industrial process wastewater that comes from industrial processes covered by the U.S. Environmental Protection Agency categories listed in 40 CFR pt. 413 - 471 and if this wastewater is routed to the sanitary sewer system.

Metal finishing facilities can apply for a general permit issuance. Points 8, Application Fee \$2,480.

Individual Dredge Material Disposal Permit Issuance. Application for a new individual permit to apply material dredged from surface waters to land. Points 8, Application Fee \$2,480.

Individual Biosolids Treatment or Storage Permit Issuance. Application for a new individual permit for a biosolids treatment or storage facility. Points 30, Application Fee \$9,300.

Transfer/Name Change. Application requesting a transfer of ownership, name change of permittee, or name change of permitted facility. Points 0, Application Fee \$0.

Request for Permit Termination. Application requesting a permit termination because the discharge ended, was routed to a sanitary sewer, the facility closed, or a permit is no longer required per Minnesota Rules and Statutes. Points 0, Application Fee \$0.

Sanitary Sewer Extension Permits

- a. Flow increase of 0 to 0.10 million gallons per day. Points 1, Application Fee \$310.
- b. Flow increase of 0.10 to 1.0 million gallons per day. Points 2, Application Fee \$620.
- c. Flow increase greater than 1.0 million gallons per day. Points 3, Application Fee \$930

Additional point activity, Points and Application fee (\$310/point)

Individual Permit New or Increased Maximum Daily or Average Wet Weather Design Flow (not applicable to non-contact cooling water discharges and not due to mine pit or quarry de-watering or sewer extensions):

- a. increase from 0.0 to 0.20 mgd. Points 0, Application Fee \$0.
- b. increase from 0.20 to less than 1.0 mgd. Points 5, Application Fee \$1,550.
- c. increase from 1.0 to less than 5.0 mgd. Points 10, Application Fee \$3,100.
- d. increase from 5.0 to less than 20.0 mgd. Points 20, Application Fee \$6,200.
- e. increase from 20.0 to less than 50.0 mgd. Points 30, Application Fee \$9,300.
- f. increase from 50.0 mgd or more. Points 40, Application Fee \$12,400.

Individual Permit with Noncontact Cooling Water Discharge New or Increased Flow

- a. noncontact Cooling Water Flow increase less than 50 mgd. Points 5, Application Fee \$1,550.
- b. non noncontact Cooling Water Flow increase equal to or greater than 50 mgd. Points 20, Application \$6,200.

Antidegradation Review required under Minn. R. 7050.0180, 7050.0185, 7050.0186 or 7052.0300 to 7052.0330. Points 20, Application Fee \$6,200.

Variance Request under Minn. R. 7000.7000 or 7020.1900. Points 35, Application \$10,850.

Confidentiality Request under Minn. R. 7000.1300 (applicable any time request is made). Points 2, Application Fee \$620.

Mandatory Environmental Assessment Worksheet (EAW) under Minn. R. 4410.4300 where MPCA is the responsible government unit. (If applicable to both AQ and WQ, check with AQ to verify cost. Permittee to pay lower of the two fees.)

- a. complete EAW under Minn. R. 4410.4300, subp. 18 item A or 29. Points 15, Application Fee \$4,650.
- b. complete EAW under Minn. R. 4410.4300, subp. 8 item A or B, 1. .0 items A to C, 16 item A or D; 17 items A to C or E to G; or 18 item B or C. Points 35, Application Fee \$10,850.
- c. complete EAW under Minn. R. 4410.4300 subp 4; 5 item A or B; 13; 15; 16 item B or C; or 17 item D. Points 70, Application Fee \$21,700.

The Statement of Need and Reasonableness (SONAR) indicates that the fees will cover the cost of regulatory activities of the MPCA associated with the NPDES permit and are not limited to the cost of just preparing the permit. The MPCA's regulatory activities include: technical assistance, management and review of data that is required to be submitted to the MPCA as part of a permit, ongoing compliance determination and enforcement of all permit requirements, program development efforts to address new and/or emerging environmental issues and associated federal and state congressional or legislative directives, and administrative and business support activities.

Exempt from cost recovery per M.S. 16A.1285.

Forecast Basis:

Wastewater: Forecasting has been done on the five-year average of fees received. To forecast growth, the wastewater program reviews the number of sewer extensions and facilities on the Program Project List. These numbers have been decreasing or relatively flat for the recent past, but last year these numbers started to increase.

Feedlots: Forecasting was done by looking at the number of permitted facilities and taking an average amount of fees received in a 5 year permitting cycle. Economic growth in the agricultural sector is one of the program's key indicators in determining additional revenue. The growth in the agricultural sector is primarily indicated by the amount and types of livestock facilities being proposed, permitted, and constructed

Wastewater: These fees are generally flat. They are based on applications and 5 year cycles. The only time we see increases are during high economic growth. A good indicator and the one we use for staffing forecasting is sewer extensions. We are seeing slow upward trends in sewer extensions and have seen a doubling to total construction projects since 2008 with the last couple of years showing slow increases. Using this information, we are assuming a slight increase in work load in the future.

Stormwater: These fees are generally flat. However, the number of construction stormwater permits can fluctuate during high or reduced periods of economic growth.

Feedlots: The fees collected are generally flat to trending downward slightly. They are based on both annual and application fees. The program has experienced a loss of approximately 200 permitted facilities during the last permitting cycle due to changes in requirements regarding who is required to obtain a permit. The growth side of the equation (new facilities being proposed) is not projected to equal the loss.

Agency: Pollution Control

2018-19 Departmental Earnings

Earnings Group: Water Quality Fee

Recent Changes:

The last time annual fees were changed was 2003 and application fees were changed in 2009.

Agency Analysis/Comments:

In FY 2016 across all agency water programs requiring fees, the agency only collected 29% of related program operating costs; the amount collected was \$4.295 million, while program operating costs were \$14.924 million.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

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2018-19 Biennial Budget - Departmental Earnings

Private Detectives Board

Private Detectives Board Licenses and Fees

Agency: Private Detectives Board

2018-19 Departmental Earnings

Earnings Group: Private Detectives Board Licenses and Fees

Purpose: To license all private detectives, investigators and protective agents doing business in the State of Minnesota.

Legal Citation: M.S. 326.3331, M.S. 326.3386, M.R.7506.0140

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (B7S9900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		36	37	(28)	(28)	(54)	(54)
Resources:							
Departmental Earnings	172	161	177	177	177	177	177
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	172	161	177	177	177	177	177
Expenditures:							
Direct Expenditures	124	149	226	189	189	189	189
Indirect Expenditures	12	11	16	14	14	14	14
Total Expenditures	136	160	242	203	203	203	203
Current Difference	36	1	(65)	(26)	(26)	(26)	(26)
Accumulated Ending Balance	36	37	(28)	(54)	(54)	(80)	(80)

Agency: Private Detectives Board

2018-19 Departmental Earnings

Earnings Group: Private Detectives Board Licenses and Fees

Background Information:

This fee exists to pay for the cost of licensing all private detectives, investigators and protective agents doing business in Minnesota.

Forecast Basis:

It is presumed projected revenues for FY17 will prevail for fiscal years 18-19.

Recent Changes:

No recent changes

Agency Analysis/Comments:

The accumulated ending balance has been increasing. The fees appear to be covering the cost of the activity.

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2018-19 Biennial Budget - Departmental Earnings

Psychology, Board of
Psychology Board Licensing Fees

Agency: Psychology, Board of
Earnings Group: Psychology Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the practice of psychology.

Legal Citation: M.S. 148.88 – 148.98, 214, 319B, 16A.721 and M.R. 7200

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Psy Non Dedicated Receipts (H7V1000); Criminal Background Check Rec (H7V9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	975	880	929	850	850	937	937
Resources:							
Departmental Earnings	1,116	1,206	1,260	1,310	1,310	1,397	1,397
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	3					
Resource Reductions:							
Earnings Transferred Out	42						
Revenue Collected for Another Agency							
Total Resources	1,079	1,209	1,260	1,310	1,310	1,397	1,397
Expenditures:							
Direct Expenditures	881	821	1,006	890	890	890	890
Indirect Expenditures	293	339	333	333	333	333	333
Total Expenditures	1,174	1,160	1,339	1,223	1,223	1,223	1,223
Current Difference	(95)	49	(79)	87	87	174	174
Accumulated Ending Balance	880	929	850	937	937	1,111	1,111

Background Information:

The mission of the Board of Psychology is to protect the public through licensure, regulation, and education to promote access to safe, ethical, and competent psychological services.

The Board of Psychology fees support the licensure of applicants as licensed psychologists, the regulation of applicants and licensees, and the education of the Board stakeholders to fulfill the agency mission.

- \$500 fee per applicant and current licensee that supports applicants for licensed psychologist licensure, including mobility and reciprocity.
- \$150 fee per examination applicant goes to support the development, issuance, grading, and maintenance of the Board's Professional Examination (PRE) and national Examination for Professional Practice in Psychology (EPPP).
- \$80 fee per activity supports the review and approval of continuing education activities.
- \$250 fee per applicant supports the volunteer licensure process.
- \$150 fee per applicant supports the guest licensure process, including guest licensure by temporary permit.

In general Board fees support the issuance of initial licensure and renewals for qualified professionals. Issues initial licensure and renews licenses for qualified professionals. Specifically, these fees allow the Board to screen to ensure that only applicants who meet licensure requirements are granted a license. Fees also support the Board's duty to respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees. Based on these complaints, the Board may disciplinary or corrective action against an applicant or licensee for violations of the Minnesota Psychology Practice Act.

Forecast Basis:

Fees charged to applicants, licensees, the public and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

The board increased its licensing and renewal fees in 2001.

Agency Analysis/Comments:

None.

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2018-19 Biennial Budget - Departmental Earnings

Public Facilities Authority

PFA Application and Loan Servicing Fees

Agency: Public Facilities Authority

2018-19 Departmental Earnings

Earnings Group: PFA Application and Loan Servicing Fees

Purpose: Pay for administration of the Authority's programs.

Legal Citation: M.S. 446A.04 Subd. 5 and M.S. 446A.086 Subd. 2 (b)

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Clean Water Revolving Fund (8200); Drinking Water Revolving Fund (8201); Transportation Revolving Fund (8202)

Appropriation: Admin Credit Enhancement (B240020); Admin Applications (B240040); Admin Clean Water (B240110); Admin Drinking Water (B240230); Admin Transportation (B240360)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,308	5,611	6,000	5,608	5,608	5,340	5,340
Resources:							
Departmental Earnings	2,963	3,196	3,423	3,566	3,566	3,615	3,615
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out	1,461	1,564	2,162	2,162	2,162	2,162	2,162
Revenue Collected for Another Agency							
Total Resources	1,502	1,633	1,262	1,405	1,405	1,454	1,454
Expenditures:							
Direct Expenditures	1,028	1,091	1,511	1,522	1,522	1,537	1,537
Indirect Expenditures	171	153	143	151	151	153	153
Total Expenditures	1,199	1,244	1,654	1,673	1,673	1,690	1,690
Current Difference	303	389	(392)	(268)	(268)	(236)	(236)
Accumulated Ending Balance	5,611	6,000	5,608	5,340	5,340	5,104	5,104

Background Information:

The Minnesota Public Facilities Authority (MPFA) collects fees (under M.S. 446A.04 Subd. 5) to pay expenses for administrative support of MPFA programs. This support includes MPFA staff, support costs of the Department of Employment and Economic Development, the Pollution Control Agency (PCA), and the Department of Health (MDH). Prior to fiscal year 2017, MDH costs were paid out of federal capitalization grants, which otherwise would have been used for drinking water loans.

The majority of the fees are derived from up to 2 percent of loan repayments. The fee is not added to the payment due by MPFA borrowers; it is simply a portion thereof. For the vast majority of MPFA loans, net loan repayments are pledged to holders of MPFA's revenue bonds. Fees taken from the repayments must be minimized to enhance the credit quality and lending capacity of the revolving funds.

A much smaller portion of the fees come from application fees on MPFA's grant programs, up to ½ of one percent of grant application amounts.

In addition, (under MS 446A.086 Subd. 2), MPFA collects fees specifically for credit enhancement applications.

Transfers-out are for PCA costs for Clean Water Revolving Fund admin plus, beginning with fiscal year 2017, MDH costs for Drinking Water Revolving Fund admin.

Forecast Basis:

For the majority of the fees, from the servicing fee portion of loan repayments, MPFA uses its cash flow projection models that show scheduled loan repayments from existing and anticipated loans.

The application fees are much smaller in amount and we use recent history to forecast receipts.

Recent Changes:

Beginning in fiscal year 2017, MDH costs are being paid with PFA Fees. Previously, a portion of federal capitalization grants had been used. By using the fees, more of the federal grant is available for program loans.

Agency Analysis/Comments:

MPFA has built up the fee balance in fund 8201 (Drinking Water Revolving Fund) with the goal of funding costs of the MDH. Through fiscal year 2016 these costs were paid from federal capitalization grants. Using these fees instead of federal grant allocations will make more federal money available for program loans, helping to strengthen credit quality and to grow program lending capacity to meet growing program demand.

PFA's goal for the fees is to reach equilibrium where approximately one year's worth of total uses will be kept on hand while annual receipts approximate uses. Available balances will support inclusion of MDH costs for several years, but annual receipts are projected to be less than uses, and other sources of funds will have to be sought to support these programs long-term. PCA sought and received a general fund appropriation for a portion of its total Revolving Fund related costs, and MDH is preparing a similar request.

