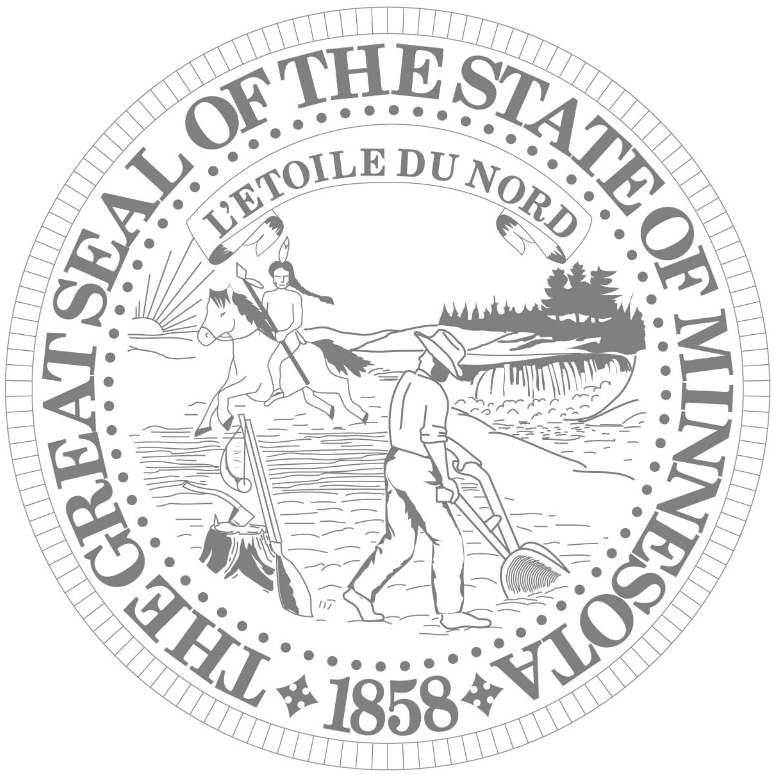
MINNESOTA BIENNIAL BUDGET

2022 - 2023



Departmental Earnings

January 2021

MANAGEMENT AND BUDGET

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2022-23 Biennial Budget - Departmental Earnings

An asterisk * indicates the Governor recommends a fee change for the agency or departmental earnings group.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,175	2,271	3,192	3,192	4,222	4,222
Resources:							
Departmental Earnings	1,841	1,720	1,740	1,740	1,740	1,740	1,740
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,841	1,720	1,740	1,740	1,740	1,740	1,740
Expenditures:							
Direct Expenditures	638	584	785	675	675	675	675
Indirect Expenditures	28	40	34	35	35	35	35
Total Expenditures	666	624	819	710	710	710	710
Current Difference	1,175	1,096	921	1,030	1,030	1,030	1,030
Accumulated Ending Balance	1,175	2,271	3,192	4,222	4,222	5,252	5,252

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.

Purpose: Fees are collected from users holding after-hours or private events in the Capitol building to recover direct costs incurred for these events.

Legal Citation: M.S. 16B.2405, Subd. 2

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Capitol Event Fees (G021257)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	17	21	23	23	23	22	22
Resources:							
Departmental Earnings	10	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	10	4	1	1	1	1	1
Expenditures:							
Direct Expenditures	6	2	1	2	2	2	2
Indirect Expenditures							
Total Expenditures	6	2	1	2	2	2	2
Current Difference	4	2		(1)	(1)	(1)	(1)
Accumulated Ending Balance	21	23	23	22	22	21	21

Background Information:

Authority to collect fees from users for events at the Capitol building was provided in Laws of 2017, 1st Special Session, Chapter 4, Article 2, Section 21. Fees are determined based on actual labor (including engineering support and clean up after the event) and utility costs.

Forecast Basis:

Revenue for FY22-23 is anticipated to remain stable and consistent with estimated FY21 revenue.

Recent Changes:

None. Fees were first implemented in FY 2018.

Agency Analysis/Comments:

Fees are established on a cost recovery basis, and no changes are recommended.

Purpose: To offset costs associated with administering the historic structure rehabilitation 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: SHPO Tax Credit/Grant Fees (G021256)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	534	580	534	430	430	311	311
Resources:							
Departmental Earnings	193	164	150	130	130	120	120
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	48						
Resource Reductions:							
Earnings Transferred Out		5					
Revenue Collected for Another Agency							
Total Resources	241	159	150	130	130	120	120
Expenditures:							
Direct Expenditures	184	195	235	229	229	183	183
Indirect Expenditures	11	10	19	20	20	19	19
Total Expenditures	195	205	254	249	249	202	202
Current Difference	46	(46)	(104)	(119)	(119)	(82)	(82)
Accumulated Ending Balance	580	534	430	311	311	229	229

Background Information:

The fee is collected to offset costs associated with administering the tax credit/grant program. The fee amount is up to 0.5 percent of qualified rehabilitation expenditures, up to $40,000. The larger portion of the fee is collected at the end of a project, and only a small portion is collected at the beginning in an effort to have fees correspond to actual rather than estimated costs.

Forecast Basis:

Estimates for these fees are based on construction completion dates and cost estimates provided by the project owners. They are asked to update their project estimates each year through a progress report.

Recent Changes:

The fee schedule was changed in 2013. Before then the amount collected was up to $5,000. The main reasons for the fee change were to better represent the actual cost of administering the program, ensure reasonable costs for small projects in Greater Minnesota and Main Street communities, and provide a cap for large projects.

Agency Analysis/Comments:

Construction project schedules can be unpredictable and some projects may or may not make their estimated completion date, therefore delaying a fee payment. Given applicants are in charge of their schedule, our estimates can only be based on applicant estimates, and if they inform us of delays in the progress reports.

The 2013 fee changes were implemented in order to increase staffing for this program for both National Register of Historic Places evaluations and design reviewers given the increased workload the new program necessitated. While one position was added in 2014, a second design review was just added in 2018.

The tax credit program in M.S. 290.0681 sunsets at the end of fiscal year 2021, except that the authority to issue credit certificates based on allocation certificates issued before the sunset remains in effect through 2024.

Purpose: Disposition of municipal boundary adjustment petitions and conducting hearing on violation of the Fair Campaign Practices Act.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(238)	(475)	(705)	(705)	(935)	(935)
Resources:							
Departmental Earnings	25	26	33	33	33	33	33
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	25	26	33	33	33	33	33
Expenditures:							
Direct Expenditures	262	262	262	262	262	262	262
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	263	263	263	263	263	263	263
Current Difference	(238)	(237)	(230)	(230)	(230)	(230)	(230)
Accumulated Ending Balance	(238)	(475)	(705)	(935)	(935)	(1,165)	(1,165)

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:

No recent changes.

Agency Analysis/Comments:

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

Purpose: Provide fair and impartial contested case hearings for individuals challenging actions taken by state and local governments.

Legal Citation: MN Statute § 14.51

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

Fund: Administrative Hearings (5201)

Appropriation: Office Of Administrative Heari (G9K1OAH)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	807	575	285	86	86	233	233
Resources:							
Departmental Earnings	2,363	2,100	2,579	2,875	2,875	2,980	2,980
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,363	2,100	2,579	2,875	2,875	2,980	2,980
Expenditures:							
Direct Expenditures	2,576	2,370	2,760	2,710	2,710	2,710	2,710
Indirect Expenditures	19	20	18	18	18	18	18
Total Expenditures	2,595	2,390	2,778	2,728	2,728	2,728	2,728
Current Difference	(232)	(290)	(199)	147	147	252	252
Accumulated Ending Balance	575	285	86	233	233	485	485

Background Information:

Under MN Stat 13.085, a private party may request release of state held data. If an agency determines that requested data is non-public and declines to release it, the requesting party may appeal the decision. A $1,000 fee is collected at time of filing of appeal. OAH must refund the filing fee of a substantially prevailing complainant in full, less $50, and the office's costs in conducting the matter are billed to the respondent, not to exceed $1,000. In addition, a complainant that does not substantially prevail on the merits shall be refunded the filing fee less any costs incurred by the office.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

These fees are deposited in the Administrative Hearings Fund (5201) which is also an internal service fund. They are reported here because non-state agency fees are collected.

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 Compensation (2830); Workers Comp Transcript (5202)

Appropriation: Work Comp Pymt (G9K1WCP); Workers Compensation Transcrip (G9K1WCT)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	46	47	45	44	44	43	43
Resources:							
Departmental Earnings	3	2	3	3	3	3	3
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	2	3	3	3	3	3
Expenditures:							
Direct Expenditures	2	4	4	4	4	4	4
Indirect Expenditures							
Total Expenditures	2	4	4	4	4	4	4
Current Difference	1	(2)	(1)	(1)	(1)	(1)	(1)
Accumulated Ending Balance	47	45	44	43	43	42	42

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.

Purpose: Agricultural Chemical Response and Reimbursement surcharge

Legal Citation: MS 18E.03

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

Fund: Agriculture (2018)

Appropriation: Ag Chem Response & Reimb Acct (B041A15)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	6,074	5,828	4,214	3,474	3,474	2,716	2,716
Resources:							
Departmental Earnings	2,205	1,919	1,919	1,919	1,919	1,919	1,919
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	138	88	89	89	89	89	89
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,343	2,007	2,008	2,008	2,008	2,008	2,008
Expenditures:							
Direct Expenditures	2,301	3,149	2,365	2,381	2,381	2,381	2,381
Indirect Expenditures	288	472	383	385	385	385	385
Total Expenditures	2,589	3,621	2,748	2,766	2,766	2,766	2,766
Current Difference	(246)	(1,614)	(740)	(758)	(758)	(758)	(758)
Accumulated Ending Balance	5,828	4,214	3,474	2,716	2,716	1,958	1,958

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

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(18)	(23)	(29)	(29)	(36)	(36)
Resources:							
Departmental Earnings	36	33	33	33	33	33	33
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	33	33	33	33	33	33
Expenditures:							
Direct Expenditures	54	38	39	40	40	40	40
Indirect Expenditures							
Total Expenditures	54	38	39	40	40	40	40
Current Difference	(18)	(5)	(6)	(7)	(7)	(7)	(7)
Accumulated Ending Balance	(18)	(23)	(29)	(36)	(36)	(43)	(43)

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 Inspection and Enforcement area (Fin DeptID:B04311R0 for FY19 and Fin DeptID:B04311E0 for FY20 - 23).

Purpose: Fees for certificates of health of honey bees

Legal Citation: M.S. 17.445 4

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

Fund: Agriculture (2018)

Appropriation: Apiary (B042A27)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	7	7	7	7	7	7	7
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	7	7	7	7	7	7	7

Background Information:

Minnesota beekeepers who transport bees to other states may be required to have their colonies inspected. The MDA provides apiary inspections for a fee of $50.00 plus mileage costs.

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:

This account has had limited activity in recent years.

Purpose: Fees 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 (2018)

Appropriation: Beverage Inspection (B044A34)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	60	52	49	40	40	31	31
Resources:							
Departmental Earnings	29	27	24	24	24	24	24
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	30	28	25	25	25	25	25
Expenditures:							
Direct Expenditures	34	27	29	29	29	29	29
Indirect Expenditures	4	4	5	5	5	5	5
Total Expenditures	38	31	34	34	34	34	34
Current Difference	(8)	(3)	(9)	(9)	(9)	(9)	(9)
Accumulated Ending Balance	52	49	40	31	31	22	22

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:

No major recent changes at this time.

Agency Analysis/Comments:

Activity in this account has been relatively steady.

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 (2018)

Appropriation: Commercial Canneries Inspect (B044A35)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	99	1	(133)	(280)	(280)	(426)	(426)
Resources:							
Departmental Earnings	107	77	85	85	85	85	85
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	6	3	3	2	2		
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	113	80	88	87	87	85	85
Expenditures:							
Direct Expenditures	195	194	213	210	210	144	144
Indirect Expenditures	16	20	22	23	23	12	12
Total Expenditures	211	214	235	233	233	156	156
Current Difference	(98)	(134)	(147)	(146)	(146)	(71)	(71)
Accumulated Ending Balance	1	(133)	(280)	(426)	(426)	(497)	(497)

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.

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 (2018)

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

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,418	3,878	3,997	3,958	3,958	3,705	3,705
Resources:							
Departmental Earnings	2,998	2,920	2,995	2,995	2,995	2,995	2,995
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	77	65	49	49	49	49	49
Resource Reductions:							
Earnings Transferred Out	330	493	330	330	330	330	330
Revenue Collected for Another Agency							
Total Resources	2,745	2,492	2,714	2,714	2,714	2,714	2,714
Expenditures:							
Direct Expenditures	2,029	2,064	2,370	2,553	2,553	2,575	2,575
Indirect Expenditures	256	309	383	414	414	417	417
Total Expenditures	2,285	2,373	2,753	2,967	2,967	2,992	2,992
Current Difference	460	119	(39)	(253)	(253)	(278)	(278)
Accumulated Ending Balance	3,878	3,997	3,958	3,705	3,705	3,427	3,427

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.

Recent Changes:

No major recent changes at this time.

Agency Analysis/Comments:

Activity in this account has been relatively steady.

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 (2018)

Appropriation: Commodities Councils (B046A51)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	58	93	130	110	110	104	104
Resources:							
Departmental Earnings	125	125	125	125	125	125	125
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	2	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	127	127	126	126	126	126	126
Expenditures:							
Direct Expenditures	82	78	126	114	114	115	115
Indirect Expenditures	10	12	20	18	18	18	18
Total Expenditures	92	90	146	132	132	133	133
Current Difference	35	37	(20)	(6)	(6)	(7)	(7)
Accumulated Ending Balance	93	130	110	104	104	97	97

Background Information:

Fees are collected as specified in agreements with each commodity research council to cover costs incurred by the department to conduct elections, process refund requests, and ensure that councils are in compliance with relevant state statutes and rules.

Forecast Basis:

Revenues will generally stay the same as we move out in years for budget purposes.

Recent Changes:

None.

Agency Analysis/Comments:

Activity in this account has been relatively steady.

Purpose: Various fees for food handlers

Legal Citation:

M.S. 28A

MS 28A.081 2

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

Fund: General (1000); Agriculture (2018)

Appropriation: Food Certification FFSD (B044A39); FFSD Dedicate Food License Fees (B044AG1); Food&Feed Non-Dedicated Rcpts (B044G00); Food Certification -DMID (B045A39); Dairy&Meat Non-Dedicated Rcpts (B045G00)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:		(1,729)	(2,922)	(4,459)	(4,459)	(5,940)	(5,940)
Resources:							
Departmental Earnings	3,812	3,710	3,820	3,782	3,782	3,828	3,828
Other Resources:							
Earning Transferred In	224						
Revenue Collected by Another Agency							
Other Receipts	2	2	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out	854		348				
Revenue Collected for Another Agency							
Total Resources	3,184	3,712	3,474	3,784	3,784	3,830	3,830
Expenditures:							
Direct Expenditures	4,903	4,893	4,991	5,245	5,245	5,245	5,245
Indirect Expenditures	10	12	20	20	20	20	20
Total Expenditures	4,913	4,905	5,011	5,265	5,265	5,265	5,265
Current Difference	(1,729)	(1,193)	(1,537)	(1,481)	(1,481)	(1,435)	(1,435)
Accumulated Ending Balance	(1,729)	(2,922)	(4,459)	(5,940)	(5,940)	(7,375)	(7,375)

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.

Recent Changes:

No major recent changes at this time.

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.

Governor's Recommendation:

The Governor recommends shifting non-dedicated general fund food safety licensing fees to the agriculture fund. For more information see the Department of Agriculture's Dedicate Food License Fees change item in the 2022-23 Governor's Budget Recommendations.

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 (2018)

Appropriation: Cottage Foods (B044A37)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	11	(12)	(36)	(62)	(62)	(87)	(87)
Resources:							
Departmental Earnings	8	10	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	8	10	7	7	7	7	7
Expenditures:							
Direct Expenditures	30	33	32	31	31	31	31
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	31	34	33	32	32	32	32
Current Difference	(23)	(24)	(26)	(25)	(25)	(25)	(25)
Accumulated Ending Balance	(12)	(36)	(62)	(87)	(87)	(112)	(112)

Background Information:

This program began in FY 2016.

Forecast Basis:

Revenues will generally stay the same as we move out in years for budgeting purposes.

Recent Changes:

No major recent changes at this time.

Agency Analysis/Comments:

The current forecast is for stable activity. A small amount of General Fund dollars is also appropriated to support this activity.

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

Legal Citation: MS 32D.02, MS 28A.08

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

Fund: General (1000); Agriculture (2018)

Appropriation: Dairy Services Lab (B043A31); Dairy Services (B045A31); Dairy&Meat Non-Dedicated Rcpts (B045G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,048	1,818	80	(1,860)	(1,860)	(3,327)	(3,327)
Resources:							
Departmental Earnings	2,473	2,306	2,266	2,289	2,289	2,264	2,264
Other Resources:							
Earning Transferred In	945	110	140	140	140	140	140
Revenue Collected by Another Agency							
Other Receipts	56	51	33	25	25	17	17
Resource Reductions:							
Earnings Transferred Out	185	150	298	140	140	140	140
Revenue Collected for Another Agency							
Total Resources	3,289	2,317	2,141	2,314	2,314	2,281	2,281
Expenditures:							
Direct Expenditures	3,344	3,675	3,669	3,418	3,418	3,445	3,445
Indirect Expenditures	175	380	412	363	363	367	367
Total Expenditures	3,519	4,055	4,081	3,781	3,781	3,812	3,812
Current Difference	(230)	(1,738)	(1,940)	(1,467)	(1,467)	(1,531)	(1,531)
Accumulated Ending Balance	1,818	80	(1,860)	(3,327)	(3,327)	(4,858)	(4,858)

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. Audits are also completed for industry laboratories with delegated responsibilities for testing milk for antibiotics, bacteria and other milk components.

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.

Recent Changes:

No major recent changes at this time.

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 deposited in the General Fund. This activity also receives a general fund appropriation.

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 (2018)

Appropriation: Egg Law Inspection (B045A38)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	53	52	58	56	56	54	54
Resources:							
Departmental Earnings	22	31	28	28	28	28	28
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	23	32	29	29	29	29	29
Expenditures:							
Direct Expenditures	21	23	27	27	27	27	27
Indirect Expenditures	3	3	4	4	4	4	4
Total Expenditures	24	26	31	31	31	31	31
Current Difference	(1)	6	(2)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	52	58	56	54	54	52	52

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 at this time.

Agency Analysis/Comments:

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

Purpose: Fees related to fertilizer regulation

Legal Citation: MS 18C.131 & MS 18C.80

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

Fund: Agriculture (2018)

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

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,708	2,331	2,238	2,081	2,081	1,542	1,542
Resources:							
Departmental Earnings	3,604	3,468	3,468	3,468	3,468	3,468	3,468
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	102	89	89	89	89	89	89
Resource Reductions:							
Earnings Transferred Out	44	44	44	104	104	104	104
Revenue Collected for Another Agency							
Total Resources	3,662	3,513	3,513	3,453	3,453	3,453	3,453
Expenditures:							
Direct Expenditures	2,702	3,181	3,097	3,406	3,406	3,417	3,417
Indirect Expenditures	337	425	573	586	586	588	588
Total Expenditures	3,039	3,606	3,670	3,992	3,992	4,005	4,005
Current Difference	623	(93)	(157)	(539)	(539)	(552)	(552)
Accumulated Ending Balance	2,331	2,238	2,081	1,542	1,542	990	990

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.

Recent Changes:

None

Agency Analysis/Comments:

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

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 (2018)

Appropriation: Food Handler Plan Review (B044A32)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	171	(20)	(332)	(668)	(668)	(995)	(995)
Resources:							
Departmental Earnings	173	100	110	110	110	110	110
Other Resources:							
Earning Transferred In	40						
Revenue Collected by Another Agency							
Other Receipts	5	4	3	2	2	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	218	104	113	112	112	111	111
Expenditures:							
Direct Expenditures	397	394	424	414	414	365	365
Indirect Expenditures	12	22	25	25	25	17	17
Total Expenditures	409	416	449	439	439	382	382
Current Difference	(191)	(312)	(336)	(327)	(327)	(271)	(271)
Accumulated Ending Balance	(20)	(332)	(668)	(995)	(995)	(1,266)	(1,266)

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.

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 (2018)

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

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	155	131	114	96	96	79	79
Resources:							
Departmental Earnings	14	8	11	11	11	11	11
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	17	10	13	13	13	13	13
Expenditures:							
Direct Expenditures	36	24	27	26	26	26	26
Indirect Expenditures	5	3	4	4	4	4	4
Total Expenditures	41	27	31	30	30	30	30
Current Difference	(24)	(17)	(18)	(17)	(17)	(17)	(17)
Accumulated Ending Balance	131	114	96	79	79	62	62

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

Recent Changes:

No major recent changes at this time.

Agency Analysis/Comments:

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

Purpose: Fees for fruit and vegetable inspection activities

Legal Citation: M.S. 27.07 6

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

Fund: Agriculture (2018)

Appropriation: Fruit & Veg Inspection (B042A26)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	375	537	463	386	386	309	309
Resources:							
Departmental Earnings	1,156	982	983	983	983	983	983
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	12	10	11	11	11	11	11
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,168	992	994	994	994	994	994
Expenditures:							
Direct Expenditures	897	927	922	922	922	922	922
Indirect Expenditures	109	139	149	149	149	149	149
Total Expenditures	1,006	1,066	1,071	1,071	1,071	1,071	1,071
Current Difference	162	(74)	(77)	(77)	(77)	(77)	(77)
Accumulated Ending Balance	537	463	386	309	309	232	232

Background Information:

This program provides processing plant, shipping point, terminal market inspections and on farm food safety audits as requested. These services are provided under agreement with the US Department of Agriculture.

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:

Fees for audits, shipping point and terminal market are set by USDA. Fees for processing plant inspections are negotiated with the processing plants.

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 (2018)

Appropriation: Grain Buyers & Storg (B042A23)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	771	797	688	542	542	413	413
Resources:							
Departmental Earnings	509	565	553	553	553	553	553
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	509	565	563	563	563	563	563
Expenditures:							
Direct Expenditures	429	586	609	592	592	600	600
Indirect Expenditures	54	88	100	100	100	100	100
Total Expenditures	483	674	709	692	692	700	700
Current Difference	26	(109)	(146)	(129)	(129)	(137)	(137)
Accumulated Ending Balance	797	688	542	413	413	276	276

Background Information:

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

Forecast Basis:

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

Recent Changes:

Legislation which went into effect in FY21 decreased the required number of yearly inspections for grain storage facilities from two to one and increased the required yearly inspections for grain buying facilities from zero to one. It is unknown how revenues will be affected as this is the first year on implementation.

Agency Analysis/Comments:

Monitoring the budget balance on a monthly basis.

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 (2018)

Appropriation: Industrial Hemp (B042A29)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:	47	(1)	(149)	(379)	(379)	(612)	(612)
Resources:							
Departmental Earnings	170	355	365	365	365	365	365
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	4	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	172	359	370	370	370	370	370
Expenditures:							
Direct Expenditures	218	465	540	543	543	518	518
Indirect Expenditures	2	42	60	60	60	55	55
Total Expenditures	220	507	600	603	603	573	573
Current Difference	(48)	(148)	(230)	(233)	(233)	(203)	(203)
Accumulated Ending Balance	(1)	(149)	(379)	(612)	(612)	(815)	(815)

Background Information:

The industrial hemp pilot program was established in 2016 and will end on December 31, 2020. Minnesota will operate a USDA approved hemp program beginning January 1, 2021.

Forecast Basis:

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

Recent Changes:

Many facets of hemp production and regulation are in flux. The Department will begin operating under USDA guidelines beginning January 1, 2021. However, USDA guidelines are expected to change in the near future and regulations in Minnesota will as well.

Agency Analysis/Comments:

While factors related to production and regulation of hemp are in flux, optimism for hemp as a viable crop in Minnesota is high. General Fund dollars have also been appropriated to help support this program.

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

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

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

Fund: Agriculture (2018)

Appropriation: Laboratory Services (B043A40)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	811	825	735	498	498	365	365
Resources:							
Departmental Earnings	496	463	252	195	195	195	195
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	107	90	100	95	95	90	90
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	603	553	352	290	290	285	285
Expenditures:							
Direct Expenditures	523	560	507	364	364	311	311
Indirect Expenditures	66	83	82	59	59	51	51
Total Expenditures	589	643	589	423	423	362	362
Current Difference	14	(90)	(237)	(133)	(133)	(77)	(77)
Accumulated Ending Balance	825	735	498	365	365	288	288

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 and contracts for the previous few years.

Recent Changes:

Due to the COVID-19 pandemic, some contracts are being adjusted with updated sample collection numbers. There is expected to be a decrease in the amount of samples submitted under these contracts and adjustments to the budgets have been made based on the updated workload.

Agency Analysis/Comments:

Activity fluctuates based on analysis requests from agencies. Budgets are adjusted based on the number of samples and type of samples submitted. Some sample types are being reviewed for possible elimination or fee increases.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	42	40	40	40	40	40	40
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		5					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	42	45	40	40	40	40	40
Expenditures:							
Direct Expenditures	42	45	40	40	40	40	40
Indirect Expenditures							
Total Expenditures	42	45	40	40	40	40	40
Current Difference							
Accumulated Ending Balance							

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.

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 (2018)

Appropriation: Livestock Weigh Ag Cert (B046A53)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	384	344	303	299	299	241	241
Resources:							
Departmental Earnings	424	466	480	460	460	460	460
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	9	6	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	433	472	485	465	465	465	465
Expenditures:							
Direct Expenditures	420	446	421	455	455	460	460
Indirect Expenditures	53	67	68	68	68	68	68
Total Expenditures	473	513	489	523	523	528	528
Current Difference	(40)	(41)	(4)	(58)	(58)	(63)	(63)
Accumulated Ending Balance	344	303	299	241	241	178	178

Background Information:

Fees are collected to cover the costs associated with requested weighing services for livestock sold by farmer/producers at meat packing plants. JBS SWIFT pork processing plant in Worthington is the only plant that utilizes state weighers.

Forecast Basis:

MDA anticipates that the plant will continue to run at or near capacity for the foreseeable future.

Recent Changes:

COVID forced the plant to close for a period of time during 2020. The resulting backlog of hogs to be processed resulted in somewhat larger overtime expenses for MDA staff.

Agency Analysis/Comments:

MDA closely monitors revenue received as compared to actual expenses for delivering services. We expect a modest increase in the fees charged within the next 2 to 3 years.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	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	35						
Expenditures:							
Direct Expenditures	35						
Indirect Expenditures							
Total Expenditures	35						
Current Difference							
Accumulated Ending Balance							

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.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

None.

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 (2018)

Appropriation: Corporate Farm (B049A91)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	312	319	313	281	281	247	247
Resources:							
Departmental Earnings	107	108	108	108	108	108	108
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	7	5	6	6	6	6	6
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	114	113	114	114	114	114	114
Expenditures:							
Direct Expenditures	95	103	126	127	127	129	129
Indirect Expenditures	12	16	20	21	21	21	21
Total Expenditures	107	119	146	148	148	150	150
Current Difference	7	(6)	(32)	(34)	(34)	(36)	(36)
Accumulated Ending Balance	319	313	281	247	247	211	211

Background Information:

The corporate farm program fee was initiated in 2016.

Forecast Basis:

It is assumed that revenue and expenditures will generally stay the same based on analysis of recent activity.

Recent Changes:

The fee started in FY16 at the rate $15 per report. No change since then.

Agency Analysis/Comments:

This departmental earnings group is a dedicated earnings from corporate farm filing fee that are deposited in the state treasury and credited to an account in the agricultural fund. Money in the account, including interest, is appropriated to the commissioner for the administrative expenses.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:			10	10	10	10	10
Resources:							
Departmental Earnings	2	12	2	2	2	2	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	2	12	2	2	2	2	2
Expenditures:							
Direct Expenditures	2	2	2	2	2	2	2
Indirect Expenditures							
Total Expenditures	2	2	2	2	2	2	2
Current Difference		10					
Accumulated Ending Balance		10	10	10	10	10	10

Background Information:

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

Forecast Basis:

It is assumed that revenue stays the same based on analysis of recent activity.

Recent Changes:

All required annual reports shall include a filing fee of $50 plus $10 for each additional quarter section of land. No change.

Agency Analysis/Comments:

Activity in the area is very minimal.

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

Legal Citation: M.S. 115B.17

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

Fund: Remediation (2801)

Appropriation: Pest&Fert Remediation Rcpts (B041E00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(280)	(541)	(828)	(828)	(1,102)	(1,102)
Resources:							
Departmental Earnings	107	125	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	107	125	125	125	125	125	125
Expenditures:							
Direct Expenditures	344	336	355	343	343	343	343
Indirect Expenditures	43	50	57	56	56	56	56
Total Expenditures	387	386	412	399	399	399	399
Current Difference	(280)	(261)	(287)	(274)	(274)	(274)	(274)
Accumulated Ending Balance	(280)	(541)	(828)	(1,102)	(1,102)	(1,376)	(1,376)

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 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 (B041E01), which includes administration of both voluntary cleanups and State-managed cleanups.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	42	189	124	120	120	100	100
Resources:							
Departmental Earnings	176	42	10	100	100	109	109
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	3	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	177	45	11	101	101	110	110
Expenditures:							
Direct Expenditures	27	101	14	105	105	105	105
Indirect Expenditures	3	9	1	16	16	16	16
Total Expenditures	30	110	15	121	121	121	121
Current Difference	147	(65)	(4)	(20)	(20)	(11)	(11)
Accumulated Ending Balance	189	124	120	100	100	89	89

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.

Forecast Basis:

COVID has change how companies meet perspective buyers and while there may not be in person trade events for several months MDA anticipates these events will return at some point in the biennium.

Recent Changes:

Beginning with March 2020, COVID forced all major in person trade shows around the world to be canceled or postponed.

Agency Analysis/Comments:

MDA anticipates than within this biennium we will return to a normal situation as shows resume.

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 (2018)

Appropriation: Minnesota Grown (B046A50)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	167	183	191	165	165	129	129
Resources:							
Departmental Earnings	108	132	86	81	81	81	81
Other Resources:							
Earning Transferred In	186	186	186	186	186	186	186
Revenue Collected by Another Agency							
Other Receipts	8	6	4	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	302	324	276	270	270	270	270
Expenditures:							
Direct Expenditures	286	316	302	306	306	307	307
Indirect Expenditures							
Total Expenditures	286	316	302	306	306	307	307
Current Difference	16	8	(26)	(36)	(36)	(37)	(37)
Accumulated Ending Balance	183	191	165	129	129	92	92

Background Information:

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

Forecast Basis:

MDA anticipates revenue to be consistent for the next biennium.

Recent Changes:

MDA continues to shift resources to online marketing from conventional printed format.

Agency Analysis/Comments:

This activity relies on transfers in from a General Fund appropriation along with 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 (2018)

Appropriation: Nursery/Phytosanitary (B042A24)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	376	503	628	544	544	427	427
Resources:							
Departmental Earnings	1,042	984	992	992	992	992	992
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	12	11	15	15	15	15	15
Resource Reductions:							
Earnings Transferred Out			11	11	11	11	11
Revenue Collected for Another Agency							
Total Resources	1,054	995	996	996	996	996	996
Expenditures:							
Direct Expenditures	824	757	930	958	958	965	965
Indirect Expenditures	103	113	150	155	155	156	156
Total Expenditures	927	870	1,080	1,113	1,113	1,121	1,121
Current Difference	127	125	(84)	(117)	(117)	(125)	(125)
Accumulated Ending Balance	503	628	544	427	427	302	302

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.

Forecast Basis:

Nursery and garden sales were very strong during the past year and may continue for the near future. Revenues for phytosanitary certification have dropped significantly in recent years for a number of reasons.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Rather than increase fees, the Department has made changes to make these programs more efficient. This has kept these programs financially sustainable despite falling revenue over the past few years.

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

Legal Citation: MS 18B.05 & MS 18B.065 9

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

Fund: Agriculture (2018)

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

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	4,096	4,506	3,991	3,231	3,231	2,541	2,541
Resources:							
Departmental Earnings	10,928	10,699	10,943	11,113	11,113	11,286	13,537
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	159	136	115	115	115	115	115
Resource Reductions:							
Earnings Transferred Out	1,346	1,346	1,346	1,346	1,346	1,346	1,346
Revenue Collected for Another Agency							
Total Resources	9,741	9,489	9,712	9,882	9,882	10,055	12,306
Expenditures:							
Direct Expenditures	8,283	8,726	8,996	9,083	9,083	9,130	11,381
Indirect Expenditures	1,048	1,278	1,476	1,489	1,489	1,496	1,496
Total Expenditures	9,331	10,004	10,472	10,572	10,572	10,626	12,877
Current Difference	410	(515)	(760)	(690)	(690)	(571)	(571)
Accumulated Ending Balance	4,506	3,991	3,231	2,541	2,541	1,970	1,970

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:

Historically revenues have generally stayed the same. Beginning fiscal year 2020 expenditures have began to exceed the revenues year over year. Therefore, a fee increase is proposed to maintain current level of services, comply with OLA findings and to increase education and support on pesticide management in diverse urban communities.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Governor's Recommendation:

For information about the recommended fee change, see the Pesticide Fee Increase to Fund Laboratory change item in the Department of Agriculture's 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		4	5	7	7	9	9
Resources:							
Departmental Earnings	4	3	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	3	4	4	4	4	4
Expenditures:							
Direct Expenditures		2	2	2	2	2	2
Indirect Expenditures							
Total Expenditures		2	2	2	2	2	2
Current Difference	4	1	2	2	2	2	2
Accumulated Ending Balance	4	5	7	9	9	11	11

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.