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Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: AGED Gambling Enforcement Fees

Purpose: To cover the cost of license and provide identification cards to manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Legal Citation: M.S. 340A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Gambling Bkgrnd Investigations (P079122); Indian Gaming Sp Rev (P079132); Gambling-Sales Proceeds (P079151)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(28)	92	30	30	18	18
Resources:							
Departmental Earnings	425	626	467	517	517	517	517
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	425	626	467	517	517	517	517
Expenditures:							
Direct Expenditures	451	505	527	527	527	527	527
Indirect Expenditures	2	1	2	2	2	2	2
Total Expenditures	453	506	529	529	529	529	529
Current Difference	(28)	120	(62)	(12)	(12)	(12)	(12)
Accumulated Ending Balance	(28)	92	30	18	18	6	6

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: AGED Gambling Enforcement Fees

Background Information:

The various fees ranges from \$30 to \$30,000. The fees cover the licensing and regulating of manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Forecast Basis:

It is assumed actual FY 17 revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Gambling Enforcement Fees annual deficits covered by Liquor License Fees annual surplus. The total fee structure appears to be covering the total costs.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: AGED Liquor License Fees

Purpose: To cover the cost of license and provide identification cards to manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Legal Citation: M.S. 340A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Gambling-sales Proceeds (P079161); AGE 2AM Permit Control Approp. (P0791C2); Microdistillery fees (P0791M2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		2,251	4,748	6,512	6,512	8,397	8,397
Resources:							
Departmental Earnings	2,982	3,189	2,696	2,696	2,696	2,696	2,696
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,982	3,189	2,696	2,696	2,696	2,696	2,696
Expenditures:							
Direct Expenditures	692	653	884	767	767	767	767
Indirect Expenditures	39	39	48	44	44	44	44
Total Expenditures	731	692	932	811	811	811	811
Current Difference	2,251	2,497	1,764	1,885	1,885	1,885	1,885
Accumulated Ending Balance	2,251	4,748	6,512	8,397	8,397	10,282	10,282

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: AGED Liquor License Fees

Background Information:

The various fees ranges from \$30 to \$30,000. The fees cover the licensing and regulating of manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Forecast Basis:

It is assumed actual FY 17 revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Liquor License annual surplus has been supplementing the Gambling License Fee annual deficit. The total fees cover the total cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Crime Alert Network Fee

Purpose: To recover a portion of the costs for sending electronic transmission of information regarding crime including missing children and crime prevention.

Legal Citation: M.S. 299A.61, Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Crime Alert Network (P073542)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		14	19				
Resources:							
Departmental Earnings	14	5	20	20	20	20	20
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14	5	20	20	20	20	20
Expenditures:							
Direct Expenditures			39	20	20	20	20
Indirect Expenditures							
Total Expenditures			39	20	20	20	20
Current Difference	14	5	(19)				
Accumulated Ending Balance	14	19					

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Crime Alert Network Fee

Background Information:

This fee is to recover a portion of the costs of maintaining the criminal justice network. The fee is \$10.

Forecast Basis:

It is presumed the increase in anticipated FY17 revenues will prevail for fiscal years 18-19.

Recent Changes:

Increased expenditures in Broadcast Communications.

Agency Analysis/Comments:

Fees cover costs.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Criminal Justice Data Network

Purpose: To recover a portion of the costs of maintaining the criminal justice network

Legal Citation: M.S. 299C.46, Subd. 3; M.S. 299C.48

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Criminal Justice Data Network (P073002); Non Dedicated Receipts (P073421); Non Dedicated Receipts (P073431)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		101	153	315	315	477	477
Resources:							
Departmental Earnings	1,544	1,542	1,540	1,540	1,540	1,540	1,540
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,544	1,542	1,540	1,540	1,540	1,540	1,540
Expenditures:							
Direct Expenditures	1,347	1,391	1,370	1,370	1,370	1,370	1,370
Indirect Expenditures	96	99	8	8	8	8	8
Total Expenditures	1,443	1,490	1,378	1,378	1,378	1,378	1,378
Current Difference	101	52	162	162	162	162	162
Accumulated Ending Balance	101	153	315	477	477	639	639

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Criminal Justice Data Network

Background Information:

This fee is to recover a portion of the costs of maintaining the criminal justice network. The fee is \$150 per quarter for connection and \$120 per quarter for unit for a total of \$270 per quarter.

Forecast Basis:

It is assumed actual FY 17 revenues will prevail for fiscal years 18-19

Recent Changes:

The last fee change was some time ago. At the time of the last change, fees were not covering costs. There was a revenue increase after the last change so that revenue cover costs.

For fiscal years 17-19, Full time salaries and indirect cost have reduced due to centralized IT services.

Agency Analysis/Comments:

The accumulated ending balance has been increasing. The fees are covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Non-Criminal Information Requests

Purpose: To recover the costs of processing requests for criminal history record information for non-criminal justice use.

Legal Citation: M.S. 299C.10; M.S. 13.87

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Non-Criminal Background (P073232)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	528	2,796	3,455	612	612		
Resources:							
Departmental Earnings	2,525	3,075	2,500	2,500	2,500	2,500	2,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,525	3,075	2,500	2,500	2,500	2,500	2,500
Expenditures:							
Direct Expenditures	257	2,399	5,326	3,095	3,095	2,483	2,483
Indirect Expenditures		17	17	17	17	17	17
Total Expenditures	257	2,416	5,343	3,112	3,112	2,500	2,500
Current Difference	2,268	659	(2,843)	(612)	(612)		
Accumulated Ending Balance	2,796	3,455	612				

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Non-Criminal Information Requests

Background Information:

This fee is to recover the costs of processing requests for criminal history record information for non-criminal justice use. The fee is \$8 for personal and non-profit background checks and \$15 for business background checks.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Personal Protection Pistol Permit Fee

Purpose: To recover the costs of BCA providing permit status via a connection to the Criminal Justice Data Communications Network.

Legal Citation: M.S. 624.717, Subd. 3(f)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P073431)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	358	521	350	350	350	350	350
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	358	521	350	350	350	350	350
Expenditures:							
Direct Expenditures	358	521	350	350	350	350	350
Indirect Expenditures							
Total Expenditures	358	521	350	350	350	350	350
Current Difference							
Accumulated Ending Balance							

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: BCA Personal Protection Pistol Permit Fee

Background Information:

This fee is to recover the costs of BCA providing permit status via a connection to the Criminal Justice Data Communications Network. The fee is \$10.

Forecast Basis:

It is assumed actual FY 17 revenues will prevail for fiscal years 18-19

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Data Security

Purpose: To implement a system of providing bulk data requests and to insure safeguards are adequate.

Legal Citation: M.S. 3.9741, Subd. 5.; M.S. 168.327

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: DVS Data Security Account (P077DS2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		54	207	218	218	229	229
Resources:							
Departmental Earnings	54	153	215	215	215	215	215
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	54	153	215	215	215	215	215
Expenditures:							
Direct Expenditures			204	204	204	204	204
Indirect Expenditures							
Total Expenditures			204	204	204	204	204
Current Difference	54	153	11	11	11	11	11
Accumulated Ending Balance	54	207	218	229	229	240	240

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Data Security

Background Information:

The laws of 2014 chapter 293 implement a system to provide driver records on a subscription system and to provide bulk motor vehicle records.

Forecast Basis:

The agency projects revenue to remain at the previous actual levels.

Recent Changes:

N/A

Agency Analysis/Comments:

The fee appears to cover the cost. The agency could not identify expenditures for the prior fiscal years. The agency expects to be incurring costs in FY17-19.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Driver License and Related Fees

Purpose: To license all drivers of motorized vehicles and related fees to recover of providing data on licenses. Applicants paying license fees under the International Fuel Tax Agreement, shall pay a fuel tax license fee and an annual application filing fee to cover the costs of the program.

Legal Citation: M.S. 168D.06; 168D.12 M.S. 168.327; 168.33: 169.09 subd 13(e); 169.345 subd 3; 171.06; 171.07; 171.13 subd 5; 171.20 subd 4; 171.29; 171.324; and 171.36

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Non Dwi Reinstatement Post Bd (P077072); Vehicle Serv. Control Acct (P077102); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077711); Non Dedicated Receipts (P077811)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,246	2,928	4,045	1,960	1,960	1,011	1,011
Resources:							
Departmental Earnings	29,679	32,016	31,816	31,816	31,816	31,816	31,816
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	99	262	267	267	267	267	267
Revenue Collected for Another Agency	198	122	125	125	125	125	125
Total Resources	29,382	31,632	31,424	31,424	31,424	31,424	31,424
Expenditures:							
Direct Expenditures	27,325	29,080	31,878	30,740	30,740	30,740	30,740
Indirect Expenditures	1,375	1,435	1,631	1,633	1,633	1,633	1,633
Total Expenditures	28,700	30,515	33,509	32,373	32,373	32,373	32,373
Current Difference	682	1,117	(2,085)	(949)	(949)	(949)	(949)
Accumulated Ending Balance	2,928	4,045	1,960	1,011	1,011	62	62

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Driver License and Related Fees

Background Information:

Fees are listed in M.S. 171.06.

The fees are to cover the costs of licensing drivers and related activities. The fuel tax fee varies based on the Minnesota miles driven. The fees charged are to cover the cost of the program.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19

Recent Changes:

No recent changes

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is a result of non-dedicated fee revenues.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Licensing DWI Reinstatement Fees

Purpose: To recover cost of revoking and suspending drivers licenses and related costs of reinstatement.

Legal Citation: M.S. 171.29, Subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Dwi Reinstatement-Sp Rev (P077062); Dwi Reinstatement 1St Half+25 (P077082); Dwi Reinstatement 2nd Pymt (P077092); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077811)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		369	637	397	397	277	277
Resources:							
Departmental Earnings	15,970	15,456	15,568	15,568	15,568	15,568	15,568
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	11,561	10,829	10,818	10,818	10,818	10,818	10,818
Revenue Collected for Another Agency							
Total Resources	4,409	4,627	4,750	4,750	4,750	4,750	4,750
Expenditures:							
Direct Expenditures	3,755	4,076	4,675	4,554	4,554	4,354	4,354
Indirect Expenditures	285	283	315	316	316	316	316
Total Expenditures	4,040	4,359	4,990	4,870	4,870	4,670	4,670
Current Difference	369	268	(240)	(120)	(120)	80	80
Accumulated Ending Balance	369	637	397	277	277	357	357

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Licensing DWI Reinstatement Fees

Background Information:

The DWI Reinstatement Fee is \$680. The fee is to of revoking and suspending drivers licenses and related costs of reinstatement.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19

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Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is result on non-dedicated fee revenues.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Licensing Motorcycle Endorsement Fees

Purpose: To cover the costs of the motorcycle safety education programs and to license motorcycle drivers.

Legal Citation: M.S. 171.06, Subd 2a

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077811); Motorcycle Safety (P079222)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		635	1,277	1,652	1,652	2,028	2,028
Resources:							
Departmental Earnings	1,612	1,728	1,656	1,656	1,656	1,656	1,656
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,612	1,728	1,656	1,656	1,656	1,656	1,656
Expenditures:							
Direct Expenditures	971	1,079	1,274	1,273	1,273	1,190	1,190
Indirect Expenditures	6	7	7	7	7	7	7
Total Expenditures	977	1,086	1,281	1,280	1,280	1,197	1,197
Current Difference	635	642	375	376	376	459	459
Accumulated Ending Balance	635	1,277	1,652	2,028	2,028	2,487	2,487

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Licensing Motorcycle Endorsement Fees

Background Information:

The Motorcycle endorsement fee is \$18.50 for the first issue and \$13 for renewal. The fees cover the costs of the motorcycle safety education program and the licensing of motorcycle drivers.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been increasing. The fees appear to be covering the cost of the activity. Surplus is caused by Non-Dedicated Revenues to the General Fund

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS MNLARS Technology Account

Purpose: Impose a technology surcharge on driver's license, identification cards, and vehicle registration and ownership transactions to recover the cost and development of the Minnesota Licensing and Registration System (MNLARS) information system.

Legal Citation: MS 299.705, Subd. 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Dvs Technology Acct (P077172); DI Public Data (P077202)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	47,665	46,379	43,097	20,055	20,055	30	
Resources:							
Departmental Earnings	10,294	10,050	1,900	1,900	1,900	1,900	1,900
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10,294	10,050	1,900	1,900	1,900	1,900	1,900
Expenditures:							
Direct Expenditures	11,495	13,264	24,872	21,855	21,885	1,830	1,830
Indirect Expenditures	85	68	70	70	70	70	70
Total Expenditures	11,580	13,332	24,942	21,925	21,955	1,900	1,900
Current Difference	(1,286)	(3,282)	(23,042)	(20,025)	(20,055)		
Accumulated Ending Balance	46,379	43,097	20,055	30		30	

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS MNLARS Technology Account

Background Information:

The driver and vehicle services technology account is created in the special revenue fund, consisting of the technology surcharge collected as specified in chapters 168, 168A, and 171; the filing fee revenue collected under section M.S. 168.33, subdivision 7; and any other money otherwise donated, allotted, appropriated, or legislated to this account. Money in the account is to support the research, development and deployment of the driver and vehicle information system.

Forecast Basis:

It is assumed the accumulated balance forward and revenues will cover the deployment of the driver and vehicle information system.

Recent Changes:

Technology surcharge is scheduled to expire on June 30, 2016. Filing fees will continue to cover the costs of this activity.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Motor Vehicle Miscellaneous - Admin and Advertising

Purpose: Fees from advertising

Legal Citation: M.S. 299A.01B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Advertising Revenues MV/DL (P077022)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	231	231	235	235	235	235	235
Resources:							
Departmental Earnings		4	1	1	1	1	1
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		4	1	1	1	1	1
Expenditures:							
Direct Expenditures			1	1	1	1	1
Indirect Expenditures							
Total Expenditures			1	1	1	1	1
Current Difference		4					
Accumulated Ending Balance	231	235	235	235	235	235	235

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Motor Vehicle Miscellaneous - Admin and Advertising

Background Information:

Fees from advertising per M.S. 299A.01B

Forecast Basis:

Very little activity

Recent Changes:

N/A

Agency Analysis/Comments:

Very little activity anticipated.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Motor Vehicle Reg and Related Services

Purpose: To title vehicles for the purpose of providing consumer protection. To recover the costs of administrating the registration for vehicles in a fleet. Administrative and miscellaneous motor vehicle fees for tax exempt vehicles. To cover the costs of issuing Motor Vehicle Dealer License and to provide consumer protection.

Legal Citation: M.S. 168A.29; M.S. 168.54 M.S. 169.127 subd 6 M.S. 168.581;168.012;168.013, Subd 12; 168.017; 168.018; 168.10; 168.12; 168.29;168.31;168A.152; 299A.01; and 299A.802 M.S. 168.27 subd 11 & 22

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: Non Dedicated Receipts (P075647); Vehicle Serv. Control Acct (P077102); Non Dedicated Receipts (P077711)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		11,964	14,330	15,255	15,255	25,318	25,318
Resources:							
Departmental Earnings	32,988	32,727	32,819	32,819	40,819	32,819	40,819
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	32,988	32,727	32,819	32,819	40,819	32,819	40,819
Expenditures:							
Direct Expenditures	20,207	29,519	30,965	21,846	29,846	21,846	29,846
Indirect Expenditures	817	842	929	910	910	910	910
Total Expenditures	21,024	30,361	31,894	22,756	30,756	22,756	30,756
Current Difference	11,964	2,366	925	10,063	10,063	10,063	10,063
Accumulated Ending Balance	11,964	14,330	15,255	25,318	25,318	35,381	35,381

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Motor Vehicle Reg and Related Services

Background Information:

The fees are to cover the costs of registration, and related services related to motor vehicles

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 17-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is result of non-dedicated fee revenues.

For information about the recommended fee change, see the Minnesota License and Registration System change item in the Department of Public Safety - Transportation 2018-19 Governor's Budget Recommendations book.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Public Safety Motor Vehicle Account Fee

Purpose: To cover the costs of Public Safety Motor Vehicles.

Legal Citation: M.S. 168A.29, Subd. 1(b); M.S. 299A.70

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: DPS Motor Vehicle Account MSP (P075052)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,286	3,064	2,232	1,457	1,457	1,182	1,182
Resources:							
Departmental Earnings	4,769	4,804	4,200	4,200	4,200	4,200	4,200
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,769	4,804	4,200	4,200	4,200	4,200	4,200
Expenditures:							
Direct Expenditures	3,953	5,604	4,940	4,440	4,440	4,440	4,440
Indirect Expenditures	38	32	35	35	35	35	35
Total Expenditures	3,991	5,636	4,975	4,475	4,475	4,475	4,475
Current Difference	778	(832)	(775)	(275)	(275)	(275)	(275)
Accumulated Ending Balance	3,064	2,232	1,457	1,182	1,182	907	907

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: DVS Public Safety Motor Vehicle Account Fee

Forecast Basis:

It is presumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: ECN 9-1-1 Fees

Purpose: The 911 emergency telephone number is designed to provide immediate access to emergency services. The surcharge is used to cover the costs of providing this service to every Minnesotan.

Legal Citation: M.S. 403.11 and M.S. 403.113

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: 911 Emergency (4900)

Appropriation: 911 Emergency Phone Service (P075309); 911 Enhanced Service (P075319); 911 Emergency Svs Control Acct (P079629); Combined Local Access (P0796C9); Prepaid Wireless E911 Fees (P0796P9)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	8,563	6,859	12,380	5,217	5,217	3,671	3,671
Resources:							
Departmental Earnings	63,517	70,877	77,444	77,824	77,824	78,288	78,288
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	33,594	33,594	33,594	33,594	33,594	33,594	33,594
Revenue Collected for Another Agency							
Total Resources	29,923	37,283	43,850	44,230	44,230	44,694	44,694
Expenditures:							
Direct Expenditures	31,538	31,646	50,878	45,624	45,624	45,624	45,624
Indirect Expenditures	89	116	135	152	152	152	152
Total Expenditures	31,627	31,762	51,013	45,776	45,776	45,776	45,776
Current Difference	(1,704)	5,521	(7,163)	(1,546)	(1,546)	(1,082)	(1,082)
Accumulated Ending Balance	6,859	12,380	5,217	3,671	3,671	2,589	2,589

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: ECN 9-1-1 Fees

Background Information:

The 911 emergency telephone number is designed to provide immediate access to emergency services. The surcharge is used to cover the costs of providing this service to every Minnesotan. The charge is \$.78 per line per month. The charge will increase to \$.95 a month.

Forecast Basis:

The agency projects no substantial increase in revenues in fiscal years 2018 and 2019.

Recent Changes:

The fee was last changed in fiscal year 2016 .

Agency Analysis/Comments:

The fees covers the projected costs

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Fighters Licensing Fees

Purpose: This fee exists to pay for the cost of licensing all Fire Fighters in the State of Minnesota

Legal Citation: Laws 2009, Ch. 153, Sec. 3 and 4
M.S. 299N.02, subdivision 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Firefighter Licensing (P079722)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	372	265	120	241	241	177	177
Resources:							
Departmental Earnings	67	17	252	67	67	17	17
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	67	17	252	67	67	17	17
Expenditures:							
Direct Expenditures	164	152	121	121	121	121	121
Indirect Expenditures	10	10	10	10	10	10	10
Total Expenditures	174	162	131	131	131	131	131
Current Difference	(107)	(145)	121	(64)	(64)	(114)	(114)
Accumulated Ending Balance	265	120	241	177	177	63	63

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Fighters Licensing Fees

Background Information:

The laws of 2009 chapter 153 established the licensing of Fire Fighters

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

N/A

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Insurance Policy Surcharge

Purpose: Surcharges to cover the cost of the State Fire Marshal Division; MN Board of Firefighters; and other fire service programs

Legal Citation: M.S. 2971.06

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Fire Safety Account (P074012)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	4,886	4,832	4,154	13,581	13,581	15,946	15,946
Resources:							
Departmental Earnings	12,632	13,053	13,000	13,000	13,000	13,000	13,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	2,368	1,250	1,250				
Revenue Collected for Another Agency							
Total Resources	10,264	11,803	11,750	13,000	13,000	13,000	13,000
Expenditures:							
Direct Expenditures	10,054	12,208	1,992	10,304	10,304	10,304	10,304
Indirect Expenditures	264	273	331	331	331	331	331
Total Expenditures	10,318	12,481	2,323	10,635	10,635	10,635	10,635
Current Difference	(54)	(678)	9,427	2,365	2,365	2,365	2,365
Accumulated Ending Balance	4,832	4,154	13,581	15,946	15,946	18,311	18,311

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Insurance Policy Surcharge

Background Information:

A surcharge of one-half of one percent on the gross fire premiums and assessments, less return premiums, on all direct business received by the insurer or agents of the insurer in Minnesota, in cash or otherwise, during the year.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing slightly. The fees are covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Safety Inspection and Certification Permit Fee

Purpose: To inspect daycare facilities and hotels for Fire Safety; license fire protection system contractors; issue permits to fireworks display operators.

Legal Citation: M.S. 299M.04; M.S. 624.22, Subd 3 & 7; M.S. 245A.151

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Fire Standard Compl Cigarettes (P074022); School Inspection & Plan Revie (P074032); Day Care Inspection Fees (P074112); Hotel Fire Safety Inspection (P074122); Non Dedicated Receipts (P074511); Fire Protection Certification (P074522)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		629	1,084	1,309	1,309	1,664	1,664
Resources:							
Departmental Earnings	1,606	1,420	1,323	1,453	1,453	1,323	1,323
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,606	1,420	1,323	1,453	1,453	1,323	1,323
Expenditures:							
Direct Expenditures	921	907	1,035	1,035	1,035	1,035	1,035
Indirect Expenditures	56	58	63	63	63	63	63
Total Expenditures	977	965	1,098	1,098	1,098	1,098	1,098
Current Difference	629	455	225	355	355	225	225
Accumulated Ending Balance	629	1,084	1,309	1,664	1,664	1,889	1,889

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Fire Safety Inspection and Certification Permit Fee

Background Information:

To inspect daycare facilities and hotels for Fire Safety; license fire protection system contractors; issue permits to fireworks display operators.

Forecast Basis:

It is presumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Hazardous Fees

Purpose: To recover the costs of data management, the operation of the Emergency Mgmt. Center and maintaining regional Hazardous Incident Response Teams.

Legal Citation: M.S. 299K.09; M.S. 299K.095; M.R. 7507.0500

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P072351)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		51	168	110	110	110	110
Resources:							
Departmental Earnings	642	652	610	610	610	610	610
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	642	652	610	610	610	610	610
Expenditures:							
Direct Expenditures	591	535	668	610	610	610	610
Indirect Expenditures							
Total Expenditures	591	535	668	610	610	610	610
Current Difference	51	117	(58)				
Accumulated Ending Balance	51	168	110	110	110	110	110

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Hazardous Fees

Background Information:

This fee is to recover a portion of the costs of maintaining for hazardous materials data management and incident teams. The fees are \$75 per facility; \$200 annual fee for zero releases and transfers annually; \$400 more than zero releases and transfers not exceeding 25,000 pounds; \$800 for releases and transfers exceeding 25,000 annually.

Forecast Basis:

It is assumed revenues for fiscal years 18-19 will slightly decreased from estimated fiscal year 17 receipts.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing slightly. The fees are covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Interstate Compact

Purpose: The Interstate Management Assistance Compact is entered into with other participating member states to provides materials and assistance to declared disasters, when requested. The Department of Public Safety is the governor's designated state official for this compact.

Legal Citation: M.S. 192.89

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Emer Mgmt Assist Coop Agree (P072222)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	13						
Resources:							
Departmental Earnings		2	4				
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		2	4				
Expenditures:							
Direct Expenditures	13	2	4				
Indirect Expenditures							
Total Expenditures	13	2	4				
Current Difference	(13)						
Accumulated Ending Balance							

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Interstate Compact

Background Information:

The Interstate Management Assistance Compact is entered into with other participating member states to provides materials and assistance to declared disasters, when requested. The Department of Public Safety is the governor's designated state official for this compact.

Forecast Basis:

None

Recent Changes:

None

Agency Analysis/Comments:

One-time miscellaneous governmental earning

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Railroad and Pipeline Assessment

Purpose: Annual assessment of \$2,500,00 (50% Railroad and 50% Pipeline Companies) to provide funds for training and response preparedness related to (1) derailments, discharge incidents, or spills involving trains carrying oil or other hazardous substances, and (2) pipeline discharge incidents or spills involving oil or other hazardous substances.

Legal Citation: Laws 2014, Chapter 312, Article 10, Section 9, Subdivisions 1-4 amending Minnesota Statutes 2012 Section 115E.01

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Railroad & Pipeline Safety (P072RP2)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		3,035	4,990	6,770	6,770	6,050	6,050
Resources:							
Departmental Earnings	2,500	2,500	2,500		1,500		1,500
Other Resources:							
Earning Transferred In	1,574						
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	604	104	104	104	104	104	104
Revenue Collected for Another Agency							
Total Resources	3,470	2,396	2,396	(104)	1,396	(104)	1,396
Expenditures:							
Direct Expenditures	426	427	601	601	2,101	601	2,101
Indirect Expenditures	9	14	15	15	15	15	15
Total Expenditures	435	441	616	616	2,116	616	2,116
Current Difference	3,035	1,955	1,780	(720)	(720)	(720)	(720)
Accumulated Ending Balance	3,035	4,990	6,770	6,050	6,050	5,330	5,330

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: HSEM Railroad and Pipeline Assessment

Background Information:

Annual assessment of \$2,500,00 (50% Railroad and 50% Pipeline Companies) to provide funds for training and response preparedness related to (1) derailments, discharge incidents, or spills involving trains carrying oil or other hazardous substances, and (2) pipeline discharge incidents or spills involving oil or other hazardous substances.

Forecast Basis:

N/A

Recent Changes:

None

Agency Analysis/Comments:

Annual assessment set to expire June 30th 2017.

For information about the recommended fee change, see the Rail and Pipeline Safety Account change item in the Department of Public Safety - Public Safety 2018-19 Governor's Budget Recommendations book.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Patrol Commercial MV Inspection Fee

Purpose: To recover the costs of certifying Commercial Vehicle Inspectors and issue Inspection Certification Decals.

Legal Citation: M.S. 169.781, Subd. 3 & 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Non Dedicated Receipts (P075647)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	55	41	50	50	50	50	50
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	55	41	50	50	50	50	50
Expenditures:							
Direct Expenditures	55	41	50	50	50	50	50
Indirect Expenditures							
Total Expenditures	55	41	50	50	50	50	50
Current Difference							
Accumulated Ending Balance							

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Patrol Commercial MV Inspection Fee

Background Information:

This fee is to recover the costs of certifying Commercial Vehicle Inspectors and issue Inspection Certification Decals. The fee for two year Commercial Vehicle Inspector is \$10 and the fee for the 12 inspection decal is \$2.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Patrol Contracted Service Fees

Purpose: To recover costs related to State Patrol Escort activities and State Patrol Flight Activities

Legal Citation: M.S 299D.03, subd.1 (12); M.S. 299D.09

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001)

Appropriation: Capitol Area Events - Non-stat (P075022); Capitol Area After Hours Event (P075021); Air Patrol Service non-state (P075082); Air Patrol Service State Agency (P075081); St Patrol Escort Svc Non-state (P075122); St Patrol Escort Svc State Agency (P075121)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	468	200	337	333	333	264	264
Resources:							
Departmental Earnings	1,183	984	965	965	965	965	965
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,183	984	965	965	965	965	965
Expenditures:							
Direct Expenditures	1,444	840	962	1,027	1,027	1,027	1,027
Indirect Expenditures	7	7	7	7	7	7	7
Total Expenditures	1,451	847	969	1,034	1,034	1,034	1,034
Current Difference	(268)	137	(4)	(69)	(69)	(69)	(69)
Accumulated Ending Balance	200	337	333	264	264	195	195

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Patrol Contracted Service Fees

Background Information:

The fee for Patrol escort services is \$79.28 per hour with a vehicle and \$59.28 per hour without a vehicle. For Flight services the range per hour is \$140 an hour to \$560 depending on the flight vehicle.

Forecast Basis:

It is presumed fiscal year 18-19 revenues will increase from estimated FY17 revenues.

Recent Changes:

The rates were changed in 2012. The rate change increased revenue, but the revenue is not keeping up with actual costs.

Agency Analysis/Comments:

Continuing current rates will create a negative balance. The Governor recommends changing the statutorily established rate set for escort services of the MN State Patrol to more closely reflect actual operating cost of this service. Further, this proposal seeks to change statutory language allowing the Commissioner of Public Safety to set an average rate based upon actual cost per fiscal year.

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Pipeline Safety Inspection Fees

Purpose: To recover the state's share of all costs related to the Office of Pipeline Safety.

Legal Citation: M.S. 299F.631; M.S. 299J.12; M.S. 16D.08

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pipeline Safety Control Approp (P0794C2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	753	589	1,388	1,388	1,388	1,388	1,388
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	753	589	1,388	1,388	1,388	1,388	1,388
Expenditures:							
Direct Expenditures	753	589	1,388	1,388	1,388	1,388	1,388
Indirect Expenditures							
Total Expenditures	753	589	1,388	1,388	1,388	1,388	1,388
Current Difference							
Accumulated Ending Balance							

Agency: Public Safety

2018-19 Departmental Earnings

Earnings Group: Pipeline Safety Inspection Fees

Background Information:

On a quarterly basis Pipeline Operators are charged the state share of the costs of the Office of Pipeline Safety. The quarterly costs apportioned according to a formula set by rules.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 18-19.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees cover the state share costs of the Office of Pipeline Safety.