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.04, M.S. 41B.043, M.S. 41B.045, M.S.41B.06

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

Fund: Agriculture (2018)

Appropriation: RFA Administration (B049A90)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	135	145	146	125	125	104	104
Resources:							
Departmental Earnings	7	5	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	4	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10	9	11	11	11	11	11
Expenditures:							
Direct Expenditures		7	28	28	28	28	28
Indirect Expenditures		1	4	4	4	4	4
Total Expenditures		8	32	32	32	32	32
Current Difference	10	1	(21)	(21)	(21)	(21)	(21)
Accumulated Ending Balance	145	146	125	104	104	83	83

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.

Recent Changes:

No Change.

Agency Analysis/Comments:

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

Purpose: Fees related to the seed regulatory program

Legal Citation: M.S. 21.92

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

Fund: Agriculture (2018)

Appropriation: Seed Inspection (B042A21)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,424	1,678	1,818	1,766	1,766	1,714	1,714
Resources:							
Departmental Earnings	1,546	1,653	1,618	1,618	1,618	1,618	1,618
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	38	40	41	41	41	41	41
Resource Reductions:							
Earnings Transferred Out	310	460	460	460	460	460	460
Revenue Collected for Another Agency							
Total Resources	1,274	1,233	1,199	1,199	1,199	1,199	1,199
Expenditures:							
Direct Expenditures	907	951	1,077	1,077	1,077	1,077	1,077
Indirect Expenditures	113	142	174	174	174	174	174
Total Expenditures	1,020	1,093	1,251	1,251	1,251	1,251	1,251
Current Difference	254	140	(52)	(52)	(52)	(52)	(52)
Accumulated Ending Balance	1,678	1,818	1,766	1,714	1,714	1,662	1,662

Background Information:

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

Forecast Basis:

Seed sales have generally been consistent despite a difficult planting year in 2019.

Recent Changes:

Significant changes were made to the seed law and went into effect during FY21, however, impact to fees collected should be minimal.

Agency Analysis/Comments:

Revenue for this program has been sufficient to operate the program as the level needed to meet statutory obligations.

Purpose: Fees for inspection and certification of seed potatoes

Legal Citation: M.S. 21.115

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

Fund: Agriculture (2018)

Appropriation: Seed Potato Inspection (B042A25)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	266	331	295	276	276	249	249
Resources:							
Departmental Earnings	290	265	275	275	275	275	275
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	6	5	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	296	270	280	280	280	280	280
Expenditures:							
Direct Expenditures	205	266	257	264	264	266	266
Indirect Expenditures	26	40	42	43	43	43	43
Total Expenditures	231	306	299	307	307	309	309
Current Difference	65	(36)	(19)	(27)	(27)	(29)	(29)
Accumulated Ending Balance	331	295	276	249	249	220	220

Background Information:

This program provides field inspections, post-harvest tests, seed certification, yield and storage surveys and promotional activities necessary for certification of seed potatoes.

Forecast Basis:

Certified seed potato acreages have declined over time in Minnesota but have been stable in the short term.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

Monitoring the budget balance which has been stable in recent years.

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

Legal Citation: M.S. 27.041 3

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

Fund: Agriculture (2018)

Appropriation: Wholesale Produce Dealers (B042A28)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	360	347	293	200	200	108	108
Resources:							
Departmental Earnings	125	37					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	8	6	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	133	43	2	2	2	2	2
Expenditures:							
Direct Expenditures	130	84	83	82	82	95	95
Indirect Expenditures	16	13	12	12	12	15	15
Total Expenditures	146	97	95	94	94	110	110
Current Difference	(13)	(54)	(93)	(92)	(92)	(108)	(108)
Accumulated Ending Balance	347	293	200	108	108		

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:

Portions of this chapter were repealed, effective FY21, including the requirement for licensing. As a result, fees are no longer collected.

Recent Changes:

Elements of this program were discontinued and the appropriation is no longer collecting fees.

Agency Analysis/Comments:

While the licensing requirement of the chapter was repealed, other elements of this statute were retained and the Plant Protection Division will continue to spend for continued activity until the fund balance is depleted, approximately in FY23.

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

Legal Citation: M.S. 347.53

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	87	117	96	99	99	102	102
Resources:							
Departmental Earnings	28	22	30	30	30	30	30
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	4	4	4	4	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	30	26	34	34	34	34	34
Expenditures:							
Direct Expenditures		47	31	31	31	31	31
Indirect Expenditures							
Total Expenditures		47	31	31	31	31	31
Current Difference	30	(21)	3	3	3	3	3
Accumulated Ending Balance	117	96	99	102	102	105	105

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 180 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. While we currently license 119 facilities, there has been heightened interest in the commercial dog and cat breeder program. The program is also supported by general fund dollars.

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

Legal Citation: M.S. 35.155, Subd. 7

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	139	147	37	35	35	33	33
Resources:							
Departmental Earnings	27	115	110	110	110	110	110
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	3	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	31	118	113	113	113	113	113
Expenditures:							
Direct Expenditures	23	228	115	115	115	115	115
Indirect Expenditures							
Total Expenditures	23	228	115	115	115	115	115
Current Difference	8	(110)	(2)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	147	37	35	33	33	31	31

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 $500 if the herd is used for profit or monetary gain, engages in transactions or exchanges for consideration, sell the ability to shoot animals in the herd, or if the herd consists of more than one species. All other herds must pay an annual inspection fee equal to $250.

Forecast Basis:

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

Recent Changes:

As of July 1, 2019, the fee is $500 for producers that manage their herd for profit or monetary gain, engage in transaction or exchanges for consideration, sell the ability to shoot animals in the herd, or if the herd consists of more than one species. The fee is $250 for all other herds.

Agency Analysis/Comments:

The Board projects that collected funds will be used to administer farmed deer programs. The fees collected provide only a small portion of funds needed to regulate the farmed deer programs. The remainder of the expenses covering the regulatory tasks attributable to the farmed deer programs are covered by the Board's general appropriation.

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. 35.824, 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 Revenue (B14MSRS)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		10	18	30	30	42	42
Resources:							
Departmental Earnings	10	8	12	12	12	12	12
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	8	12	12	12	12	12
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	10	8	12	12	12	12	12
Accumulated Ending Balance	10	18	30	42	42	54	54

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 30, 2018, there were 86 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		86	1,514	1,160	1,160	2,462	2,462
Resources:							
Departmental Earnings	923	2,183	831	2,231	2,231	831	831
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	923	2,183	831	2,231	2,231	831	831
Expenditures:							
Direct Expenditures	752	685	1,021	851	851	851	851
Indirect Expenditures	85	70	164	78	78	78	78
Total Expenditures	837	755	1,185	929	929	929	929
Current Difference	86	1,428	(354)	1,302	1,302	(98)	(98)
Accumulated Ending Balance	86	1,514	1,160	2,462	2,462	2,364	2,364

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		148	156	206	206	228	228
Resources:							
Departmental Earnings	709	583	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	709	583	625	625	625	625	625
Expenditures:							
Direct Expenditures	561	575	575	603	603	603	603
Indirect Expenditures							
Total Expenditures	561	575	575	603	603	603	603
Current Difference	148	8	50	22	22	22	22
Accumulated Ending Balance	148	156	206	228	228	250	250

Background Information:

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

Under Minnesota Statutes sections 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 sections 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 Statutes section 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

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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(66)	(117)	(235)	(235)	(304)	(288)
Resources:							
Departmental Earnings	280	245	303	290	290	290	290
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	245	303	290	290	290	290
Expenditures:							
Direct Expenditures	329	284	402	343	343	343	343
Indirect Expenditures	17	12	19	16		16	
Total Expenditures	346	296	421	359	343	359	343
Current Difference	(66)	(51)	(118)	(69)	(53)	(69)	(53)
Accumulated Ending Balance	(66)	(117)	(235)	(304)	(288)	(373)	(341)

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.

<u>Services:</u>

- 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.

<u>Fees</u>

$85.00 Examination and Initial Certificate of Registered Barber: The Board administered examination of practical skills and written exam of knowledge of barbering 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 annual renewal of registration.

$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. Revenues are projected based on the number of licenses during the previous fiscal year and current fee structure. There are no significant changes anticipated in the number of licensees in the upcoming biennium.

Recent Changes:

There were no changes made to the Statutes and Rules governing barbering during the 2020-2021 biennium.

Agency Analysis/Comments:

The Minnesota Board of Barber Examiners has historically collected fees sufficient to meet expenditures. However, moving forward adjustments may be necessary. The Board will continue to monitor the needs of the board and will address changes if needed in the future.

Purpose: To recover the costs of regulating the licensed professional counselor, licensed professional clinical counselor, and licensed alcohol and drug counselor professions.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,653	2,958	3,250	3,117	3,117	3,263	3,263
Resources:							
Departmental Earnings	1,406	1,473	1,466	1,481	1,481	1,486	1,486
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	4	5	6	6	7	7
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,409	1,477	1,471	1,487	1,487	1,493	1,493
Expenditures:							
Direct Expenditures	606	723	1,119	856	856	856	856
Indirect Expenditures	498	462	485	485	485	485	485
Total Expenditures	1,104	1,185	1,604	1,341	1,341	1,341	1,341
Current Difference	305	292	(133)	146	146	152	152
Accumulated Ending Balance	2,958	3,250	3,117	3,263	3,263	3,415	3,415

Background Information:

The Board of Behavioral Health and Therapy regulates the practices of professional counseling, professional clinical 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 section148B.53, subdivision 3, for LPCs and 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, the Department of Health (which then regulated LADCs) increased LADC application and renewal fees, 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, training, and supervision 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 Analysis/Comments:

The Board is requesting no changes to current 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,214	1,086	1,018	791	791	648	648
Resources:							
Departmental Earnings	817	826	846	862	862	878	878
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	817	826	846	862	862	878	878
Expenditures:							
Direct Expenditures	614	553	715	647	647	647	647
Indirect Expenditures	331	341	358	358	358	358	358
Total Expenditures	945	894	1,073	1,005	1,005	1,005	1,005
Current Difference	(128)	(68)	(227)	(143)	(143)	(127)	(127)
Accumulated Ending Balance	1,086	1,018	791	648	648	521	521

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) (SmART)
- Funding for services to health professionals (Health Professionals Services Program)
- Statewide e-licensing system development and operations (MN.IT)
- Criminal Background Check program

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

Purpose: Implement statewide programs to combat automobile theft.

Legal Citation: M.S. 297I.11

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Auto Theft Prevention (B134200); Non Dedicated Receipts (G900904)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,365	4,464	6,098	6,098	6,098	6,098	6,098
Resources:							
Departmental Earnings	4,432	4,305	4,025	4,025	4,025	4,025	4,025
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Revenue Collected for Another Agency	1	1	25	25	25	25	25
Total Resources	3,131	3,004	2,700	2,700	2,700	2,700	2,700
Expenditures:							
Direct Expenditures	2,011	1,354	2,681	2,681	2,681	2,681	2,681
Indirect Expenditures	21	16	19	19	19	19	19
Total Expenditures	2,032	1,370	2,700	2,700	2,700	2,700	2,700
Current Difference	1,099	1,634					
Accumulated Ending Balance	4,464	6,098	6,098	6,098	6,098	6,098	6,098

Background Information:

As required by statute, insurers that write automobile insurance policies collect a surcharge of $.50 per vehicle per six months of coverage.

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

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		568	1,073	1,644	1,644	2,212	2,250
Resources:							
Departmental Earnings	1,156	1,057	1,178	1,178	1,216	1,178	1,216
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,156	1,057	1,178	1,178	1,216	1,178	1,216
Expenditures:							
Direct Expenditures	467	480	502	519	519	519	519
Indirect Expenditures	121	72	105	91	91	91	91
Total Expenditures	588	552	607	610	610	610	610
Current Difference	568	505	571	568	606	568	606
Accumulated Ending Balance	568	1,073	1,644	2,212	2,250	2,780	2,856

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:

The department is requesting a statutory change to allow debt buyers to be included in the definition as a collection agency; therefore, giving the department the ability to regulate and license those in the industry.

Governor's Recommendation:

For information about the recommended change, see the Debt Buyer Regulation change item in the Department of Commerce's 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		10	44	78	78	112	112
Resources:							
Departmental Earnings	18	42	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	18	42	42	42	42	42	42
Expenditures:							
Direct Expenditures	7	7	7	7	7	7	7
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	8	8	8	8	8	8	8
Current Difference	10	34	34	34	34	34	34
Accumulated Ending Balance	10	44	78	112	112	146	146

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,716	4,744	5,272	4,026	4,026	2,882	2,882
Resources:							
Departmental Earnings	10,246	10,669	10,895	10,495	10,995	10,495	10,995
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	107	110	113	113	113	113	113
Resource Reductions:							
Earnings Transferred Out	25	18	22	22	22	22	22
Revenue Collected for Another Agency							
Total Resources	10,328	10,761	10,986	10,586	11,086	10,586	11,086
Expenditures:							
Direct Expenditures	7,923	9,111	10,799	10,428	10,928	10,428	10,928
Indirect Expenditures	1,377	1,122	1,433	1,302	1,302	1,302	1,302
Total Expenditures	9,300	10,233	12,232	11,730	12,230	11,730	12,230
Current Difference	1,028	528	(1,246)	(1,144)	(1,144)	(1,144)	(1,144)
Accumulated Ending Balance	4,744	5,272	4,026	2,882	2,882	1,738	1,738

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. 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.

Recent Changes:

None.

Agency Analysis/Comments:

The Department proposes repealing the sunset of the Energy Planning and Systems assessment, which is set to sunset on June 30, 2021. This assessment provides annual funding for three FTE to participate in regional and federal electric and natural gas reliability oversight ensuring adequate and secure generation and transmission resources to serve Minnesota homes and businesses.

Governor's Recommendation:

For information about the recommended change, see the Utility Grid Assessment Extension change item in the Department of Commerce's 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	83	598	1,291	1,292	1,292	1,293	1,293
Resources:							
Departmental Earnings	3,133	3,031	2,480	2,480	2,480	2,480	2,480
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,133	3,031	2,480	2,480	2,480	2,480	2,480
Expenditures:							
Direct Expenditures	2,305	2,104	2,234	2,234	2,234	2,234	2,234
Indirect Expenditures	313	234	245	245	245	245	245
Total Expenditures	2,618	2,338	2,479	2,479	2,479	2,479	2,479
Current Difference	515	693	1	1	1	1	1
Accumulated Ending Balance	598	1,291	1,292	1,293	1,293	1,294	1,294

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. In fiscal year 2017, the department experienced increased revenue and costs due to one large pipeline project. Typically, the number and size of new projects have been stable over time.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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 Inst Account ITC (B131004); 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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,213	3,317	4,576	6,590	6,590	8,487	8,487
Resources:							
Departmental Earnings	6,353	7,460	8,713	8,713	8,713	8,713	8,713
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	46	61	41	41	41	41	41
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,399	7,521	8,754	8,754	8,754	8,754	8,754
Expenditures:							
Direct Expenditures	5,728	5,726	6,132	6,249	6,249	6,249	6,249
Indirect Expenditures	567	536	608	608	608	608	608
Total Expenditures	6,295	6,262	6,740	6,857	6,857	6,857	6,857
Current Difference	104	1,259	2,014	1,897	1,897	1,897	1,897
Accumulated Ending Balance	3,317	4,576	6,590	8,487	8,487	10,384	10,384

Background Information:

The department, as required by statute, recovers 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.

Recent Changes:

In fiscal year 2018, the assessment and examination portion of the Financial Institutions Division was moved from the General Fund to a special revenue fund.

Agency Analysis/Comments:

None.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		122	201	194	194	211	211
Resources:							
Departmental Earnings	473	431	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	473	431	410	410	410	410	410
Expenditures:							
Direct Expenditures	296	326	370	355	355	355	355
Indirect Expenditures	55	26	47	38	38	38	38
Total Expenditures	351	352	417	393	393	393	393
Current Difference	122	79	(7)	17	17	17	17
Accumulated Ending Balance	122	201	194	211	211	228	228

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(150)	(248)	(374)	(374)	(502)	(502)
Resources:							
Departmental Earnings	29	71	55	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	29	71	55	55	55	55	55
Expenditures:							
Direct Expenditures	150	155	157	164	164	164	164
Indirect Expenditures	29	14	24	19	19	19	19
Total Expenditures	179	169	181	183	183	183	183
Current Difference	(150)	(98)	(126)	(128)	(128)	(128)	(128)
Accumulated Ending Balance	(150)	(248)	(374)	(502)	(502)	(630)	(630)

Background Information:

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		9,207	18,635	27,355	27,355	36,085	36,085
Resources:							
Departmental Earnings	11,049	11,263	10,791	10,791	10,791	10,791	10,791
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	11,049	11,263	10,791	10,791	10,791	10,791	10,791
Expenditures:							
Direct Expenditures	1,465	1,574	1,700	1,740	1,740	1,740	1,740
Indirect Expenditures	377	261	371	321	321	321	321
Total Expenditures	1,842	1,835	2,071	2,061	2,061	2,061	2,061
Current Difference	9,207	9,428	8,720	8,730	8,730	8,730	8,730
Accumulated Ending Balance	9,207	18,635	27,355	36,085	36,085	44,815	44,815

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.

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); Ins Exam Rev Fund (B131209); Insurance Fraud Prevention (B134100); Non Ded Rec - Admin Services (B139500); Non Dec Receipts-Insurance (B139600); Non Ded Rec - Market Assurance (B139700)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,692	5,198	6,532	9,176	9,176	12,380	12,884
Resources:							
Departmental Earnings	15,364	13,798	17,011	17,011	17,515	17,011	17,515
Other Resources:							
Earning Transferred In	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Revenue Collected by Another Agency							
Other Receipts	110	109	150	150	150	150	150
Resource Reductions:							
Earnings Transferred Out	863	791	800	800	800	800	800
Revenue Collected for Another Agency							
Total Resources	15,911	14,416	17,661	17,661	18,165	17,661	18,165
Expenditures:							
Direct Expenditures	11,965	12,107	13,834	13,428	13,428	13,428	13,428
Indirect Expenditures	1,440	975	1,183	1,029	1,029	1,029	1,029
Total Expenditures	13,405	13,082	15,017	14,457	14,457	14,457	14,457
Current Difference	2,506	1,334	2,644	3,204	3,708	3,204	3,708
Accumulated Ending Balance	5,198	6,532	9,176	12,380	12,884	15,584	16,592

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.

Recent Changes:

None.

Agency Analysis/Comments:

The department proposes to increase insurance division product filing and licensing fees.

Governor's Recommendation:

For information about the recommended fee change, see the Fee Increase in Insurance change item in the Department of Commerce's 2022-23 Governor's Budget Recommendations.

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 Dec Receipts-Insurance (B139600); Non Ded Rec - Market Assurance (B139700); Non Ded Rec - Investigations (B139710)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		149	309	429	429	564	564
Resources:							
Departmental Earnings	328	335	334	334	334	334	334
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	328	335	334	334	334	334	334
Expenditures:							
Direct Expenditures	143	160	187	176	176	176	176
Indirect Expenditures	36	15	27	23	23	23	23
Total Expenditures	179	175	214	199	199	199	199
Current Difference	149	160	120	135	135	135	135
Accumulated Ending Balance	149	309	429	564	564	699	699

Background Information:

The department combined several small earnings categories 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, 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.

Purpose: Recovers the cost of operations for the Division of Weights & Measures and petroleum supply monitoring.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	672	705	737	738	738	739	739
Resources:							
Departmental Earnings	4,190	3,930	4,041	4,041	4,041	4,091	4,091
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	13	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	466	433	400	400	400	450	450
Total Resources	3,725	3,510	3,642	3,642	3,642	3,642	3,642
Expenditures:							
Direct Expenditures	3,667	3,453	3,616	3,616	3,616	3,616	3,616
Indirect Expenditures	25	25	25	25	25	25	25
Total Expenditures	3,692	3,478	3,641	3,641	3,641	3,641	3,641
Current Difference	33	32	1	1	1	1	1
Accumulated Ending Balance	705	737	738	739	739	740	740

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, 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.

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	25,646	1,394	14,067	2,003	2,003		
Resources:							
Departmental Earnings	373	29,726	22,500	25,948	25,948		21,755
Other Resources:							
Earning Transferred In	775	737	26				
Revenue Collected by Another Agency							
Other Receipts	809	985	454	454	454		450
Resource Reductions:							
Earnings Transferred Out	10,951	9,310	12,064	11,664	11,664		11,664
Revenue Collected for Another Agency							
Total Resources	(8,994)	22,138	10,916	14,738	14,738		10,541
Expenditures:							
Direct Expenditures	15,067	9,309	22,832	16,593	16,593		10,361
Indirect Expenditures	191	156	148	148	148		180
Total Expenditures	15,258	9,465	22,980	16,741	16,741		10,541
Current Difference	(24,252)	12,673	(12,064)	(2,003)	(2,003)		
Accumulated Ending Balance	1,394	14,067	2,003				

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:

None.

Agency Analysis/Comments:

The department proposes repealing the Petrofund sunset date in Minn. Stat. 115C.13 and expanding the eligibility criteria of the Petrofund Abandoned Underground Storage Tank (UST) Removal Program to include abandoned tanks located on properties that have been taken over by the State due to tax forfeiture.

Governor's Recommendation:

For information about the recommended change, see the Petrofund Sunset Date Repeal change item in the Department of Commerce's 2022-23 Governor's Budget Recommendations.

Purpose: Beginning January 01,2020, License fees for pharmacy benefit managers (PBMs) doing business in the state of Minnesota; including initial applications, licensure renewals, and late renewal applications.

Legal Citation: M.S. 62W.03

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

Fund: General (1000)

Appropriation: Non Dec Receipts-Insurance (B139600)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:			124	39	39	(64)	(64)
Resources:							
Departmental Earnings		357	340	340	340	340	340
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		357	340	340	340	340	340
Expenditures:							
Direct Expenditures		219	402	424	424	424	424
Indirect Expenditures		14	23	19	19	19	19
Total Expenditures		233	425	443	443	443	443
Current Difference		124	(85)	(103)	(103)	(103)	(103)
Accumulated Ending Balance		124	39	(64)	(64)	(167)	(167)

Background Information:

Beginning January 1,2020, license fees for pharmacy benefit managers (PBMs) doing business in the state of Minnesota; including initial applications, licensure renewals, and late renewal applications.

Forecast Basis:

Estimates based on actual data in FY20.

Recent Changes:

Effective January 1, 2020.

Agency Analysis/Comments:

None

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: Liquified Petro Gas Fee (G906002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	568	644	722	564	564	586	586
Resources:							
Departmental Earnings	501	535	490	490	490	490	490
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	501	535	490	490	490	490	490
Expenditures:							
Direct Expenditures	423	456	646	466	466	466	466
Indirect Expenditures	2	1	2	2	2	2	2
Total Expenditures	425	457	648	468	468	468	468
Current Difference	76	78	(158)	22	22	22	22
Accumulated Ending Balance	644	722	564	586	586	608	608

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,715	1,515	1,422	840	840	199	199
Resources:							
Departmental Earnings	1,991	1,978	1,884	1,884	1,884	1,884	1,884
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	42	37	4	4	4	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,033	2,015	1,888	1,888	1,888	1,888	1,888
Expenditures:							
Direct Expenditures	1,785	1,835	2,085	2,196	2,196	2,196	2,196
Indirect Expenditures	448	273	385	333	333	333	333
Total Expenditures	2,233	2,108	2,470	2,529	2,529	2,529	2,529
Current Difference	(200)	(93)	(582)	(641)	(641)	(641)	(641)
Accumulated Ending Balance	1,515	1,422	840	199	199	(442)	(442)

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.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		47,623	101,766	148,917	148,917	196,200	196,200
Resources:							
Departmental Earnings	48,875	55,455	48,750	48,748	48,748	48,748	48,748
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	48,875	55,455	48,750	48,748	48,748	48,748	48,748
Expenditures:							
Direct Expenditures	1,049	1,190	1,422	1,318	1,318	1,318	1,318
Indirect Expenditures	203	122	177	147	147	147	147
Total Expenditures	1,252	1,312	1,599	1,465	1,465	1,465	1,465
Current Difference	47,623	54,143	47,151	47,283	47,283	47,283	47,283
Accumulated Ending Balance	47,623	101,766	148,917	196,200	196,200	243,483	243,483

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	410	2,054	3,826	3,301	3,301	3,201	3,201
Resources:							
Departmental Earnings	3,194	3,272	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	3,194	3,272	2,500	2,500	2,500	2,500	2,500
Expenditures:							
Direct Expenditures	1,542	1,494	3,015	2,590	2,590	2,590	2,590
Indirect Expenditures	8	6	10	10	10	10	10
Total Expenditures	1,550	1,500	3,025	2,600	2,600	2,600	2,600
Current Difference	1,644	1,772	(525)	(100)	(100)	(100)	(100)
Accumulated Ending Balance	2,054	3,826	3,301	3,201	3,201	3,101	3,101

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,910	1,742	1,491	2,039	2,039	2,190	2,190
Resources:							
Departmental Earnings	4,349	5,022	5,897	5,500	5,500	5,500	5,500
Other Resources:							
Earning Transferred In	45						
Revenue Collected by Another Agency							
Other Receipts	25	14	30	30	30	30	30
Resource Reductions:							
Earnings Transferred Out	1,610	2,060	2,060	2,060	2,060	2,060	2,060
Revenue Collected for Another Agency							
Total Resources	2,809	2,976	3,867	3,470	3,470	3,470	3,470
Expenditures:							
Direct Expenditures	2,960	3,215	3,305	3,305	3,305	3,393	3,393
Indirect Expenditures	17	12	14	14	14	14	14
Total Expenditures	2,977	3,227	3,319	3,319	3,319	3,407	3,407
Current Difference	(168)	(251)	548	151	151	63	63
Accumulated Ending Balance	1,742	1,491	2,039	2,190	2,190	2,253	2,253

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	25	(180)	(208)	(647)	(647)	(777)	(777)
Resources:							
Departmental Earnings	945	1,175	1,101	1,101	1,101	1,101	1,101
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	14	9	11	11	11	11	11
Revenue Collected for Another Agency							
Total Resources	931	1,166	1,090	1,090	1,090	1,090	1,090
Expenditures:							
Direct Expenditures	842	951	1,397	1,108	1,108	1,108	1,108
Indirect Expenditures	294	243	132	112	112	112	112
Total Expenditures	1,136	1,194	1,529	1,220	1,220	1,220	1,220
Current Difference	(205)	(28)	(439)	(130)	(130)	(130)	(130)
Accumulated Ending Balance	(180)	(208)	(647)	(777)	(777)	(907)	(907)

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.

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)

Appropriation: Non Ded Rec - Weights&Measures (B139810)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,597	2,821	4,321	4,321	5,821	5,821
Resources:							
Departmental Earnings	1,597	1,224	1,500	1,500	1,500	1,500	1,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,597	1,224	1,500	1,500	1,500	1,500	1,500
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,597	1,224	1,500	1,500	1,500	1,500	1,500
Accumulated Ending Balance	1,597	2,821	4,321	5,821	5,821	7,321	7,321

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 Inspection Fees”.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(469)	(1,037)	(1,585)	(1,585)	(2,122)	(2,122)
Resources:							
Departmental Earnings	445	310	392	392	392	392	392
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	445	310	392	392	392	392	392
Expenditures:							
Direct Expenditures	800	790	861	861	861	861	861
Indirect Expenditures	114	88	79	68	68	68	68
Total Expenditures	914	878	940	929	929	929	929
Current Difference	(469)	(568)	(548)	(537)	(537)	(537)	(537)
Accumulated Ending Balance	(469)	(1,037)	(1,585)	(2,122)	(2,122)	(2,659)	(2,659)

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	457	368	373	373	373	373	373
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	457	368	373	373	373	373	373
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

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

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		4,668	10,142	15,142	15,142	20,142	20,142
Resources:							
Departmental Earnings	4,668	5,474	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	4,668	5,474	5,000	5,000	5,000	5,000	5,000
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,668	5,474	5,000	5,000	5,000	5,000	5,000
Accumulated Ending Balance	4,668	10,142	15,142	20,142	20,142	25,142	25,142

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		678	1,358	2,033	2,033	2,708	2,708
Resources:							
Departmental Earnings	678	680	675	675	675	675	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	678	680	675	675	675	675	675
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	678	680	675	675	675	675	675
Accumulated Ending Balance	678	1,358	2,033	2,708	2,708	3,383	3,383

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.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	4		1	2	2	5	5
Resources:							
Departmental Earnings	3	5	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	3	5	5	5	5	5	5
Expenditures:							
Direct Expenditures	7	4	4	2	2	5	5
Indirect Expenditures							
Total Expenditures	7	4	4	2	2	5	5
Current Difference	(4)	1	1	3	3		
Accumulated Ending Balance		1	2	5	5	5	5

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		4,919	9,969	14,969	14,969	19,969	19,969
Resources:							
Departmental Earnings	4,919	5,050	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	4,919	5,050	5,000	5,000	5,000	5,000	5,000
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,919	5,050	5,000	5,000	5,000	5,000	5,000
Accumulated Ending Balance	4,919	9,969	14,969	19,969	19,969	24,969	24,969

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.

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

Appropriation: MCF-SCL Dedicated Receipts (P781030); MCF-SCL Rental Income (P781036); MCF-STW Dedicated Receipts (P781130); MCF-LL Dedicated Receipts (P781230); MCF-LL Rental Income (P781236); MCF-ML Offender Phones (P781420); MCF-ML Dedicated Receipts (P781430); MCF-FRB Dedicated Receipts (P781530); MCF-FRB Rental Income (P781536); MCF-RC Offender Phones (P781720); MCF-RC Dedicated Receipts (P781730); MCF-Togo-CIP-Male Ded Receipts (P781830); MCF-SHK Dedicated Receipts (P782030)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	904	873	971	1,078	1,078	464	464
Resources:							
Departmental Earnings	83	89	105	105	105	105	105
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	278	398	363	363	363	363	363
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	361	487	468	468	468	468	468
Expenditures:							
Direct Expenditures	385	388	360	1,081	1,081	467	467
Indirect Expenditures	7	1	1	1	1	1	1
Total Expenditures	392	389	361	1,082	1,082	468	468
Current Difference	(31)	98	107	(614)	(614)		
Accumulated Ending Balance	873	971	1,078	464	464	464	464

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	147	221	282	202	202	122	122
Resources:							
Departmental Earnings	74	61	75	75	75	75	75
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	61	75	75	75	75	75
Expenditures:							
Direct Expenditures			150	150	150	120	120
Indirect Expenditures			5	5	5	4	4
Total Expenditures			155	155	155	124	124
Current Difference	74	61	(80)	(80)	(80)	(49)	(49)
Accumulated Ending Balance	221	282	202	122	122	73	73

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	539	571	628	703	703	245	245
Resources:							
Departmental Earnings	32	51	75	75	75	75	75
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		6					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	32	57	75	75	75	75	75
Expenditures:							
Direct Expenditures				533	533	245	245
Indirect Expenditures							
Total Expenditures				533	533	245	245
Current Difference	32	57	75	(458)	(458)	(170)	(170)
Accumulated Ending Balance	571	628	703	245	245	75	75

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.

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-RW Cost of Confinement (P783034); MINNCOR Inmate Confinement (P785027)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	8,553	10,612	10,452	11,521	11,521	11,612	11,612
Resources:							
Departmental Earnings	5,033	3,936	4,074	4,074	4,074	4,074	4,074
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	152	131	100	100	100	100	100
Resource Reductions:							
Earnings Transferred Out	300						
Revenue Collected for Another Agency							
Total Resources	4,885	4,067	4,174	4,174	4,174	4,174	4,174
Expenditures:							
Direct Expenditures	2,759	4,184	3,065	4,043	4,043	3,211	3,211
Indirect Expenditures	67	43	40	40	40	40	40
Total Expenditures	2,826	4,227	3,105	4,083	4,083	3,251	3,251
Current Difference	2,059	(160)	1,069	91	91	923	923
Accumulated Ending Balance	10,612	10,452	11,521	11,612	11,612	12,535	12,535

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.

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 Agreemnt (P781235)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1	26					
Resources:							
Departmental Earnings	117	85	98	98	98	98	98
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	117	85	98	98	98	98	98
Expenditures:							
Direct Expenditures	85	106	94	94	94	94	94
Indirect Expenditures	7	5	4	4	4	4	4
Total Expenditures	92	111	98	98	98	98	98
Current Difference	25	(26)					
Accumulated Ending Balance	26						

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	42	70	69	69	69	26	26
Resources:							
Departmental Earnings	45	22	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	45	22	25	25	25	25	25
Expenditures:							
Direct Expenditures	16	22	23	66	66	23	23
Indirect Expenditures	1	1	2	2	2	2	2
Total Expenditures	17	23	25	68	68	25	25
Current Difference	28	(1)		(43)	(43)		
Accumulated Ending Balance	70	69	69	26	26	26	26

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	8		8	14	14	10	10
Resources:							
Departmental Earnings	12	12	17	17	17	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	12	12	17	17	17	17	17
Expenditures:							
Direct Expenditures	19	4	11	21	21	17	17
Indirect Expenditures	1						
Total Expenditures	20	4	11	21	21	17	17
Current Difference	(8)	8	6	(4)	(4)		
Accumulated Ending Balance		8	14	10	10	10	10

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.

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 Carpentry Program (P781436); MCF-FRB Vocational Work Proj (P781532); MCF-RC Vocational Work Proj (P781732); MCF-SHK Vocational Work Proj (P782032); MCF-RW Vocational Work Proj (P783032); ICWC Affordable Housing (P786844); Instn Comm Svcs Work Crews-Ded (P786845)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:	1,259	1,517	842	845	845	242	242
Resources:							
Departmental Earnings	2,142	1,650	2,173	2,173	2,173	2,173	2,173
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,142	1,650	2,173	2,173	2,173	2,173	2,173
Expenditures:							
Direct Expenditures	1,785	2,266	2,058	2,664	2,664	2,061	2,061
Indirect Expenditures	99	59	112	112	112	112	112
Total Expenditures	1,884	2,325	2,170	2,776	2,776	2,173	2,173
Current Difference	258	(675)	3	(603)	(603)		
Accumulated Ending Balance	1,517	842	845	242	242	242	242

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		80	20	(88)	(88)	45	115
Resources:							
Departmental Earnings	3,234	2,822	3,005	3,126	3,126	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	3,234	2,822	3,005	3,126	3,126	2,984	2,984
Expenditures:							
Direct Expenditures	3,111	2,752	3,075	2,923	2,923	2,923	2,923
Indirect Expenditures	43	130	38	70		70	
Total Expenditures	3,154	2,882	3,113	2,993	2,923	2,993	2,923
Current Difference	80	(60)	(108)	133	203	(9)	61
Accumulated Ending Balance	80	20	(88)	45	115	36	176

Background Information:

The Minnesota Board of Cosmetology protects the health and safety of Minnesotans and visitors to the state through the regulation of the practice of cosmetology. The board'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 board accomplishes its statutory mission by applying the fundamental agency values of service, equality, accuracy, dependability, and advancement.

The board'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 board achieves its mission while encouraging industry development, leading with a vision, and making sound decisions. This results in in quality outcomes and successful operations.

The board 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 board 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 board 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 penalties 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.

Forecast Basis:

The board'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 board 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.

Recent Changes:

In April 2018, the board began collecting inspection penalties for violations found upon inspection. These penalties address common, definitive, and immediately identifiable violations of cosmetology statutes and rules.

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.

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); Vol Health Care Prov Fees (H7F6600); Criminal Background Check Rec (H7F9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	889	1,260	1,550	1,277	1,277	1,287	1,289
Resources:							
Departmental Earnings	2,022	1,953	1,930	1,930	1,932	1,930	1,932
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,023	1,954	1,930	1,930	1,932	1,930	1,932
Expenditures:							
Direct Expenditures	1,242	1,250	1,768	1,485	1,485	1,485	1,485
Indirect Expenditures	410	414	435	435	435	435	435
Total Expenditures	1,652	1,664	2,203	1,920	1,920	1,920	1,920
Current Difference	371	290	(273)	10	12	10	12
Accumulated Ending Balance	1,260	1,550	1,277	1,287	1,289	1,297	1,301

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:

Fees were readjusted to their previous (pre-1999) level in 2012 with a change in statutory language. The Board has had a slight increase in new applicants over the last two years. However, there is a significant amount of voluntary terminations due to retirements. This change affects budget projections for the future. There has not been a significant measurable growth in new licensee numbers and there has been a decrease in renewals.

Agency Analysis/Comments:

The Board is requesting no changes to current 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	188	223	274	268	268	289	289
Resources:							
Departmental Earnings	192	195	196	196	196	196	196
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	195	196	196	196	196	196
Expenditures:							
Direct Expenditures	127	125	182	155	155	155	155
Indirect Expenditures	30	19	20	20	20	20	20
Total Expenditures	157	144	202	175	175	175	175
Current Difference	35	51	(6)	21	21	21	21
Accumulated Ending Balance	223	274	268	289	289	310	310

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

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	659	703	732				
Resources:							
Departmental Earnings	591	302					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	591	302					
Expenditures:							
Direct Expenditures	547	273	732				
Indirect Expenditures							
Total Expenditures	547	273	732				
Current Difference	44	29	(732)				
Accumulated Ending Balance	703	732					

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.

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: 10th Treatment Court Fees (J330SP0); 1st Treatment Court Fees (J330SP1); 2nd Treatment Court Fees (J330SP2); 3rd Treatment Court Fees (J330SP3); 4th Treatment Court Fees (J330SP4); 5th Treatment Court Fees (J330SP5); 6th Treatment Court Fees (J330SP6); 7th Treatment Court Fees (J330SP7); 8th Treatment Court Fees (J330SP8); 9th Treatment Court Fees (J330SP9)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	358	526	506				
Resources:							
Departmental Earnings	303	241	141	141	141	141	141
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	41	53					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	344	294	141	141	141	141	141
Expenditures:							
Direct Expenditures	176	314	647	141	141	141	141
Indirect Expenditures							
Total Expenditures	176	314	647	141	141	141	141
Current Difference	168	(20)	(506)				
Accumulated Ending Balance	526	506					

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	264	274	310	202	202	87	87
Resources:							
Departmental Earnings	588	644	670	687	687	704	704
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	10	9	6	6	6	6	6
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	598	653	676	693	693	710	710
Expenditures:							
Direct Expenditures	518	512	667	688	688	676	676
Indirect Expenditures	70	105	117	120	120	118	118
Total Expenditures	588	617	784	808	808	794	794
Current Difference	10	36	(108)	(115)	(115)	(84)	(84)
Accumulated Ending Balance	274	310	202	87	87	3	3

Background Information:

The Minnesota Career Information System (MCIS) is a fee-based subscription available to all schools where more than 80 percent of Minnesota schools have chosen to purchase the subscription. 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

We are always improving our products and reaching out for new clients. We anticipate an increase in receipts because of this.

Purpose: The purpose of these accounts is to facilitate the accurate and timely processing of dedicated 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)

Appropriation: Commodity Donated Food Rev (E370110); Reimb Recalls Fd/Bev (E370111)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,581	670	670				
Resources:							
Departmental Earnings	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	189						
Expenditures:							
Direct Expenditures	1,100		670				
Indirect Expenditures							
Total Expenditures	1,100		670				
Current Difference	(911)		(670)				
Accumulated Ending Balance	670	670					

Background Information:

Receipts for commodity donated foods and recalled food and beverages 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, recalled food and beverage and related costs.

Forecast Basis:

Receipts for commodity donated foods (E370110) ended in state fiscal year 2020.

Recent Changes:

Receipts for commodity donated foods (E370110) ended in state fiscal year 2020.

Purpose:

The purpose of this account is to facilitate the accurate and timely processing of non-dedicated receipts and payments to the department of Education.

Legal Citation: M.S. 16A.275

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

Fund: General (1000)

Appropriation: Tuition Reciprocity (E37ND06)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		265	573	823	823	1,073	1,073
Resources:							
Departmental Earnings	265	308	250	250	250	250	250
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	265	308	250	250	250	250	250
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	265	308	250	250	250	250	250
Accumulated Ending Balance	265	573	823	1,073	1,073	1,323	1,323

Background Information:

The commissioner of education may enter into K-12 education tuition reciprocity agreements that allow students residing in school districts along state borders to attend schools in adjoining districts across the border. Minnesota currently has agreements with South Dakota and Iowa. (Minn. Stat. §§ 124D.04 and 124D.041) Tuition reciprocity payments are collected and deposited to the general fund as a non-dedicated receipt and the expenditures associated with these receipts are general and special education expenditures.

Forecast Basis:

The amounts vary each year; therefore, the future receipts are estimates.

Purpose: To collect fees necessary to recover expenditures related to approving online learning providers or reviewing a challenge by an enrolling district.

Legal Citation: MS 124D.095

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Online Learning Provider Fee (E370103)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:				3	3	6	3
Resources:							
Departmental Earnings			3	3	3	3	3
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	3	3	3
Expenditures:							
Direct Expenditures					3		3
Indirect Expenditures							
Total Expenditures					3		3
Current Difference			3	3		3	
Accumulated Ending Balance			3	6	3	9	3

Background Information:

M.S. Statutes 124D.095, Online Learning Option, authorizes and provides limitations on student enrollment for full-time enrollment in an approved online learning program. The Department of Education may collect a fee not to exceed $250 for approving online learning providers or $50 per course for reviewing a challenge by an enrolling district.

Forecast Basis:

The receipts for the approval of online learning providers are estimates.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		13	18	(21)	(21)	3	3
Resources:							
Departmental Earnings	247	269	335	343	343	347	347
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	247	269	335	343	343	347	347
Expenditures:							
Direct Expenditures	234	264	374	319	319	319	319
Indirect Expenditures							
Total Expenditures	234	264	374	319	319	319	319
Current Difference	13	5	(39)	24	24	28	28
Accumulated Ending Balance	13	18	(21)	3	3	31	31

Background Information:

An annual fee is charged to licensed administrators which is intended to cover general fund appropriations used to fund the functions of the Board of School Administrators. The Board of School Administrators 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, reviewing and approving continuing education for administrators' professional development, enforcing school administrators' code of ethics covering standards of professional practice, gathering data mandated by the legislature, and approving licenses and renewals for administrators.

Forecast Basis:

Beginning July 1, 2019, State Fiscal Year 2020, the fee for active license holders is $100 and inactive license holders is $50. Fees are collected by the Board of School Administrators.

The 2021 revenue generated from the BOSA licensing fees are based on 2020 actuals which had about a 92% compliance rate for active members and a 32% compliance rate for inactive members. The subsequent estimates for future years are based on a gradually increasing active member compliance rate capping at 95% by 2023 due to the new automated system which allows auditing. The in-active compliance rate is estimated to gradually increase to 35% by 2023 due to increased outreach capabilities contained in the new automated system.

Recent Changes:

The 2019 Legislature increased the base appropriation for the Board of School Administrators to $319,000 annually.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	206	202	213	184	184	155	155
Resources:							
Departmental Earnings	14	11	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	14	11	8	8	8	8	8
Expenditures:							
Direct Expenditures	18		37	37	37	37	37
Indirect Expenditures							
Total Expenditures	18		37	37	37	37	37
Current Difference	(4)	11	(29)	(29)	(29)	(29)	(29)
Accumulated Ending Balance	202	213	184	155	155	126	126

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 600,000 ambulance runs per year under Minn. Stat. 144E.123.
- Ensure effective and safe 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

Purpose: To recover a portion of the costs of regulating emergency medical services ambulance services and education programs.

Legal Citation: M.S. 144E.29

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

Fund: General (1000)

Appropriation: EMS Receipts (H7S1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(433)	(779)	(1,471)	(1,471)	(2,150)	(2,150)
Resources:							
Departmental Earnings	65	90	73	73	73	73	73
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	90	73	73	73	73	73
Expenditures:							
Direct Expenditures	498	436	765	752	752	752	752
Indirect Expenditures							
Total Expenditures	498	436	765	752	752	752	752
Current Difference	(433)	(346)	(692)	(679)	(679)	(679)	(679)
Accumulated Ending Balance	(433)	(779)	(1,471)	(2,150)	(2,150)	(2,829)	(2,829)

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 60% 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

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	13	14	15	12	12	9	9
Resources:							
Departmental Earnings	2	2	3	3	3	3	3
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	2	3	3	3	3	3
Expenditures:							
Direct Expenditures	1	1	5	5	5	5	5
Indirect Expenditures			1	1	1	1	1
Total Expenditures	1	1	6	6	6	6	6
Current Difference	1	1	(3)	(3)	(3)	(3)	(3)
Accumulated Ending Balance	14	15	12	9	9	6	6

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 statue 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:

$1,350,000 available for grants annually in the base budget. Estimating about $125,000 per grant equals roughly 10 grants per year. Ten grants times the application fee of $500 per employer for a total of $5,000 in revenues. The trend in recent years hasnt fully utilized the program funds, and fewer applications have been approved. Reduced revenue estimates to $3,000 based on trends.

Purpose: To recover the cost of promoting international trade and attracting investment from foreign countries. As well as trade-related marketing materials. No set fee amount, amount charged varies depending on the expected costs of missions and the number of businesses participating.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	166	208	171	105	105	39	39
Resources:							
Departmental Earnings	43	55	55	55	55	55	55
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	7	8	10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	50	63	65	65	65	65	65
Expenditures:							
Direct Expenditures	8	97	128	128	128	78	78
Indirect Expenditures		3	3	3	3	3	3
Total Expenditures	8	100	131	131	131	81	81
Current Difference	42	(37)	(66)	(66)	(66)	(16)	(16)
Accumulated Ending Balance	208	171	105	39	39	23	23

Background Information:

Minnesota businesses reimburse the Minnesota Trade Office (MTO) for their participation in international trade activities such as missions to other countries and international trade shows. 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.

Agency Analysis/Comments:

Goal is to break even with a small amount of carry over for missions crossing fiscal years. Revenues increase during years where there is a large governors trade mission that MTO leads. The last major governors trade missions were in the summer of 2015 to Mexico and a mission to Japan and Korea in the fall of 2019. With COVID uncertainty and travel restrictions, revenues are estimated on the lower end and no major governor trade mission is currently planned or budgeted.

Purpose: To help support the function of the Business Enterprises Program (BEP) which creates vending business opportunities for qualified legally blind persons to operate 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); SSB Communication Center (B223480)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	874	818	566	437	437	456	456
Resources:							
Departmental Earnings	382	380	484	582	582	582	582
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	119	23	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	501	403	485	583	583	583	583
Expenditures:							
Direct Expenditures	527	622	579	529	529	535	535
Indirect Expenditures	30	33	35	35	35	38	38
Total Expenditures	557	655	614	564	564	573	573
Current Difference	(56)	(252)	(129)	19	19	10	10
Accumulated Ending Balance	818	566	437	456	456	466	466

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:$6.00
- Braille Textbook, previously transcribed and electronic:$1.25
- Braille Non-textbook New and Copies:$2.25
- 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 is comprised of monthly revenues collected from the blind vending operators (including interest earned) and exists primarily to

- Pay the salaries for two BEP technicians and the costs associated with vending parts, repairs and upkeep of over 1500 vending machines statewide
- Reimburse the elected committee of blind vendor's attendance at meetings, conferences and trainings
- Reimburse blind vending operators with an annual fringe benefit credit

The fee is based on a sliding scale from the blind 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.

This information can be found in Minnesota Rule 3321.0800

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 vending operators has been declining due to reduced net proceeds of BEP businesses. This is consistent with the fact that the annual vending sales continue to decline, the expenses to operate a business have increased and the limited number of viable vending business opportunities on state and federal property.

Recent Changes:

Communication Center: The fees for braille transcription had a price increase that took place July 1, 2017. This cost increase occurred because of a cost analysis study done 2 years ago comparing other producers of braille and the study confirmed our new prices were aligned with the market for braille transcription.

Business Enterprise Program: The fee has not been changed since inception. The percentage is competitive with what is collected in other state BEPs. This is a sensitive subject for the BEP blind vending operators due to it impacting their livelihood. The BEP has no plans to adjust the collection rate at this time.

Agency Analysis/Comments:

Communication Center: The majority of Braille sold is produced by the 40+ volunteers. Ninety-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 BEP monitors the fund regularly to ensure it remains solvent.

Purpose:

Loan Origination Fees are used for the administration of the small business loan guarantee program and as additional loan loss reserve fund for the program.

Application fees for certifying qualified small businesses expansion are used for administrative expenses related to the greater Minnesota business expansion program.

Legal Citation:

Loan Origination Fee - M.S. 116J.881 Subd. 6

Greater MN Business Expansion - 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	17	15	2,791	2	2		
Resources:							
Departmental Earnings		7	30	11	11	13	13
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		10,000					
Resource Reductions:							
Earnings Transferred Out		2,500					
Revenue Collected for Another Agency							
Total Resources		7,507	30	11	11	13	13
Expenditures:							
Direct Expenditures	2	4,731	2,818	12	12	12	12
Indirect Expenditures			1	1	1	1	1
Total Expenditures	2	4,731	2,819	13	13	13	13
Current Difference	(2)	2,776	(2,789)	(2)	(2)		
Accumulated Ending Balance	15	2,791	2				

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.

The Small Business Loan guarantee program was re-established in response to the 2020 public health emergency, and will help Minnesota lenders provide capital to small businesses in Minnesota affected by COVID-19. These loans can be used for a variety of purposes and can be subordinate to other financing. Allowable loan uses must be exclusively in Minnesota and include machinery or equipment purchases, maintenance, or repair; expenses related to moving into or within Minnesota; and working capital when the working capital is secured by fixed assets when possible.

Forecast Basis:

Qualified Expansion - Fees estimated to cover 5% of 1.0 FTE staff working on the program

Small Business Loan Guarantee - Estimated fees based on $7.5 million in funds available for additional guarantees.

Recent Changes:

Qualified Expansion - The 2015 legislature amended the statue 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.

Small Business Loan Guarantee - The 2020 legislature made $10 million of general fund dollars available for the small business loan guarantee program. They later redirected $2.5 million of those funds towards the Small Business Relief Grant program, resulting in $7.5 million available to issue loan guarantees.

Agency Analysis/Comments:

Qualified Expansion - DEED is charging 3% for an application fee on program operations and services. If we presume all of the $7 million tax base per year is awarded, then $210,000 per year will be collected. However, historical performance of the program has been significantly under subscribed. Resulting in only $30k collected for program administration since 2013. Fees are estimated as enough to cover 5% of one employee, if the program doesn't have applications and doesn't bring in funds, then that staff wont work on this program or charge time towards it.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	962	905	927	937	937	723	723
Resources:							
Departmental Earnings	134	309	330	150	150	150	150
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	134	309	330	150	150	150	150
Expenditures:							
Direct Expenditures	170	251	282	319	319	326	326
Indirect Expenditures	21	36	38	45	45	45	45
Total Expenditures	191	287	320	364	364	371	371
Current Difference	(57)	22	10	(214)	(214)	(221)	(221)
Accumulated Ending Balance	905	927	937	723	723	502	502

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:

The program has been re-authorized for CY2021 to authorize $10.3 million in tax credits. Hoever it is not authorized for any years past CY21. The program is currently accepting applications for CY21 credits, and collecting Application fees in BFY21. After the CY21 credits are gone, they cannot certify new investors, funds, or businesses, resulting in no application fees in future periods. The reporting fees for the CY21 certified investors, funds, and businesses will result in reporting fees for the next five years to complete the reporting and administration requirements of the program.

Recent Changes:

The program was authorized by the 2016 legislature to continue through the end of CY17. The program was authorized again in the 2018 legislature, but the bill was vetoed. The program was again authorized by the 2019 legislature to issue certifications in CY19 and CY21.

Agency Analysis/Comments:

With the programs up and down authorization levels, the staffing levels have been reduced to only manage the reporting requirements at times, resulting in uneven collections compared to spend and a healthy balance remaining in the administrative account. If the program is authorized again, more staff would need to be hired for the certification process and would use up some of the reserve that has built up in the administrative account due to reduced workload requirement.

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); Vol Health Care Prov Fees (H7K6600); NHA Criminal Background Check (H7K9211)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	272	247	229	259	259	633	244
Resources:							
Departmental Earnings	230	245	699	702	700	700	698
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	230	245	699	702	700	700	698
Expenditures:							
Direct Expenditures	222	230	634	293	680	293	622
Indirect Expenditures	33	33	35	35	35	35	35
Total Expenditures	255	263	669	328	715	328	657
Current Difference	(25)	(18)	30	374	(15)	372	41
Accumulated Ending Balance	247	229	259	633	244	1,005	285

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.

Recent Changes:

The board last increased fees in 1995.

Agency Analysis/Comments:

The board will continue to monitor revenues and expenditures to determine whether a change is needed in the future.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	700	895	873	537	537	470	470
Resources:							
Departmental Earnings	764	442	170	400	400	450	450
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	90	193	1	100	100	100	100
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	854	635	171	500	500	550	550
Expenditures:							
Direct Expenditures	659	657	507	567	567	550	550
Indirect Expenditures							
Total Expenditures	659	657	507	567	567	550	550
Current Difference	195	(22)	(336)	(67)	(67)		
Accumulated Ending Balance	895	873	537	470	470	470	470

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,232	4,705	5,764	6,513	6,513	7,366	5,975
Resources:							
Departmental Earnings	4,762	4,427	4,325	4,325	4,325	4,325	4,325
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,762	4,427	4,325	4,325	4,325	4,325	4,325
Expenditures:							
Direct Expenditures	3,289	3,355	3,563	3,459	4,850	3,459	4,850
Indirect Expenditures		13	13	13	13	13	13
Total Expenditures	3,289	3,368	3,576	3,472	4,863	3,472	4,863
Current Difference	1,473	1,059	749	853	(538)	853	(538)
Accumulated Ending Balance	4,705	5,764	6,513	7,366	5,975	8,219	5,437

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.

Purpose: The Minnesota Fathers' Adoption Registry protects adoptive families and the rights of putative fathers.

Legal Citation: Minnesota Statutes, section 259.52

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

Fund: State Government Special Rev (1200)

Appropriation: Health Policy (H12970J)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	937	904	907	907	907	907	907
Resources:							
Departmental Earnings	70	55	58	58	58	58	58
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	59	51	58	58	58	58	58
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	129	106	116	116	116	116	116
Expenditures:							
Direct Expenditures	132	85	95	95	95	95	95
Indirect Expenditures	30	18	21	21	21	21	21
Total Expenditures	162	103	116	116	116	116	116
Current Difference	(33)	3					
Accumulated Ending Balance	904	907	907	907	907	907	907

Background Information:

The Minnesota Fathers' Adoption Registry allows putative fathers—men who believe they are a biological father but have not established paternity—to register themselves in order to receive notice if plans are made to place a child they believe is theirs for adoption. Registration has no fee. The authorizing law 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 registry. The authorizing law also allows the department to set a reasonable fee for use of the registry to meet the requirements to search for a putative father before adoption petitions are finalized which is $25. Child support enforcement staff can search the registry and are exempted from paying the fee.

Forecast Basis:

The forecast is based on the number of adoptions, the $75 per filing fee, the $25 registry use fee, and costs to the department to maintain the registry. Forecasted program costs and revenues are the same.

Recent Changes:

The filing and administrative search fees have not changed since the registry was established in 1997.

Agency Analysis/Comments:

Revenues and expenditures are forecasted to be in balance. No changes are needed at this time. The department will continue to monitor this program.

Purpose:

The Adverse Health Events reporting system reviews incidents, identifies root causes and initiates corrective action plans in order to correct systemic failures in hospitals and ambulatory surgical centers.

Legal Citation:

Minnesota Statutes, section 144.706

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	245	270	359	360	360	355	355
Resources:							
Departmental Earnings	551	540	552	546	546	546	546
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	551	540	552	546	546	546	546
Expenditures:							
Direct Expenditures	427	370	453	453	453	453	453
Indirect Expenditures	99	81	98	98	98	98	98
Total Expenditures	526	451	551	551	551	551	551
Current Difference	25	89	1	(5)	(5)	(5)	(5)
Accumulated Ending Balance	270	359	360	355	355	350	350

Background Information:

The Adverse Health Events reporting system requires reporting on 29 serious reportable events whenever they occur in hospitals and ambulatory surgical centers. Each of the events are described in the authorizing statute. The department is required to review all events, along with the accompanying root cause analyses and corrective action plans. The department determines if there are patterns of systemic failure in the health care system and successful methods to correct these failures.

A team of clinical and quality improvement experts evaluates the root causes and corrective actions for every event. The legislature revised the statue in 2008 to expand some definitions, which resulted in the number of adverse health events being reported to the department. That year, reported events doubled over that of previous year. The increased number of adverse events has significantly increased the work required to administer the statute.

Forecast Basis:

The forecast was based on the number of licensed facilities fee revenue and cost to the department. The forecast is estimated based on fees for the Minnesota Adverse Health Care Events Reporting Act at $600.00 base fee, plus $16.00 per bed or bassinet regardless of a hospital's accreditation status.

Recent Changes:

The Adverse Health Events reporting system was established in 2003 and is funded through a fee on hospitals and ambulatory surgical centers. This fee has not changed since it was established.

Agency Analysis/Comments:

Projected expenditures are in excess of revenue, which may, over time, decrease the program's accumulated balance. The department will continue to monitor to determine if any changes are needed in the future.

Purpose: The Asbestos Abatement program protects the public from exposure to asbestos fibers by regulating abatement work, certifying professionals, and permitting training.

Legal Citation: Minnesota Statutes, section 326.75

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	82	122	130	129	129	(182)	128
Resources:							
Departmental Earnings	538	537	556	556	866	556	866
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	538	537	556	556	866	556	866
Expenditures:							
Direct Expenditures	404	434	458	712	712	712	712
Indirect Expenditures	94	95	99	155	155	155	155
Total Expenditures	498	529	557	867	867	867	867
Current Difference	40	8	(1)	(311)	(1)	(311)	(1)
Accumulated Ending Balance	122	130	129	(182)	128	(493)	127

Background Information:

The problem of asbestos exposure affects all people residing in older homes or visiting older buildings as a part of their daily routine. The department's asbestos abatement program protects the public from exposure to asbestos fibers by approving project permits for asbestos-related work, licensing asbestos abatement professionals (e.g., contractors, workers, site supervisors, inspectors, management planners, and project designers), permitting training courses, and inspecting project sites for appropriate work practices.

There are approximately 132 licensed contractors who inspect an estimated 2,000 project sites annually. The licensed asbestos abatement professionals are comprised of 2,300 individuals who seek certification on an annual basis. There are 57 permitted training courses provided by six training entities each year. Training courses are required annually so that individuals involved in asbestos work receive appropriate instruction and hands-on training to perform their jobs according to public health and worker safety standards.

Fee structure:

- Asbestos project fees are based on 1% of the total project cost for commercial facilities.
- Residential structures require a $35 permit fee; asbestos contractor fees are $100 annually.
- Worker, supervisor, and inspector fees are $50 annually.
- Project designers and management planner fees are $100 annually. Permit fees for initial and renewal of training courses are $250 and $125 annually.
- Air monitoring fees are 1% of the total cost of time and materials used for the permitted project.

Fees support consulting with regulated parties and property owners about asbestos abatement, credentialing regulated parties, maintaining relationships with a broad spectrum of citizens, communities, and partners.

Forecast Basis:

The revenue generated for the Asbestos Abatement program is closely associated with the construction industry and capital investment by building owners and developers in existing facilities. Residential permit applications have remained stable in recent years.

Recent Changes:

The Asbestos Abatement program was established in 1988. The fees established at that time have not been modified.

Agency Analysis/Comments:

The department's projected appropriation exceeds revenue. In recent years, expenditure has been more closely aligned with revenue. The department will monitor future revenue and expenditure and consider whether changes are needed for this activity.

Governor's Recommendation:

For information about the recommended fee change, see the Asbestos Licensing Fee Adjustment change item in the Department of Health's 2022-23 Governor's Budget Recommendations.

Purpose: The assisted living licensure program regulates the assisted living industry to ensure best practices and high quality of care for consumers.

Legal Citation: Minnesota Statutes, sections 144G.08 to 144G.9999

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:						222	222
Resources:							
Departmental Earnings				8,353	8,353	8,353	8,353
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources				8,353	8,353	8,353	8,353
Expenditures:							
Direct Expenditures				6,681	6,681	6,852	6,852
Indirect Expenditures				1,450	1,450	1,487	1,487
Total Expenditures				8,131	8,131	8,339	8,339
Current Difference				222	222	14	14
Accumulated Ending Balance				222	222	236	236

Background Information:

The legislature established a single license for "assisted living" in Laws of 2019, chapter 60. Assisted living licensure is effective August 1, 2021. The department anticipates a partial shift in licensed providers from comprehensive home care to assisted living in fiscal year 2022.

Currently, and until assisted living licensure is effective, living space and services like the ones to be implemented happen under two separate regulatory processes. First, the physical plant or "housing" part of the future assisted living license is contained under the current "housing with services" registration process. This registration process provides housing, with minimal care supports (also referred to as supportive services) but can be connected with an "arranged home care provider" which provides more sophisticated care services (also referred to as home care services). The service part of the future assisted living concept is currently provided by a "home care provider" (licensed under Minnesota Statutes, section 144A), through a contractual arrangement with the housing with services registrant.

This dual concept has proven difficult to understand for consumers and providers alike. Therefore, in 2019 the legislature passed a new, single license process for assisted living licensure.

The new assisted living statute has several purposes:

- Establishes regulatory standards governing the provision of housing and services in assisted living facilities.
- Details additional unique requirements for assisted living facilities with dementia care or secured dementia units to help ensure the health, safety, well-being, and appropriate treatment of residents. In 2014, 58% of residents in assisted living were over age 85 and 39% had dementia.
- Authorizes the commissioner to adopt rules to promote person-centered planning and service delivery and optimal quality of life, so as to protect resident rights, resident choice, and the public health and safety of every Minnesotan utilizing such facilities.
- Authorizes the commissioner to immediately impose fines against providers when violations are detected during inspections and/or investigations, instead of having to wait for an opportunity to correct the violation before imposing a fine.
- Prohibits deceptive marketing and false advertising.

Forecast Basis:

Assisted living licensure is effective August 1, 2021. The forecast is based on estimates of facility types, number of regulated facilities, estimated capacity, and per president fees. Currently, 41,000 people live in 1,345 assisted living settings across Minnesota. The department anticipates a partial shift in licensed providers from home care to assisted living in fiscal year 2022 that will affect ongoing home care revenue. There will remain a smaller portion of home care providers that remain under that licensure, which will be prohibited from performing or offering any assisted living services unless licensed as such by the department.

Recent Changes:

The legislature established living licensure in the Laws of 2019, chapter 60.

Agency Analysis/Comments:

The department will monitor to determine if any changes are needed for revenues and expenditures to be in balance for this new program.

Purpose:

The audiologist licensing program assures minimum standards for professionals, investigates complaints, pursues enforcement action, and provides information to consumers. The hearing instrument dispenser certification program enforces standards by requiring a certification examination, investigates complaints, and pursues enforcement action.

Legal Citation:

Minnesota Statutes, sections 148.5194 and 153A.17

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H); Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	29	83	109	177	177	180	180
Resources:							
Departmental Earnings	419	335	468	403	403	406	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	419	335	468	403	403	406	406
Expenditures:							
Direct Expenditures	296	254	329	329	329	329	329
Indirect Expenditures	69	55	71	71	71	71	71
Total Expenditures	365	309	400	400	400	400	400
Current Difference	54	26	68	3	3	6	6
Accumulated Ending Balance	83	109	177	180	180	186	186

Background Information:

Audiologist licensing program fee revenue is used to issue licenses, administer a hearing instrument practical examination, convene an advisory council, investigate complaints, pursue enforcement actions, and administer a consumer information center.

Audiologist fees include:

- $510 initial and biennial licensure fee.
- One-time surcharge of $13.00 to process criminal background checks.
- $600 for a practical exam to dispense hearing instruments.
- $60 fee for late renewals.
- $25 to verify a license, and penalties fees for practicing before licensure or during a lapse and failure to submit the required continuing education hours.

Hearing instrument dispenser certification program fee revenue is used to administer the hearing instrument dispenser practical exam, issue trainee status and certificates to hearing instrument dispensers, convene an advisory council, investigate complaints, pursue enforcement actions, and administer a consumer information center.

Hearing instrument dispenser fees include:

- $230 for trainee status
- $750 for initial and renewal fee for certified dispensers
- One-time surcharge of $22.50 to process criminal background checks
- $1,200 fee for taking the hearing instrument dispenser practical exam
- $600 for retaking the examination
- $260 for late renewals
- $25 to verify a license

There are penalty fees for holding out as a certified dispenser before being issued a certificate or after the certificate is lapsed and failure to submit the appropriate continuing education hours.

Forecast Basis:

Audiologist revenue forecast was determined based on the projected growth of the occupation over time. By the end of fiscal year 2019, there were 498 audiologists in the licensing system. The program has seen a steady increase in the number of individuals applying for licensure, with a mix of new graduates and individuals applying through reciprocity or other methods authorized by the regulation. The occupation is expected to continue to grow to meet the demand for audiologists in all age cohorts. By the end of fiscal year 2019, there were 240 hearing instrument dispensers and 15 hearing instrument dispenser trainees in the certification program. The revenue forecast was determined based on the projected growth of the occupation over time.