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2018-19 Biennial Budget - Departmental Earnings

Public Utilities Commission

- Administrative Hearings Cost Recovery
- Energy Cost Assessments
- Extended Area Service Balloting Charges
- Telephone Assistance Program
- Telephone Regulation Cost Assessment

Agency: Public Utilities Commission

2018-19 Departmental Earnings

Earnings Group: Administrative Hearings Cost Recovery

Purpose: To recover the costs of regulating the rates and services provided by energy utility companies

Legal Citation: M.S. 216B.62, subd. 2 and M.S. 216B.62

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Administrative Hearings (B82ALJ0); Non-Dedicated Receipts (B82NDR0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	34						
Resources:							
Departmental Earnings	465	450	500	500	500	500	500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	465	450	500	500	500	500	500
Expenditures:							
Direct Expenditures	499	450	500	500	500	500	500
Indirect Expenditures							
Total Expenditures	499	450	500	500	500	500	500
Current Difference	(34)						
Accumulated Ending Balance							

Background Information:

The assessment of administrative hearings costs recovers the costs to the Public Utilities Commission for contested case hearings held by the Office of Administrative Hearings. M.S. 216B.62, Subd. 6 and M.S. 237.295 require that administrative hearing costs for contested cases be paid from a special revolving fund and subsequently assessed to the utilities involved. Receipts are deposited into the revolving fund. Expenditures and receipts vary with contested case activity.

Forecast Basis:

The Forecast assumes expanded services will be provided by the Office of Administrative Hearings to the Public Utilities Commission due to the increasing controversy surrounding utility construction projects (e.g., oil and gas pipelines, transmission lines and power plant siting and routing decisions).

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers 100% of the costs of Administrative Hearings and deposits the funds into a revolving account. Utility billings occur after expenditures have been made. As a result, the annual "balance" in the account may appear to be over or under recovered. The account is made whole annually once all invoiced costs have been received.

Cash flow for this account has been a concern for the past two years due to an increase in the number of Certificate of Need Cases requiring direct billing during the regular assessment process. Direct billings only occur twice each year, and the account can run a negative balance until the next full assessment is processed. The agency has received cash flow assistance from MMB to mitigate this effect.

Agency: Public Utilities Commission

2018-19 Departmental Earnings

Earnings Group: Energy Cost Assessments

Purpose: To recover the costs of regulating the rates and services provided by energy utility companies

Legal Citation: M.S. 216B.62, subd. 2 and M.S. 216B.62

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non-Dedicated Receipts (B82NDR0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	4,640	5,966	6,693	6,571	6,571	6,571	6,571
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,640	5,966	6,693	6,571	6,571	6,571	6,571
Expenditures:							
Direct Expenditures	4,640	5,966	6,693	6,571	6,571	6,571	6,571
Indirect Expenditures							
Total Expenditures	4,640	5,966	6,693	6,571	6,571	6,571	6,571
Current Difference							
Accumulated Ending Balance							

Background Information:

To recover the costs of regulating the rates and services provided by gas and electric utility companies. M.S. 216B.62 subd. 2 and M.S. 216B.62 permit the PUC to recover its direct and indirect regulatory expenses from regulated energy utilities. The PUC typically recovers nearly all of its direct and indirect energy regulation costs. M.S. 216B.62 limits the assessment of costs to no more than two-fifths of one percent of the gross jurisdictional revenues regulated utilities reported for the previous year.

Forecast Basis:

The Forecast assumes FY 2017 staffing levels and minimal salary adjustments for the FY 2018-19 biennium .

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers nearly all of the costs of utility regulation annually and deposits receipts as non-dedicated receipts to the general fund. Utility billings occur after expenditures have been made. As a result, the annual "balance" in the account may appear to be over or under recovered depending on the billing cycle. The account is made whole for the previous fiscal year in the third quarter of each year.

Agency: Public Utilities Commission

2018-19 Departmental Earnings

Earnings Group: Extended Area Service Balloting Charges

Purpose: Cost recovery for processing extended area service balloting requests from regulated telephone companies.

Legal Citation: M.S. 237.61, subd. 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Administrative Hearings (B82ALJ0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	30	30	30	30	30	30	30
Resources:							
Departmental Earnings							
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance	30	30	30	30	30	30	30

Background Information:

The assessment of Extended Area Service (EAS) balloting costs recovers costs billed to the Public Utilities Commission for balloting telephone exchanges that have petitioned for extended area service. M.S. 237.61, subd. 6 required the Commission to complete a proceeding and issue a final order to establish an orderly and equitable process and standards for determining the configurations and cost allocations for Extended Area Service (EAS) in the State. The Commission issued its orders on October 24, 1995 and February 26, 1996. Those orders, and subsequent orders, allow filing and processing of EAS cases on an ongoing basis. There has been no activity during the reporting period.

Forecast Basis:

The Forecast assumes that little, if any balloting will occur in the near term.

Recent Changes:

No recent changes

Agency Analysis/Comments:

There has been no activity in this account during the past biennium. Approximately \$30,000 is available for the Commission to conduct balloting activities if a petition for extended area telephone service is received. The Commission would recover 100% of balloting charges.

Agency: Public Utilities Commission

2018-19 Departmental Earnings

Earnings Group: Telephone Assistance Program

Purpose: The Telephone Assistance Program (TAP) fund assists low income Minnesotans, senior citizens and the disabled to maintain telephone service by funding a monthly telephone bill credit.

Legal Citation: M.S. 237.70, subd. 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Telephone Assistance Plan - It (B82TAP0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,478	1,265	1,150	1,100	1,100	950	950
Resources:							
Departmental Earnings	673	692	700	650	650	650	650
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	8	9	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	681	701	703	653	653	653	653
Expenditures:							
Direct Expenditures	894	816	753	803	803	753	753
Indirect Expenditures							
Total Expenditures	894	816	753	803	803	753	753
Current Difference	(213)	(115)	(50)	(150)	(150)	(100)	(100)
Accumulated Ending Balance	1,265	1,150	1,100	950	950	850	850

Background Information:

The TAP fund assists low income Minnesotans, senior citizens and the disabled to maintain telephone service by funding a monthly telephone bill credit. M.S. 237.70, subd. 6, authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. M.S. 237.70, subd. 6, authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. Currently, the program is funded by a three cent monthly surcharge. TAP provides monthly credits to low-income subscribers who also qualify for the federal Lifeline program. The monthly credit is presently set at \$3.50 by the Commission. Qualification is based on a) Income at or below 135 percent of the federal poverty guidelines, or b) participation in at least one of designated federal assistance programs (e.g., Food Stamps). The continued migration to wireless telecommunications service has resulted in a decline in TAP revenues, which also is expected to continue.

Recent Changes:

No recent changes

Agency Analysis/Comments:

Telephone Assistance Program revenues and expenditures are evaluated annually to ensure that benefits provided to low income Minnesotans are more closely match with available revenues. The account has over-recovered costs in previous fiscal years. In FY 2014, the Commission reduced the surcharge paid by utilities to 3 cents per wired line and increased the benefits to \$3.50 to better balance revenues and expenditures.

Agency: Public Utilities Commission

2018-19 Departmental Earnings

Earnings Group: Telephone Regulation Cost Assessment

Purpose: To recover the costs of regulating the rates and services provided by telephone utility companies

Legal Citation: M.S. 237.295

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non-Dedicated Receipts (B82NDR0)

Fee Change?

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	614	1,083	894	894	894	894	894
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	614	1,083	894	894	894	894	894
Expenditures:							
Direct Expenditures	614	1,083	894	894	894	894	894
Indirect Expenditures							
Total Expenditures	614	1,083	894	894	894	894	894
Current Difference							
Accumulated Ending Balance							

Background Information:

To recover the costs of regulating the rates and services provided by telephone companies pursuant to M.S. 237.295. In the past, the Public Utilities Commission (PUC) has recovered nearly all (approximately 98%) of its expenditures associated with the regulation of telecommunications utilities. It recovered its statewide indirect costs and the telecommunications regulatory costs of the staff of the Attorney General's office assigned to the PUC as well. M.S. 237.295 sets the maximum limitations for assessment of telephone costs at three-eighths of one percent of the gross jurisdictional revenues it reported for the previous year. As of July 1, 2005, M.S. 237.295 was revised to allow the PUC to recover all of its telecommunications regulation expenses for each fiscal year from telecommunications companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year on a quarterly basis. Also, a filing fee for new authority applications was established effective July 1, 2005 and has been set at \$570 per applicant since that date.

Forecast Basis:

The Forecast assumes FY 2017 staffing levels and minimal salary adjustments for the FY2018-19 the biennium.

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers nearly all of the costs of telephone utility regulation annually and deposits receipts as non-dedicated receipts to the general fund. Utility billings occur after expenditures have been made. As a result, the annual "balance" in the account may appear to be over or under recovered depending on the billing cycle. The account is made whole for the previous fiscal year in the third quarter of each year.

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2018-19 Biennial Budget - Departmental Earnings

Racing Commission

Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Agency: Racing Commission

2018-19 Departmental Earnings

Earnings Group: Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Purpose: To recover a portion of the cost of regulating the industry.

Legal Citation: M.S. 240.10, M.S. 240.15 subd. 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Racing Association Control (G05CTRL); Harness & Card Control (G05HCC0); Racing Commission Control (G05RCC0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	426	433	618	709	709	729	729
Resources:							
Departmental Earnings	822	829	835	855	855	910	910
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	822	829	835	855	855	910	910
Expenditures:							
Direct Expenditures	797	637	744	819	819	874	874
Indirect Expenditures	18	7		16	16	16	16
Total Expenditures	815	644	744	835	835	890	890
Current Difference	7	185	91	20	20	20	20
Accumulated Ending Balance	433	618	709	729	729	749	749

Background Information:

As outlined in M.S. 240.03 (10), the Minnesota Racing Commission (MRC) has the power and duty to impose fees on the racing and card playing industries sufficient to recover the operating costs of the commission with the approval of the legislature according to M.S. 16A.1283.

All fees collected by the MRC are used to fund the agency's statutory duties as outlined in M.S. 240.03 and also to support its mission to ensure the integrity of horse racing and card playing, oversee the proper distribution of funds back into the industry, and provide for the safety and welfare of the human and equine participants. Additionally, the MRC works to promote the horse racing and breeding industry in Minnesota in order to provide economic stimulus, offer residents and visitors an exciting entertainment option, and support agriculture and rural agribusiness.

The MRC has the authority to issue four classes of licenses, A, B, C, and D per M.S. 240.05 subd.1:

- Class A license fees are \$253,000 each and are submitted annually on July 1. Only two Class A licenses are currently approved, one for Canterbury Park Entertainment L.L.C. (Canterbury Park) and one for North Metro Harness Initiative L.L.C. (Running Aces).
- Class B license fees are \$500 per live racing day and \$100 per simulcast racing day. The MRC has approved 119 live racing days for 2017 and 728 simulcast racing days between the two Class A licensees.
- Class C occupational licenses are issued to individuals who are engaged in horse racing/card room-related activities and all other persons and vendors who by rule require licensing to ensure the integrity of racing (M.S. 240.08). These license fees range from \$5 to \$100 as outlined in Minnesota Rule 7877.120.
- Class C Advance Deposit Wagering (ADW) Provider license fees are \$10,000 for an initial license and \$2,500 each year thereafter per M.S. 240.10 (c).
- Class D pari-mutuel county fair license fees are \$50 for each assigned racing day on which pari-mutuel county fair racing is conducted per M.S. 240.10. No class D licenses have been applied for or awarded since 2001.
- New legislation enacted in 2016 will allow the MRC to collect a regulatory fee of 1.25% on all wagers placed by Minnesota residents via Advance Deposit Wagering (ADW) providers. These fees will be used in part to both fund the regulation of these specific activities and offset costs associated with the administration of the Minnesota Breeders Fund.

Forecast Basis:

In forecasting fee revenue for the upcoming biennium, the agency reviewed historical data and considered recent changes to legislation affecting these revenues.

There are currently only two licensed racing facilities in the State of Minnesota that require Class B licenses and no additional applications have been filed since 2008. Both facilities' license fees have varied little in the past decade and based on recent filings for race dates. No change is anticipated.

The annual number of Class C licenses issued has remained stagnant only varying 3% over the last four fiscal years. Additionally, Class C license fees only account for 23% of all license fees collected. Modest fee increases for Class C occupational licenses and larger increases for racing/gaming vendors are anticipated for FY19 which would be the first time a proposed fee increase has been requested since 2008. These changes will go through a rule making process.

License fee revenue is anticipated to increase in the upcoming biennium due to the first time licensure of Class C ADW providers which is projected to add \$20,000 in license revenue in FY18 and \$15,000 in FY19.

The MRC had no historical data in which to rely in regard to projected ADW regulatory fees, so the anticipated \$200k in FY18 and \$300k in FY19 is based on other jurisdictions with like population, and losses of wagering experienced by both Canterbury Park and

Agency: Racing Commission

2018-19 Departmental Earnings

Earnings Group: Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Running Aces annually over the last decade due to unlicensed ADW activity.

Recent Changes:

It is believed the MRC has not increased any fees since 2008. Those increases were minimal and had little impact on the overall revenues for the agency.

Agency Analysis/Comments:

The MRC was granted a \$341k general fund appropriation in the last biennium in order to close a budget shortfall and allow the agency time to find an added source of funding. This was accomplished in part this past legislative session with the passage of ADW legislation that allows the MRC to fulfill its mission and eliminate the need for a general fund appropriation in the upcoming biennium.

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2018-19 Biennial Budget - Departmental Earnings

Revenue

- Assessor's Education and Licensing
- Cigarette and Tobacco Licensure
- Conditional Use Fees
- Motor Fuels License Fee
- Revenue Department Filing Fees
- Revenue Recapture Fee

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Assessor's Education and Licensing

Purpose: Assessor's Licensing

Legal Citation: M.S. 270.44

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Board of Assessors (G677917); Non Dedicated Receipts (G900900)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		66	130	165	165	200	165
Resources:							
Departmental Earnings	66	64	35	35	98	35	100
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	66	64	35	35	98	35	100
Expenditures:							
Direct Expenditures					98		98
Indirect Expenditures							
Total Expenditures					98		98
Current Difference	66	64	35	35		35	2
Accumulated Ending Balance	66	130	165	200	165	235	167

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Assessor's Education and Licensing

Background Information:

Fees are set to recover the costs of the State Board of Assessors.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Currently revenues are non-dedicated and deposited in the general fund. The board costs are funded by the Department of Revenue operating budget.

There is a recommended proposal to increase assessor license fees and add an annual statutory adjustment. The proposal deposits the fee revenue into the Special Revenue Fund and appropriates that revenue directly to DOR for board expenses, including maintaining 1.5FTEs. It also gives the board the authority to issue refunds in cases of overpayment. For more information about the recommended fee change, see the Board of Assessors Operations change item in the Department of Revenue 2018-19 Governor's Budget Recommendations book.