Recent Changes:

Audiologist fees increased in 2017 to reflect the increased program cost to regulate audiologist practitioners. This included an increase from $250 to $600 to retake the hearing instrument practical examination and an increase in licensing fees. Other fee increases included a one-time surcharge to process criminal background checks, processing verification of licensure requests and late renewals.

Hearing instrument dispenser certification program fees increased in 2017 to reflect the increased program cost to regulate hearing instrument dispensers and trainees:

- Initial and renewal certificate fee increased from $600 to $750
- Trainee status fee and other licensing fees increased from $200 to $230. Other fee increases included a

one-time surcharge to process criminal background checks, processing verification of licensure requests and late renewals.

The program ceased collecting a $500 fee for administering a written examination. In prior years, the department administered a written exam, approved by the commissioner, on behalf of the International Hearing Society. The examination is now administered online.

Agency Analysis/Comments:

Forecasted revenues and expenditures are nearly balanced for fiscal years 2022 and 2023. The department will monitor the program to determine if any changes are needed.

Purpose: The Body Art program licenses and monitors body art establishments and technicians that tattoo or provide piercing.

Legal Citation: Minnesota Statutes, section 146B.10

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	177	226	542	861	861	1,120	1,120
Resources:							
Departmental Earnings	374	620	747	687	687	687	687
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	374	620	747	687	687	687	687
Expenditures:							
Direct Expenditures	264	250	352	352	352	352	352
Indirect Expenditures	61	54	76	76	76	76	76
Total Expenditures	325	304	428	428	428	428	428
Current Difference	49	316	319	259	259	259	259
Accumulated Ending Balance	226	542	861	1,120	1,120	1,379	1,379

Background Information:

The department regulates the practice of body art, including the requirement that body art establishments and technicians that tattoo or provide piercing services be licensed. County and municipal jurisdictions with an ordinance that meet or exceeds state regulations are exempt from the regulation. Fee revenue recovers the cost of issuing licenses to body art technicians and body art establishments, conducting inspections, investigating complaints, pursuing enforcement actions, approving blood borne pathogen coursework and providing information to the public and practitioners about body art regulations.

Forecast Basis:

The practice of body art has been regulated by the department since January 2011. The program continues to see an increase in the number of practitioners entering the occupation as the demand for body art services continues to grow and practitioners expand the types of services and methods used to provide such services.

Recent Changes:

The last fee change occurred in 2017. New fees were added to reflect the increased program cost to regulate this growing industry through the issuance of credentials, inspections and investigation of complaints of illegal practice. The establishment renewal cycle changed from two to three years.

Agency Analysis/Comments:

As this industry grows, fee revenue is expected to increase through the forecast period. Expenditures are projected to remain level through forecast period, resulting in a positive ending balance. The department will continue to monitor to determine if a change is needed to bring revenue and expenditures into balance.

Purpose: The Doula Registry verifies the certification of professions who provide emotional and physical support during pregnancy, labor, birth and postpartum.

Legal Citation: Minnesota Statutes, sections 148.997

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	4	4	8	14	14	19	19
Resources:							
Departmental Earnings	4	8	11	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	4	8	11	10	10	10	10
Expenditures:							
Direct Expenditures	3	3	4	4	4	4	4
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	4	4	5	5	5	5	5
Current Difference		4	6	5	5	5	5
Accumulated Ending Balance	4	8	14	19	19	24	24

Background Information:

Doulas provide continuous emotional and physical support through labor and birth and as needed during prenatal and postpartum periods. The department has registered doulas since 2007. Fees are collected to support program staffing, verify applicants are certified by a doula certifying organization identified in statute, conduct a criminal background check, and update the program website. Doulas register for a three-year term and must stay current with the certifying organization to remain on the registry. There are currently 86 doulas on the registry.

Forecast Basis:

The number of doulas on the registry may vary due to the three-year renewal cycle and the doulas certification status. The revenue forecast assumes the profession will grow, but remain relatively small with fewer than 100 registered doulas.

Recent Changes:

Fees changed in 2017 to reflect the increased program costs. Fees increased from $130 to $185 to register doulas and from $6 to $15 to process the criminal background check.

Agency Analysis/Comments:

Revenues are projected to slightly exceed expenditures, resulting in a positive accumulated balance. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: The Drinking Water Protection program certifies water operators, inspects public water systems and helps communities keep public drinking water supplies safe.

Legal Citation: Minnesota Statutes, sections 144.383 to 144.387

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

Fund: State Government Special Rev (1200)

Appropriation: Health Policy (H12970J); Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	962	1,107	1,341	1,126	1,126	911	911
Resources:							
Departmental Earnings	8,581	10,438	12,499	12,499	12,499	12,499	12,499
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	8,581	10,438	12,499	12,499	12,499	12,499	12,499
Expenditures:							
Direct Expenditures	6,850	8,379	10,447	10,447	10,447	10,447	10,447
Indirect Expenditures	1,586	1,825	2,267	2,267	2,267	2,267	2,267
Total Expenditures	8,436	10,204	12,714	12,714	12,714	12,714	12,714
Current Difference	145	234	(215)	(215)	(215)	(215)	(215)
Accumulated Ending Balance	1,107	1,341	1,126	911	911	696	696

Background Information:

The department assumed primary enforcement responsibility for the federal Safe Drinking Water Act in 1977. The drinking water service connection fee was established in 1992 to support the department's safe drinking water program and ensures compliance of public water supplies with the Safe Drinking Water Act. More than just maintaining a consistently high level of compliance with the Safe Drinking Water Act, Minnesota's proactive strategy protects our drinking water, people's health, and provides a reliable water supply for economic development.

As part of Minnesota's vital strategy to protect drinking water, the department uses revenue to:

- Test water quality for 7,000 public water supplies.
- Provide expert review of test results and trend analysis.
- Perform specialized engineering review of treatment plant plans or source changes.
- Assist in prevention or treatment of contamination issues.
- Train and certify water operators.
- Conduct regular site visits to systems to identify and prevent potential problems.
- Support testing for and risk management of unregulated contaminants.
- Increase replacement of failing infrastructure by reducing use of Drinking Water Revolving Fund for program activities.

While the department provides these services to all public water supplies, this robust technical assistance is especially valuable for smaller systems that lack resources and technical capability. Without this additional assistance, small systems have lower compliance with standards.

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 fee is based on the number of service connections to public water supplies. This number is relatively stable with a slight historical increase as a result of new building development within public water supply domains.

Recent Changes:

The service connection fee was last increased in 2020 from $6.36 to $9.72

Agency Analysis/Comments:

Projected expenditures slightly exceed revenue which may decrease the accumulated balance over time. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: The oversight of health information exchange ensures the quality, security and efficient exchange of the electronic transmission of health-related information between organizations.

Legal Citation: Minnesota Statutes, sections 62J.498 to 62J.4982

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

Fund: State Government Special Rev (1200)

Appropriation: Health Policy (H12970J)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(76)	(199)	(224)	(224)	(224)	(224)	(224)
Resources:							
Departmental Earnings	105	140	112	126	21	126	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	105	140	112	126	21	126	21
Expenditures:							
Direct Expenditures	185	136	92	104	17	104	17
Indirect Expenditures	43	29	20	22	4	22	4
Total Expenditures	228	165	112	126	21	126	21
Current Difference	(123)	(25)					
Accumulated Ending Balance	(199)	(224)	(224)	(224)	(224)	(224)	(224)

Background Information:

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

Two types of organizations, defined in statute, are required to pay fees: health information organizations and health data intermediaries. Both organization types pay a one-time $7,000 application fee when they first apply to be certified by the department. Along with that application fee, both organization types pay a $7,000 certification fee to cover their one-year certification costs. In subsequent years, both organization types are required to pay an annual $7,000 certification fee. Currently, 16 organizations are certified by the department as a health information exchange service provider, including 1 health information organization and 15 health data intermediaries.

The revenues generated from this program support staff oversight functions, including reviewing application and annual re-certification materials to ensure compliance with state requirements, managing a public hearing process for new applicants, monitoring progress towards expectations, and facilitating collaboration among state-certified health information exchange service providers.

Two types of organizations, defined in statute, are required to pay fees: health information organizations and health data intermediaries. Both organization types pay a one-time $7,000 application fee when they first apply to be certified by MDH. Along with that application fee, both organization types pay a $7,000 certification fee to cover their one-year certification costs. In subsequent years, both organization types are required to pay an annual $7,000 certification fee. Currently, 19 organizations are certified by MDH as an HIE Service Provider, including 4 Health Information Organizations and 15 Health Data Intermediaries.

The revenues generated from this program support staff oversight functions, including:

- Reviewing application and annual re-certification materials to ensure compliance with state requirements.
- Managing a public hearing process for new applicants.
- Monitoring progress towards expectations.
- Facilitating collaboration among state-certified Health Information Exchange service providers.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue, and the cost to the department of administering the program. Revenue deposits into the state government special revenue fund to administer the program.

Recent Changes:

The fee structure was last changed in 2015. The fee change slightly decreased the revenue generated. The fee change decreased the fee for only the health information organization type from $14,000 to align with the fee for the $7,000 for health data intermediaries. Since there are fewer health information organizations, the decrease in revenue was modest—approximately $28,000 less revenue per year based on the cost for annual certification fees.

Agency Analysis/Comments:

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

Governor's Recommendation:

For information about the recommended fee change, see the Health Data Intermediaries Fee Adjustment change item in the Department of Health's 2022-23 Governor's Budget Recommendations.

Purpose: The Certified Food Protection Manager program is a statewide registration of food safety professionals to ensure they are trained in safe food handling practices.

Legal Citation: Minnesota Statutes, section 157.16 and 31.96; Minnesota Rules, part 4626.0033

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	125	237	180	110	110	40	40
Resources:							
Departmental Earnings	476	384	420	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	476	384	420	420	420	420	420
Expenditures:							
Direct Expenditures	296	362	403	403	403	403	403
Indirect Expenditures	68	79	87	87	87	87	87
Total Expenditures	364	441	490	490	490	490	490
Current Difference	112	(57)	(70)	(70)	(70)	(70)	(70)
Accumulated Ending Balance	237	180	110	40	40	(30)	(30)

Background Information:

The food protection manager certification requirement has been in effect since July 1, 2000. The certification fee of $35 supports the issuance of approximately 12,000 certificates annually, with renewal requirements every three years. If the certificate is lost or destroyed, the fee for a duplicate certificate is $20. Instructor qualifications for initial and continuing education courses are reviewed to ensure they meet the requirements in Minnesota Rules, chapter 4626. Initial and continuing education course curriculum is also reviewed to ensure that they meet the requirements in rule. An online instructor and course lookup portal is maintained, along with data management functions, and web communications. Course and instructor complaints are responded to and enforcement is taken as necessary. Education of, and communication with, course instructors is conducted to ensure the materials instructors use to teach their courses are current.

Forecast Basis:

The certification is valid for three years. Revenues fluctuate from year to year reflecting the three-year certification cycle. The program is expected to remain relatively stable, with continued issuance of approximately 12,000 certificates annually. Future revenue collection may also be impacted by the COVID-19 pandemic, but it is too early to determine the full impact on our receipts.

Recent Changes:

The fee was last increased to $35 in 2009.

Agency Analysis/Comments:

Projected expenditures exceed revenues, decreasing a current accumulated balance. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose:

The department licenses and regulates facilities and providers that provide health services. Oversight includes delegated authority for some federally certified providers.

Legal Citation:

Minnesota Statutes, sections 144.122, 144.53, 144.554, 144A.07, 144A.753, 144.615, subdivision 8, and 144A.71

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

Fund: State Government Special Rev (1200); Restrict Misc Special Revenue (2000)

Appropriation: Outpatient Surgical Center (H12291J); Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(2,059)	(2,927)	(3,996)	(4,068)	(4,068)	(5,409)	(5,409)
Resources:							
Departmental Earnings	6,067	5,056	6,971	5,702	5,702	5,702	5,702
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,067	5,056	6,971	5,702	5,702	5,702	5,702
Expenditures:							
Direct Expenditures	5,631	5,030	5,787	5,787	5,787	5,787	5,787
Indirect Expenditures	1,304	1,095	1,256	1,256	1,256	1,256	1,256
Total Expenditures	6,935	6,125	7,043	7,043	7,043	7,043	7,043
Current Difference	(868)	(1,069)	(72)	(1,341)	(1,341)	(1,341)	(1,341)
Accumulated Ending Balance	(2,927)	(3,996)	(4,068)	(5,409)	(5,409)	(6,750)	(6,750)

Background Information:

The department licenses or registers the following:

- Ambulatory surgery centers
- Birth centers
- Boarding care homes
- Hospice
- Hospitals
- Housing-with-services establishments
- Nursing homes
- Out-patient surgical centers
- Prescribed pediatric extended care center
- Supervised living facilities
- Supplemental Nursing Services Agencies

Fee revenue recovers the department's costs to process licenses and registrations, inspect facilities, conduct onsite surveys, coordinate inspections by the state Fire Marshal, conduct background studies, investigate complaints, issue deficiency orders, and collect fines and penalties.

Forecast Basis:

Revenue estimates are based on certain number of providers, bed counts, and industry trends. Expenses are based on budgeted workload projections, federal regulatory requirements, and other estimated costs.

Recent Changes:

The nursing home fee increased from $91 per bed to $100 per bed effective July 1, 2018; and from $100 per bed to $105 per bed effective July 1, 2020.

Agency Analysis/Comments:

Projected expenditure is in excess of revenue in fiscal year 2022 and 2023. In recent years, expenditure has been more closely aligned with revenue. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: The Home Care program licenses organizations that provide home care and home management services to ensure consumers receive quality home making services and care with activities of daily living.

Legal Citation: Minnesota Statutes, sections 144A.43 to 144A.484

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,680	3,474	5,016	7,990	7,990	4,776	7,276
Resources:							
Departmental Earnings	5,712	6,126	7,972	681	681	681	681
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,712	6,126	7,972	681	681	681	681
Expenditures:							
Direct Expenditures	3,181	3,764	4,107	3,200	700	3,200	700
Indirect Expenditures	737	820	891	695	695	695	695
Total Expenditures	3,918	4,584	4,998	3,895	1,395	3,895	1,395
Current Difference	1,794	1,542	2,974	(3,214)	(714)	(3,214)	(714)
Accumulated Ending Balance	3,474	5,016	7,990	4,776	7,276	1,562	6,562

Background Information:

The Home Care program oversees home care providers within individual homes and other facility type settings. Home care providers must hold either a basic or comprehensive home care license. The license a provider holds is based on the types of services they provide. A basic home care license providers simple services while a comprehensive home care licensed provider can provide more complex cares. The program also registers providers that offer only housekeeping, meal preparation, and shopping services to clients (who, because of a disability, illness, or physical condition) have a need for these home management services.

This program oversees providersby licensing and registering entities, conducting onsite surveys and enforcement, and training providers on home care laws and regulations, and informing the public.

Forecast Basis:

The forecast is based on estimates of the number of fee payers, fee rates, and regulatory costs. After assisted living licensure is effective August 1, 2021, the department anticipates the majority of licensed providers will switch from the home care to assisted living licensure, which will affect ongoing home care revenue.

Recent Changes:

The home care license fee increased by 10% effective July 1, 2018. The legislature established living licensure in the Laws of 2019, chapter 60, with an effective date of August 1, 2021. This new licensing process will incorporate two separate registration/licenses into a single license.

Agency Analysis/Comments:

Revenues are projected to exceed expenditures. The department proposes a reduction in the home care appropriation to more closely align expenditures to estimated revenues. The department will monitor actual revenue with the shift in some providers from a home care license to an assisted living licenses, and recommend potential realignment in future earnings reports.

Purpose: The statewide hospitality fee supports assistance to state and local agencies to provide uniform and consistent regulatory services for food, beverage, and lodging establishments.

Legal Citation: Minnesota Statutes, section 157.16

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	57	151	(86)	(86)	(86)	(86)	(86)
Resources:							
Departmental Earnings	861	733	861	861	861	861	861
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	861	733	861	861	861	861	861
Expenditures:							
Direct Expenditures	623	797	707	707	707	707	707
Indirect Expenditures	144	173	154	154	154	154	154
Total Expenditures	767	970	861	861	861	861	861
Current Difference	94	(237)					
Accumulated Ending Balance	151	(86)	(86)	(86)	(86)	(86)	(86)

Background Information:

Statutes granting the authority to regulate food, beverage, and lodging establishments have been enacted and amended since 1902. The statewide hospitality fee was adopted in 2005 and is collected from each food, beverage, and lodging establishment in the state.

The department uses fee revenue to:

- Coordinate statewide food establishment inspection activities according to the standards of the federal Food and Drug Administration.
- Develop and maintain partnerships with locally delegated agencies.
- Assist state and local agencies in providing uniform and consistent regulatory services.
- Provide training, education, and ongoing professional development.
- Monitor data systems and perform program evaluations.
- Conduct outreach and education for the public.
- Collect and enforce unpaid fees from nearly 20,000 businesses statewide.

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:

In 2017, the hospitality fee increased by $5, or 14.2%, from $35 to $40.

Agency Analysis/Comments:

Projected revenues and expenditures balance, although revenue collection may be impacted by the COVID-19 pandemic. The department will monitor to determine if a change is needed to bring revenue and expenditures into balance.

Purpose: Inspection programs at MDH and local public health agencies license and inspect food and beverage establishments, such as restaurants, schools, cafes, food carts, special event food stands, and seasonal food stands. They also license and inspect public swimming pools, youth camps, manufactured home parks, and recreational camping.

Legal Citation: Minnesota Statutes, sections 144.99, 144.1222, 157.16, 157.20, and 327.15

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	134	1,481	2,481	3,871	3,871	5,261	5,261
Resources:							
Departmental Earnings	7,637	7,379	7,858	7,858	7,858	7,858	7,858
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,637	7,379	7,858	7,858	7,858	7,858	7,858
Expenditures:							
Direct Expenditures	5,107	5,238	5,311	5,311	5,311	5,311	5,311
Indirect Expenditures	1,183	1,141	1,157	1,157	1,157	1,157	1,157
Total Expenditures	6,290	6,379	6,468	6,468	6,468	6,468	6,468
Current Difference	1,347	1,000	1,390	1,390	1,390	1,390	1,390
Accumulated Ending Balance	1,481	2,481	3,871	5,261	5,261	6,651	6,651

Background Information:

The department reviews, licenses, inspects, and enforces activities related to several industries: food, beverage, and lodging establishments; public swimming pools, youth camps, manufactured home parks; and recreational camping. Laws specifying the authority to regulate food, beverage and lodging establishments have been enacted and amended since 1902. The manufactured home park and recreational camping rules have been in effect since the 1950s.

The department has the authority to delegate those responsibilities to local governments. In cases where the department has delegated its authority, the local unit of government is responsible for collecting fees to cover the cost of regulatory activities.

Forecast Basis:

The forecast is based on the number of fee payers and types of establishments the department regulates, fee revenue, and the cost to the department of administering the program. Revenue projections for fiscal years 2022 and 2023 are based on regular fluctuations within these industries and the large number of establishments licensed. The department will begin licensing assisted living facilities in August 1, 2021. Per a statutory change as part of the assisted living licensure, separate food establishment licenses cannot be issued to these facilities. This may result in a decrease in revenue of up to approximately $278,000 in fiscal year 2022. Future revenue collection may also be impacted by the COVID-19 pandemic, but it is too early to determine the full impact on our receipts.

Recent Changes:

The fee structure was changed in 2017, which resulted in some types of establishments paying a lower fee and others paying a higher fee. Fiscal year 2018 revenue increased by $462,000 because of the change in fee structure. However, additional legislation in 2017 removed the requirement for some lodging establishments to obtain a license. This resulted in a decrease in revenue of $71,000 in license and plan review fees specifically for lodging establishments in fiscal year 2018.

Agency Analysis/Comments:

Forecast revenues are greater than estimated expenditures. The growing accumulated balance may not materialize if spending is at forecast levels and revenue is lower than projected economic conditions and the establishment of assisted living licensure. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: The spoken language health care roster is a searchable list by geographic area and language of spoken language health care interpreters.

Legal Citation: Minnesota Statutes, section 144.058

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	264	367	481	581	581	664	664
Resources:							
Departmental Earnings	179	159	190	173	173	173	173
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	179	159	190	173	173	173	173
Expenditures:							
Direct Expenditures	62	37	74	74	74	74	74
Indirect Expenditures	14	8	16	16	16	16	16
Total Expenditures	76	45	90	90	90	90	90
Current Difference	103	114	100	83	83	83	83
Accumulated Ending Balance	367	481	581	664	664	747	747

Background Information:

The department has maintained a roster of spoken language health care interpreters since 2009. Fees are collected to support staffing and program activities, an online system for individuals to apply and renew their status, and for assisting interpreters and consumers as needed on how to use the online search functions. Spoken language health care interpreters provide services to limited English proficient consumers with access to health care systems. The department does not verify the information provided by interpreters or track the demand for interpreter services. The annual fee to be included on the roster is $50.

Forecast Basis:

The number of spoken language health care interpreters listed on the roster can vary monthly as there is no established renewal cycle date. Interpreters apply to the roster, pay a fee and provide an email address to receive the annual renewal notice. The revenue forecast assumes a constant level based on fiscal year 2019.

Recent Changes:

Fees have not changed since the establishment of the program in 2009.

Agency Analysis/Comments:

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

Purpose: The accreditation process for environmental laboratories ensures standard results and accurate scientific data

Legal Citation: Minnesota Statutes, section 144.98

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(17)	31	131	131	131	131	131
Resources:							
Departmental Earnings	431	428	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	431	428	410	410	410	410	410
Expenditures:							
Direct Expenditures	311	269	337	337	337	337	337
Indirect Expenditures	72	59	73	73	73	73	73
Total Expenditures	383	328	410	410	410	410	410
Current Difference	48	100					
Accumulated Ending Balance	31	131	131	131	131	131	131

Background Information:

The department accredits public and private environmental laboratories to perform testing for federal and state programs that require laboratory certification for compliance determinations. Department staff work closely with the Minnesota Pollution Control Agency to ensure that laboratories are held accountable to standards that support defensible and accurate data from which decisions are made regarding the environmental conditions in Minnesota. The fees support review of laboratory proficiency tests, assessment reports, and standard operating procedures, which happen before granting accreditation. The department accredits laboratories to the National Environmental Laboratory Accreditation Program consensus standards. The department also approves third-party assessors who are responsible for the on-site review of the accredited laboratories.

Fees that a laboratory pays to be accredited depend on the specific testing for which the laboratory is seeking accreditation and range from $800 to $26,000 for a very large laboratory conducting a wide range of testing. The average fee for a laboratory seeking accreditation in 2019 was $5,200. Data from the program is used for compliance decisions by state and federal agencies, under the Safe Drinking Water Act, Clean Water Act, underground storage tank program, the resource conservation and recovery program, and state requirements for new wells. Other users of data include any entity or citizen seeking data for which accuracy and defensibility of the data are important and include other regulatory programs and private citizens interested in credible environmental data.

Forecast Basis:

The forecast is based on the number of accredited labs, fee revenue, and the cost of accreditation to the department. The number of laboratories seeking accreditation has decreased in recent years by two to three laboratories per year since 2014. Coupled with fee reductions in 2013, less revenue is available for the department to support laboratory standards. As of November 2020, it is unknown what impact the COVID-19 pandemic will have on revenue in fiscal years 2021 and 2022.

Recent Changes:

In 2013, accreditation fees were reduced by 33% in order to transfer costs the laboratory began paying directly to the third-party assessor.

Agency Analysis/Comments:

Recent revenues have slightly exceeded expenses, resulting in an accumulated balance. Projected revenues and expenditures balance. The department will monitor the program to determine if any changes are needed.

Purpose: The lead firms and professionals program enforces public health standards to safeguard the public from exposure to lead-based paint hazards.

Legal Citation: Minnesota Statutes, section 144.9505

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(327)	(577)	(737)	(737)	(737)	(737)	(737)
Resources:							
Departmental Earnings	66	52	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	66	52	410	410	410	410	410
Expenditures:							
Direct Expenditures	256	174	337	337	337	337	337
Indirect Expenditures	60	38	73	73	73	73	73
Total Expenditures	316	212	410	410	410	410	410
Current Difference	(250)	(160)					
Accumulated Ending Balance	(577)	(737)	(737)	(737)	(737)	(737)	(737)

Background Information:

Lead exposure affects young children and pregnant women residing in pre-1978 housing and child-occupied facilities. The lead program enforces public health standards to safeguard the public from exposure to lead-based paint hazards. The program's aim is to protect the health of children, pregnant women and other adults with primary and secondary lead exposure prevention methods.

The department uses fee revenue to:

- License workers, supervisors, inspectors, risk assessors and project designers.
- Certify abatement and renovation firms.
- Permit training courses for abatement and renovation.
- Inspect abatement and renovation project sites.
- Provide consultation and technical assistance to regulated parties and property owners on issues related to lead-based paint hazards.
- Credential regulated parties and professions and perform compliance monitoring of their activities.

There are approximately 150 certified abatement firms who perform an estimated 300 lead hazard reduction projects annually. The five lead program disciplines are comprised of 600 individuals who seek licensure on an annual basis. There are 30 permitted training courses provided by five training entities each year. Training courses are required annually so that individuals involved in lead hazard reduction receive appropriate instruction and hands-on training to perform their jobs according to public health and worker safety standards.

Since April 2010, the Environmental Protection Agency's region five office has been responsible for administering and enforcing the renovate, repair, and paint program in Minnesota. There are approximately 3,500 certified renovation firms in Minnesota performing renovation work under the federal program.

Forecast Basis:

There has been a decline in the number of individual licenses and certified lead abatement firms over the past few years. This decline could be contributed to a decrease in overall grant funding from the U.S. Department of Housing and Urban Development for lead hazard reduction. The decrease is also attributed to declining levels of elevated blood leads in children and pregnant women in Minnesota. The number of certified renovation firms remains the same due to permitting requirements for residential building contractors conducting renovation work in pre-1978 housing and child-occupied facilities.

Recent Changes:

The department's lead abatement program was established in 1989. Fees have not been modified since that time. Renovate, repair, and paint regulations are anticipated to be adopted in fiscal year 2021, resulting in both increased revenue and expenditures above prior year levels.

Agency Analysis/Comments:

The earnings group has an accumulated negative balance. Annual revenues and expenditures are in balance in the forecast. Revenue may exceed the forecast due to contractors obtaining renovator trainings and renovation firm certification. The department will continue to monitor this program to determine whether a change is needed to remediate the accumulated imbalance.

Purpose: The Managed Care program licenses and regulates health maintenance organizations (HMOs), county-based purchasers, and community integrated service networks, and ensure quality of care by and addressing enrollee complaints and appeals.

Legal Citation: Minnesota Statutes, section 62D.21; Minnesota Rules, part 4685.2800

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H); Health Policy (H12970J)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(249)	(350)	(488)	(564)	(564)	(640)	(563)
Resources:							
Departmental Earnings	1,253	1,281	1,611	1,611	1,611	1,611	1,611
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	177	77	77	77		77	
Revenue Collected for Another Agency							
Total Resources	1,076	1,204	1,534	1,534	1,611	1,534	1,611
Expenditures:							
Direct Expenditures	956	1,102	1,323	1,323	1,323	1,323	1,323
Indirect Expenditures	221	240	287	287	287	287	287
Total Expenditures	1,177	1,342	1,610	1,610	1,610	1,610	1,610
Current Difference	(101)	(138)	(76)	(76)	1	(76)	1
Accumulated Ending Balance	(350)	(488)	(564)	(640)	(563)	(716)	(562)

Background Information:

The Managed Care program has been in operation since 1973. This program is responsible for licensing HMOs in Minnesota and ongoing monitoring of compliance with applicable laws and rules governing financial solvency, quality assurance, access, and consumer rights. Revenue also recovers the cost to investigate complaints and appeals filed by health plan enrollees. As of November 2020, there are 12 HMOs and three county-based purchasers 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 filing must include a fee, which is set by Minnesota Rules, part 4685.2800. In addition, HMOs are required to pay an annual certificate of authority renewal fee.

Forecast Basis:

The revenue forecast is based on a renewal fee that includes a fee of $21,500 per HMO, plus $0.70 per enrollee. Filing fees are based on the cost of agency oversight and monitoring.

Recent Changes:

The current fees HMOs are required to pay were adopted in 2000. In the Laws of 2008, chapter 364, the legislature required an annual transfer of $77,000 beginning in fiscal year 2009 from the HMO program and credited to the general fund. In 2017, Minnesota Statutes, chapter 62D, was modified to allow for profit and non-Minnesota domiciled health care entities to apply for a Minnesota HMO certificate of authority. This change expanded the criteria for application to allow for more potential applicants, resulting in some additional licenses.

Agency Analysis/Comments:

The program has a current imbalance. In recent years, expenditure has been more closely aligned with revenue. The department will continue to monitor this program to determine whether additional changes are needed to bring revenues and expenditures into balance.

Purpose: The Medical Cannabis program regulates the manufacture of cannabis, enrolls eligible patients for treatment, and conducts research.

Legal Citation: Minnesota Statutes, section 152.35

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

Fund: State Government Special Rev (1200)

Appropriation: Medical Cannabis (H12970M)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	680	1,982	2,644	4,373	4,373	5,914	5,914
Resources:							
Departmental Earnings	2,461	2,761	3,691	3,503	3,503	3,128	3,128
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,461	2,761	3,691	3,503	3,503	3,128	3,128
Expenditures:							
Direct Expenditures	941	1,724	1,612	1,612	1,612	1,612	1,612
Indirect Expenditures	218	375	350	350	350	350	350
Total Expenditures	1,159	2,099	1,962	1,962	1,962	1,962	1,962
Current Difference	1,302	662	1,729	1,541	1,541	1,166	1,166
Accumulated Ending Balance	1,982	2,644	4,373	5,914	5,914	7,080	7,080

Background Information:

The Medical Cannabis program was established in 2014. The clients of the program are people with medical conditions approved for medical cannabis either by legislation or by the commissioner of health.

Annual revenue from manufacturers and patients supports a patient registry, research and analytics, as well as regulating manufacturers. The manufacturer's fee is equal to the cost of regulating and inspecting each manufacturer. As of fiscal year 2020 the manufacturer fee is $189,220.00 and paid by two manufacturers. The annual patient fee is $200.00. Patients that are on Medical Assistance, which are approximately half of all patients, qualify for a discounted fee of $50.000.

There's been consistent patient growth since the program was established, and there are currently over 26,000 active patients. The number of active patients may be slightly higher than previously estimated due to the governor's executive orders that extended the expiration of patient registrations, therefore more patients remain in active status rather than expire for non-renewal.

Forecast Basis:

The forecast is based on the projected number of new fee payers, fee levels, ongoing re-enrollment, and the cost of operating the program. When forecasting revenue only the current approved medical conditions were taken into consideration. If additional qualifying conditions are added, it may increase the number of fee-pay clients and revenue.

Recent Changes:

Patient fees are set in statute and have not changed since establishment of the program. The manufacturer fee was increased from $94,000.00 in fiscal year 2016 to $146,000.00 in fiscal year 2017 and to $189,220.00 in fiscal year 2020.

Agency Analysis/Comments:

Revenues have exceeded the available appropriation for this activity. The department is considering the need for increased expenditure changes for the activity.

Purpose: The Mortuary Science program regulates practitioners and the facilities used to prepare deceased people for final disposition.

Legal Citation: Minnesota Statutes, section 149A.65

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	55	43	(264)	(122)	(122)	(208)	(208)
Resources:							
Departmental Earnings	528	316	768	540	540	540	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	528	316	768	540	540	540	540
Expenditures:							
Direct Expenditures	438	512	514	514	514	514	514
Indirect Expenditures	102	111	112	112	112	112	112
Total Expenditures	540	623	626	626	626	626	626
Current Difference	(12)	(307)	142	(86)	(86)	(86)	(86)
Accumulated Ending Balance	43	(264)	(122)	(208)	(208)	(294)	(294)

Background Information:

The Mortuary Science program protects the overall health, safety, and welfare of the general public and those who are involved in the care and disposition of the dead through licensing, regulation, education, and enforcement.

Fee revenue recovers the costs to:

- Issue licenses to funeral homes, crematories and alkaline hydrolysis facilities.
- Conduct administrative and facility inspections and issue corrective orders to address deficiencies.
- Administer an examination on state mortuary science laws.
- Issue licenses to morticians and funeral directors and to review and post continuing education coursework for the funeral professions.
- Register and monitor mortuary science interns.
- Investigate complaints and pursue enforcement actions.
- Administer a mortuary science ad hoc committee.
- Provide information to the funeral professions and consumers about professional standards and funeral laws and regulations.

Forecast Basis:

The revenue forecast assumes a constant regulatory environment, including the number of practitioners entering and leaving the profession and the number of licensed funeral establishments and crematories in the metro and in rural Minnesota that support staffing and program needs. The COVID-19 pandemic impacted fiscal year 2020 revenues and may also impact fiscal year 2021 revenue.