Agency: Revenue

Earnings Group: Cigarette and Tobacco Licensure

2018-19 Departmental Earnings

Purpose: Cigarette Sale Regulation

Legal Citation: M.S. 297F.03, Subd. 5-6

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		3,610	9,300	16,638	16,638	23,976	24,601
Resources:							
Departmental Earnings	3,610	5,690	7,338	7,338	7,963	7,338	8,888
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,610	5,690	7,338	7,338	7,963	7,338	8,888
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	3,610	5,690	7,338	7,338	7,963	7,338	8,888
Accumulated Ending Balance	3,610	9,300	16,638	23,976	24,601	31,314	33,489

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Cigarette and Tobacco Licensure

Background Information:

Cigarette and tobacco licensure is to regulate the sale of cigarette and tobacco products.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None. There is a proposal to increase revenue from license fees and civil penalties in the tax bill.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's General Fund.

For information about the recommended fee change, see the Tobacco Products Tax Changes change item in the Tax Aids, Credits and Refunds 2018-19 Governor's Budget Recommendations book.

Agency: Revenue

Earnings Group: Conditional Use Fees

2018-19 Departmental Earnings

Purpose: Administration of Conditional Use Fees

Legal Citation: M.S. 282.01, Subd. 1g

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Conditional Use Fees (G905004)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	24	36	48	63	63	78	78
Resources:							
Departmental Earnings	12	12	15	15	15	15	15
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12	12	15	15	15	15	15
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	12	12	15	15	15	15	15
Accumulated Ending Balance	36	48	63	78	78	93	93

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Conditional Use Fees

Background Information:

A governmental subdivision of the state applying for a conditional use deed must submit a \$250 fee with the application. If denied, \$150 is refunded. Proceeds from the fees deposited in conditional use deed revolving fund for making refunds and for administering the conditional use deed laws.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

No expenditure's have been made from this fund from FY12-FY16. An analysis should be done to identify administrative costs to be charged for administering the conditional use deed laws.

Agency: Revenue

Earnings Group: Motor Fuels License Fee

2018-19 Departmental Earnings

Purpose: Fuel Regulation

Legal Citation: M.S. 296A.03; M.S. 296A.04

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		16	31	41	41	51	51
Resources:							
Departmental Earnings	16	15	10	10	10	10	10
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	16	15	10	10	10	10	10
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	16	15	10	10	10	10	10
Accumulated Ending Balance	16	31	41	51	51	61	61

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Motor Fuels License Fee

Background Information:

No person shall produce, manufacture, or refine petroleum products in this state, or receive, distribute, sell, or use in this state petroleum products which have not been received in this state by a licensed distributor.

No person, except a licensed distributor, shall engage in the business of selling or delivering special fuel, upon which no tax has been imposed, as a special fuel dealer without having applied for and secured from the commissioner a special fuel dealer's license.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's general fund.

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Revenue Department Filing Fees

Purpose: Tax preparers that file a paper tax return must pay a fee to reimburse the state for the added cost of paper filings versus electronic submission.

Legal Citation: M.S. 289A.08, Subd 16

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:			(36)	(96)	(96)	(321)	(134)
Resources:							
Departmental Earnings	29	24	25	25	25	25	25
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	29	24	25	25	25	25	25
Expenditures:							
Direct Expenditures	29	60	85	250	63	45	42
Indirect Expenditures							
Total Expenditures	29	60	85	250	63	45	42
Current Difference		(36)	(60)	(225)	(38)	(20)	(17)
Accumulated Ending Balance		(36)	(96)	(321)	(134)	(341)	(151)

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Revenue Department Filing Fees

Background Information:

Tax preparers that file a paper tax return must pay a fee of \$5.00 to reimburse the state for the added cost of paper filings versus electronic submission.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's general fund.

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Revenue Recapture Fee

Purpose: Administrative fee to customers when refunds are recaptured for debt owed.

Legal Citation: M.S. 270A.07

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Revenue Recapture 110 (G677110)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	570	641	833	983	983	983	983
Resources:							
Departmental Earnings	811	799	800	800	800	800	800
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	811	799	800	800	800	800	800
Expenditures:							
Direct Expenditures	740	607	650	800	800	800	800
Indirect Expenditures							
Total Expenditures	740	607	650	800	800	800	800
Current Difference	71	192	150				
Accumulated Ending Balance	641	833	983	983	983	983	983

Agency: Revenue

2018-19 Departmental Earnings

Earnings Group: Revenue Recapture Fee

Background Information:

DOR charges an administrative fee to customers when refunds are recaptured for debt owed to state agencies, county governments, and certain federal agencies. The current fee is \$15.00, \$11.00 going to the State's General Funds and \$4.00 going to the DOR for administration.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

DOR maximizes the use of these funds to recover debt owed to governmental agencies.

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2018-19 Biennial Budget - Departmental Earnings

Secretary of State

- Business Services Filing, Copy and Certification Fees
- Computer Info Fees Direct Access
- Election Fees - Candidate Filing, Copy and Certification Fees
- Notary Commission and Renewal Fee
- Uniform Commercial Code Filing and Copy Fees

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Business Services Filing, Copy and Certification Fees

Purpose: Central depository for the general public to register and obtain information related to businesses

Legal Citation: Chapters 333, 302A, 303, 308A, 308B, 322B, 323A, 321, 317A

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		8,180	18,138	28,224	28,224	38,516	38,516
Resources:							
Departmental Earnings	10,480	11,726	11,900	12,042	12,042	12,181	12,181
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10,480	11,726	11,900	12,042	12,042	12,181	12,181
Expenditures:							
Direct Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Indirect Expenditures							
Total Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Current Difference	8,180	9,958	10,086	10,292	10,292	10,678	10,678
Accumulated Ending Balance	8,180	18,138	28,224	38,516	38,516	49,194	49,194

Background Information:

The Office of the Secretary of State is the central depository for the general public, law firms, and service companies to register and obtain information related to businesses operating in Minnesota. Business Services fees include statutorily set filing fees to file documents for domestic, foreign & non-profit corporations, limited liability companies, limited partnerships, assumed names, trademarks and all related documents including Annual Business Renewals. Annual Business Renewals do not require a fee unless it requires a Reinstatement or the foreign (out of state) ones. Fees are also collected for obtaining copies and certificates. There are a number of various filing & order fees set forth in statutes.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Computer Info Fees Direct Access

Purpose: Fees are to cover the costs of providing services online including database requests or other supplemental services for our customers. Fees are also deposited into this account to pay all credit card fees for the agency.

Legal Citation: M.S. 338.9-418, M.S. 336.9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Direct Access (G531000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	2,326	2,710	2,933	2,785	2,785	1,405	1,405
Resources:							
Departmental Earnings	3,039	3,552	3,600	3,640	3,640	3,675	3,675
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,039	3,552	3,600	3,640	3,640	3,675	3,675
Expenditures:							
Direct Expenditures	2,655	3,329	3,748	5,020	5,020	5,080	5,080
Indirect Expenditures							
Total Expenditures	2,655	3,329	3,748	5,020	5,020	5,080	5,080
Current Difference	384	223	(148)	(1,380)	(1,380)	(1,405)	(1,405)
Accumulated Ending Balance	2,710	2,933	2,785	1,405	1,405		

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Computer Info Fees Direct Access

Background Information:

Fees are charged to offset the costs of providing services including online. The costs involved are IT and operational unit staff salaries, software/hardware equipment & maintenance costs, lease and other additional expenses.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects Direct Access/Uniform Commercial Code Acct. revenue to offset the costs of providing services and products to our customers, the majority in the form of technology. We are continually adding new functionality and updating our applications to best serve our customers. These funds are also utilized towards providing the best security possible for our applications.

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Election Fees - Candidate Filing, Copy and Certification Fees

Purpose: To have official notification of candidates running for office to be placed on the ballot. Provide orders including copies, certification of copies, voter registration orders, fees for related items and possible recount fees.

Legal Citation: M.S. 204B.11, 207A.02, 204C.35, 16A.48

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Miscellaneous Agency (6000)

Appropriation: Election Recounts (G537000); OSS General Fund Revenue (G539900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(3,622)	(7,075)	(10,980)	(10,980)	(14,535)	(14,535)
Resources:							
Departmental Earnings	23	58	23	25	25	27	27
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	23	58	23	25	25	27	27
Expenditures:							
Direct Expenditures	3,645	3,511	3,928	3,580	3,580	3,910	3,910
Indirect Expenditures							
Total Expenditures	3,645	3,511	3,928	3,580	3,580	3,910	3,910
Current Difference	(3,622)	(3,453)	(3,905)	(3,555)	(3,555)	(3,883)	(3,883)
Accumulated Ending Balance	(3,622)	(7,075)	(10,980)	(14,535)	(14,535)	(18,418)	(18,418)

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Election Fees - Candidate Filing, Copy and Certification Fees

Background Information:

Filing fees from individuals who run for public office. Includes fees for providing copies, district maps, Voter Registration orders, or for other election related items and a fee for doing recount of an election. The majority of candidate filing fees come in during the heavy general election years, FY14 and FY16.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Notary Commission and Renewal Fee

Purpose: When making application for a commission the applicant must submit, along with the information required a nonrefundable fee.

Legal Citation: M.S. 359.01, Subd. 3

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		1,987	1,794	1,580	1,580	1,446	1,446
Resources:							
Departmental Earnings	4,287	1,575	1,600	1,616	1,616	1,632	1,632
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,287	1,575	1,600	1,616	1,616	1,632	1,632
Expenditures:							
Direct Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Indirect Expenditures							
Total Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Current Difference	1,987	(193)	(214)	(134)	(134)	129	129
Accumulated Ending Balance	1,987	1,794	1,580	1,446	1,446	1,575	1,575

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Notary Commission and Renewal Fee

Background Information:

The Office of the Secretary of State handles the notary function for the State of Minnesota. Fees are collected for new notary commissions, renewals and other notary related filings. The fee is \$120 for a new commission or renewal and is set forth in statute.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2018-19 Departmental Earnings

Earnings Group: Uniform Commercial Code Filing and Copy Fees

Purpose: Central depository for business and financial institutions to obtain information on liens recorded against businesses across the state.

Legal Citation: M.S. 336.9(-403- 409), -413, M.S. 5.12, M.S. 336A.04, M.S. 336A.09

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		773	2,305	3,996	3,996	5,786	5,786
Resources:							
Departmental Earnings	3,073	3,300	3,505	3,540	3,540	3,576	3,576
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,073	3,300	3,505	3,540	3,540	3,576	3,576
Expenditures:							
Direct Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Indirect Expenditures							
Total Expenditures	2,300	1,768	1,814	1,750	1,750	1,503	1,503
Current Difference	773	1,532	1,691	1,790	1,790	2,073	2,073
Accumulated Ending Balance	773	2,305	3,996	5,786	5,786	7,859	7,859

Background Information:

The Office of the Secretary of State is the central depository for business and financial institutions to register and obtain information on liens recorded against businesses across the state. Fees are collected for filing UCC documents, farm liens, state and federal liens. Fees are also collected for obtaining searches, copies and CNS buyers lists. There are a number of various filing and order fees set forth in statutes.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

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2018-19 Biennial Budget - Departmental Earnings

Social Work, Board of

Social Work Board Licensing Fees

Agency: Social Work, Board of
Earnings Group: Social Work Board Licensing Fees

2018-19 Departmental Earnings

Purpose: To recover the costs of regulating the social work profession.

Legal Citation: M.S. 148D, 148E, 214, 319B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201)

Appropriation: Soc Wk Non Dedicated Receipts (H7L1000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	561	535	514	275	275	127	388
Resources:							
Departmental Earnings	1,262	1,298	1,304	1,308	1,668	1,318	1,681
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	21	18	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out	15						
Revenue Collected for Another Agency							
Total Resources	1,268	1,316	1,329	1,333	1,693	1,343	1,706
Expenditures:							
Direct Expenditures	1,028	1,077	1,285	1,180	1,279	1,180	1,271
Indirect Expenditures	266	260	283	301	301	301	301
Total Expenditures	1,294	1,337	1,568	1,481	1,580	1,481	1,572
Current Difference	(26)	(21)	(239)	(148)	113	(138)	134
Accumulated Ending Balance	535	514	275	127	388	(11)	522

Background Information:

The mission of the Minnesota Board of Social Work (BOSW) is to ensure residents of Minnesota quality social work services by establishing and enforcing professional standards through effective licensure and enforcement of the statutes governing the practice of social work to ensure standards of competent and ethical practice. Fifteen volunteer Board Members, including five public members, provide oversight to make certain we meet the needs of citizens and promote a diverse and qualified workforce.

We collaborate with state and federal agencies, utilize technology to streamline business processes, and offer online services. Regular strategic planning sets outcome-based priorities and promotes **efficient and accountable services**.

Board of Social Work Services and Statutory Mandate:

The Board keeps Minnesotans safe and accomplishes its core public safety and regulatory mission by 1) licensing qualified social work professionals; 2) investigating and resolving complaints in a fair and timely manner; 3) continuing to strengthen strategic communication, education, outreach, and partnerships; and 4) utilizing technology to promote board mission:

- setting and administering educational, national examination, and supervised practice requirements for initial licensure as a social worker, and setting and administering continuing competence requirements for license renewal;
- setting and enforcing standards of ethical practice; responding to inquiries, alleged complaints, and reports regarding applicants, licensees, temporary license holders, and unlicensed practitioners when services do not meet standards;
- investigating and resolving complaints of alleged violations of statutes, holding educational and disciplinary conferences with licensees, and taking legal action, when appropriate, against licensees who fail to meet minimum standards of practice;
- approving continuing education providers; and
- educating the public, social work students, faculty, licensed professionals and organizations about licensing responsibilities, ethical practice standards, and the complaint resolution process
- providing information about licensure and standards of practice through public education outreach efforts, the Board's website, online license verification services, brochures, and telephone and email inquiries.

Board of Social Work Fees:

- The Board is entirely fee supported and receives no General Fund dollars to provide all services
- Revenues collected from applicants, licensees, and continuing education providers are deposited in the State Government Special Revenue Fund.
- Fees charged to applicants, licensees, and continuing education providers are set to recover the Board's direct and indirect expenditures.
- Fees are approved and enacted by the Legislature, as identified in Minnesota Statutes, Sections 148E.175 and 148E.180.
- Board fees are listed at the Board's website: <http://mn.gov/boards/social-work/>

Forecast Basis:

- Revenues are forecasted based on demonstrated trends and a number of factors including analysis of actual revenue collected in previous years, the number of applicants seeking initial licensure, the number of licensees renewing a license, any fee changes set in current statute, and any anticipated changes in statewide indirect costs.
- Expenditures are forecasted based on demonstrated trends and a number of factors including analysis of actual direct and indirect expenditures in previous years, identify any increased costs of doing business, identify any new strategic initiatives as determined by the Board to enhance efforts to meet our public safety mission, and to meet the dramatic increase in growth and need for services in all areas.