Recent Changes:

Fees and appropriations for this program were last increased in 2015.

Agency Analysis/Comments:

Projected expenditure is in excess of revenue in fiscal years 2022 and 2023. In recent years, expenditure has been more closely aligned with revenue. The department will continue to monitor industry trends to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: The Newborn Screening program works with hospitals, laboratories, and medical professionals across the state to screen newborns for more than 60 disorders that affect metabolism, hormones, the immune system, blood, breathing, digestion, hearing, or the heart.

Legal Citation: Minnesota Statutes, section 144.125

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

Fund: State Government Special Rev (1200)

Appropriation: Public Health Laboratory (H12970S)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	950	960	485	(668)	(668)	(1,821)	(669)
Resources:							
Departmental Earnings	9,062	8,232	9,045	9,045	11,859	9,180	12,036
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	9,062	8,232	9,045	9,045	11,859	9,180	12,036
Expenditures:							
Direct Expenditures	7,350	7,150	8,380	8,380	10,042	8,380	10,218
Indirect Expenditures	1,702	1,557	1,818	1,818	1,818	1,818	1,818
Total Expenditures	9,052	8,707	10,198	10,198	11,860	10,198	12,036
Current Difference	10	(475)	(1,153)	(1,153)	(1)	(1,018)	
Accumulated Ending Balance	960	485	(668)	(1,821)	(669)	(2,839)	(669)

Background Information:

Minnesota is a national leader in newborn screening. This program screens all Minnesota newborns soon after birth to see if they are at risk for rare, hidden disorders. If left untreated, these disorders can lead to illness, physical disability, developmental delay, or death. By identifying these disorders early, interventions, medications, or changes in diet can help prevent most health problems caused by the disorders on the newborn screening panel. The current fee is $135 per specimen.

Forecast Basis:

1. 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 due to the addition of new disorders to the screening panel. In addition, birth rates are predicted to increase slowly to 67,000 by 2022 and 68,000 by 2023.

Recent Changes:

Fees related to this program last changed in fiscal year 2013 after the addition of two disorders to the screening panel. The fee increased 27%, from $106 to $135, per specimen. At this same time, the legislature enacted an additional $15 fee for follow-up services for children found to be deaf or hard-of-hearing through newborn screening, which deposits to the general fund to recover the cost of support services to families with children who are deaf or have a hearing loss (see earnings group: *Newborn Screening – Hearing Detection*).

Agency Analysis/Comments:

Expenditures are projected to exceed revenues, resulting in an imbalance. In recent years, expenditure has been more closely aligned with revenue. The department is considering the need for future revenue and expenditure changes for this activity.

Governor's Recommendation:

For information about the recommended fee change, see the Newborn Screening Disorders Fee Adjustment change item in the Department of Health's 2022-23 Governor's Budget Recommendations.

Purpose: The Newborn Screening - Support Services to Families program provides support, education, and connection to timely and appropriate intervention services for families of children who are deaf or hard of hearing. Early identification and timely intervention for children who are deaf or hard of hearing improves communication, literacy, and social/emotional development.

Legal Citation: Minnesota Statues, sections 144.125 and 144.966, subdivision 3a

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

Fund: General (1000)

Appropriation: PHL GF Non-dedicated Receipt (H12971S)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	635	837	952	1,152	1,152	1,352	1,352
Resources:							
Departmental Earnings	1,007	915	1,005	1,005	1,005	1,020	1,020
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,007	915	1,005	1,005	1,005	1,020	1,020
Expenditures:							
Direct Expenditures	654	657	661	661	661	661	661
Indirect Expenditures	151	143	144	144	144	144	144
Total Expenditures	805	800	805	805	805	805	805
Current Difference	202	115	200	200	200	215	215
Accumulated Ending Balance	837	952	1,152	1,352	1,352	1,567	1,567

Background Information:

All Minnesota newborns receive a newborn screening soon after birth to see if they are at risk for rare, hidden disorders. If left untreated, these disorders can lead to illness, physical disability, developmental delay, or death. In 2007, hearing screening was added to the panel of over 60 disorders screened for through Minnesota's Newborn Screening/Early Hearing Detection and Intervention program. Approximately 200 infants and children are identified as deaf or hard of hearing each year in Minnesota.

In 2013, statute was amended so that children identified as deaf or hard of hearing through Minnesota's Newborn Screening program would receive important support services. These services include unbiased information on communication, education, and medical options and individualized deaf and hard of hearing mentors who provide education and instruction in American Sign Language to interested families. A $15 per newborn screening specimen fee was added to cover the cost of follow-up services provided by a nonprofit organization under contract with the department.

Family support services are provided to over 1,000 families of children who are deaf and hard of hearing annually. The goal of Minnesota's Newborn Screening/Early Hearing Detection and Intervention program is to identify all infants and children who are deaf and hard of hearing as early as possible and connect those children and families to timely and appropriate services in order to maximize their language and communication skills, literacy, and social/emotional development.

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 due to birth rates slowly increasing to 67,000 by 2022 and 68,000 by 2023. Receipts from the $15 surcharge are deposited as non-dedicated revenue to the general fund. Expenditures are legislatively defined appropriations in the general fund for family support services related to early hearing detection and follow up.

Recent Changes:

The legislature enacted a $15 surcharge fee to offset the cost of support services under Minnesota Statutes, section 144.966, subdivision 3a, in 2013. There have been no recent changes.

Agency Analysis/Comments:

Revenue and expenditures for this program affect the bottom line of the general fund, resulting in annual savings to the fund. The $15 fee in fiscal year 2021 is estimated to provide $1,005,000 in revenue to the general fund to support an $805,000 appropriation.

Purpose: The program reviews plans for public water supply system additions and changes to ensure the health and safety of community public water systems.

Legal Citation: Minnesota Statues, sections 115.77 and 144.383; Minnesota Rules, parts 4720.0010 to 4720.0015

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	75	53	28	29	29	30	30
Resources:							
Departmental Earnings	107	107	163	163	163	163	163
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	107	107	163	163	163	163	163
Expenditures:							
Direct Expenditures	105	108	133	133	133	133	133
Indirect Expenditures	24	24	29	29	29	29	29
Total Expenditures	129	132	162	162	162	162	162
Current Difference	(22)	(25)	1	1	1	1	1
Accumulated Ending Balance	53	28	29	30	30	31	31

Background Information:

The commissioner's authority to approve the site, design, construction, and alteration of public water supplies was established in 1977. 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 works with 640 community water supply systems and their engineering consultants, along with the municipal governments, to optimize system design and conduct inspections of water system infrastructure construction. Fees range from $150 to $1,000 depending on the type of infrastructure improvement.

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. The department forecasts revenues to remain stable.

Recent Changes:

There are no recent statutory changes. Fees were last revised over 30 years ago.

Agency Analysis/Comments:

Projected revenues and expenditures are nearly balanced. The department will monitor to determine if a change is need to ensure revenues and expenditures remain in balance.

Purpose: The radioactive material registration program regulates the use of radioactive materials to protect the public from radiation hazards by licensing facilities, inspecting, responding to incidents or alarms involving radioactive materials, and ensuring security of radioactive sources.

Legal Citation: Minnesota Statutes, section 144.1205

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? Yes

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:	39	(48)	(28)	(27)	(27)	(264)	68
Resources:							
Departmental Earnings	697	693	684	684	1,016	684	1,016
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	697	693	684	684	1,016	684	1,016
Expenditures:							
Direct Expenditures	637	553	563	757	757	757	757
Indirect Expenditures	147	120	120	164	164	164	164
Total Expenditures	784	673	683	921	921	921	921
Current Difference	(87)	20	1	(237)	95	(237)	95
Accumulated Ending Balance	(48)	(28)	(27)	(264)	68	(501)	163

Background Information:

The department assumed regulatory control of all radioactive materials in March 2006 under an agreement with the Nuclear Regulatory Commission. The department regulates approximately 150 specific licenses and 55 general license registrations. The regulated community that uses radioactive materials is primarily comprised of healthcare, industrial, research and academic facilities. The fee exists to cover the costs of incident response, inspections, and licensing users of radioactive material. License fees are based on the type of use of the radioactive materials, and the risk associated with that use. Licensees with mobile radioactive material or larger scale programs will have larger fees than those with radioactive material that is considered less of a public health and safety risk.

2015 changes to federal and state regulations for increased security requirements added to department inspection and licensing activities. In addition, the number of licensees over the history of the program has decreased slightly, with large organizations acquiring smaller facilities and adding them to the larger license.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue, and the cost to the department of administering the program. Operating costs continue to rise as revenue remains flat.

Recent Changes:

Fees were codified in 2004 and have not changed since that time.

Agency Analysis/Comments:

Projected expenses exceed revenues. In recent years, expenditures have been more closely aligned with revenue. The department will continue to monitor this program to determine whether other changes are needed in order to bring revenues and expenditures into balance.

Governor's Recommendation:

For information about the recommended fee change, see the Radioactive Materials Unit Fee Adjustment change item in the Department of Health's 2022-23 Governor's Budget Recommendations.

Purpose: The radon program licenses and regulates certain radon measurement and mitigation services in order to prevent lung cancer from radon.

Legal Citation: Minnesota Statutes, section 144.4961

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(375)	(769)	(949)	(949)	(949)	(949)	(949)
Resources:							
Departmental Earnings	93	110	292	292	292	292	292
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	93	110	292	292	292	292	292
Expenditures:							
Direct Expenditures	395	238	240	240	240	240	240
Indirect Expenditures	92	52	52	52	52	52	52
Total Expenditures	487	290	292	292	292	292	292
Current Difference	(394)	(180)					
Accumulated Ending Balance	(769)	(949)	(949)	(949)	(949)	(949)	(949)

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 a best practice to have qualified professionals measure radon and install radon-reduction systems in homes with high radon levels.

The department's radon program licenses and regulates certain radon measurement and mitigation services to ensure that radon-related work meets best practice standards and effectively reduces the risk of lung cancer by minimizing radon exposures. Revenue recovers the cost of staff to conduct licensing, inspection, and enforcement activities and assist in education and outreach.

Revenue also support a radon building engineering scientist to conduct research, implement rules, educate regulated parties, promote stakeholder engagement, and manage enforcement and inspection activities. The budget also includes funds to create and update the licensing and reporting IT system for processing applications.

Some of the regulatory requirements started in January 2019, while others were delayed to June and September 2020.

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 imbalance is expected to balance out over time as revenues increase now that this new program is fully implemented. The fee forecast is based on the number of radon professionals in Minnesota that are currently certified through a voluntary national program. In addition, mitigation tag estimates are based on the numbers of systems that have been reported to the department in the last three years. The strength of the economy and real estate market may influence the numbers of regulated parties, their work and associated fees. Increased confidence in the industry and higher quality work may result in higher numbers of regulated parties and fees.

Recent Changes:

The program was established in 2015 and modified in 2016. The fee structure was changed in statute in the 2016 legislature.

Agency Analysis/Comments:

The radon program has an accrued deficit from startup costs. Various delays to program implementation delayed expected revenue until partial revenue earnings were able to be implemented halfway through fiscal year 2019. Additional earnings were implemented in fiscal year 2020. And the largest portion of fee earnings were implemented in fiscal year 2021. The program is now fully implemented and all revenue types are being collected. As a result, the revenue collected may exceed projected revenue amounts. The department will continue to monitor to determine if changes are needed to bring revenue and expenditures into balance.

Purpose: The Speech-Language Pathologists program assures minimum standards for professionals, investigates complaints, pursues enforcement action, and provides information to consumers.

Legal Citation: Minnesota Statues, sections 148.5194 and 153A.17

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

Fund: State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	124	210	304	312	312	296	296
Resources:							
Departmental Earnings	213	183	229	205	205	205	205
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	213	183	229	205	205	205	205
Expenditures:							
Direct Expenditures	103	73	182	182	182	182	182
Indirect Expenditures	24	16	39	39	39	39	39
Total Expenditures	127	89	221	221	221	221	221
Current Difference	86	94	8	(16)	(16)	(16)	(16)
Accumulated Ending Balance	210	304	312	296	296	280	280

Background Information:

Fee revenue from the Speech-Language Pathologist program is used to issue licenses to speech language pathologists, convene an advisory council, investigate complaints, pursue enforcement actions, and participate in stakeholder engagement activities.

The program fees include:

- $200 initial licensing fee for speech-language pathologist.
- One-time surcharge of $10.50 to process criminal background checks. The surcharge is collected from individuals who apply for a temporary, full or re-licensure after a lapse. In January 2020, the department will collect the surcharge from licensees who renew and were not required to submit to the background check when they initially applied for licensure.
- $60 fee for late renewals.
- $25 to verify a license, and penalties fees for practicing before licensure or during a lapse and failure to submit the required continuing education hours.

Forecast Basis:

Revenue forecast was determined based on the projected growth of the occupation over time. By the end of fiscal year 2019, there were 1,905 speech language pathologists in the licensing system. The program has seen a steady increase in the number of individuals applying for licensure, with a mix of new graduates and people applying through reciprocity or other methods authorized by the regulation. We presume the occupation will continue to grow to meet the demand for speech language pathologists in all age cohorts.

Recent Changes:

Fees increased in 2017 to reflect the increased program cost to regulate speech language pathologists. Other fee increases included a one-time surcharge to process criminal background checks, processing verification of licensure requests, and late renewals.

Agency Analysis/Comments:

Projected revenues slightly exceed expenditures. The department will monitor to determine if any changes are needed for revenues and expenditures to stay in balance.

Purpose: The Minnesota Statewide Trauma System regulates and oversees a network of hospitals committed to optimizing the care provided to trauma patients.

Legal Citation: Minnesota Statutes, section 144.603

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

Fund: General (1000); State Government Special Rev (1200)

Appropriation: Health Regulation (H12970H); Health Regulation (H12971H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	99	(9)	(46)	(120)	(120)	(194)	(194)
Resources:							
Departmental Earnings	349	345	354	354	354	354	354
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	349	345	354	354	354	354	354
Expenditures:							
Direct Expenditures	371	314	352	352	352	352	352
Indirect Expenditures	86	68	76	76	76	76	76
Total Expenditures	457	382	428	428	428	428	428
Current Difference	(108)	(37)	(74)	(74)	(74)	(74)	(74)
Accumulated Ending Balance	(9)	(46)	(120)	(194)	(194)	(268)	(268)

Background Information:

Trauma (i.e., injury) is the third leading cause of death in Minnesota, following cancer and heart disease. It is the leading cause of death for Minnesotans between the ages of one and 45 years. In 2015, more than 3,500 Minnesotans died from injury. Annually, thousands more Minnesotans are seriously injured, requiring costly healthcare services; recovery can require extended hospitalization and protracted rehabilitation. More years of potential life before age 65 are lost due to unintentional injury than any other cause.

Established in 2005, the Minnesota Statewide Trauma System exists to improve outcomes and reduce death and disability from traumatic injuries by developing a network of hospitals committed to optimizing the care provided to trauma patients. Currently, 122 of Minnesota's 131 eligible hospitals are designated at one of six levels. Each designated hospital has met rigorous criteria that ensures coordinated around-the-clock resuscitation and stabilization of trauma patients, and post-event critical review of the care provided as part of a comprehensive performance improvement process.

Fee revenue supports the following operations of the statewide trauma system:

- Contracting experienced surgeons, physicians, and nurses.
- Administering the program and coordinating and reviewing—along with the contracted professionals—approximately 40 hospitals each year.
- Overseeing designation, re-designation, and probationary status of hospitals.
- Coordinating compliance with—as well as exception waiver requests from—the emergency medical services trauma triage and transportation law.
- Collecting, analyzing, and publishing trauma registry data.
- Appointing members to, and monitoring activities of, six regional trauma advisory committees.
- Convening the commissioner-appointed State Trauma Advisory Council.

Forecast Basis:

All licensed Minnesota hospitals, regardless of whether they voluntarily participate in the trauma system, pay a base charge per facility, and a charge per licensed bed and bassinet. Fees deposit as non-dedicated revenue to the general fund.

Recent Changes:

The related fees have not changed since the statewide trauma system was established in 2005.

Agency Analysis/Comments:

Projected expenditures are expected to exceed revenue. In recent years, expenditures have been more closely aligned with revenue.

Purpose:

The department operates and maintains a statewide system to collect data, register vital events, create and maintain birth, fetal death, and death records for the state of Minnesota. The department's Office of Vital Records and local vital records offices based in every county across the state issue birth and death certificates. Data from vital records informs public health and provides civil registration for identity documents and legal certifications of vital events.

Legal Citation: Minnesota Statutes, section 144.226; Minnesota Rules, part 4601.0400

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

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

Appropriation: Health Policy (H12970J); MRC Transition Account (H12MRCJ)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		55	188	188	188	188	188
Resources:							
Departmental Earnings	816	851	870	870	870	870	870
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	2,302	2,167	2,300	2,300	2,300	2,300	2,300
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,118	3,018	3,170	3,170	3,170	3,170	3,170
Expenditures:							
Direct Expenditures	2,487	2,369	2,605	2,605	2,605	2,605	2,605
Indirect Expenditures	576	516	565	565	565	565	565
Total Expenditures	3,063	2,885	3,170	3,170	3,170	3,170	3,170
Current Difference	55	133					
Accumulated Ending Balance	55	188	188	188	188	188	188

Background Information:

The fee program recovers costs to the department for oversight and maintenance of a reliable statewide system to collect data, register, certify, and report vital events (e.g., births, deaths and fetal deaths). The fee program applies to any certificate or document, and most data files, issued from the department's Office of Vital Records and from local vital records offices. Under statute, local offices retain a portion of each fee they collect to compensate them for their vital records activities.

Forecast Basis:

The forecast is based on the number of individuals expected to request vital records certificates, fee payers, fee revenue and the cost to the department to administer the program. The COVID-19 pandemic and the federal REAL ID deadline have created decreases and increases, respectively. The net result is expected to be demand and revenue similar to, or slightly higher than, usual for this year and next. In general, demand for vital records has increased slowly over time as the population grows.

Recent Changes:

The last fee change was in 2013. Changes in 2013 increased the vital records surcharge from $2 to $4 for every certified and noncertified birth, stillbirth, or death record and for certifications that a record cannot be found. Changes in 2013 also eliminated some situations that previously required waiving the $9 administrative review fee.

Changes in 2013 also added a $10 birth record surcharge that is deposited as non-dedicated revenue to the general fund, which is not credited to this earnings group.

Agency Analysis/Comments:

Projected revenues and expenditures are expected to balance. The department will continue to monitor this program to determine whether a change is needed for revenues and expenditures to continue to stay balance.

Purpose:

The Well Management program protects both public health and groundwater by assuring the proper construction of new wells and borings and the proper sealing of unused wells and borings.

Legal Citation:

Minnesota Statutes, section 103I.521

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

Fund: State Government Special Rev (1200); Restrict Misc Special Revenue (2000)

Appropriation: Home Care Assisted Living Fine (H12230H); Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(395)	(834)	(956)	(990)	(990)	(1,024)	(1,024)
Resources:							
Departmental Earnings	3,461	3,411	3,739	3,739	3,739	3,739	3,739
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,461	3,411	3,739	3,739	3,739	3,739	3,739
Expenditures:							
Direct Expenditures	3,167	2,901	3,100	3,100	3,100	3,100	3,100
Indirect Expenditures	733	632	673	673	673	673	673
Total Expenditures	3,900	3,533	3,773	3,773	3,773	3,773	3,773
Current Difference	(439)	(122)	(34)	(34)	(34)	(34)	(34)
Accumulated Ending Balance	(834)	(956)	(990)	(1,024)	(1,024)	(1,058)	(1,058)

Background Information:

The department's Well Management program protects the safety of well water, and locates and seals abandoned wells, which can act as conduits for contamination to drain deep into the ground and pollute 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.
- 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:

In 2013, legislation expanded the types of bored geothermal heat exchangers subject to regulation by the department. Notice of Adoption in the State Register is expected to be completed in fiscal year 2021, which may result in additional fees collected in fiscal year 2021 and beyond. In 2017, legislation increased fees across several categories, eliminated some licensing categories and eliminated fees on other agencies. Even though some fees were increased, overall revenue decreased, in part because of the loss of environmental construction, maintenance permit, and sealing fees. In 2019, legislation allowed environmental wells and temporary environmental wells (since 2019 called temporary borings) to group multiple wells into a single "site" fee. This legislation caused revenues to decrease.

Agency Analysis/Comments:

Projected expenditures slightly exceed annual revenue. The department is considering the need for future revenue and expenditure changes for this activity.

Purpose:

The x-ray machine registration and inspection program controls and prevents hazards to health and safety from ionizing radiation, without limiting or interfering with its constructive uses.

Legal Citation:

Minnesota Statutes, section 144.121

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

Fund: State Government Special Rev (1200)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	456	631	749	678	678	634	634
Resources:							
Departmental Earnings	1,601	1,633	1,639	1,639	1,639	1,639	1,639
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,601	1,633	1,639	1,639	1,639	1,639	1,639
Expenditures:							
Direct Expenditures	1,158	1,244	1,405	1,383	1,383	1,383	1,383
Indirect Expenditures	268	271	305	300	300	300	300
Total Expenditures	1,426	1,515	1,710	1,683	1,683	1,683	1,683
Current Difference	175	118	(71)	(44)	(44)	(44)	(44)
Accumulated Ending Balance	631	749	678	634	634	590	590

Background Information:

The legislature authorized fee requirements for the registration of the facility and x-ray equipment in 1974, which included a minimum four-year inspection cycle. The x-ray program is responsible for registering and inspecting facilities who receive, possess, use, transfer, own or acquire any radiation-producing equipment. The x-ray program protects the registrant, employees, and the public from unnecessary ionizing radiation through regulatory activities, education, and guidance for the safe use of equipment. The program activities include the inspection of 4,450 registered x-ray facilities, with roughly 17,900 radiation-producing equipment systems. This program does not include those sources of ionizing radiation known as radioactive materials.

Fee Structure

Facilities pay a base facility fee of $100 for each facility in possession of ionizing radiation-producing equipment and other sources of ionizing radiation.

Facilities may also pay the following additional fees, when applicable:

- $100 for each x-ray tube that consists of medical equipment, veterinary equipment, x-ray equipment not used on humans or animals, devices with sources of ionizing radiation not used on humans or animals, or security screening system.
- $40 for each x-ray tube that consists of dental x-ray equipment.
- $500 for all radiation therapy and accelerator equipment.
- $150 for all industrial accelerator equipment.

Forecast Basis:

Fee revenue is directly related to the registered facilities who possess x-ray equipment in Minnesota. The fees are collected initially and annually for the facility and each x-ray system located on premises. The growth of facilities with x-ray equipment and associated fees are expected to remain relatively stable.

Recent Changes:

Fees were last increased in 2009.

Agency Analysis/Comments:

Expenditures were less than revenue for fiscal years 2019 and 2020, and forecasted expenditures are greater than revenues. The department will continue to monitor this program to determine if changes are needed to bring expenditures and revenues into balance.

Purpose: To recover the cost of registration and licensing private and out-of-state public postsecondary institutions/career schools

Legal Citation: M.S. 136A.0411, M.S. 136A.61 to M.S. 136A.834

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: PIR/PCS Licensure (E602500)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,111	955	743	676	676	601	601
Resources:							
Departmental Earnings	332	327	462	462	462	462	462
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	332	327	462	462	462	462	462
Expenditures:							
Direct Expenditures	447	496	486	494	494	500	500
Indirect Expenditures	41	43	43	43	43	43	43
Total Expenditures	488	539	529	537	537	543	543
Current Difference	(156)	(212)	(67)	(75)	(75)	(81)	(81)
Accumulated Ending Balance	955	743	676	601	601	520	520

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.82-136A83.4) 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:

In FY20 OHE received the ability to charge a SARA participation fee, which should help balance the cost that OHE incurs to administer the national reciprocity agreement. The SARA fee is used to cover operational costs associated with fulfilling Minnesota's responsibility under the SARA agreement, including handling an increased number of student complaints from out of state students attending Minnesota institutions, approving institutions, monitoring, and tracking institutions. The fee is charged to institutions participating in SARA and is based on the institution's full-time equivilent enrollment (FTE).

Agency Analysis/Comments:

Even though OHE obtained the ability to charge a participation fee for State Authorization Reciprocity Agreements (SARA), which in combination with existing fees, are anticipated to cover program expenses, OHE will monitor the new fee revenue to ensure it performs as projected and that the program does not run a deficit.

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(739)	(1,596)	(2,501)	(2,501)	(3,406)	(3,406)
Resources:							
Departmental Earnings	166	78	60	60	100	60	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	166	78	60	60	100	60	100
Expenditures:							
Direct Expenditures	895	925	955	955	995	955	995
Indirect Expenditures	10	10	10	10	10	10	10
Total Expenditures	905	935	965	965	1,005	965	1,005
Current Difference	(739)	(857)	(905)	(905)	(905)	(905)	(905)
Accumulated Ending Balance	(739)	(1,596)	(2,501)	(3,406)	(3,406)	(4,311)	(4,311)

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, Workforce Compliance certificates switched from two-year to four-years in duration.

In FY 18, we issued 609 Workforce Compliance Certificates. In FY 19, we have issued approximately 300 certificates as of November 30, 2018.

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:

The original fee was set by statute in 2003 and has never been adjusted for inflation. 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 does not 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.

Governor's Recommendation:

For information about the recommended fee change, see the Increase Workforce and Equal Pay Certificate Fees change item in the Department of Human Rights' 2022-23 Governor's Budget Recommendations.

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(173)	(375)	(605)	(605)	(835)	(835)
Resources:							
Departmental Earnings	87	68	50	50	83	50	83
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	87	68	50	50	83	50	83
Expenditures:							
Direct Expenditures	257	267	277	277	310	277	310
Indirect Expenditures	3	3	3	3	3	3	3
Total Expenditures	260	270	280	280	313	280	313
Current Difference	(173)	(202)	(230)	(230)	(230)	(230)	(230)
Accumulated Ending Balance	(173)	(375)	(605)	(835)	(835)	(1,065)	(1,065)

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.

In FY 18, we issued approximately 290 Equal Pay certificates and approximately 275 in FY 19 as of November 30, 2018.

Forecast Basis:

The Department is basing the projection for next biennium on the number of certificates issued since during the past four fiscal years and the projected number of state contracts over $500,000 in the next biennium.

Recent Changes:

There have been no recent changes to this program.

Agency Analysis/Comments:

Fees generated by this certificate does 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 was 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.

Governor's Recommendation:

For information about the recommended fee change, see the Increase Workforce and Equal Pay Certificate Fees change item in the Department of Human Rights' 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	1,101	1,027	1,190	1,307	1,307	1,354	1,354
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,101	1,027	1,190	1,307	1,307	1,354	1,354
Expenditures:							
Direct Expenditures	1,101	1,027	1,190	1,307	1,307	1,354	1,354
Indirect Expenditures							
Total Expenditures	1,101	1,027	1,190	1,307	1,307	1,354	1,354
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

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); 91 Licensing/Bkgrd Studies (H551230)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	413	413	414	2	2	3	3
Resources:							
Departmental Earnings	4,170	3,746	5,074	4,554	9,026	4,554	10,373
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,170	3,746	5,074	4,554	9,026	4,554	10,373
Expenditures:							
Direct Expenditures	3,753	3,371	4,937	4,098	8,570	4,098	9,917
Indirect Expenditures	417	374	549	455	455	455	455
Total Expenditures	4,170	3,745	5,486	4,553	9,025	4,553	10,372
Current Difference		1	(412)	1	1	1	1
Accumulated Ending Balance	413	414	2	3	3	4	4

Background Information:

The Background Studies 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 theses revenue source codes. It does not include revenues collected from state agencies. The total background study fees collected in FY20 were approximately $5.6 million.

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:

The average cost of processing a background study is currently more than $42, which is more than double the legislatively mandated background study fee of $20. The Background Studies Division is therefore unable to cover their costs with the revenue generated from this fee, and the structural deficit is expected to continue to worsen. For information about the Governor's recommended changes, see the Background Study Standardization and Transition to Fee Schedule change item in the Department of Human Services 2022-23 Governor's Budget Recommendations book.

Governor's Recommendation:

For information about the recommended fee changes, see the Department of Human Services' EIDBI Background Study, Adding New Background Studies Partners and Transition and Increase Background Study Fees change items in the 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	60	60	60				
Resources:							
Departmental Earnings	5,404	5,228	4,760	4,820	4,820	4,820	4,820
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,404	5,228	4,760	4,820	4,820	4,820	4,820
Expenditures:							
Direct Expenditures	5,404	5,228	4,820	4,820	4,820	4,820	4,820
Indirect Expenditures							
Total Expenditures	5,404	5,228	4,820	4,820	4,820	4,820	4,820
Current Difference			(60)				
Accumulated Ending Balance	60	60					

Background Information:

Laws of 2003, 1st Special Session, Chapter14, 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	1,401	1,872	1,223	1,223	1,223	1,223	1,223
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,401	1,872	1,223	1,223	1,223	1,223	1,223
Expenditures:							
Direct Expenditures	1,401	1,872	1,223	1,223	1,223	1,223	1,223
Indirect Expenditures							
Total Expenditures	1,401	1,872	1,223	1,223	1,223	1,223	1,223
Current Difference							
Accumulated Ending Balance							

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.

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 (H551446)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	4,784	4,993	4,395	4,395	4,395	4,395	4,395
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,784	4,993	4,395	4,395	4,395	4,395	4,395
Expenditures:							
Direct Expenditures	4,784	4,993	4,395	4,395	4,395	4,395	4,395
Indirect Expenditures							
Total Expenditures	4,784	4,993	4,395	4,395	4,395	4,395	4,395
Current Difference							
Accumulated Ending Balance							

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 place 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 Governor's recommended changes see the Licensed Home and Community Based Services (245D) unit funding, Child Care Federal Compliance and Fees for Certified License-Exempt Centers and Family First Prevention Services Act change items in the Department of Human Services 2020-21 Governor's Budget Recommendations book.

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: 15 ADAP Rebates (H551150); 59 CCDTF Grants (H551327); 14 Nursing Home Contract (H551366); 15 Customer Survey/HRQ (H551377); 91 Communication Impaired (H551389); 91 Systems Operations (H551442); 91 FDA Tobacco Inspections (H551484); 11 Provider Screening (H551567); 91 CMHS Contracted Svcs (H551573); 12 MDH Safe Harbor Expansion (H551694); 91 MDH Safe Harbor Expansion (H551695); 59 Behavioral Hlth Support Grt (H551854)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:				61	61	61	61
Resources:							
Departmental Earnings	924	1,660	4,385	4,349	4,349	4,349	4,349
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	924	1,660	4,385	4,349	4,349	4,349	4,349
Expenditures:							
Direct Expenditures	924	1,660	4,324	4,349	4,349	4,349	4,349
Indirect Expenditures							
Total Expenditures	924	1,660	4,324	4,349	4,349	4,349	4,349
Current Difference			61				
Accumulated Ending Balance			61	61	61	61	61

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	10,077	10,044	7,062	9,175	9,175	9,675	9,675
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	10,077	10,044	7,062	9,175	9,175	9,675	9,675
Expenditures:							
Direct Expenditures	10,077	10,044	7,062	9,175	9,175	9,675	9,675
Indirect Expenditures							
Total Expenditures	10,077	10,044	7,062	9,175	9,175	9,675	9,675
Current Difference							
Accumulated Ending Balance							

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.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(89,370)	(176,215)	(275,259)	(275,259)	(372,188)	(371,806)
Resources:							
Departmental Earnings	12,710	16,399	14,000	14,000	14,382	14,000	14,545
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,710	16,399	14,000	14,000	14,382	14,000	14,545
Expenditures:							
Direct Expenditures	88,884	88,600	98,400	96,285	96,285	96,285	96,285
Indirect Expenditures	13,196	14,644	14,644	14,644	14,644	14,644	14,644
Total Expenditures	102,080	103,244	113,044	110,929	110,929	110,929	110,929
Current Difference	(89,370)	(86,845)	(99,044)	(96,929)	(96,547)	(96,929)	(96,384)
Accumulated Ending Balance	(89,370)	(176,215)	(275,259)	(372,188)	(371,806)	(469,117)	(468,190)

Background Information:

Minnesota Sex Offender Program (MSOP) provides services to individuals who been civilly committed as a Sexually Dangerous Person and/or Sexual Psychopathic Personality. MSOP is a three-phase treatment program. Clients initially address treatment-interfering behaviors and attitudes (Phase I) in preparation for focusing on their patterns of abuse and identifying and resolving the underlying issues in their offenses (Phase II). Clients in the later stages of treatment focus on deinstitutionalization and reintegration, applying the skills they acquired in treatment across settings and maintaining the changes they have made while managing their risk for re-offense (Phase III).

MSOP is funded by general fund appropriations. When a county commits someone to the program, the county is responsible for part of the cost of care. For commitments initiated before August 2011, the county share is ten percent. For commitments after that date, the county share is 25 percent. When a client is court ordered to provisional discharge (continued community supervision by MSOP), there is a 25% county share.

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.”

Governor's Recommendation:

For information about the Governor's recommended change see the Direct Care and Treatment Operating Adjustment change item in the Department of Human Services' 2022-23 Governor's Budget Recommendations.

Purpose: To provide educational training, meaningful employment, and the teaching of proper work habits to the clients of the Minnesota Sex Offender program.

Legal Citation: M.S. 246B.06

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

Fund: Minnesota State Industries (4503)

Appropriation: 64 MSOP Vocational Program (H550002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,946	2,240	2,568	2,203	2,203	1,837	1,837
Resources:							
Departmental Earnings	1,408	1,461	1,220	1,220	1,220	1,220	1,220
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	46	41	30	30	30	30	30
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,454	1,502	1,250	1,250	1,250	1,250	1,250
Expenditures:							
Direct Expenditures	1,148	1,164	1,605	1,606	1,606	1,606	1,606
Indirect Expenditures	12	10	10	10	10	10	10
Total Expenditures	1,160	1,174	1,615	1,616	1,616	1,616	1,616
Current Difference	294	328	(365)	(366)	(366)	(366)	(366)
Accumulated Ending Balance	2,240	2,568	2,203	1,837	1,837	1,471	1,471

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. Six months operating cash must be restricted for use by the vocational work program.

Forecast Basis:

Revenue from the operations of the vocational work program is used to pay for the purchase of equipment, supplies, and other operating expenses necessary to operate the 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.

Purpose: Minnesota Care provides subsidized health insurance coverage using a sliding-scale for premiums.

Legal Citation: M.S. 256L.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 (H551552); 31 Minnesotacare Premiums/BHP (H551619)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	34,789	30,762	37,381	38,264	38,264	35,309	35,309
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	34,789	30,762	37,381	38,264	38,264	35,309	35,309
Expenditures:							
Direct Expenditures	34,789	30,762	37,381	38,264	38,264	35,309	35,309
Indirect Expenditures							
Total Expenditures	34,789	30,762	37,381	38,264	38,264	35,309	35,309
Current Difference							
Accumulated Ending Balance							

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.

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: 11 Provider Screening (H551567); 14 Nursing Home Adv Council (H551617)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	165	165	165				
Resources:							
Departmental Earnings	148	111	392	392	392	392	392
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	148	111	392	392	392	392	392
Expenditures:							
Direct Expenditures	148	111	557	392	392	392	392
Indirect Expenditures							
Total Expenditures	148	111	557	392	392	392	392
Current Difference			(165)				
Accumulated Ending Balance	165	165					

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.

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); MN State Operated Comm Svcs (4350)

Appropriation: 61 CARE - Statewide (H556002); 62 Waivered Services (MSOCS) (H556009); 65 Ded Srv-Lease Inc-Brainerd (H556049)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,920	2,294	2,569	61	61	53	53
Resources:							
Departmental Earnings	992	1,073	898	898	898	898	898
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	56	38					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,048	1,111	898	898	898	898	898
Expenditures:							
Direct Expenditures	668	829	3,398	898	898	898	898
Indirect Expenditures	6	7	8	8	8	8	8
Total Expenditures	674	836	3,406	906	906	906	906
Current Difference	374	275	(2,508)	(8)	(8)	(8)	(8)
Accumulated Ending Balance	2,294	2,569	61	53	53	45	45

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 maintained by Direct Care and Treatment (DCT) services. The funds are dedicated to the facility and are used to maintain buildings and property of the RTC campuses. Balances in these accounts will be used toward deferred maintenance cost for leased buildings in the future.

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:

Direct Care and Treatment Rental Income is exempt from 16A.1283. Leases are provided for the direct and primary use of a private individual, business, or other entity.

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: 62 DD-Mobile Crisis Teams (H556027)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	29	36	50	50	50	50	50
Resources:							
Departmental Earnings	11	14	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	11	14	10	10	10	10	10
Expenditures:							
Direct Expenditures	4		10	10	10	10	10
Indirect Expenditures							
Total Expenditures	4		10	10	10	10	10
Current Difference	7	14					
Accumulated Ending Balance	36	50	50	50	50	50	50

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.

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.

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: 57 MH Innovation Grant Program (H551761); 61 SOS-Adult Mental Hlth Svcs (H556000); 63 SOS-Forensic Services (H556001); 61 CARE - Statewide (H556002); 62 Waivered Services (MSOCS) (H556009); 63 Ded Srvs-Outpatient (SP) (H556034); 62 CABHS - MITH (H556040); 65 Community Health Clinics (H556043); 61 SOS Spec Health Care Rcpts (H556050)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(159,492)	(310,855)	(503,756)	(503,756)	(695,452)	(687,696)
Resources:							
Departmental Earnings	209,057	209,756	192,421	187,959	195,715	182,972	191,412
Other Resources:							
Earning Transferred In	1,993	18,135	22,467	12,560	12,560	12,560	12,560
Revenue Collected by Another Agency							
Other Receipts	1,027	980	255	262	262	713	713
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	212,077	228,871	215,143	200,781	208,537	196,245	204,685
Expenditures:							
Direct Expenditures	351,196	360,020	386,823	371,530	371,530	355,761	355,761
Indirect Expenditures	20,373	20,214	21,221	20,947	20,947	20,947	20,947
Total Expenditures	371,569	380,234	408,044	392,477	392,477	376,708	376,708
Current Difference	(159,492)	(151,363)	(192,901)	(191,696)	(183,940)	(180,463)	(172,023)
Accumulated Ending Balance	(159,492)	(310,855)	(503,756)	(695,452)	(687,696)	(875,915)	(859,719)

Background Information:

Direct Care and Treatment (DCT) operates as a health care system providing a wide range of services to individuals with behavioral health needs. These services are provided throughout the state with 24/7 operations of sites that include psychiatric hospitals, residential treatment sites, vocational services, secure facilities and community clinics. The majority of these services are funded with direct appropriations some are funded through collections from third party resources – referred to as Enterprise Services.

DCT bills Medical Assistance (MA), Medicare, counties, private health insurance and individual clients. All collections from Appropriated Services are returned to the General Fund and not retained by the programs. Collections from Enterprise Services are retained by the program.

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. Rates for most enterprise services are negotiated with counties based on individual client service needs. Others enterprise rates are based on published Medical Assistance rates.

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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Governor's Recommendation:

For information about the Governor's recommended changes see the Direct Care and Treatment Operating Adjustment and County Share for Child and Adolescent Behavioral Health Hospital (CABHH) change items in the Department of Human Services' 2022-23 Governor's Budget Recommendations.

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 Srvs-Work Actv (SP) (H556033)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	341	330	412	402	402	392	392
Resources:							
Departmental Earnings	1,049	850	935	935	935	935	935
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,049	850	935	935	935	935	935
Expenditures:							
Direct Expenditures	1,060	768	945	945	945	945	945
Indirect Expenditures							
Total Expenditures	1,060	768	945	945	945	945	945
Current Difference	(11)	82	(10)	(10)	(10)	(10)	(10)
Accumulated Ending Balance	330	412	402	392	392	382	382

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 client 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. 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

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); Giants Ridge Rollover (B43GRRO); Administration DJJ NE4 (B43N4AS)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		905	(74)	(3,207)	(3,207)	(6,340)	(6,340)
Resources:							
Departmental Earnings	7,349	5,383	5,432	5,432	5,432	5,432	5,432
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,349	5,383	5,432	5,432	5,432	5,432	5,432
Expenditures:							
Direct Expenditures	6,444	6,362	8,565	8,565	8,565	8,565	8,565
Indirect Expenditures							
Total Expenditures	6,444	6,362	8,565	8,565	8,565	8,565	8,565
Current Difference	905	(979)	(3,133)	(3,133)	(3,133)	(3,133)	(3,133)
Accumulated Ending Balance	905	(74)	(3,207)	(6,340)	(6,340)	(9,473)	(9,473)

Background Information:

The Department of Iron Range Resources and Rehabilitation 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, the agency owns and operates Giants Ridge Recreation Area. 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 Department of Iron Range Resources and Rehabilitation 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: $5,233,700

Douglas J Johnson Economic Protection Fund

The operating account of this fund receives lease payments on buildings owned by the Department of Iron Range Resources and Rehabilitation that are leased to businesses.

Annual Departmental Earning Estimate: $97,292

Board Administration

The Board Administration budget receives miscellaneous receipts throughout the fiscal year.

Annual Departmental Earning Estimate: $101,051

Recent Changes:

None.

Agency Analysis/Comments:

The agency recommends no change in fees at this time.

Purpose: To ensure 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	49	55	97	72	72	73	73
Resources:							
Departmental Earnings	77	94	31	63	63	63	63
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	77	94	31	63	63	63	63
Expenditures:							
Direct Expenditures	62	45	50	55	55	56	56
Indirect Expenditures	9	7	6	7	7	7	7
Total Expenditures	71	52	56	62	62	63	63
Current Difference	6	42	(25)	1	1		
Accumulated Ending Balance	55	97	72	73	73	73	73

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 to minimize the health and safety risks associated with combative sports. These inherently dangerous sports can result in injury during competition and can have long term health consequences.

Forecast Basis:

Forecasted revenues were built in FY22/23 assuming events will resume at full capacity. The Combative Sports Program has sanctioned no events in FY21 since Covid-19 restrictions have been in place.

Recent Changes:

Fees were reduced during the 2019 legislative session. Annual licenses for referees, judges, timekeepers, and ringside physicians were reduced from $80 to $25. Licenses for ring announcers and managers were eliminated altogether. Since Covid-19 restrictions were implemented, events have been cancelled and there is not sufficient data to fully understand the financial impact of the fee changes. However, at the time the fees were changed, DLI expected little or no net financial impact.

Agency Analysis/Comments:

DLI had been monitoring the Combative Sports cash balance very closely as we were projecting a low balance in FY20/21. However, the largest mixed martial arts promoter in the United States hosted an event at the Minneapolis Target Center in June 2019, which provided a larger than expected revenue for the program. The program does not expect to have any major events in the next biennium.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	26,152	22,943	21,795	18,806	18,806	16,476	14,226
Resources:							
Departmental Earnings	30,072	30,702	28,917	31,035	28,785	31,035	28,785
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	772	634	584	583	583	583	583
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	30,844	31,336	29,501	31,618	29,368	31,618	29,368
Expenditures:							
Direct Expenditures	30,996	28,524	29,413	30,210	30,210	29,759	29,759
Indirect Expenditures	3,057	3,960	3,077	3,738	3,738	3,744	3,744
Total Expenditures	34,053	32,484	32,490	33,948	33,948	33,503	33,503
Current Difference	(3,209)	(1,148)	(2,989)	(2,330)	(4,580)	(1,885)	(4,135)
Accumulated Ending Balance	22,943	21,795	18,806	16,476	14,226	14,591	10,091

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:

During the 2017 legislative session, the reduction to licensing fees for construction contractors, electricians, plumbers, high pressure pipe fitters, and boiler operators originally implemented during the 2015 session were expanded and the timeline extended. The improved construction economy and operating efficiencies allowed DLI to reduce costs associated with the review of complex construction plans and the inspection services it provides for state owned and state licensed facilities. The fee reductions will sunset September 30, 2021.

Agency Analysis/Comments:

There are several uncertainties regarding the current economic downturn and how it may impact the Construction Code Fund. As of the November 2020 forecast, DLI has not experienced a substantial decline in revenues. Fortunately because of the booming construction industry between FY12 and FY17, the Construction Code Fund balance has sufficient funds to continue full services and support if revenues do begin to decline as a result of the economy.

Governor's Recommendation:

For information about the recommended fee change, see the Extension of CCLD Fee Reductions change item in the Department of Labor and Industry's 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	368	401	446	480	480	307	307
Resources:							
Departmental Earnings	331	325	320	160	160	130	130
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	331	325	320	160	160	130	130
Expenditures:							
Direct Expenditures	263	239	253	285	285	285	285
Indirect Expenditures	35	41	33	48	48	48	48
Total Expenditures	298	280	286	333	333	333	333
Current Difference	33	45	34	(173)	(173)	(203)	(203)
Accumulated Ending Balance	401	446	480	307	307	104	104

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:

Copy revenues are projected to drop significantly beginning in FY22. DLI's Workers Compensation Division recently went live with the new CAMPUS software system. The new system allows entities to access data and files electronically through the Campus website portal, reducing the need for DLI to search for and provide requested copies.

Recent Changes:

None

Agency Analysis/Comments:

The program encountered some unexpected staff turnover resulting in excess cash on hand. With the Campus software system going live, DLI anticipates the cash balance to be used as a resource for scanning and saving existing paper documents electronically to allow external users remote access to existing paper files.

Purpose: To cover the cost of providing safety education training to Minnesota loggers and rebates to the logging businesses that successfully have their employees complete safety training and carry loggers workers compensation insurance 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	121	147	241	175	175	187	187
Resources:							
Departmental Earnings	805	750	750	675	675	675	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	805	750	750	675	675	675	675
Expenditures:							
Direct Expenditures	778	655	815	662	662	663	663
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	779	656	816	663	663	664	664
Current Difference	26	94	(66)	12	12	11	11
Accumulated Ending Balance	147	241	175	187	187	198	198

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. 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 to DLI 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. DLI anticipates a small drop in revenues due to the economic downturn from Covid-19.

Recent Changes:

None

Agency Analysis/Comments:

The accumulated balance is due to staff turnover. DLI is currently researching methods to expand on safety training programs.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(1,643)	(3,396)	(5,133)	(5,133)	(6,908)	(6,908)
Resources:							
Departmental Earnings	269	227	250	250	250	250	250
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	269	227	250	250	250	250	250
Expenditures:							
Direct Expenditures	1,912	1,980	1,987	2,025	2,025	2,058	2,058
Indirect Expenditures							
Total Expenditures	1,912	1,980	1,987	2,025	2,025	2,058	2,058
Current Difference	(1,643)	(1,753)	(1,737)	(1,775)	(1,775)	(1,808)	(1,808)
Accumulated Ending Balance	(1,643)	(3,396)	(5,133)	(6,908)	(6,908)	(8,716)	(8,716)

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 services provided in cases where liability is denied are subject to negotiated settlements in accordance with Minnesota Rules. 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:

N/A

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(48)	(100)	(155)	(155)	(212)	(212)
Resources:							
Departmental Earnings	51	51	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	51	51	50	50	50	50	50
Expenditures:							
Direct Expenditures	99	103	105	107	107	107	107
Indirect Expenditures							
Total Expenditures	99	103	105	107	107	107	107
Current Difference	(48)	(52)	(55)	(57)	(57)	(57)	(57)
Accumulated Ending Balance	(48)	(100)	(155)	(212)	(212)	(269)	(269)

Background Information:

Fees are collected to help defray the cost of regulation of rehabilitation providers and managed care organizations. 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	9,602	9,901	9,967	9,544	9,544	9,713	9,467
Resources:							
Departmental Earnings	1,970	2,167	1,775	2,375	2,375	1,775	1,775
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	214	163	150	150	150	150	150
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,184	2,330	1,925	2,525	2,525	1,925	1,925
Expenditures:							
Direct Expenditures	1,872	2,224	2,307	2,308	2,554	2,311	2,557
Indirect Expenditures	13	40	41	48	48	48	48
Total Expenditures	1,885	2,264	2,348	2,356	2,602	2,359	2,605
Current Difference	299	66	(423)	169	(77)	(434)	(680)
Accumulated Ending Balance	9,901	9,967	9,544	9,713	9,467	9,279	8,787

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 fund is strongly affected by the construction industry; a fund balance is kept to cover increased payments/lower revenues experienced during slow construction periods.

Purpose: To encourage compliance with workers' compensation, construction codes, and prevailing wage laws.

Legal Citation: M.S. 176, M.S. 177.43, subd 6a, 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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	7,781	8,261	7,638	7,289	7,289	7,121	7,121
Resources:							
Departmental Earnings	1,837	1,596	1,987	1,906	1,906	1,906	1,906
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1,772	1,123	1,336	1,271	1,271	1,271	1,271
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,609	2,719	3,323	3,177	3,177	3,177	3,177
Expenditures:							
Direct Expenditures	2,911	3,015	3,372	3,029	3,029	3,046	3,046
Indirect Expenditures	218	327	300	316	316	317	317
Total Expenditures	3,129	3,342	3,672	3,345	3,345	3,363	3,363
Current Difference	480	(623)	(349)	(168)	(168)	(186)	(186)
Accumulated Ending Balance	8,261	7,638	7,289	7,121	7,121	6,935	6,935

Background Information:

The revenues in this category are from penalties that are assessed to encourage compliance with various aspects of the workers' compensation law, construction code and licensing law, and employment 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. Penalties for employment law violations are assessed to employers violating labor laws such as minimum wage and overtime 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:

DLI must increase the OSHA penalties to align with Federal law in order to remain a state run program. The penalty change has not been adopted by the legislature yet.

Agency Analysis/Comments:

No change is recommended to the current penalty amounts, as penalties are designed to discourage statutory violations as opposed to generating revenue.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	85	89	71	56	56	42	42
Resources:							
Departmental Earnings	50	31	40	40	40	40	40
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	50	32	40	40	40	40	40
Expenditures:							
Direct Expenditures	46	50	55	54	54	54	54
Indirect Expenditures							
Total Expenditures	46	50	55	54	54	54	54
Current Difference	4	(18)	(15)	(14)	(14)	(14)	(14)
Accumulated Ending Balance	89	71	56	42	42	28	28

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.

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); Continuing Legal Education (J650CLE)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	10	7					
Resources:							
Departmental Earnings	(3)	(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	(3)	(7)					
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	(3)	(7)					
Accumulated Ending Balance	7						

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); Public Defense Board (J650PDB)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,051	2,057	2,033	1,616	1,616	1,212	1,212
Resources:							
Departmental Earnings	1,698	1,926	1,847	1,847	1,847	1,847	1,847
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	7	3	8	8	8	8	8
Resource Reductions:							
Earnings Transferred Out			10				
Revenue Collected for Another Agency							
Total Resources	1,705	1,929	1,845	1,855	1,855	1,855	1,855
Expenditures:							
Direct Expenditures	1,699	1,953	2,262	2,259	2,259	2,259	2,259
Indirect Expenditures							
Total Expenditures	1,699	1,953	2,262	2,259	2,259	2,259	2,259
Current Difference	6	(24)	(417)	(404)	(404)	(404)	(404)
Accumulated Ending Balance	2,057	2,033	1,616	1,212	1,212	808	808

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	718	557	555	437	437	319	319
Resources:							
Departmental Earnings	378	356	365	365	365	365	365
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	9	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	383	365	370	370	370	370	370
Expenditures:							
Direct Expenditures	544	367	488	488	488	488	488
Indirect Expenditures							
Total Expenditures	544	367	488	488	488	488	488
Current Difference	(161)	(2)	(118)	(118)	(118)	(118)	(118)
Accumulated Ending Balance	557	555	437	319	319	201	201

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,426	3,031	2,236	1,733	1,733	1,230	1,230
Resources:							
Departmental Earnings	4,063	4,394	4,380	4,380	4,380	4,380	4,380
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	300	79	107	107	107	107	107
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,363	4,473	4,487	4,487	4,487	4,487	4,487
Expenditures:							
Direct Expenditures	4,758	5,268	4,990	4,990	4,990	4,990	4,990
Indirect Expenditures							
Total Expenditures	4,758	5,268	4,990	4,990	4,990	4,990	4,990
Current Difference	(395)	(795)	(503)	(503)	(503)	(503)	(503)
Accumulated Ending Balance	3,031	2,236	1,733	1,230	1,230	727	727

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,977	3,894	3,976	3,180	3,180	2,385	2,385
Resources:							
Departmental Earnings	253	55	47	47	47	47	47
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	91	68	79	79	79	79	79
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	344	123	126	126	126	126	126
Expenditures:							
Direct Expenditures	427	41	922	921	921	921	921
Indirect Expenditures							
Total Expenditures	427	41	922	921	921	921	921
Current Difference	(83)	82	(796)	(795)	(795)	(795)	(795)
Accumulated Ending Balance	3,894	3,976	3,180	2,385	2,385	1,590	1,590

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.

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:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Combined Charities Admin (G100011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	10	12	13	8	8	6	6
Resources:							
Departmental Earnings	4	3	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	3	4	4	4	4	4
Expenditures:							
Direct Expenditures	1	1	8	5	5	5	5
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	2	2	9	6	6	6	6
Current Difference	2	1	(5)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	12	13	8	6	6	4	4

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	559	501	455	292	292	184	184
Resources:							
Departmental Earnings	430	417	414	414	414	414	414
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	431	417	414	414	414	414	414
Expenditures:							
Direct Expenditures	367	340	448	393	393	393	393
Indirect Expenditures	122	123	129	129	129	129	129
Total Expenditures	489	463	577	522	522	522	522
Current Difference	(58)	(46)	(163)	(108)	(108)	(108)	(108)
Accumulated Ending Balance	501	455	292	184	184	76	76

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.

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, despite steady growth in application and license numbers. The board’s current fund balance is appropriate in light of current staffing and expenditure levels. The board will continue to monitor revenues and expenditures to determine whether a fee change is needed in the future.

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: Other Misc Special Revenue (2001)

Appropriation: BMS Working Fund (G450200)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	58	60	65	60	60	55	55
Resources:							
Departmental Earnings	5	4	4	4	4	4	4
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	2	1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7	5	5	5	5	5	5
Expenditures:							
Direct Expenditures	5		10	10	10	10	10
Indirect Expenditures							
Total Expenditures	5		10	10	10	10	10
Current Difference	2	5	(5)	(5)	(5)	(5)	(5)
Accumulated Ending Balance	60	65	60	55	55	50	50

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. Arbitrators pay an annual application fee of $100 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.

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); Criminal Background Check Rece (H7B9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	14,925	16,481	18,759	17,912	17,912	18,464	18,464
Resources:							
Departmental Earnings	6,451	6,772	6,481	6,381	6,381	6,381	6,381
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	23	16	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,474	6,788	6,506	6,406	6,406	6,406	6,406
Expenditures:							
Direct Expenditures	4,163	3,678	6,479	4,980	4,980	4,936	4,936
Indirect Expenditures	755	832	874	874	874	874	874
Total Expenditures	4,918	4,510	7,353	5,854	5,854	5,810	5,810
Current Difference	1,556	2,278	(847)	552	552	596	596
Accumulated Ending Balance	16,481	18,759	17,912	18,464	18,464	19,060	19,060

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	7,267	7,267	7,267	4,637	4,637	1,509	1,509
Resources:							
Departmental Earnings	20,345	18,510	19,937	18,990	18,990	20,000	20,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	20,345	18,510	19,937	18,990	18,990	20,000	20,000
Expenditures:							
Direct Expenditures	20,345	18,510	22,567	22,118	22,118	21,509	21,509
Indirect Expenditures							
Total Expenditures	20,345	18,510	22,567	22,118	22,118	21,509	21,509
Current Difference			(2,630)	(3,128)	(3,128)	(1,509)	(1,509)
Accumulated Ending Balance	7,267	7,267	4,637	1,509	1,509		

Background Information:

MNsure is a self-sustaining agency using QHP premium withhold revenue and reimbursements from the Department of Human Services (DHS) for costs incurred which benefit public programs. Expenditures that benefit both public and private program enrollees are allocated between MNsure and DHS based on the Public Assistance Cost Allocation Plan (PACAP). The plan allocates these expenditures using metrics such as public program enrollment and Contact Center utilization. For state fiscal year 2020, of the approximately $37.3 million in expenditures incurred, 28.6% was funded with reimbursements from DHS. Federal grants for establishment of the state-based exchange were fully expended by December 31, 2017. The Departmental Earnings Report appropriately reflects only the QHP premium withhold revenue that is collected from health insurance carriers as a percentage of premiums paid for plans purchased on the state's exchange.

Forecast Basis:

Statute authorizes MNsure to collect up to 3.5% of the premiums paid for qualified health plans sold through the state exchange. Annual premium withhold revenue projections are calculated by considering the number of enrollments for the current plan year, estimating new enrollments for the next plan year, building in a member lapse rate, and using the estimated average plan rates published by the Department of Commerce and health insurance carriers for the next plan year. The projected revenues based on plan year activity is then translated from calendar year to the state fiscal year budget period.

Recent Changes:

None.

Agency Analysis/Comments:

The process of receiving premium withhold revenue extends over several months and involves several steps, including: reconciling health/dental insurance carriers' information on effectuated enrollments with MNsure's system reports, invoicing 3.5% of the prior month's paid premiums to the health/dental insurance carriers, waiting up to 30 days for carriers to process payments, processing the receipts, and making subsequent prior-month adjustments based on updated member enrollment information.

Purpose: To fund programs related to controlling and education of aquatic exotic species such as zebra mussel and Eurasian watermilfoil.

Legal Citation: MS 86B.415, subd 7; MS 84D.108; MS 84D.13, subd 5

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,195	1,080	1,379	833	833	619	701
Resources:							
Departmental Earnings	1,318	2,911	2,940	2,940	3,022	2,940	3,049
Other Resources:							
Earning Transferred In	1,845	1,545	1,479	1,479	1,479	1,479	1,479
Revenue Collected by Another Agency							
Other Receipts	19	92					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,182	4,548	4,419	4,419	4,501	4,419	4,528
Expenditures:							
Direct Expenditures	3,282	4,241	4,954	4,622	4,622	4,622	4,622
Indirect Expenditures	15	8	11	11	11	11	11
Total Expenditures	3,297	4,249	4,965	4,633	4,633	4,633	4,633
Current Difference	(115)	299	(546)	(214)	(132)	(214)	(105)
Accumulated Ending Balance	1,080	1,379	833	619	701	405	596

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 100 seasonal staff during the summer to inspect boats at public water accesses and help implement management activities. In total, the equivalent of more than 34 full-time positions is focused on invasive species work. We also receive 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.

The Division of Enforcement supports the Invasive Species Program by responding to invasive species violations.

Forecast Basis:

Currently the Invasive Species Program is funded through a General Fund appropriation and from the Invasive Species account which receives funds from an AIS surcharge on watercraft licenses. The 2019 legislature increased the AIS surcharge on watercraft licenses from $5.00 to $10.60. At the new amount, the surcharge provided $2.8 million to the Invasive Species Account in FY20. In addition, the $5 AIS surcharge on non-resident fishing licenses provided $1.2 million. About $1,000 per year is deposited into the account from tickets issued when citizens do not follow the rules for preventing the spread of invasive species.

Recent Changes:

The 2019 legislature increased the AIS surcharge on watercraft licenses from $5.00 to $10.60. Increased receipts allowed a reduction in the amount of funds transferred from the Water Recreation Account from $750,000 to $375,000.

Agency Analysis/Comments:

AIS related revenues do not cover the current appropriations from AIS prevention and management activities. Recent changes increased receipts but did not resolve the structural imbalance, which continues through the current budget horizon. The AIS account has a projected deficit in FY25 of $24,000.

Governor's Recommendation:

For information about the recommended fee change, see the Round Up Aquatic Invasive Species Surcharge change item in the Department of Natural Resources' 2022-23 Governor's Budget Recommendations.

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: MS 84.026, subd 1; MS 84.027, subd 14 (2); MS 84.0855, subd 1; MS 88.6435; MS 89.22; MS 89.421; MS 325G.051

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

Fund: Other Misc Special Revenue (2001); Water Recreation (2100); Snowmobile (2101); Terrain Vehicle (2102); Highway Motorcycle (2103); Road Vehicle (2104); State Park (2106); Cross Country Ski (2116); Natural Resource Misc Statutory (2117); Game and Fish (Operations) (2200); Gift (2403)

Appropriation: LAM Env Coop Res Match (R291026); LAM Minerals Coop Agreement (R291200); LAM Misc SR (R291206); LAM Legacy Mine Pit Water Data (R291233); EWR Coop Agreements (R292200); EWR Publications (R292212); EWR Coop Agreement (R292226); EWR Non Game Gift (R292227); EWR Red River Coord (R292253); EWR APT EIS Income SR (R292323); EWR SEIS FargoMrhd Diver IncSR (R292325); EWR Enbridge Energy Income SR (R292340); EWR Twin MetalsMNLLC Income SR (R292344); EWR Resch SuperiorNatlForCS SR (R292347); EWR MN Histor Soci Income SR (R292354); FOR Coop Agreement For Mgmt (R293200); FOR Coop Agreement Fire Fghtng (R293201); 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); PAT Coop Agrmnts (R294204); PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Fort Snelling Upper Bluff (R294237); PAT Publications (R294238); FAW Fisheries Publications (R296201); FAW Fisheries Coop Agreement (R296205); FAW Wildlife Coop Agreement (R296220); 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 Ded Rcpts G&F (R296A57); ENF Coop Agreements (R297220); OCO Sales Income SR (R298220); OCO MCV Gift Fund GFT (R298230)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(5,044)	(7,345)	(9,983)	(13,002)	(13,002)	(15,049)	(15,049)
Resources:							
Departmental Earnings	2,338	3,337	2,858	2,042	2,042	2,043	2,043
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,338	3,337	2,858	2,042	2,042	2,043	2,043
Expenditures:							
Direct Expenditures	4,580	5,924	5,763	4,005	4,005	4,005	4,005
Indirect Expenditures	59	51	114	84	84	84	84
Total Expenditures	4,639	5,975	5,877	4,089	4,089	4,089	4,089
Current Difference	(2,301)	(2,638)	(3,019)	(2,047)	(2,047)	(2,046)	(2,046)
Accumulated Ending Balance	(7,345)	(9,983)	(13,002)	(15,049)	(15,049)	(17,095)	(17,095)

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 and Camp Ripley forest management agreements account for a majority of the Forestry division cooperative agreement revenue.

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.

Decorative materials – 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 1 a & b, and primarily covers the harvest and sale of conifer boughs, branches, saplings, and tops to be used as seasonal decoration. Actual and estimated receipts are low—about $2,000 to $3,000 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, 50 spruce stems or branches, or 50 birch stems or branches in any calendar year without a bough buyer's license. The annual fee for a license to buy decorative materials license is $25. Subd 4b states that expenditures under this statute allow for costs associated with special forest product information and education programs for harvesters and buyers.

Environmental Impact Statements- For projects requiring an environmental impact statement (EIS), the agency assesses the project proposer for reasonable costs incurred in preparing, reviewing and distributing the EIS in accordance with Minnesota Rule Chapter 4410 and authorized in MS 116D.045. The income received is project-specific and finite. The Division of Ecological and Water Resources is conducting the Twin Metals Minnesota EIS, which for the upcoming fiscal year is forecasted at $1.2 million.

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 2019, legislative language in M.S. 88.6435 changed the Forest bough account to a Special forest products account and included spruce and birch stems.

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.

Purpose: Revenues are used to support licensing activities and maintain the Electronic Licensing System (ELS).

Legal Citation: MS 85.41, subd 5

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

Fund: Other Misc Special Revenue (2001); Cross Country Ski (2116); Natural Resource Misc Statutory (2117); Game and Fish (Operations) (2200); Computerized Lic Deer/Bear Mgmt (2201)

Appropriation: PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); FAW Licensing Computerized Lic (R296057); FAW Lic Fed Duck Stamp Sales (R296229); FAW Electronic Licens G&F ITC (R296237); FAW Elec Lic Statutory Msc ITC (R296239)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,234	1,762	2,233	2,384	2,384	2,455	2,455
Resources:							
Departmental Earnings	4,410	4,637	4,443	4,363	4,363	4,273	4,273
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	41	35	8	8	8	8	8
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,451	4,672	4,451	4,371	4,371	4,281	4,281
Expenditures:							
Direct Expenditures	3,923	4,201	4,300	4,300	4,300	4,300	4,300
Indirect Expenditures							
Total Expenditures	3,923	4,201	4,300	4,300	4,300	4,300	4,300
Current Difference	528	471	151	71	71	(19)	(19)
Accumulated Ending Balance	1,762	2,233	2,384	2,455	2,455	2,436	2,436

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	$1.50 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 Decorative materials $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 three to five year history. Additional input comes from program staff that 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.

Recent Changes:

No recent changes are associated with these earnings categories.

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.

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: MS 88.17, subd 5; MS 88.75, subd 1

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

Fund: General (1000); Other Misc Special Revenue (2001); Natural Resource Misc Statutory (2117)

Appropriation: FOR Burn Permit (R293205); 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	739	1,108	824	935	935	1,013	1,013
Resources:							
Departmental Earnings	4,965	2,499	4,420	4,420	4,420	4,420	4,420
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	566	367	550	425	425	425	425
Revenue Collected for Another Agency							
Total Resources	4,399	2,132	3,870	3,995	3,995	3,995	3,995
Expenditures:							
Direct Expenditures	4,030	2,416	3,759	3,917	3,917	3,917	3,917
Indirect Expenditures							
Total Expenditures	4,030	2,416	3,759	3,917	3,917	3,917	3,917
Current Difference	369	(284)	111	78	78	78	78
Accumulated Ending Balance	1,108	824	935	1,013	1,013	1,091	1,091

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 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 the number of fires and suppression costs for each incident.
- Fire equipment. Surplus or excess federal fire equipment is transported to or within the state. The equipment is then inspected and made functional before being turned over to local fire departments. Local fire agencies reimburse the DNR for these costs. Amounts vary depending on the transportation and repair costs of the equipment being transferred to the fire departments.
- 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, set in statute, 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 1%, Cache Sales 1%, Out-of-state firefighting 92%, and all others 6%.