Recent Changes:

- The Board intentionally decreased its fees by 20% in FY 2006, and an additional 10% in FY 2010, to reduce revenues and implement a “cost of doing business” fiscal management model. The Board has been successful, until present, in maintaining its operations with an overall 30% reduction in fees since 2009. The projected \$360,000 increase in revenues in FY 2018, and projected \$363,000 increase in revenues in FY 2019, would be an approximate increase of 30% from current revenues, which have been in place since FY 2009. The fee amounts requested for FY 2018-FY 2019 are still less than the fees authorized in 2000, seventeen years later.

Agency Analysis/Comments:

Fees have not been raised since 2000, and have been reduced by 30% since 2009. If approved, this will be the first time in 17 years that fees have been increased.

- The Legislature transferred a total of \$1,432,787 from the Board's accumulated balance in the SGSRF from FY 2004-FY 2012. The unanticipated Legislative transfer of 55% of the Board's accumulated balance, at the same time as the Board's intentional fee reductions, significantly reduced the Board's accumulated balance.
- The Board is following the Legislature's guidance under Minnesota Statutes, Sections 214.06, subdivision 1, which states: “A health-related licensing board may accumulate up to one year of operating funds, and then shall propose a fee reduction according to section 16A.1283. The projected amount in the Board's accumulated balance is anticipated to have a deficit of approximately \$150,000 by FY 2019.
- Avoid the need to absorb the increased costs of doing business and reduce spending by \$33,000 in FY 2018, and \$54,000 in FY 2019, which will decrease the ability to provide critical services.
- Avoid a negative balance in the Board's SGSRF of \$110,000 in FY 2018; and \$500,000 in FY 2019.
- Ensure Board capacity and resources to deliver core public safety services, which can no longer be effectively delivered with the Board's current staffing and budget without adverse impact on Minnesotans, due to the dramatic growth in applicants, licensees, and complaints received, and to fund requested change items.
- This proposal to increase fees is intended to ensure that the Board will have adequate funds to carry out its mission to protect the public, and fulfill its statutory duties. Collectively, reduced services and delayed response times will have an adverse impact on public health and safety, and workforce needs, for Minnesotans.
- By establishing this necessary fee adjustment, the Board can achieve the following results:
 1. Retain staffing necessary to conduct its business at the current, and increased, levels of service
 2. Increase staffing dedicated to complaint resolution to improve complaint resolution time
 3. Avoid deficit spending
 4. Afford increased technology costs
 5. Afford increased legal costs necessary for complaint resolution
 6. Effectively meet the ever growing demands for the services required based on dramatic growth

For information about the recommended fee change see the Fee Adjustment change item in the Board of Social Work 2018-19 Governor's Budget Recommendations book.

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2018-19 Biennial Budget - Departmental Earnings

State Auditor
Audit Charges

Agency: State Auditor

2018-19 Departmental Earnings

Earnings Group: Audit Charges

Purpose: To recover all costs of the audit examination of local governments.

Legal Citation: M.S. 6.581

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Audit Practice Enterprise Fund (4650)

Appropriation: Audit Practice (G611001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,034	59	1,061	978	978	978	978
Resources:							
Departmental Earnings	5,376	7,504	7,073	7,361	7,361	7,606	7,606
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,376	7,504	7,073	7,361	7,361	7,606	7,606
Expenditures:							
Direct Expenditures	6,351	6,502	7,156	7,361	7,361	7,606	7,606
Indirect Expenditures							
Total Expenditures	6,351	6,502	7,156	7,361	7,361	7,606	7,606
Current Difference	(975)	1,002	(83)				
Accumulated Ending Balance	59	1,061	978	978	978	978	978

Background Information:

The Audit Practice Division plays a primary role in the Office of the State Auditor's performance of its oversight functions by auditing local governments. Under Minn. Stat. § 6.581, all costs of the audit examination must be recovered through fees, generating a significant reimbursement for the state. These fees are dedicated revenues deposited in the State Auditor Enterprise Fund. Audit work is billed on an hourly basis, plus reimbursable travel expenses. The Office of the State Auditor is committed to providing quality audit services to local governments in Minnesota at fees that recover the costs of the audits. Audit staff work closely with local governments to reduce audit costs wherever possible.

Forecast Basis:

The current departmental earnings forecast is based on the assumption that the amount of audit work will be similar to 2016.

Recent Changes:

As required by law, the State Auditor reviews fees annually to verify the appropriateness of the fee structure and to ensure that total costs and expenses for examinations are recovered. As approved in conjunction with the Commissioner of Minnesota Management and Budget, a fee increase for calendar year 2017 was deemed necessary to keep the cost recovery formula in balance.

Agency Analysis/Comments:

Fees are sufficient to recover the cost of audit examinations.

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2018-19 Biennial Budget - Departmental Earnings

Supreme Court

- Civil Legal Services Fees
- Courts Data Practices / Cost of Copies
- Fees for Filing Appeals
- Fees from Users of the Minnesota Court Information System
- Miscellaneous Court Fees
- State Building Code
- Testing/Training for Court Interpreters

Agency: Supreme Court
Earnings Group: Civil Legal Services Fees

2018-19 Departmental Earnings

Purpose: To provide partial funding for legal services for the poor by assessing MN attorneys.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Civil Legal Services-Ded (J650CLD)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	529	618	614	400	400	200	200
Resources:							
Departmental Earnings	1,970	2,022	2,000	2,000	2,000	2,000	2,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,970	2,022	2,000	2,000	2,000	2,000	2,000
Expenditures:							
Direct Expenditures	1,881	2,026	2,214	2,200	2,200	2,200	2,200
Indirect Expenditures							
Total Expenditures	1,881	2,026	2,214	2,200	2,200	2,200	2,200
Current Difference	89	(4)	(214)	(200)	(200)	(200)	(200)
Accumulated Ending Balance	618	614	400	200	200		

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Civil Legal Services Fees

Background Information:

Fees charged to MN attorneys to support legal services for the poor.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Courts Data Practices / Cost of Copies

Purpose: To reimburse the cost of providing copies to patrons

Legal Citation: M.S. 13.03, Subd. 10

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: non dedicated receipt (J659900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		5	12	19	19	26	26
Resources:							
Departmental Earnings	5	7	7	7	7	7	7
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5	7	7	7	7	7	7
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	5	7	7	7	7	7	7
Accumulated Ending Balance	5	12	19	26	26	33	33

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Courts Data Practices / Cost of Copies

Background Information:

Reimbursement for copies.

Forecast Basis:

None

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Fees for Filing Appeals

Purpose: Filing fees are established by statute for appeals presented to the Supreme Court and Court of Appeals. These filing fees are not intended to directly finance the costs of the Supreme Court or the Court of Appeals, but rather to discourage the filing of frivolous appeals after cases have been decided in the District Courts. These fees are deposited as non-dedicated receipts to the General Fund and do not accumulate to a specific account.

Legal Citation: M.S. 357.08

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: non dedicated receipt (J659900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		539	1,023	1,507	1,507	1,991	1,991
Resources:							
Departmental Earnings	539	484	484	484	484	484	484
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	539	484	484	484	484	484	484
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	539	484	484	484	484	484	484
Accumulated Ending Balance	539	1,023	1,507	1,991	1,991	2,475	2,475

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Fees for Filing Appeals

Background Information:

Filing fees for appeals.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Fees from Users of the Minnesota Court Information System

Purpose: To cover costs for the MNCIS database access for non-court users.

Legal Citation: M.S. 13.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Mncis Access (J650SC3)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	191	198	1				
Resources:							
Departmental Earnings	26	36	35	35	35	35	35
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	26	36	35	35	35	35	35
Expenditures:							
Direct Expenditures	19	233	36	35	35	35	35
Indirect Expenditures							
Total Expenditures	19	233	36	35	35	35	35
Current Difference	7	(197)	(1)				
Accumulated Ending Balance	198	1					

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Fees from Users of the Minnesota Court Information System

Background Information:

Fees from users of state computer system.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Court Fees

Purpose: To cover the cost of certifying mediators and arbitrators, disseminating a roster statewide, and supporting the activities of the Board.

Legal Citation: M.S. 481.01

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Alter Dispute Resolution (J650ADR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	32	24	33	20	20	10	10
Resources:							
Departmental Earnings	63	53	61	61	61	61	61
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	63	53	61	61	61	61	61
Expenditures:							
Direct Expenditures	71	44	74	71	71	71	71
Indirect Expenditures							
Total Expenditures	71	44	74	71	71	71	71
Current Difference	(8)	9	(13)	(10)	(10)	(10)	(10)
Accumulated Ending Balance	24	33	20	10	10		

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Miscellaneous Court Fees

Background Information:

Alternative dispute resolution registration fee.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court
Earnings Group: State Building Code

2018-19 Departmental Earnings

Purpose: Fund Early Neutral Evaluation training.

Legal Citation: M.S. 16A.721, Subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Ene Training (J650ENE)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings			15	15	15	15	15
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources			15	15	15	15	15
Expenditures:							
Direct Expenditures			15	15	15	15	15
Indirect Expenditures							
Total Expenditures			15	15	15	15	15
Current Difference							
Accumulated Ending Balance							

Agency: Supreme Court
Earnings Group: State Building Code

2018-19 Departmental Earnings

Background Information:

Fees from participants to offset the cost of training.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Testing/Training for Court Interpreters

Purpose: To supplement funding available to train and test court interpreters through a user fee

Legal Citation: M.S. 481.175

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Interpreter (J650INT)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	36	24	19				
Resources:							
Departmental Earnings	7	11	15	15	15	15	15
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7	11	15	15	15	15	15
Expenditures:							
Direct Expenditures	19	16	34	15	15	15	15
Indirect Expenditures							
Total Expenditures	19	16	34	15	15	15	15
Current Difference	(12)	(5)	(19)				
Accumulated Ending Balance	24	19					

Agency: Supreme Court

2018-19 Departmental Earnings

Earnings Group: Testing/Training for Court Interpreters

Background Information:

Fee for testing and training court interpreters.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

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2018-19 Biennial Budget - Departmental Earnings

Teaching Board
Teacher Licensing

Agency: Teaching Board

2018-19 Departmental Earnings

Earnings Group: Teacher Licensing

Purpose: To assure those licensed to teach in Minnesota schools have achieved the minimum requirements to be a teacher of students in the classroom.

Legal Citation: M.S. 122A.21

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Bd Of Tchng Licens By Portfol (E370170); Teacher Licensing (E37ND01); Licensure by Portfolio (E390020)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		1,058	2,214	3,061	3,061	3,983	3,983
Resources:							
Departmental Earnings	1,753	1,893	1,876	1,860	1,860	1,860	1,860
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,753	1,893	1,876	1,860	1,860	1,860	1,860
Expenditures:							
Direct Expenditures	652	686	936	842	842	842	842
Indirect Expenditures	43	51	93	96	96	96	96
Total Expenditures	695	737	1,029	938	938	938	938
Current Difference	1,058	1,156	847	922	922	922	922
Accumulated Ending Balance	1,058	2,214	3,061	3,983	3,983	4,905	4,905

Background Information:

This fee is charged to candidates submitting applications for licensure as a teacher. A teacher's license is a requirement for anyone who wants to teach in a public school classroom in Minnesota school districts. The fee is intended to cover the cost of licensing activities of the Department of Education (MDE) and the functions and activities of the Board of Teaching (the Board). The Board, made of up 11 members appointed by the Governor (six classroom teachers, one higher education faculty member, one school administrator, and three public members, two of which must have school board experience), is responsible for ensuring a quality licensing system for Minnesota public schools and enforces the code of ethics for teachers, standards of professional conduct, and teachers' work in the classroom and their relationships with students and colleagues. The process of issuing the teacher license is performed by the Educator Licensing Division of the Department of Education.

Forecast Basis:

The current fee is \$57 for each license. The fee for licensure via portfolio is \$300 for the original portfolio submission and \$200 for each subsequent submission. A third fee is collected on behalf of the Department of Public Safety's Bureau of Criminal Apprehension (BCA) and is the fingerprint background check fee. This fee is established by the Bureau and collected with the submission of an application for license. The background check fee is then passed through to the Bureau by MDE.

The estimate assumes the same level of activity for the biennium.

Recent Changes:

The 2014 Legislature increased the appropriation for the Board of Teaching to \$718,000 for the fiscal year 2015, but did not increase the base going forward.

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2018-19 Biennial Budget - Departmental Earnings

Transportation

- Advertising Permits
- Air Transportation Revolving Account
- Airports, Commercial Operations, and Aircraft Dealer License
- DOT: Miscellaneous
- Highway Toll Revenue
- Motor Carrier Permits and Fees
- Motor Vehicle Miscellaneous Fee
- Tower Leases Rental Income
- Transportation Permits

For information about the recommended new annual railroad assessment see the Railroad Assessment for Safety Improvements on Priority Rail Corridors change item in the Department of Transportation 2018-19 Governor's Budget Recommendations book.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Advertising Permits

Purpose: Permits fees collected for the placement of advertising devices (signs, etc.) along interstate and primary systems of highways.

Legal Citation: M.S 173.13, Subd. 4

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		79	174	104	104	34	34
Resources:							
Departmental Earnings	329	394	400	400	400	400	400
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	329	394	400	400	400	400	400
Expenditures:							
Direct Expenditures	210	259	430	430	430	430	430
Indirect Expenditures	40	40	40	40	40	40	40
Total Expenditures	250	299	470	470	470	470	470
Current Difference	79	95	(70)	(70)	(70)	(70)	(70)
Accumulated Ending Balance	79	174	104	34	34	(36)	(36)

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Advertising Permits

Background Information:

To promote the safety of the traveling public and conserve the natural beauty of areas adjacent to highways, permits are issued to regulate and control placement and characteristics of advertising devices along highways. This revenue results in a positive adjustment to the Trunk Highway fund balance. Rates are stated in law and were last changed in 1997.

Forecast Basis:

Revenues and costs are dependent on customer orders. Revenue declined slightly over the past five years.

Recent Changes:

None

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Air Transportation Revolving Account

Purpose: Fees collected from air transportation users to cover direct operating costs excluding pilot salary and aircraft acquisition.