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 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.

Purpose: To account for revenues and expenditures of the Forestry Nursery operations.

Legal Citation: MS 89.37, 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,559	787	(156)	19	19	19	19
Resources:							
Departmental Earnings	635	200	1,625	1,450	1,450	1,450	1,450
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	29	18	4	4	4	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	664	218	1,629	1,454	1,454	1,454	1,454
Expenditures:							
Direct Expenditures	1,436	1,161	1,454	1,454	1,454	1,454	1,454
Indirect Expenditures							
Total Expenditures	1,436	1,161	1,454	1,454	1,454	1,454	1,454
Current Difference	(772)	(943)	175				
Accumulated Ending Balance	787	(156)	19	19	19	19	19

Background Information:

The Forest Nursery account has two revenue sources. One is for the sale of seedlings (small trees sprouted from seeds) and the other for the sale of tree seeds (seeds ready for planting.) 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. Seed and seedling prices are variable and set by the DNR. Production is capped at 10 million seedlings annually. Under Minnesota Statutes, Chapter 89, the 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:

- 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.
- Production estimates of the various tree species needed in future years.
- Analysis of nursery operations, which enables the nursery to set its product pricing to meet the objective of recovering costs for production, marketing, and distribution.

The State Forest Nurseries seedling sales were about 1.6 million annually over the past 2 years. The operating budget of the state forest nursery is based upon anticipated sales. Seedlings sales typically account for 83% of annual sales revenue and seed sales account for 17%.

Recent Changes:

The DNR operated two nurseries prior to July 2013. The Badoura Nursery in Akeley is now the only operating DNR forest seedling and seed producer. The price of black spruce seed was increased by 27% in FY2021. This followed a 21% price increase in the purchase price of black spruce cones in an effort to meet the state's aerial seed program needs.

Agency Analysis/Comments:

The DNR produces and distributes an annual report on its nursery operations. In FY20 nursery pricing and sales were unable to recover operating costs due to COVID-19 limitations which resulted in an inability to lift and prepare seedlings for shipment. The nursery experienced an operating deficit of over $900,000, reducing the FY20 fund balance to under $550,000. The nursery is anticipated to recover operating costs in FY21 and going forward provided normal operations can be resumed. Seed and seedling prices are evaluated and adjusted as required on an annual basis to maintain operational capacity.

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: MS 16A.68; MS 17.4988, subd 2, 3; MS 84.091, subd 3; MS 84.152; MS 97A.055, subd 2, 2(2), 2(3), 5; MS 97A.065, subd 2, 6; MS 97A.071, subd 2; MS 97A.075, subd 1(e), 2, 3, 4, 5, 6; MS 97A.221; MS 97A.225; MS 97A.341, subd 5; MS 97A.431, subd 3; MS 97A.433, subd 3; MS 97A.434, subd 3; MS 97A.435, subd 3; MS 97A.473, subd 5; MS 97A.474; MS 97A.4742; MS 97A.475 subd 3a(b), 4, 4(b), 5, 6, 7, 7(b), 8, 8(b), 10, 10a, 11, 12, 13, 15, 29; MS 97A.485; MS 97B.002; MS 97B.015, subd 4; MS 97B.025; MS 97B.401 (c), MS 97C.081, subd 3; MS 103G.611, subd 1a; MR 6234.2800

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

Fund: Restrict Misc Special Revenue (2000); Game and Fish (Operations) (2200); Computerized Lic Deer/Bear Mgmt (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); 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 LT (R296A06); FAW Non Dedicated Rcpts DEERH (R296A25); ENF Firearm Safety Training (R297201); ENF Adult Hunter Education (R297204); ENF Non Dedicated Rcpts G&F (R297A06)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	147,872	159,725	193,736	205,318	205,318	222,451	222,455
Resources:							
Departmental Earnings	98,792	105,272	99,683	97,837	97,841	97,318	97,322
Other Resources:							
Earning Transferred In	14,162	15,080	14,938	15,111	15,111	15,304	15,304
Revenue Collected by Another Agency							
Other Receipts	286	489	505	455	455	405	405
Resource Reductions:							
Earnings Transferred Out	1,311	1,374	1,316	1,311	1,311	1,311	1,311
Revenue Collected for Another Agency							
Total Resources	111,929	119,467	113,810	112,092	112,096	111,716	111,720
Expenditures:							
Direct Expenditures	99,019	84,735	101,208	93,939	93,939	93,917	93,917
Indirect Expenditures	1,057	721	1,020	1,020	1,020	1,020	1,020
Total Expenditures	100,076	85,456	102,228	94,959	94,959	94,937	94,937
Current Difference	11,853	34,011	11,582	17,133	17,137	16,779	16,783
Accumulated Ending Balance	159,725	193,736	205,318	222,451	222,455	239,230	239,238

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 on 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 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 $28.78 resident wolf	Application is for costs associated with conducting the wolf license drawing and wolf management

	firearm, trapping $248.78 non-resident wolf firearm, trapping	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 $12.78 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	$33.28 Individual $49.28 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	Manage, protect, and regulate fish and wildlife resources
Game and Fish Forfeits	Various	Manage, protect, and regulate fish and wildlife resources
DNR Restitution	Various	Restore and replace fish and wildlife resources taken or acquired in violation of the state's game and fish laws
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	$70 - $560	Manage, protect, and regulate fish and wildlife resources
Super Sports	$51.29 Individual Resident $168.29 Married Combo Resident	Waterfowl, trout, and pheasant stamps, emergency deer feeding, deer habitat, deer bear management, wolf allocation

The Division of Enforcement safety training section collects program fees to offset the costs of administering the Firearms Safety and Youth and Adult Hunter Education Training . 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 instructors 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 and wildlife receipts are forecasted based on a three- to five-year trend history. Additional input comes from program staff which assess 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.

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:

2019 Session Changes

- Amendment to Minnesota Statute §97A.433 to allow landowners to sell their elk license and to include people not successful in elk hunting license drawings in a separate selection for remaining licenses.
- Amendment to Minnesota Statute §97B.015 to include persons with a permanent physical disability for a provisional firearms safety certificate.
- Amendment to Minnesota Statute §97A.075 to correct which hunting licenses are subject to the small game surcharge.
- Amendment to Minnesota Statute §97A.075, subd. 1 dedicating half of the deer license fees ($16/deer license) to an account for deer management consistent with a 2017 agreement with the Minnesota Deer Hunter's Association. The money is directly appropriated.

Agency Analysis/Comments:

The Division of Fish and Wildlife manages fish and wildlife populations, their habitats, and use of these public resources, including fishing, hunting, and trapping. The 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 divers, abundant species, accessible public lands, and high quality recreational experiences.

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 Division of Enforcement provides a mandated firearms safety training program. The training fee of $7.50 is likely under-recovering costs as it generally only recovers expenditures related to materials and shipping costs provided in the programs.

Governor's Recommendation:

For information about the recommended changes, see the Require Permit for Youth Tournaments and Require Permits for Bowfishing Tournaments change items in the Department of Natural Resources' 2022-23 Governor's Budget Recommendations.

Purpose: To fund snowmobile, ATV, off highway motorcycle, off road vehicle, cross country ski programs and horse trails.

Legal Citation: MS 84.788; MS 84.791, subd 2; MS 84.7945; MS 84.798; MS 84.8015; MS 84.8035; MS 84.82; MS 84.8205; MS 84.83, subd 5; MS 84.86, subd 1(6); MS 84.8712; MS 84.922, subd 2, 5; MS 84.925, subd 1(c); MS 84.9275; MS 85.41; MS 85.42; MS 85.46; MS 85.47; MS 97A.065, subd 2; MS 609.101, subd 4

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

Fund: Snowmobile (2101); Terrain Vehicle (2102); Highway Motorcycle (2103); Road Vehicle (2104); Cross Country Ski (2116); Natural Resource Misc Statutory (2117)

Appropriation: PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Spec Use Permit Fees NRMS (R294249); 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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	26,604	29,695	32,881	24,385	24,385	22,435	22,435
Resources:							
Departmental Earnings	14,985	15,583	12,937	14,537	14,537	15,037	15,037
Other Resources:							
Earning Transferred In	11,199	11,097	10,283	11,043	11,043	10,933	10,933
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	26,184	26,680	23,220	25,580	25,580	25,970	25,970
Expenditures:							
Direct Expenditures	22,549	22,965	31,000	26,880	26,880	26,880	26,880
Indirect Expenditures	544	529	716	650	650	650	650
Total Expenditures	23,093	23,494	31,716	27,530	27,530	27,530	27,530
Current Difference	3,091	3,186	(8,496)	(1,950)	(1,950)	(1,560)	(1,560)
Accumulated Ending Balance	29,695	32,881	24,385	22,435	22,435	20,875	20,875

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 ($105 for a 3-year registration)
- Snowmobile trail permits ($50 for a 1-year permit, required for out-of-state registered snowmobiles)
- 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 three vehicle types defined as All-Terrain Vehicle (ATV), Off-Highway Motorcycle (OHM) and Off-Road Vehicle (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 and 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. 84.927, Subd.2):

- 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;
- Enforcement 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 $45 to $60 for machines in public use on and after July 1, 2017. The non-resident trail pass fee was raised from $20 to $30/year starting July 1, 2017.

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, Subd. 2):

- 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;
- Enforcement and public education grants to local law enforcement agencies; 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 three year period per machine. A non-resident pass fee of $20/year was implemented starting in 2014 season.

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, Subd. 2):

- Administration, enforcement, and implementation of M.S. 84.773 to 84.8045;
- 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 three year period per machine. A non-resident pass fee of $20/year or $30/3 years was implemented starting in 2012 season.

Cross-country ski pass: Ski pass sales are deposited as dedicated receipts in the Natural Resources Fund, Cross Country Ski account. Ski passes are required for all trail users aged 16 years or older when skiing on groomed 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 enforcement safety training program collects fees to offset the costs of administering the ATV, snowmobile, Off-highway motorcycle (OHM), and Off-road vehicle (ORV) safety training programs. The fee for the ATV program is $24.95; youth snowmobile is $24.95; adult snowmobile is $24.95; ORV is $15, and OHM is free.

Forecast Basis:

Snowmobile: Revenue projections are based on the latest estimated number of registration renewals coming due each year and 6 year averages for new registrations and trail permit sales. 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.

The estimated registration revenues deposited into the Snowmobile account are estimated to range from about $5.6 million to $7.5 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; this longer view provides a stable context. ATV registration fees, the largest receipt item in the account, are anticipated to continue to grow with ATV market expansion. OHM and ORV registrations are both expected to grow also, but more modestly.

ATV, OHM and ORV have seen an increase in recent years of direct appropriations of dedicated dollars for various projects like the Taconite State Trail and expansion of the Iron Range Off-highway Vehicle Recreation Area. Other direct appropriations have been in the form of grants to local units of government through DNR for large ATV projects like the Prospector Loop or the Voyageurs' Trail System.

Cross Country Ski: Projected revenues are based on the average number of passes sold over the last five-years in conjunction with the updated ski pass fees.

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:

The 2019 legislature increased the annual cross country ski pass for individuals 16 years or older from $ $19.00 to $25.00, and the three-year pass for individuals 10 years or older from $54.00 to $70.00. The daily ski pass for individuals 16 years of age or older increased from $5.00 to $9.00.

Agency Analysis/Comments:

To the extent appropriation levels are higher than receipts, such as the case in the Snowmobile Account, the DNR collaborates with stakeholders on planned expenditures or adjusts grants-in-aid, as in the case of off-highway vehicles, to keep account balances positive.

A major source of funding for the snowmobile and off-highway vehicle accounts is the unrefunded gasoline tax, which has been negatively impacted during the COVID-19 pandemic.

Purpose: To generate revenues from minerals leases on acquired lands, school trust lands (permanent school and permanent university), and tax-forfeited lands.

Legal Citation: MS 85.052, subd 4c; MS 92.50, MS 93.17; MS 93.20; MS 93.20, subd 25; MS 93.222; MS 93.25; MS 93.285; MS 93.33; MS 93.41; MR 6125.0500

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Terrain Vehicle (2102); Mineral Management (2114); Game and Fish (Operations) (2200); Permanent School (3800)

Appropriation: LAM Permanent School (R290240); LAM Permanent University SR (R290252); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); LAM Weighmasters RevolvingAcct (R291203); LAM Mining Rent and Royalties (R291204); LAM Special Advance Royalties (R291231); 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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	256,242	274,574	295,414	317,126	317,126	335,313	335,313
Resources:							
Departmental Earnings	30,782	31,569	29,006	24,159	24,159	23,059	23,059
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	3,157	3,424	1,462	583	583	877	877
Revenue Collected for Another Agency							
Total Resources	27,625	28,145	27,544	23,576	23,576	22,182	22,182
Expenditures:							
Direct Expenditures	9,276	7,293	5,817	5,374	5,374	5,374	5,374
Indirect Expenditures	17	12	15	15	15	15	15
Total Expenditures	9,293	7,305	5,832	5,389	5,389	5,389	5,389
Current Difference	18,332	20,840	21,712	18,187	18,187	16,793	16,793
Accumulated Ending Balance	274,574	295,414	317,126	335,313	335,313	352,106	352,106

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 2020, mineral exploration and mining on state-owned lands have generated $817 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 royalty payment for any actual minerals removed from state lands and a rental fee paid by the leaseholder to reserve the minerals under lease. The state receives revenue from 314 current (as of October 1, 2020) 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	106	8,872.71
Metallic Non-Ferrous	191	67,771.46
Industrial	9	3,843.85
Residue	8	1,373.89
Total	**314**	**81,861.91**

The royalty payment is a payment for actual minerals removed from state lands and is based on the quantity of material removed multiplied by a dollar per ton, or volumetric, royalty rate negotiated in the long term lease agreements.

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 long-term leases include provisions to escalate the royalty rate using agreed upon published prices of iron ore and steel products.

In FY20, mineral revenue (royalties and rentals) totaled $31.7 million. Although mineral receipts fluctuate greatly from year-to-year, the past 10 years have averaged over $38 million each year, a total of $380 million.

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 each 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 FY20 were approximately $6.3 million. Expenditures in this account support evaluation of state minerals, state mineral leasing, and state mineral lease administration. Seventy percent of the costs are personnel; the remainder is rental, maintenance, and communications, travel, and equipment costs. The state authorized $3.1 million in FY20 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. For the past 10 years the actual expenditures on mineral management expenses have averaged 8% of total receipts.

LAM Special Advance Royalties – Some of the state's 106 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 FY20 $189,853 of minimum annual payments were collected and none of the balance was applied to FY20 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:

Although mineral royalties have historically fluctuated with the country's overall economy, mine production on state lands has largely been unaffected by the COVID-19 pandemic. Mineral receipts in FY20 are very close to the 10 year average.

Agency Analysis/Comments:

Minnesota has abundant mineral resources. The United States Geologic Survey ranks Minnesota number four in non-fuel mineral production, behind only Nevada, Arizona, and Texas. Eighty percent 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 FY05, total mineral income was $21 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 $2.9 million 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 million to $2.995 million (FY16) to $3.015 (FY17) and to $3.086 million (FY18), as a result of operating adjustments and pension reform. 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.

Purpose: Revenues generated partially fund the cost of maintaining and operating state parks.

Legal Citation: MS 84.027, subd 14(2); MS 84.0855, subd 1; MS 85.052; MS 85.053; MS 85.055; MS 85.22, subd 2a; MS 85.34, subd 7; MS 89.21; MS 325G.051

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 St Forest Campground SR (R294255); PAT Non Dedicated Receipts SP (R294A03)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	15,140	13,494	13,439	8,858	8,858	8,096	9,819
Resources:							
Departmental Earnings	26,914	24,994	25,463	27,413	30,026	27,563	30,176
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	50	42	10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	26,964	25,036	25,473	27,423	30,036	27,573	30,186
Expenditures:							
Direct Expenditures	28,484	25,002	29,925	28,056	28,946	28,056	28,946
Indirect Expenditures	126	89	129	129	129	129	129
Total Expenditures	28,610	25,091	30,054	28,185	29,075	28,185	29,075
Current Difference	(1,646)	(55)	(4,581)	(762)	961	(612)	1,111
Accumulated Ending Balance	13,494	13,439	8,858	8,096	9,819	7,484	10,930

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	$15 to $50	1/1/2020
Tours/Golf/Misc Income	Varies	Varies
Reservations	$10/$7	1/1/2018
Parks Permits	Annual: $35	7/1/2017
Annual park permit – motorcycle	$30	7/1/2010
Daily	$7	7/1/2017
Group Daily	$5	7/1/2017
Handicapped	$12	1/1/1991
Second vehicle – annual	$26	7/1/2017
Camping Fees	Backpack/canoe: $14 to $23	1/1/2020
Class 3	$50 to $300	1/1/2017
Horseback	$21 to $23	1/1/2018
Tipi	$35	1/1/2020
Camper Cabin	$70 to $75	1/1/2020
Drive in Sites	$16 to $24	1/1/2020
Electric Fee	$8	4/1/2014
Water and Sewer Fee	$8	1/1/2020

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 Parks Working Capital account is a special revenue account established under Minnesota Statutes §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.

The 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 M.S. §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.

The State Forest Campground Statutory Account and Parks and Trails State Forest Suspense School Account: Parks maintains and operates the 43 forest campgrounds. Park expenditures include the annual costs of operating the forest campgrounds, approximately $150,000 per year. Receipts from forest campgrounds located on state lands (not school trust land) totaling approximately $175,000 annually are deposited into the natural resources fund and appropriated to the DNR.

Forecast Basis:

Forecast revenues are based on a five-year history of parks usage and receipts in the various categories.

Recent Changes:

As outlined in the Background Information section, a variety of fees were changed effective 1/1/2020 through Commissioner Order.

Agency Analysis/Comments:

DNR continues to explore ways for the park and forest campground operations to become more self-sufficient. Improvements in technology may increase compliance with the state park vehicle permit requirement.

Through the end of FY20 and into the beginning of FY21, there has been increased day use in the state parks and recreation areas. This has resulted in increased annual and daily permit sales. Much of this is due to visitor reactions to COVID-19. Similarly, overnight stays (camping and lodging) were slightly down during the same time period, due to COVID-19 closures and the need for one-day gaps between lodging visits. Associated revenues, such as retail, equipment rental, tours, and facility rentals, are lower for the same reason.

It is unclear if these recent visitation patterns will be sustained in a post-pandemic era; most are likely to return to pre-pandemic levels. There is some anticipation that new users have discovered the benefits of time spent outside and value the services available in parks and recreation areas.

Governor's Recommendation:

For information about the recommended fee changes, see the Increase State Park Permit Fees, Invest in State Forest Campgrounds and Open Access for Tribal Members on State Park Lands change items in the Department of Natural Resources' 2022-23 Governor's Budget Recommendations.

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: MS 84.027; MS 84.153; MS 84.415; MS 84.63; MS 84.631; MS 84.632; MS 84.633; MS 84.972; MS 85.015; MS 89.035; MS 89.17; MS 92.115; MS 92.28; MS 92.46; MS 92.50; MS 92.501; MS 94.10; MS 94.16; MS 94.343, subd 8a; MS 97A.135; MR 6135.0400

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Natural Resource Misc Statutory (2117); Land Acquisition (2118); Game and Fish (Operations) (2200); Permanent School (3800)

Appropriation: LAM Permanent School (R290240); LAM St Forest Susp School (R290244); LAM St Forest Susp Univ SR (R290253); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); LAM Land Management Account (R291202); LAM Lakeshore Lease (R291210); LAM-Land Acquisition (R291222); LAM Land Exchange Appraisal (R291232); 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 Wildlife (R296209); FAW Public Grazing Program (R296222); MR Facility Rent & Maint (R298211)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	12,686	13,739	14,676	14,979	14,979	15,533	15,567
Resources:							
Departmental Earnings	3,223	2,540	2,117	2,098	2,132	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	3,223	2,540	2,117	2,098	2,132	2,100	2,100
Expenditures:							
Direct Expenditures	2,170	1,603	1,814	1,544	1,544	1,544	1,544
Indirect Expenditures							
Total Expenditures	2,170	1,603	1,814	1,544	1,544	1,544	1,544
Current Difference	1,053	937	303	554	588	556	556
Accumulated Ending Balance	13,739	14,676	14,979	15,533	15,567	16,089	16,123

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 MS 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 MS 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 \$0.055 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 MS 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 in 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 MS 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 MS 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 MS 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 MS 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 for three purposes: Burntside State Forest Receipts, Pillsbury State Forest Receipts, and Land Acquisition.

The Burntside State Forest Receipts and 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 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 FY14 there has been an increase in utility license applications for crossing state lands and waters. In FY16, 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 FY14, that cost was covered by the general fund and game and fish fund appropriations to the Division of Lands and Minerals. Starting with FY14, 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 FY16 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 Division of Lands and Minerals through internal billing.

Forestry: Revenues and expenses associated with these fees are not incurring any significant overage or underage. No changes are being requested.

Governor's Recommendation:

For information about the recommended, see the DNR Lands Bills change item in the Department of Natural Resources' 2022-23 Governor's Budget Recommendations.

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: MS 93.481, subd 7, MS 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,785	1,568	1,281	795	795	609	609
Resources:							
Departmental Earnings	654	654	609	609	609	609	609
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	34	117	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	688	771	614	614	614	614	614
Expenditures:							
Direct Expenditures	905	1,058	1,100	800	800	800	800
Indirect Expenditures							
Total Expenditures	905	1,058	1,100	800	800	800	800
Current Difference	(217)	(287)	(486)	(186)	(186)	(186)	(186)
Accumulated Ending Balance	1,568	1,281	795	609	609	423	423

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, scram mines, non-ferrous (i.e. copper, nickel) mineral operations, and horticultural peat mines (typically greater than 40 acres).

Annual Permit to Mine Fees

- 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 New Permit to mine

- Taconite New taconite mining operation $25,000
- Non-Ferrous New non-ferrous metallic mining operation $50,000
- Scram new scram mining operation $10,000
- Peat New peat operation $5,000

Application Fee for Amendment to Permit to Mine

- Taconite amending a taconite mining permit $2,500
- Non-Ferrous amending a non-ferrous metallic mining permit $5,000
- Scram amending a scram mining permit $1,000
- Peat amending a peat operation permit $500

Application Fee for Assigning a Permit to Mine (one operator to another)

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. For the purpose of this forecast, facilities which are currently in bankruptcy were not considered to pay fees in FY 2022-23.

The current trend for ferrous mining in Minnesota is one where the taconite facilities operate at or near full production levels and most scram operations do not operate. Peat operations are small compared to metallic mineral operations, but they are currently steady seasonal operations within our state.

Recent Changes:

No recent changes are associated with these earnings categories.

Agency Analysis/Comments:

There is a funding gap when the DNR 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 does not allow for the full capture of costs for administering the permit, as required.

Purpose: Revenues from the sale of timber on several classifications of state land and forest management services provided to private land owners.

Legal Citation: MS 88.79, subd 2; MS 89.035; MS 89.17; MS 90.101; MS 90.151, subd 15; MS 90.181, subd 2; MS 90.191; MS 90.193; MS 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)

Appropriation: FOR St Forest Susp School (R290242); FOR St Forest Susp Univ (R290254); FOR Consul Conservation Areas (R290281); FOR Volstead Lands (R290291); 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); PAT Working Capital (R294206); FAW WL Beltrami Island Cons (R296215); FAW Non Dedicated Rcpts G&F (R296A02)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(14,045)	(18,486)	(27,729)	(43,486)	(43,486)	(56,555)	(56,555)
Resources:							
Departmental Earnings	23,993	20,497	18,956	19,138	19,138	19,683	19,683
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	23,993	20,497	18,956	19,138	19,138	19,683	19,683
Expenditures:							
Direct Expenditures	28,346	29,678	34,637	32,131	32,131	32,182	32,182
Indirect Expenditures	88	62	76	76	76	76	76
Total Expenditures	28,434	29,740	34,713	32,207	32,207	32,258	32,258
Current Difference	(4,441)	(9,243)	(15,757)	(13,069)	(13,069)	(12,575)	(12,575)
Accumulated Ending Balance	(18,486)	(27,729)	(43,486)	(56,555)	(56,555)	(69,130)	(69,130)

Background Information:

A large portion 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. The timber scaling fee is $0.50 per cord or $2.00 per thousand board feet (MBF).

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 Federal timber receipts.

Agency Analysis/Comments:

The FY14 ending fund balance was $1.1 million. Higher timber prices and increased general fund appropriations have allowed for the recovery of the FMIA fund balance over the past several years. The FY2018 year end fund balance was $8.37 million**.** The fund balance is anticipated to decrease over the next biennium.

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.

Revenues from timber sales on state lands have allowed for the stabilization of FMIA. It is anticipated to be a reliable funding source over the next biennium.

1. The timber market remains volatile and changes may be requested in the future.
2. The DNR and Forestry Division continues to monitor the FMIA fund.

Private Forest Management Assistance revenues are anticipated to recover costs over the next biennium.

Purpose: To regulate use of ground and surface water.

Legal Citation: MS 103G.299; MS 103G.301, subd 2, 3; MS 103G.515, subd 4; MS 103I.681, subd 11; 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 Fees Account (R292201); EWR Underground Gas Storage (R292202); EWR NonDedicated Rec ITC WM (R292A38)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	(17)	263	(320)	(1,313)	(1,313)	(1,781)	(1,781)
Resources:							
Departmental Earnings	5,542	4,892	5,317	5,317	5,317	5,317	5,317
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	20						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,562	4,892	5,317	5,317	5,317	5,317	5,317
Expenditures:							
Direct Expenditures	5,254	5,454	6,281	5,756	5,756	5,756	5,756
Indirect Expenditures	28	21	29	29	29	29	29
Total Expenditures	5,282	5,475	6,310	5,785	5,785	5,785	5,785
Current Difference	280	(583)	(993)	(468)	(468)	(468)	(468)
Accumulated Ending Balance	263	(320)	(1,313)	(1,781)	(1,781)	(2,249)	(2,249)

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:

No recent changes.

Agency Analysis/Comments:

Public Water permit fees do not collect enough money to support the associated work. 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 approximately $200,000 of the revenue to the Water Management Account.

Information related to the Governor recommended fee changes that impact this fee group are available in the Protecting Our Public Waters change item in the 2020-21 Department of Natural Resources budget book.

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: MS 84.091; MS 84D.11; MS 86A.21; MS 86B.415; MS 86B.705, subd 2; MS 86B.706; MS 86B.870; MS 103G.615; MS 609.101, subd 4

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

Fund: Water Recreation (2100)

Appropriation: PAT Water Recreation Marina (R294219); PAT Non Dedicated Receipts WRA (R294A01); FAW Non Dedicated Rcpts WRA (R296A51); ENF Non Dedicated Rcpts WRA (R297A01)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	5,977	5,105	6,429	3,978	3,978	3,346	3,666
Resources:							
Departmental Earnings	7,437	7,716	7,483	7,483	9,648	7,483	10,369
Other Resources:							
Earning Transferred In	11,123	11,231	11,404	11,441	11,441	11,393	11,393
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	750	375	375	375	375	375	375
Revenue Collected for Another Agency							
Total Resources	17,810	18,572	18,512	18,549	20,714	18,501	21,387
Expenditures:							
Direct Expenditures	18,522	17,147	20,828	19,046	20,891	19,046	20,851
Indirect Expenditures	160	101	135	135	135	135	135
Total Expenditures	18,682	17,248	20,963	19,181	21,026	19,181	20,986
Current Difference	(872)	1,324	(2,451)	(632)	(312)	(680)	401
Accumulated Ending Balance	5,105	6,429	3,978	3,346	3,666	2,666	4,067

Background Information:

Boating, canoeing, kayaking, and fishing are just a few of the ways the public enjoys Minnesota's lakes and rivers. The Minnesota Department of Natural Resources has certain responsibilities specified in law to provide for, maintain, regulate, and upgrade water recreation resources. The funding for many of these activities is provided through the Water Recreation Account.

The Division of Parks and Trails provides a system of public water access facilities to lakes and rivers. 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: 1,650 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 focus of improvements is to incorporate best management practices for accessibility, storm water, and the prevention of the spread of aquatic invasive species and meetuser expectations for well-designed and developed sites to provide adequate facilities for parking and changing boating equipment.

The Division of Enforcement provides grants to 72 county sheriff departments and together they patrol waterways to enforce boating laws, educate the public and respond to watercraft accidents and drownings. 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 drownings, issue event and temporary structure permits, inspect rental craft and perform search, rescue and recovery operations.

The Division of Ecological and Water Resources manages 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 invasive species management, all to ensure Minnesota's water resources are healthy.

The Division of Fish and Wildlife manages permits for winter aeration equipment for safety and aquatic plant management/removal to ensure Minnesota's fisheries remain healthy.

In 2017 there were 825,000 registered boats, which has remained strong for a decade. 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 2006.

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 nonprofit $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 and increasing slightly, 1% each year for the last 3 years.

The water recreation fund has a projected deficit beginning in FY21 of $129,000 that grows to $2.5 million in FY23.

Governor's Recommendation:

For information about the recommended fee change, see the Increase Watercraft Registration Fees change item in the Department of Natural Resources' 2022-23 Governor's Budget Recommendations.

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); Criminal Background Check Rec (H7C9210)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	12,798	12,702	14,211	12,458	12,458	11,542	11,190
Resources:							
Departmental Earnings	8,076	7,793	6,308	6,308	6,308	6,308	6,308
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	8,076	7,793	6,309	6,309	6,309	6,309	6,309
Expenditures:							
Direct Expenditures	6,347	4,507	6,196	5,359	5,711	5,359	5,721
Indirect Expenditures	1,825	1,777	1,866	1,866	1,866	1,866	1,866
Total Expenditures	8,172	6,284	8,062	7,225	7,577	7,225	7,587
Current Difference	(96)	1,509	(1,753)	(916)	(1,268)	(916)	(1,278)
Accumulated Ending Balance	12,702	14,211	12,458	11,542	11,190	10,626	9,912

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.

Recent Changes:

There are no recent changes in licensure fees.

Agency Analysis/Comments:

Revenues are projected to slightly exceed expenditures, resulting in a positive accumulated balance. The board will continue to monitor to determine whether a change is needed to bring revenues and expenditures into balance.

Purpose: To recover the costs of regulating occupational therapy professions.

Legal Citation: M.S. 148.6401-148.6450

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

Fund: State Government Special Rev (1200); Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Health Regulation (H12970H); OT Non Dedicated Receipts (H7Y1000); OT Criminal Backgroud Check (H7Y9210)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:	(144)	(95)	(18)	(155)	(155)	(177)	(177)
Resources:							
Departmental Earnings	424	478	504	504	504	504	504
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	424	478	504	504	504	504	504
Expenditures:							
Direct Expenditures	318	347	584	469	469	469	469
Indirect Expenditures	57	54	57	57	57	57	57
Total Expenditures	375	401	641	526	526	526	526
Current Difference	49	77	(137)	(22)	(22)	(22)	(22)
Accumulated Ending Balance	(95)	(18)	(155)	(177)	(177)	(199)	(199)

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 occupational therapy to ensure a reasonable standard of competent and ethical practice. Board services are entirely supported by the fees collected. The Board of Occupational Therapy Practice and its staff strive to ensure it fulfills its mission through:

- Timely initial license processing for both occupational therapy (OT) and occupational therapy assistant (OTA) applicants;
- Timely renewing of licenses for OT's and OTAs;
- Responding to complaints and taking action in a timely manner on disciplinary or corrective actions as required by statute;
- Providing timely, accurate information about licensing requirements and standards of practice to licensees, applicants, and other interested persons and agencies;
- Ensuring applicant qualifications are in alignment with statutory requirements; and
- Providing good customer service, ensuring correspondence is responded to in an efficient and positive manner

The fees are paid by occupational therapist and occupational therapy assistant licensees. All fees are established and outlined in statute and revenue is set to recover the Boards direct and indirect expenditures. Current Fees as of July 1, 2019:

Type of fee	Fee
Initial License- OT	$185.00
Initial License-OTA	$105.00
Biennial Renewal- OT	$185.00
Biennial Renewal-OTA	$105.00
Criminal Background Check	$33.25
Duplicate License	$30.00
Temporary License	$75.00
Late renewal fee, per statute	$50.00
Verification to institutions	$10.00
Verification to Another State	$25.00
Course Approval after lapse of Licensure	$100.00
Limited License	$100.00
Penalty Fees for unlicensed practice or Continuing Education (non disciplinary) Violations*	varies
Civil Penalties (disciplinary action based)	varies

Forecast Basis:

Fees charged to applicants and licensees are set to recover the board's direct and indirect expenditures. Revenues are forecasted based upon a number of factors, including potential educational changes, actual revenue collected in the previous year, and the number of applicants seeking initial licensure. At this time projections for the future biennium are in flux due to the transition of occupational therapy practitioner licensees to birth month renewals. This will include prorated fees as licensees transition. Additionally, the board is monitoring database performance and the national push for an interstate licensure compact.