Legal Citation: M.S. 360.024

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Air Transportation Revolving (2722)

Appropriation: Air Transport Serv (T790041)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	434	574	530	500	500	500	500
Resources:							
Departmental Earnings	764	705	700	700	700	700	700
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	764	705	703	703	703	703	703
Expenditures:							
Direct Expenditures	624	749	733	703	703	703	703
Indirect Expenditures							
Total Expenditures	624	749	733	703	703	703	703
Current Difference	140	(44)	(30)				
Accumulated Ending Balance	574	530	500	500	500	500	500

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Air Transportation Revolving Account

Background Information:

MnDOT aircraft are available for government officials traveling for state business. A per mile fee is charged for the service to recover the direct cost of operating the aircraft. This account operates as a revolving account. The last rate change was in 2008.

Forecast Basis:

Forecast is based on historic and current trends along with fuel cost projections and plane usage. As stated in law, fees are collected for direct operating cost only.

Recent Changes:

None

Agency Analysis/Comments:

An increase in expenditures is estimated for FY16 through FY19 due to major aircraft maintenance cost, and is expected to deplete the majority of the accumulated balance by 2020.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Airports, Commercial Operations, and Aircraft Dealer License

Purpose: Fees for licensing of aviation dealers in the business of buying and selling aircraft (MS360.63). Also for aircraft registration and licensing of pilots engaged in commercial operations (MS 360.018).

Legal Citation: M.S. 360.63, and M.S. 360.018

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Airports (2720)

Appropriation: Non-Ded Aeronautics - 2720 (T799008)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(19)	(39)	(60)	(60)	(81)	(81)
Resources:							
Departmental Earnings	13	13	13	13	13	13	13
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	13	13	13	13	13	13	13
Expenditures:							
Direct Expenditures	31	32	33	33	33	33	33
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	32	33	34	34	34	34	34
Current Difference	(19)	(20)	(21)	(21)	(21)	(21)	(21)
Accumulated Ending Balance	(19)	(39)	(60)	(81)	(81)	(102)	(102)

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Airports, Commercial Operations, and Aircraft Dealer License

Background Information:

MnDOT issues licenses to any person engaged in commercial aviation or who deals in the buying and selling of aircraft, as well as airports, restricted landing sites, and other air navigation facilities. In addition provides registration for aircraft. This promotes safety and compliance to standards. The fees for licenses are set in statute and have not changed since 1993.

Forecast Basis:

Forecast is based on historic and current data.

Recent Changes:

Beginning in 2016 FAA regulations includes the regulations and licensing of drones as aircraft.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: DOT: Miscellaneous

Purpose: Miscellaneous revenue includes rent collection on use of highway right of way, revenues for agreements with other governments for construction and maintenance, sale of sand, gravel, and salt at cost to other governmental units, and sign fabrication cost recovery to external customers.

Legal Citation: M.S.222.63 subd.8; M.S.160.298; M.S.161.391; M.S. 161.231; M.S. 174.02 subd.6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Trunk Highway (2700); State Airports (2720)

Agency: Transportation
Earnings Group: DOT: Miscellaneous

2018-19 Departmental Earnings

Appropriation: Rail Bank Maintenance (T790019); Rail Safety Inspection (T790053); Land Conveyance (T790094); WI/DOT Dresbach Bridge (T790108); Metro Emerg - Motorola SSA (T790172); Carver Cty Sheriffs Office (T790176); WI/DOT Blatnik Bridge (T790184); AASHTO/NTPEP 98249P (T790187); WI/DOT-Stillwater 98921R (T790191); ND Dot Oslo Bridge 00187R (T790245); WI Dot - MN & WI Bridge 00511 (T790249); OCRRA 99613 (T790251); U of M NASA Grant 00606 (T790257); WI/DOT Intercity RR Study00826 (T790263); Olmsted County 00886 (T790268); Central Corridor LRT (T790300); WI St.Croix Bridge 93891P (T790329); Pavement Stripe Rev Acct (T790580); WI Border Bridge 83476-P (T790618); Mn/DOT- Duluth Shared OAC (T790624); Excess R/W Rent (T790668); WI St.Croix Other 87414P (T790723); Saab Sensis Corp (T790736); ND Border Bridge 89463-P (T790742); Highway Sign Revolving Account (T790765); LRT Met Council Agmt 75 (T790975); Central Corr LRT R/W Parcels (T791041); Ctrl Corr LRT R/W Parcel Incid (T791042); WI St.Croix Mitigation 92152P (T791118); Southwest LRT 01938 (T791153); MET COUNCIL SALT 2012-17#02190 (T791155); City of Nth Branch Salt #02266 (T791156); City Cass Lk WelcomeCtr87418PL (T791169); WI StCroix Bridge Coop 02732 (T791171); WV DOT Pool Fund #03546 (T791175); Chaska TS Fuel/Utilities 01859 (T791193); City of Richfield-Salt #04565 (T791198); Intl Road Dynamics #04802 (T791199); Canadian Natl Railway Co 05122 (T791207); Duluth TH 23 R/W Acq #05305 (T791209); Richfield CedarAve TS Fuel4963 (T791212); WY DOT Clear Roads #05377 (T791220); N Shore In-Line Marathon 05666 (T791221); RCTC MnSCU #06881 (T791228); Blue Line Ext LRT #06737 (T791231); WI/DOT Blatnik Bridge #07092 (T791232); Intercomp Co. #07021 (T791233); Goodhue County #1000320 (T791235); Imaging Sensing #1000283 (T791236); DNR-D2-Office Space #07142 (T791237); Grandma's Marathon #1000533 (T791238); North Shore In-Line #1000537 (T791239); WY DOT NW Passage #1000639 (T791240); Scott County TH 169 #1000184 (T791242); WY/DOT Clear Rds #1001127 (T791247); Auburn University #1000887 (T791248); Army Corps Engineers#1001318 (T791249); Ramsey Co #1000036 (T791250); Washington Co #03553WO2 (T791251); City of Mpls #05259WO1 (T791252); AZ/DOT Clear Rds #1001484 (T791253); City of Virginia #1001136 (T791255); St Louis & Lk Cty RRA#1001203 (T791256); City of VA-Utilities #1001482 (T791257); WI DOT Truck ParkStudy PhaseII (T791260); WI/DOT-Empire Phase I #1001892 (T791261); RCRRA Empire Phase I #1001893 (T791262); Beltrami County WO #1-Agr #023 (T791264); Auburn Univ Pave Pres #1002232 (T791265); U of M NASA Grant #1002350 (T791266); WI/DOT Blatnick Repair #100228 (T791267); NRRA Associate Dues #1002993 (T791270); WI/DOT NRRA Pool Fund #1003283 (T791275); McLeod Cty Bridge WO1 #03506 (T791277); WI/DOT-36/64 St Croix #06253R (T791281); WI/DOT #9030 Blatnik #1003008 (T791282); East Grand Forks WO04 #02218 (T791285); County Partnership Constr (T796300); County Partnership Maint (T796301); County Partnership OEC (T796302); County Partnership DepSup (T796303); Non-Ded Construction - 2700 (T799000); Non-Ded Dept Support - 2700 (T799007); Non-Ded Aeronautics - 2720 (T799008)

Fee Change? Yes

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: DOT: Miscellaneous

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	21,083	17,353	22,871	8,801	8,801	7,828	7,828
Resources:							
Departmental Earnings	84,356	94,695	68,192	52,461	53,076	50,580	51,438
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	436	553					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	84,792	95,248	68,192	52,461	53,076	50,580	51,438
Expenditures:							
Direct Expenditures	88,522	89,730	82,262	53,434	54,049	51,833	52,691
Indirect Expenditures							
Total Expenditures	88,522	89,730	82,262	53,434	54,049	51,833	52,691
Current Difference	(3,730)	5,518	(14,070)	(973)	(973)	(1,253)	(1,253)
Accumulated Ending Balance	17,353	22,871	8,801	7,828	7,828	6,575	6,575

Background Information:

MnDOT Leases, External

MnDOT will continue to utilize available resources (vacant land and buildings) in a fiscally responsible manner until the resource is needed for construction. Many leases are long-term such as parking for churches or hay cutting along state roads. Also, some lease collections are for inter-governmental co-operation property utilization. These earnings are collected as miscellaneous income and are not identified with specific operating expenditures in the department. Vacant right-of-way is also leased to interested parties until needed by MnDOT.

MnDOT Agreement with other Governments

These agreements are with other units of government including bordering states for provision of MnDOT expertise in project engineering and construction.

Sale of Gravel, Sand, and Salt

MnDOT sells gravel, sand, and salt to other units of government where locations are convenient, and supplies are adequate at an at cost basis.

Rail Safety Inspection Assessment

Reimbursements are received for Rail Safety Inspector's inspection of rail tracks, rail right-of-way, review of maintenance and repair records, and review of railroad security measures.

Forecast Basis:

Forecast is based on historic and current cost of above activities. Amounts collected in these accounts are established within each written agreement.

Recent Changes:

Effective July 2015, M.S. 161.231 language changed Land conveyance revenues to dedicated funds and made them available for maintain the program.

Agency Analysis/Comments:

These department earnings are a mix of dedicated and non-dedicated receipts established for cost recovery.

For information about the recommended fee change see the Rail Safety - Inspectors change item in the Department of Transportation 2018-19 Governor's Budget Recommendations book.

Agency: Transportation
Earnings Group: Highway Toll Revenue

2018-19 Departmental Earnings

Purpose: User fees collected for single passenger vehicles traveling in the high occupancy vehicle lanes (MnPASS)

Legal Citation: M.S. 160.93

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: MnPass_Receipts Maintenance (T790679); Mn/Pass Unearned Receipts (T791177)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	5,763	5,471	2,096	1,537	1,537	978	978
Resources:							
Departmental Earnings	3,954	3,450	3,331	3,331	3,331	3,331	3,331
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,954	3,450	3,331	3,331	3,331	3,331	3,331
Expenditures:							
Direct Expenditures	4,246	6,825	3,890	3,890	3,890	3,331	3,311
Indirect Expenditures							
Total Expenditures	4,246	6,825	3,890	3,890	3,890	3,331	3,311
Current Difference	(292)	(3,375)	(559)	(559)	(559)		20
Accumulated Ending Balance	5,471	2,096	1,537	978	978	978	998

Background Information:

Fees are collected from single passenger vehicles utilizing High Occupancy Toll (HOT) MnPass lanes. Customers are issued a free vehicle sticker that scans when entering a MnPass lane, or they may purchase a switchable tag for \$15.00. Fees collected are used to maintain current operations and improve the toll infrastructure.

Forecast Basis:

Forecast is based on historic and current data, along with projected future expansion of toll system. Toll lanes were established as a traffic management tool. Fees vary and are imposed as needed to effectively manage traffic flow.

Recent Changes:

I-35E HOT lane began operation January 2016 generating additional revenues and costs. Additional cost in FY16 were also incurred by updating the transponder system to integrate with interstate toll-way collections systems.

Agency Analysis/Comments:

The system requires customers to maintain a minimum account balance. This balance is unearned until the vehicle uses a toll lane and tolls are charged (earned). These account balances are deposited into a MnDOT account. Unearned receipts equal approximately \$550,000 of the rolled forward balances. Revenue is used to maintain and expand the current system. Expenditure include revenue sharing agreement payments to Metropolitan Council.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Motor Carrier Permits and Fees

Purpose: Fees collected through licensing, permitting, and registration of MN for-hire property, special transportation service providers, passenger carriers and commercial vehicles engaged in intrastate commerce.

Legal Citation: M.S. 221.131
Law 2015, Ch 71 005 004

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Spec Trans Providers Inspecti (T791279); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		(2,217)	(4,828)	(5,738)	(5,738)	(6,781)	(6,781)
Resources:							
Departmental Earnings	(90)	(484)	1,281	1,281	1,281	1,281	1,281
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	(90)	(484)	1,281	1,281	1,281	1,281	1,281
Expenditures:							
Direct Expenditures	2,127	2,127	2,191	2,324	2,324	2,394	2,394
Indirect Expenditures							
Total Expenditures	2,127	2,127	2,191	2,324	2,324	2,394	2,394
Current Difference	(2,217)	(2,611)	(910)	(1,043)	(1,043)	(1,113)	(1,113)
Accumulated Ending Balance	(2,217)	(4,828)	(5,738)	(6,781)	(6,781)	(7,894)	(7,894)

Background Information:

Motor carrier permits and fees ensure compliance with state laws, rules, and regulations governing Minnesota intrastate motor carrier operations, so that transportation of persons and property on Minnesota's public highways is safe and meets the needs of carriers, shippers, passengers, and the traveling public. Permit are established in law were last changed in 1994.

Commercial Motor Vehicles (CMVs):

Fees are collected through the Unified Carrier Registration (UCR) system for registering the operators of commercial motor vehicles (CMVs) engaged in interstate travel. Revenues are deposited into the Trunk Highway Fund.

Other vehicle fees:

Revenue for these activities is received into the Trunk Highway Fund through direct payments by applicants who apply for authority and/or vehicle identifiers such as, Limousine Program (Limo), Household Goods (HHG), Building Movers (BMH), Motor Carriers of Passengers

Special Transportation Services Providers Fee:

Annual inspections of Special Transportation Services Provider (STS) vehicles and equipment are required by law. A inspection fee is collected and deposited into a dedicated Trunk Highway account and used to maintain this program. A decal is issued to the STS to display on inspected vehicle.

Forecast Basis:

Forecast is based on historic and current data. Fees for these activities vary per type of commercial vehicle and type of registrations (annual or renewal).

Recent Changes:

Beginning in FY17, fees for Special Transportation Provider vehicle and equipment inspections are required by law. Provider is issued a decal to display on inspected vehicle and fees are deposited into a dedicated account for use of maintaining this program.

Agency Analysis/Comments:

Revenue for Unified Carriers permits are received into the Trunk Highway Fund through the Unified Carriers Registration System. This system is used by all states in the United States. Congress determined state caps based on 2004 receipts. Any revenue received by MnDOT that is over Minnesota's cap, \$1,137,132.30, is returned to the program in following years for distribution to other states.

Agency: Transportation
Earnings Group: Motor Vehicle Miscellaneous Fee

2018-19 Departmental Earnings

Purpose: Fees on short term vehicle rentals.

Legal Citation: M.S. 297A. 64 Subd 2 and 5, M.S. 297A 94 Subd d

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Highway Users Tax Distribution (2710)

Appropriation: Non-Ded Agy Service -2710 (T799012)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:		3,563	1,562	3,562	3,562	5,562	5,562
Resources:							
Departmental Earnings	3,563	(2,001)	2,000	2,000	2,000	2,000	2,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,563	(2,001)	2,000	2,000	2,000	2,000	2,000
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	3,563	(2,001)	2,000	2,000	2,000	2,000	2,000
Accumulated Ending Balance	3,563	1,562	3,562	5,562	5,562	7,562	7,562

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Motor Vehicle Miscellaneous Fee

Background Information:

Fees are collected on vehicles rented for less than 28 days if the fee is greater than the motor vehicle registration tax, the excess is deposited in the Highway User Tax Distribution Fund. These non-dedicated receipts are collected by Public Safety and are used to support the overall transportation system. This fee was initiated in FY 2009.

Forecast Basis:

Forecast is based on historic and current trends. Revenues are distributed for use as directed by law.

Recent Changes:

Revenue distribution was changed in 2014, Chapter 312, Sec. 29 Subd.3.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery. FY16 revenue include prior year adjustments from 2 dealerships causing a negative balance for this year.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Tower Leases Rental Income

Purpose: Lease receipts for use of statewide communication tower space.

Legal Citation: M.S. 174.70

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Trunk Highway (2700)

Appropriation: Tower Leases (T790532)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	536	252	711	1,128	1,128	795	795
Resources:							
Departmental Earnings	536	697	700	700	700	700	700
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	536	697	700	700	700	700	700
Expenditures:							
Direct Expenditures	820	238	283	1,033	1,033	283	283
Indirect Expenditures							
Total Expenditures	820	238	283	1,033	1,033	283	283
Current Difference	(284)	459	417	(333)	(333)	417	417
Accumulated Ending Balance	252	711	1,128	795	795	1,212	1,212

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Tower Leases Rental Income

Background Information:

Lease agreements established with commercial wireless providers or other tower owners to install privately owned equipment on state-owned buildings or structures. Revenues are collected and deposited in the Trunk Highway Fund. Revenue is used for developing and maintaining the statewide communications systems that serves state agencies. In lieu of a site use fee, the commissioner may make agreements with commercial wireless service providers or other tower owners to place state equipment on privately owned towers and may accept improvements such as tower reinforcement, reconstruction, site development, or other site improvements to the state's communications system facilities or real or personal property.

Forecast Basis:

Forecast is based on historic and current trends. Fees collected are based on the value of the real property or structure made available.

Recent Changes:

None

Agency Analysis/Comments:

The revenues derived are used to reduce the overall cost of operating the Statewide Radio Communication systems, but do not cover all cost incurred.

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Transportation Permits

Purpose: To regulate the movement of oversized/overweight vehicles on the trunk highway system and to compensate for damage to the highways

Legal Citation: M.S. 169.86

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: Forest Prod Hauler - Local (T790701); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	1,513	4,748	8,440	11,617	11,617	14,489	14,489
Resources:							
Departmental Earnings	5,193	5,282	5,289	5,289	5,289	5,289	5,289
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,193	5,282	5,289	5,289	5,289	5,289	5,289
Expenditures:							
Direct Expenditures	958	580	1,102	1,402	1,402	1,102	1,102
Indirect Expenditures	1,000	1,010	1,010	1,015	1,015	1,015	1,015
Total Expenditures	1,958	1,590	2,112	2,417	2,417	2,117	2,117
Current Difference	3,235	3,692	3,177	2,872	2,872	3,172	3,172
Accumulated Ending Balance	4,748	8,440	11,617	14,489	14,489	17,661	17,661

Agency: Transportation

2018-19 Departmental Earnings

Earnings Group: Transportation Permits

Background Information:

Special permit fees are assessed and collected for vehicles that exceed height, width or load for which the vehicle is registered, or otherwise not in conformity. The last time the fees were changed was in 1993.

Non-dedicated revenue is deposited in the Trunk Highway Fund and used to maintain and repair the trunk highway system.

Dedicated revenue, (M.S. 169.8261) is deposited in a special revenue account and used for the inspection, and erection of weight-posting signs on local bridges.

Forecast Basis:

Forecast is based on historic and current trends. Fees are stated in law.

Recent Changes:

None

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

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2018-19 Biennial Budget - Departmental Earnings

Veterans Affairs

- Veterans Cemetery Burial Fees
- Veterans Home Domicillary Rental and Lease Fees
- Veterans Homes Per Diem for Adult Day Care
- Veterans Homes Per Diem for Domiciliary Care
- Veterans Homes Per Diem for Domiciliary Resident Maintenance Charges
- Veterans Homes Per Diem for Skilled Nursing Care
- Veterans Homes Skilled Nursing Resident Maintenance Charges

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Cemetery Burial Fees

Purpose: Fees received for cost of burials for veteran family members.

Legal Citation: M.S. 197.236, subd. 9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Little Falls Cem Dev & Maint-i (H751LF2); Preston Cem Develop & Maint (H751PN2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	99	117	125	125	125	125	125
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	99	117	125	125	125	125	125
Expenditures:							
Direct Expenditures	99	117	125	125	125	125	125
Indirect Expenditures							
Total Expenditures	99	117	125	125	125	125	125
Current Difference							
Accumulated Ending Balance							

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Cemetery Burial Fees

Background Information:

The Commissioner of Veterans Affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of eligible spouses and dependent children. The fees shall cover as nearly as practicable the actual costs of interment, excluding the value of the plot.

Forecast Basis:

Estimate based on prior year's activity. No new fee increases expected at this time.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Home Domicillary Rental and Lease Fees

Purpose: Various rental and lease fees used to pay for building maintenance and utility costs.

Legal Citation: M.S. 198.003, subd.3 and 4a

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Rental Property-Hastings (H752H11); Lease Property-Hastings (H752H12)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	137	219	203	203	203	203	203
Resources:							
Departmental Earnings	192	196	182	182	182	182	182
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	192	196	182	182	182	182	182
Expenditures:							
Direct Expenditures	110	212	182	182	182	182	182
Indirect Expenditures							
Total Expenditures	110	212	182	182	182	182	182
Current Difference	82	(16)					
Accumulated Ending Balance	219	203	203	203	203	203	203

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Home Domicillary Rental and Lease Fees

Background Information:

The Hastings Veterans Homes rents and leases parts of this facility to the Dakota County Detox Facility, the Department of Transportation and it provides supportive housing for veterans.

Forecast Basis:

Estimate based on prior year's activity. No new fee increases expected at this time.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Adult Day Care

Purpose: Per Diem received for the Cost of Care for ADC Resident.

Legal Citation: M.S. 198.34, M.S. 198.03, subd. 2 and 38 U.S.C. 1741

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Adult Day (H752MAD)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	72	80	80	80	80	80	80
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	72	80	80	80	80	80	80
Expenditures:							
Direct Expenditures	72	80	80	80	80	80	80
Indirect Expenditures							
Total Expenditures	72	80	80	80	80	80	80
Current Difference							
Accumulated Ending Balance							

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Adult Day Care

Background Information:

VA per diem for ADHC is paid for any Veteran who meets the criteria of 38 CFR 52.50.

Forecast Basis:

The estimated increase in VA Per Diem October 1, 2016 is 2% and an estimated 2% each year thereafter.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Domiciliary Care

Purpose: Veterans Homes Per Diem for Domiciliary Care.

Legal Citation: M.S. 198.34

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Hastings Ops (H752H10); Veterans Home Mpls Operations (H752M10)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	2,983	2,883	2,935	2,986	2,986	3,038	3,038
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,983	2,883	2,935	2,986	2,986	3,038	3,038
Expenditures:							
Direct Expenditures	2,983	2,883	2,935	2,986	2,986	3,038	3,038
Indirect Expenditures							
Total Expenditures	2,983	2,883	2,935	2,986	2,986	3,038	3,038
Current Difference							
Accumulated Ending Balance							

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Domiciliary Care

Background Information:

VA per diem for nursing home care and domiciliary care is paid for any Veteran who is eligible for such care in a VA or State Veterans Care facility (38 U.S.C. 1741).

Forecast Basis:

The estimated increase in VA Per Diem October 1, 2016 is 2% and an estimated 2% each year thereafter.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Domiciliary Resident Maintenance Charges

Purpose: Charges for the Cost of Care of Resident

Legal Citation: M.S. 198.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Hastings Ops (H752H10); Veterans Home Mpls Operations (H752M10)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	1,897	2,049	2,105	2,114	2,114	2,125	2,125
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,897	2,049	2,105	2,114	2,114	2,125	2,125
Expenditures:							
Direct Expenditures	1,897	2,049	2,105	2,114	2,114	2,125	2,125
Indirect Expenditures							
Total Expenditures	1,897	2,049	2,105	2,114	2,114	2,125	2,125
Current Difference							
Accumulated Ending Balance							

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for nursing care residents. The cost are determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, along with food and lodging costs. The amount charged each resident for maintenance, if anything, is based on the appropriate average cost of care calculation and the assets and income of the resident which must not exceed the appropriate average cost of care.

Forecast Basis:

The estimated increase in earnings from FY16 to FY17 is 2% and an estimated 2% each year thereafter.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Skilled Nursing Care

Purpose: Veterans Homes Per Diem for Skilled Nursing Care

Legal Citation: M.S. 198.34 and 38 U.S.C. 1741

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Fergus Falls Ops (H752F10); Veterans Home Luverne Ops (H752L10); Veterans Home Mpls Operations (H752M10); Veterans Home Silver Bay Ops (H752S10)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	26,045	26,679	27,240	27,785	27,785	28,341	28,341
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	26,045	26,679	27,240	27,785	27,785	28,341	28,341
Expenditures:							
Direct Expenditures	26,045	26,679	27,240	27,785	27,785	28,341	28,341
Indirect Expenditures							
Total Expenditures	26,045	26,679	27,240	27,785	27,785	28,341	28,341
Current Difference							
Accumulated Ending Balance							

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Skilled Nursing Care

Background Information:

VA per diem for nursing home care and domiciliary care is paid for any Veteran who is eligible for such care in a VA or State Veterans Care facility (38 U.S.C. 1741).

Forecast Basis:

The estimated increase in VA Per Diem October 1, 2016 is 2% and an estimated 2% each year thereafter.

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Skilled Nursing Resident Maintenance Charges

Purpose: Veterans Homes Skilled Nursing Resident Maintenance Charges

Legal Citation: M.S. 198.03, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Fergus Falls Ops (H752F10); Veterans Home Luverne Ops (H752L10); Veterans Home Mpls Operations (H752M10); Veterans Home Silver Bay Ops (H752S10)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:							
Resources:							
Departmental Earnings	13,773	13,606	13,843	14,120	14,120	14,403	14,403
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	13,773	13,606	13,843	14,120	14,120	14,403	14,403
Expenditures:							
Direct Expenditures	13,773	13,606	13,843	14,120	14,120	14,403	14,403
Indirect Expenditures							
Total Expenditures	13,773	13,606	13,843	14,120	14,120	14,403	14,403
Current Difference							
Accumulated Ending Balance							

Agency: Veterans Affairs

2018-19 Departmental Earnings

Earnings Group: Veterans Homes Skilled Nursing Resident Maintenance Charges

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for nursing care residents. The cost are determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, and food and lodging costs. The amount charged each resident for maintenance, if anything, is based on the appropriate average cost of care calculation and the assets and income of the resident but must not exceed the appropriate average cost of care.

Forecast Basis:

The estimated increase in earnings from FY16 to FY17 is 2% and an estimated 2% each year thereafter.

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2018-19 Biennial Budget - Departmental Earnings

Veterinary Medicine, Board of
Veterinary Medicine Licensing Fees

Agency: Veterinary Medicine, Board of

2018-19 Departmental Earnings

Earnings Group: Veterinary Medicine Licensing Fees

Purpose: To recover the costs of regulating the veterinary medicine profession.

Legal Citation: M.S. 156, 214, 319B and M.R. 9100

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Vet Med Non Dedicated Receipts (H7R1000); Criminal Background Check Rec (H7R9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	260	295	308	297	297	312	312
Resources:							
Departmental Earnings	370	375	407	407	407	408	408
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	11						
Revenue Collected for Another Agency							
Total Resources	359	375	407	407	407	408	408
Expenditures:							
Direct Expenditures	240	228	310	272	272	272	272
Indirect Expenditures	84	134	108	120	120	120	120
Total Expenditures	324	362	418	392	392	392	392
Current Difference	35	13	(11)	15	15	16	16
Accumulated Ending Balance	295	308	297	312	312	328	328

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of veterinary medicine to ensure a standard of competent and ethical practice.

The Board of Veterinary Medicine provides the following services:

- Issue initial licensure and renew licenses for qualified professionals.
- Ensure that only applicants who meet licensure requirements are granted a license.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Take disciplinary or corrective action against an applicant or licensee for misconduct.
- Set standards of practice and professional conduct for licensees.
- Set educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Review applicant's education and training to determine compliance with the board's licensure requirements.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.
- Evaluate and review continuing education programs.

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous years, revenue trends and the number of applicants seeking initial licensure.

Recent Changes:

There are no recent changes. The board last increased fees for licensure and renewal in 1997.

Agency Analysis/Comments:

None.

Table of Contents
2018-19 Biennial Budget - Departmental Earnings

Water and Soil Resources, Board of

Water and Soil Resources Board Departmental Earnings

Agency: Water and Soil Resources, Board of 2018-19 Departmental Earnings

Earnings Group: Water and Soil Resources Board Departmental Earnings

Purpose: (1) Wetland Banking Program Fees and (2) Wetland Conservation Act Appeal Fees

Legal Citation: (1) MS 103G.2242.15 and (2) MS 103G.2242.9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Wetland Banking Fees (R9PBNK0); Wca - Appeal - Fee (R9PWCA0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2015	Actual FY 2016	Estimated FY 2017	Current Law FY 2018	Gov Rec FY 2018	Current Law FY 2019	Gov Rec FY 2019
Accumulated Balance:	227	72	2	24	24	73	73
Resources:							
Departmental Earnings	471	399	459	459	459	459	459
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	471	399	459	459	459	459	459
Expenditures:							
Direct Expenditures	626	469	437	410	410	433	433
Indirect Expenditures							
Total Expenditures	626	469	437	410	410	433	433
Current Difference	(155)	(70)	22	49	49	26	26
Accumulated Ending Balance	72	2	24	73	73	99	99

Agency: Water and Soil Resources, Board of

2018-19 Departmental Earnings

Earnings Group: Water and Soil Resources Board Departmental Earnings

Background Information:

99% of Departmental Earnings are through the Wetland Banking Program. Only 1% is for Wetland Conservation Act (WCA) Appeal fees.

Forecast Basis:

Revenue projections are based on recent history.

Recent Changes:

None.