Recent Changes:

Based upon the transition to the Board of Occupational Therapy Practice from the Department of Health a fee increase was sought and approved. Changes went into effect July 1, 2019 and are reflected in the fee table.

Agency Analysis/Comments:

The requested fee changes were approved and have supported ongoing establishment and right sizing of the newly formed BOTP's operational budget. The Board projects that the fee change and associated increase in revenue will support the Board in meeting its operational expenditures, both direct and indirect.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	114	122	146	60	60	25	25
Resources:							
Departmental Earnings	183	227	222	222	222	227	227
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	183	227	222	222	222	227	227
Expenditures:							
Direct Expenditures	146	173	276	225	225	225	225
Indirect Expenditures	29	30	32	32	32	32	32
Total Expenditures	175	203	308	257	257	257	257
Current Difference	8	24	(86)	(35)	(35)	(30)	(30)
Accumulated Ending Balance	122	146	60	25	25	(5)	(5)

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.

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.

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. Board members have demonstrated prudent stewardship of their revenue and expense management.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(1)	(50)	(89)	(89)	(114)	(114)
Resources:							
Departmental Earnings	457	407	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	457	407	450	450	450	450	450
Expenditures:							
Direct Expenditures	458	456	489	475	475	475	475
Indirect Expenditures							
Total Expenditures	458	456	489	475	475	475	475
Current Difference	(1)	(49)	(39)	(25)	(25)	(25)	(25)
Accumulated Ending Balance	(1)	(50)	(89)	(114)	(114)	(139)	(139)

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 22-23.

Recent Changes:

The fee was last changed in 1998 to recover costs.

Agency Analysis/Comments:

The board will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	87	95	72	45	45	22	22
Resources:							
Departmental Earnings	10	3	1	5	5	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	10	3	1	5	5	7	7
Expenditures:							
Direct Expenditures	2	26	28	28	28	28	28
Indirect Expenditures							
Total Expenditures	2	26	28	28	28	28	28
Current Difference	8	(23)	(27)	(23)	(23)	(21)	(21)
Accumulated Ending Balance	95	72	45	22	22	1	1

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.

Forecast Basis:

A decrease in departmental earnings in FY21 is assumed due to COVID-19 but expected to rebound in the upcoming biennium.

Recent Changes:

N/A

Agency Analysis/Comments:

The majority of the accumulated ending balance is due to the Crosswinds building being sold in 2018.

Purpose:

The purpose of the fund is to provide money that can be used to combat opioid abuse. Minn. Stats. §256.043 specifies the appropriations that are made from the opiate epidemic response fund to: the Departments of Human Services and Public Safety (BCA) – with a small amount appropriate to the Board of Pharmacy to administer the Opiate Product Registration Fee Program. DHS distributes money to county and tribal social service agencies and through grants as specified by the Opiate Epidemic Response Advisory Council.

Legal Citation: MS 151.065, MS 151.066

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

Fund: Opiate Epidemic Response (2005)

Appropriation: Opiate Revenue Registrati Fees (H7D6100)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:			12,936	26,202	26,202	39,751	39,751
Resources:							
Departmental Earnings		13,023	13,675	13,675	13,675	13,675	13,675
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		13,023	13,675	13,675	13,675	13,675	13,675
Expenditures:							
Direct Expenditures		87	409	126	126	126	126
Indirect Expenditures							
Total Expenditures		87	409	126	126	126	126
Current Difference		12,936	13,266	13,549	13,549	13,549	13,549
Accumulated Ending Balance		12,936	26,202	39,751	39,751	53,300	53,300

Background Information:

The purpose of the fund is to provide money that can be used to combat opioid abuse. Minn. Stats. §256.043 specifies the appropriations that are made from the opiate epidemic response fund (OERF) to: the Departments of Human Services and Public Safety (BCA) – with a small amount appropriate to the Board of Pharmacy to administer the Opiate Product Registration Fee Program. DHS distributes money to county and tribal social service agencies and through grants as specified by the Opiate Epidemic Response Advisory Council. The money from the various fees all goes into the OERF – individual fees are not targeted to specific programs. The fees are as follows:

Application fees:

- drug wholesaler, legend drugs only, $5,260
- drug wholesaler, legend and nonlegend drugs, $5,260
- drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, $5,260
- drug wholesaler, medical gases, $5,260 for the first facility and $260 for each additional facility
- drug manufacturer, nonopiate legend drugs only, $5,260
- drug manufacturer, nonopiate legend and nonlegend drugs, $5,260
- drug manufacturer, nonlegend or veterinary legend drugs, $5,260
- drug manufacturer, medical gases, $5,260 for the first facility and $260 for each additional facility
- drug manufacturer, also licensed as a pharmacy in Minnesota, $5,260
- drug manufacturer of opiate-containing controlled substances listed in section 152.02, subdivisions 3 to 5, $55,260

Renewal fees:

- drug wholesaler, legend drugs only, $5,260
- drug wholesaler, legend and nonlegend drugs, $5,260
- drug wholesaler, nonlegend drugs, veterinary legend drugs, or both, $5,260
- drug wholesaler, medical gases, $5,260 for the first facility and $260 for each additional facility
- drug manufacturer, nonopiate legend drugs only, $5,260
- drug manufacturer, nonopiate legend and nonlegend drugs, $5,260
- drug manufacturer, nonlegend or veterinary legend drugs, $5,260
- drug manufacturer, medical gases, $5,260 for the first facility and $260 for each additional facility
- drug manufacturer, also licensed as a pharmacy in Minnesota, $5,260
- drug manufacturer of opiate-containing controlled substances listed in section 152.02, subdivisions 3 to 5, $55,260

In addition, if a licensee does not renew its license on time, it is assessed a late fee equal to 50% of the normal fee.

Forecast Basis:

The Board has collected the increased fees and new fees for only one year, so there is no trend. The original forecast for the fiscal note was based on:

- The number of licensees we licensed at the time that the fiscal note was prepared. We did assume that some licensees would drop their licenses, rather than pay the higher fee. However, many more licensees dropped their licensees than we anticipated.
- Data from our Prescription Monitoring Program was used to estimate the number of manufacturer that would have to pay the $250,000 opiate product registration fee. We estimated that 17 would have to pay the fee, but only 14 actually had to pay.

Recent Changes:

During the 2020 Session, the Legislature reduced the fees that medical gas manufacturers, wholesalers and distributors had to pay. That change was made before we began collecting the new fees. It resulted in a decreases of approximately $1 million – compared to estimates in the fiscal note.

Agency Analysis/Comments:

The Board received an appropriation of $126,000 for its costs associated with administering the program. The Board collected $13.023 million for FY 2020. However, the fiscal note assumed that approximately $21 million dollars would be collected. Approximately $1 million of the shortfall was due to changes made to medical gas licensing fees. $750,000 of the shortfall was attributable to collecting three fewer $250,000 opiate product response fees than anticipated. The remainder of the shortfall occurred because of licensees dropping their licenses rather than paying the increased fee. We think that those licensees who are unwilling to pay the fee have already dropped their license – and don't believe that we will have a lot of licensees dropping their license in the future. PMP data indicates that the number of opiates dispensed within Minnesota has been dropping for several years. If that trend continues, fewer manufacturers may be subject to the $250,000 opiate product registration fee. (Only manufacturers who have more than 2 million doses of opiates sold within Minnesota are subject to that fee).

Purpose: To recover the costs of regulating pharmacists, pharmacies, drug wholesalers, drug manufacturers and medical gas distributors; 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,055	952	923	402	402	58	58
Resources:							
Departmental Earnings	3,132	3,434	3,343	3,343	3,343	3,343	3,343
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,132	3,434	3,343	3,343	3,343	3,343	3,343
Expenditures:							
Direct Expenditures	2,687	2,931	3,305	3,128	3,128	3,128	3,128
Indirect Expenditures	548	532	559	559	559	559	559
Total Expenditures	3,235	3,463	3,864	3,687	3,687	3,687	3,687
Current Difference	(103)	(29)	(521)	(344)	(344)	(344)	(344)
Accumulated Ending Balance	952	923	402	58	58	(286)	(286)

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).
- Administering the State's Opiate Product Registration Fee Program.
- Administering the State's Minnesota Insulin Safety Net Program.

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 (PMP) 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. The Board has also received federal grant money to pay for some PMP expenses. 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. The Board has a small appropriation from the Health Care Access Fund for the administration of the Minnesota Insulin Safety Program but has not used it yet. The Board also has a small appropriation from the Opioid Epidemic Response Fund.

Recent Changes:

The last fee increases were authorized by the Legislature in 2019 and went into effect in fiscal year 2020. Prior to the 2019 increases, there had been no fee increases since fiscal year 2015. The fiscal year 2012 fee increases were the first since fiscal year 2002. Therefore, the Board has had only four fee increases spread out over the past 20 years.

Agency Analysis/Comments:

The Board is not requesting authority to collect additional fees at this time. However, given likely increases in salaries/benefits, rent, IT costs, and possibly the costs associated with disciplinary cases, the Board will probably have to request a fee increase for the 2024-2025 biennium

- The Board is not requesting any increases in its appropriations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,265	1,284	1,494	1,343	1,343	1,371	1,371
Resources:							
Departmental Earnings	698	691	698	698	698	698	698
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	699	692	698	698	698	698	698
Expenditures:							
Direct Expenditures	573	386	748	569	569	569	569
Indirect Expenditures	107	96	101	101	101	101	101
Total Expenditures	680	482	849	670	670	670	670
Current Difference	19	210	(151)	28	28	28	28
Accumulated Ending Balance	1,284	1,494	1,343	1,371	1,371	1,399	1,399

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	318	299	446	258	258	314	314
Resources:							
Departmental Earnings	119	287	139	290	290	139	139
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	119	287	141	292	292	141	141
Expenditures:							
Direct Expenditures	97	107	294	201	201	201	201
Indirect Expenditures	41	33	35	35	35	35	35
Total Expenditures	138	140	329	236	236	236	236
Current Difference	(19)	147	(188)	56	56	(95)	(95)
Accumulated Ending Balance	299	446	258	314	314	219	219

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, orthotics, prosthetics and pedorthists 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.

Purpose: Fees are used to support the air quality program, which includes monitoring, permitting, permit enforcement and other functions to improve and protect air quality in Minnesota.

Legal Citation: M.S. 116.07, Subd 4(d)

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

Fund: Environmental (2800)

Appropriation: AQ Environ Fund Non Dedicated (R32A001)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		15,482	30,718	45,954	45,954	61,190	61,190
Resources:							
Departmental Earnings	15,482	15,236	15,236	15,236	15,236	15,236	15,236
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	15,482	15,236	15,236	15,236	15,236	15,236	15,236
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	15,482	15,236	15,236	15,236	15,236	15,236	15,236
Accumulated Ending Balance	15,482	30,718	45,954	61,190	61,190	76,426	76,426

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 pays 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 Air Program costs include those 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 facility air emissions, as calculated by rule.

- The fee for calendar year 2019 was $117.44 per ton of emissions.
- The fee for calendar year 2020 was $115.32 per ton of emissions.
- The fee for calendar year 2021 is estimated to be around $145 per ton of emissions.

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

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. Fees also increase as facility air emissions decrease. Fees are expected to continue to increase as facilities decrease their emissions of air pollutants and the cost of the agency's Air Program increases with the CPI.

Recent Changes:

Fees change at the beginning of each calendar year, based on the appropriation level provided by the legislature. The fees actually decreased slightly from CY 18 to CY 20. However, the expected larger increase in fees for 2021 are the result of both a significant decrease in air emissions and an increase in the cost of the agency's Air Program due to the CPI.

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.

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 (2801)

Appropriation: Dry Cleaners Projects (R32G112)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	122	309					
Resources:							
Departmental Earnings	646	565	650	650	650	650	650
Other Resources:							
Earning Transferred In		600					
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	646	1,165	650	650	650	650	650
Expenditures:							
Direct Expenditures	459	1,474	650	650	650	650	650
Indirect Expenditures							
Total Expenditures	459	1,474	650	650	650	650	650
Current Difference	187	(309)					
Accumulated Ending Balance	309						

Background Information:

In 1995, the Minnesota Cleaners Association worked with the MPCA to modify MN Statute 115B Environmental Response and Liability Act to include provisions (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) - $4,100;
2. 5 -10 FTEs = $8,847; and
3. >10 FTEs = $16,291

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) = $49.30
2. Hydrocarbon-based solvents = $26.14; and
3. Other non-aqueous solvents = $12.21.

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. Monies in the account may be used for:

1. environmental response costs to protect the public health or welfare or the environment
2. reimbursement of amounts spent by the commissioner from the remediation fund for environmental response costs to protect the public health or welfare or the environment
3. reimbursements of the dry cleaner owner or operator for all but $10,000 of the environmental response costs incurred by the owner or operator to protect the public health or welfare or the environment and
4. administrative costs of the commissioner of revenue

Forecast Basis:

The basis of our forecast basis 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, 2020.
- The solvent fee was last changed effective July 1, 2020.

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

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, Subd. 1

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

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (P07771E)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		11,995	23,296	35,146	35,146	46,996	46,996
Resources:							
Departmental Earnings	11,995	11,301	11,850	11,850	11,850	11,850	11,850
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	11,995	11,301	11,850	11,850	11,850	11,850	11,850
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	11,995	11,301	11,850	11,850	11,850	11,850	11,850
Accumulated Ending Balance	11,995	23,296	35,146	46,996	46,996	58,846	58,846

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.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		131	279	405	405	531	531
Resources:							
Departmental Earnings	131	148	126	126	126	126	126
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	131	148	126	126	126	126	126
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	131	148	126	126	126	126	126
Accumulated Ending Balance	131	279	405	531	531	657	657

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.

Forecast Basis:

The basis of forecasts is the trend from the past couple fiscal years.

Recent Changes:

The last change made occurred 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.

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: Lnd Environ Fund Non Dedicated (R32L003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		4,241	9,361	14,011	14,011	18,661	18,661
Resources:							
Departmental Earnings	4,241	5,120	4,650	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	4,241	5,120	4,650	4,650	4,650	4,650	4,650
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,241	5,120	4,650	4,650	4,650	4,650	4,650
Accumulated Ending Balance	4,241	9,361	14,011	18,661	18,661	23,311	23,311

Background Information:

Hazardous waste generator fees. These fees recover 81% of costs from hazardous waste generators, and 19% from permitted treatment storage and disposal facilities. The MPCA provides regulatory oversight for the entire State. 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 also maintains 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 – $604.84 ($602.02 last year)

¿HW Non Metro Per Pound Fee – $0.1011 ($0.0851 last year)

¿HW Metro Base Fee – $276.49 ($260.12 last year)

¿HW Metro Per Pound Fee - $0.0206 ($0.0174 last year)

Facility Fees. Fees are 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.

Over the past five years, these annual fees ranged from $11,580 to $160,980, the lower amounts for indoor warehouse storage sites, and the higher amounts for facilities that require more intensive agency oversight such as incinerators or land treatment facilities. The application fees are submitted every five years when the permit is up for reissuance, and range similar to the annual fees. The variability in annual fees from one year to the next is due to statute, because the same dollar amount has to be collected through the combination of annual and application fees regardless of the number of applications that are submitted each year. The annual and application fees for permitted treatment, storage and disposal facilities are mandated to collect 19% of the MPCA’s hazardous waste program costs.

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

Forecast Basis:

Fees are calculated based on 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 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 $2,500,000. In accordance to Minnesota Rule 7046.0060 Subpart 1 (Step 2), an additional $2,000,000 is added to the target collection amount. Thus, the total amount that the hazardous waste program targets to collect is $4,500,000.

The program has been successfully recovering in excess of 96% 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		36	44	51	51	58	58
Resources:							
Departmental Earnings	36	8	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	36	8	7	7	7	7	7
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	36	8	7	7	7	7	7
Accumulated Ending Balance	36	44	51	58	58	65	65

Background Information:

The fee was part of legislative authorization in 1993 for Minnesota to join 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.

As defined in Minnesota law, LLRW cannot legally be disposed in standard MMSW or industrial landfills, consequently, LLRW disposal capacity became a significant concern when the few nationally-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 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

Forecast Basis:

Currently, there are three (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.

Purpose:

To establish a statewide product stewardship program that manages architectural paint by reducing the paints waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for and-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 (R32D117)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	8	7	14				
Resources:							
Departmental Earnings	24	22	68	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	24	22	68	45	45	45	45
Expenditures:							
Direct Expenditures	23	13	75	38	38	38	38
Indirect Expenditures	2	2	7	7	7	7	7
Total Expenditures	25	15	82	45	45	45	45
Current Difference	(1)	7	(14)				
Accumulated Ending Balance	7	14					

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 $.99 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 increased to $.99 per gallon from $.75 per gallon on in 2017. The fee will revert back to $.75 per gallon on July 1, 2021, unless extended.

Recent Changes:

None

Agency Analysis/Comments:

Present receipts are sufficient to cover the cost of program operations, without a significant over- or under-collection.

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: Product Stewardship County Rei (R32D118); RMAD Income Agreements (R32D147); St Paul Park Refining Company (R32E119); Flint Hills Resource Agreement (R32E120); ECOS Income Agreement (R32E142); ECOS ITRC (R32G106); Income Agreements (R32H112); Biofuels Income Contract (R32H116)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	794	324	449				
Resources:							
Departmental Earnings	2,863	3,639	3,773	3,748	3,748	3,748	3,748
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,863	3,639	3,773	3,748	3,748	3,748	3,748
Expenditures:							
Direct Expenditures	3,246	3,387	4,164	3,708	3,708	3,708	3,708
Indirect Expenditures	87	127	58	40	40	40	40
Total Expenditures	3,333	3,514	4,222	3,748	3,748	3,748	3,748
Current Difference	(470)	125	(449)				
Accumulated Ending Balance	324	449					

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.

Purpose: To cover costs of requested services from the Petroleum Brownfields Program.

Legal Citation: M.S. 115C.03, Subd. 9

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Petroleum Brownfields Program (R32G109)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	117	281	357				
Resources:							
Departmental Earnings	412	404	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	412	404	350	350	350	350	350
Expenditures:							
Direct Expenditures	200	264	610	282	282	282	282
Indirect Expenditures	48	64	97	68	68	68	68
Total Expenditures	248	328	707	350	350	350	350
Current Difference	164	76	(357)				
Accumulated Ending Balance	281	357					

Background Information:

Minn. Stat. 115C.03, Subd. 9 authorizes the agency to charge a fee to cover the costs of providing certain voluntarily requested services. These services include: 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 fee has been $125 per hour since 2011. The money collected from the fee covers roughly 2/3 of the cost for administering the program.

Forecast Basis:

Program applications have been steadily increasing over the past six years. We have seen record numbers of applications due to the strong economy, continued demand for redevelopment of contaminated urban properties into mainly commercial/residential/mixed-use projects, and the existing numbers of contaminated properties. It is unclear how the Covid pandemic will affect applications in the near or long term. Some types of developments appear to have slowed while the pace of others has quickened. Past economic downturns, such as the 2008 recession, had some impact on program receipts but not significant. It may be that other factors remain strong enough to balance out the effect of the pandemic on the economy.

Recent Changes:

The fee was last changed in 2011 from $150 to $125 per hour. The agency is currently looking at raising the fee for this and other agency review services back to $150 per hour. This would help cover more of the costs for administering these services and make the fee more equitable to today’s service rates.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,940	3,450	4,680	4,680	5,910	5,910
Resources:							
Departmental Earnings	1,940	1,510	1,230	1,230	1,230	1,230	1,230
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,940	1,510	1,230	1,230	1,230	1,230	1,230
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,940	1,510	1,230	1,230	1,230	1,230	1,230
Accumulated Ending Balance	1,940	3,450	4,680	5,910	5,910	7,140	7,140

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 16A.1285 per M.S. 115D.12.

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.

Purpose:

The fee is established to defray the cost of licensing businesses that design, install, 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		404	797	1,167	1,167	1,537	1,537
Resources:							
Departmental Earnings	404	393	370	370	370	370	370
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	404	393	370	370	370	370	370
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	404	393	370	370	370	370	370
Accumulated Ending Balance	404	797	1,167	1,537	1,537	1,907	1,907

Background Information:

The fee exists to support the costs of a licensing program that ensures businesses employ technically qualified people and maintain adequate financial assurances 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 guidance provided by the agency. Licensed persons who design systems using these prescriptive designs and design guidance 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 16A.1285 per M.S. 115.56, Subd. 4(b).

Forecast Basis:

The number of licensed persons has remained consistent over the last four years. Forecasted revenues are based on 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 29% of SSTS program costs through both tank (M.S. 115.551) and licensing (M.S. 115.56, Subd. 4) fees in FY2017 experienced an under-recovery of $888,971.

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.

Purpose: To defray the costs to review new systems and technology, provide technical assistance to 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		311	638	928	928	1,218	1,218
Resources:							
Departmental Earnings	311	327	290	290	290	290	290
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	311	327	290	290	290	290	290
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	311	327	290	290	290	290	290
Accumulated Ending Balance	311	638	928	1,218	1,218	1,508	1,508

Background Information:

This fee supports program costs required to accomplish agency review of registered 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 16A.1285 per M.S. 115.551 (a).

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.

Recent Changes:

This fee has not changed since it was established in 2003.

Agency Analysis/Comments:

The agency only collected 13% of SSTS program costs through both tank (M.S. 115.551) and licensing (M.S. 115.56, Subd. 4) fees in FY2019 and experienced an under-recovery of $678,000.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		5	10	14	14	18	18
Resources:							
Departmental Earnings	5	5	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	5	5	4	4	4		
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	5	5	4	4	4		
Accumulated Ending Balance	5	10	14	18	18	18	18

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.

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.

Purpose: To defray the cost of a certification program that provides training for inspectors and operators of waste 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		9	15	21	21	27	27
Resources:							
Departmental Earnings	9	6	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	9	6	6	6	6	6	6
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	9	6	6	6	6	6	6
Accumulated Ending Balance	9	15	21	27	27	33	33

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 facilities so they are able to be certified at the standardized level of competence.

Currently the fees, established in Chapter 7048.1100 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

Training workshop fees are not defined in rule, but represent agency costs, include:

- certification training workshop, $375
- continuing education workshop, $240

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 for program costs.

Because fees are deposited into one fund and appropriation is made from the other, this has created a 100% under-recovery to the Environmental Fund in the amount of the annual appropriation.

Purpose: To provide technical certification for operators of wastewater treatment facilities.

Legal Citation: M.S. 115.77; 115.03 Sudb. 1(j)

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		63	120	170	170	220	220
Resources:							
Departmental Earnings	63	57	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	63	57	50	50	50	50	50
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	63	57	50	50	50	50	50
Accumulated Ending Balance	63	120	170	220	220	270	270

Background Information:

This fee exists to cover the reasonable costs of maintaining and implementing a wastewater certification program for operators of wastewater treatment facilities. Fee amounts vary depending on the type of requested certification service. The Minnesota Department of Health (MDH) administers the program for certification of water treatment plant operators and the MPCA 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 MPCA, the legislature elected not to separate the fees for the MDH and MPCA 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 certification exam application fee, $55
- Wastewater certification fee (after passing the exam), $45
- Wastewater certification renewal fee (every 3 years), $23.
- Wastewater certification reinstatement fee, $40.
- 3-day wastewater certification workshop fee, $390
- 2-day wastewater certification workshop fee, $260
- 1-day wastewater certification workshop fee, $100 - $130

Exempt from 16A.1285 per M.S. 116.07, Subd. 4d.

Forecast Basis:

The revenue forecast for these fees has remained consistent over the last couple of 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:

The 2009 Legislature struck the fee schedule from statute and replaced it with this language: “The agency shall collect fees in amounts necessary, but no greater than the amounts necessary, to cover the reasonable costs of reviewing applications and issuing certifications.” Wastewater operator certification fees were 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.

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: WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		4,780	9,747	14,607	14,607	19,467	19,467
Resources:							
Departmental Earnings	4,780	4,967	4,860	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	4,780	4,967	4,860	4,860	4,860	4,860	4,860
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,780	4,967	4,860	4,860	4,860	4,860	4,860
Accumulated Ending Balance	4,780	9,747	14,607	19,467	19,467	24,327	24,327

Background Information:

Fees were first collected in 1986 to supplement the Federal and General Fund funding for the required activities under the National Pollutant Discharge Elimination System (NPDES) program for wastewater, stormwater and feedlots. The programs are delegated from EPA and include both State and Federal requirements. Fees were intended to be based upon a polluter pay (vs citizen pay) model for water quality permits and enforcement. In practice, program activities have been funded by a variety of funds and permit fees. Additionally, it was realized and taken into consideration that having the permittees pay full program costs would, in some cases, be cost prohibitive. Also, prior to the early 1990's, some program activities were funded through the Wastewater Construction Grant program.

Application fees should 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 for monitoring the permit conditions to ensure compliance, including necessary enforcement.

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

1. Flow increase of 0 to 0.10 million gallons per day. Points 1, Application Fee $310.
2. Flow increase of 0.10 to 1.0 million gallons per day. Points 2, Application Fee $620.
3. 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 noncontact cooling water discharges and not due to mine pit or quarry de-watering or sewer extensions):

1. increase from 0.0 to 0.20 mgd. Points 0, Application Fee $0.
2. increase from 0.20 to less than 1.0 mgd. Points 5, Application Fee $1,550.
3. increase from 1.0 to less than 5.0 mgd. Points 10, Application Fee $3,100.
4. increase from 5.0 to less than 20.0 mgd. Points 20, Application Fee $6,200.
5. increase from 20.0 to less than 50.0 mgd. Points 30, Application Fee $9,300.
6. increase from 50.0 mgd or more. Points40, Application Fee $12,400.

Individual Permit with Noncontact Cooling Water Discharge New or Increased Flow

1. noncontact Cooling Water Flow increase less than 50 mgd. Points 5, Application Fee $1,550.
2. 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.)

1. complete EAW under Minn. R. 4410.4300, subp. 18 item A or 29. Points 15, Application Fee $4,650.
2. 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.
3. 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.
4. 0254 WATER QUALITY STORM WATER PERMIT APPLICATION FEES.

Current fee

B. for coverage under an MS4 permit or modification of an MS4 permit, other than modification of a storm water pollution prevention program, $400

D. for those required to obtain an individual storm water permit, $400 for the initial application, for modifications, and for reissuance.

1. 0270 ANNUAL FEE.

Current fee Proposed fee Public or private # of permittees

All persons required to obtain a permit listed in part 7002.0310, subparts 1, 2, and 3, shall pay an annual fee for processing of the permit and enforcement of applicable statutes and rules as described in items A to D.

A. A permittee holding a new or reissued permit is subject to the fees established in part 7002.0310.

B. An applicant for reissuance of an expired permit under part 7001.0160 must pay fees set in part 7002.0310.

C. A permittee holding an individual storm water permit must pay the fee set in part 7002.0310, subpart 2, item B, under "other nonmunicipal."

D. A permittee holding a permit issued under chapter 7020 must pay fees as follows:

(1) individual NPDES permits, fees set in part 7002.0310, subpart 2, item B, under "other nonmunicipal";

(2) individual SDS permits that regulate animal feedlots capable of holding 1,000 or more animal units or manure storage areas capable of holding the manure produced by 1,000 or more animal units, the same fees required under subitem (1);

(3) general feedlot permits, fees set in part 7002.0310, subpart 3, under "general";

(4) interim permits, no fees; and

(5) construction short-form permits, no fees.

1. 0310 WATER QUALITY ANNUAL PERMIT FEES.

Current fee

Subpart 1. Major NPDES permit fees. The following annual fee shall be paid.

A. Municipal permits:

Design Flow in Million Gallons per Day (MGD)	Annual Fee
50 and over	$175,500
20 to 49.99	$40,350
5 to 19.99	$14,350
Up to 4.99	$5,900

B. Nonmunicipal permits:

Design Flow in Million Gallons per Day (MGD) Annual Fee

Major - 20 to 49.99 $44,200

Major - 5 to 19.99 $18,250

Major - Up to 4.99 $8,450

Cooling or mine pit dewatering (any flow) $16,900

Subp. 2. Nonmajor NPDES and state disposal permit fees. The following annual fee shall be paid by a permittee not designated as a major NPDES facility and by a permittee that has received a state disposal system permit.

A. Municipal permits:

Design Flow in Million Gallons per Day (MGD) Annual Fee

Greater than .100 $1,450

0 to .100 $505

Facilities for the treatment or storage of biosolids only $500

B. Nonmunicipal permits:

Design Flow in Million Gallons per Day (MGD) Annual Fee

Sewage 0 to .100 $495

Individual storm water permits $1,230

Other nonmunicipal (any flow) $1,230

Subp. 3. Other water quality permit fees. The following annual fee shall be paid by a permittee that received a general permit

Annual Fee

General

Municipal wastewater $1,240

Industrial wastewater $1,240

General industrial storm water permit $400

General construction storm water permit $0

General MS4 storm water permit $0

The Statement of Need and Reasonableness (SONAR) indicates that fees will cover the cost of MPCA regulatory activities associated with the NPDES permit, not limited to the cost of permit preparation. The MPCA's regulatory activities include: technical assistance, management and review of permit data, 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 16A.1285 per M.S. 116.07, Subd. 4(d).

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 fee amounts are generally stable. They are based on applications and 5 year cycles, with increases only occurring during high economic growth. A good indicator and the one used for forecasting is the numbers of sewer extension applications. 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. Due to this, we are assuming a slight increase in workload in the future.

Stormwater: These fees are generally level. However, the number of construction stormwater permits can fluctuate with changing periods of economic growth.

Feedlots: The fees collected are 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 what persons/businesses are required to obtain a permit. The number of new facilities being proposed is not projected as to equal the present losses in numbers of properties.

Recent Changes:

The last time annual fees were changed was 2003 and application fees were changed in 2009.

Agency Analysis/Comments:

In FY 2017 across all agency water programs requiring fees, the agency only collected 16% of related program operating costs; the amount collected was $5.719 million, while program costs were $36.379 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.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(22)	(52)	(165)	(165)	(242)	(242)
Resources:							
Departmental Earnings	194	211	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	194	211	200	200	200	200	200
Expenditures:							
Direct Expenditures	216	241	313	277	277	277	277
Indirect Expenditures							
Total Expenditures	216	241	313	277	277	277	277
Current Difference	(22)	(30)	(113)	(77)	(77)	(77)	(77)
Accumulated Ending Balance	(22)	(52)	(165)	(242)	(242)	(319)	(319)

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 FY19 will prevail for fiscal years 20-21

Recent Changes:

No recent changes

Agency Analysis/Comments:

The board will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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, M.S. 122A 175

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

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

Appropriation: Teacher Licensing (E37ND01); Lic by Portfolio Control Acct (E390000); Dedicated IT Fee (E390099); Licensing Fees (E39ND01)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(3,191)	(4,108)	(5,515)	(5,515)	(6,634)	(5,809)
Resources:							
Departmental Earnings	1,544	1,604	1,614	1,614	2,689	1,614	2,689
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	1,604	1,614	1,614	2,689	1,614	2,689
Expenditures:							
Direct Expenditures	4,735	2,521	3,019	2,731	2,981	2,731	2,981
Indirect Expenditures			2	2	2	2	2
Total Expenditures	4,735	2,521	3,021	2,733	2,983	2,733	2,983
Current Difference	(3,191)	(917)	(1,407)	(1,119)	(294)	(1,119)	(294)
Accumulated Ending Balance	(3,191)	(4,108)	(5,515)	(6,634)	(5,809)	(7,753)	(6,103)

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 and charter schools. The fee is intended to cover the cost of licensing activities of and the functions and activities of the Professional Educator Licensing and Standards Board (the Board). The Board, made of up 11 members appointed by the Governor (six classroom teachers, one superintendent, one school human resources director, one administrator of a cooperative unit, one principal and one public member) 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. This includes processing licensure renewal and oversight of teacher preparation providers.

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 the Board.

The estimate assumes the same level of activity for the biennium.

Recent Changes:

In 2018, the legislature reverted to previous practice where all licensure application fees received by the Professional Educator Licensing and Standards Board are deposited in the general fund with the board receiving a direct general fund appropriation.

It also created an educator licensure background check account in the special review fund. All payments collected by the Professional Educator Licensing and Standards Board for criminal background checks conducted by the Bureau of Criminal Apprehension must be deposited to this account.

Governor's Recommendation:

For information about the recommended fee changes, see the Increase Application Fee and Increase IT Fee change items in the Professional Educator Licensing and Standards Board's 2022-23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,098	978	895	(64)	(64)	(555)	(555)
Resources:							
Departmental Earnings	1,119	1,180	1,214	1,214	1,214	1,214	1,214
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	6	10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,122	1,186	1,224	1,224	1,224	1,224	1,224
Expenditures:							
Direct Expenditures	893	934	1,831	1,363	1,363	1,363	1,363
Indirect Expenditures	349	335	352	352	352	352	352
Total Expenditures	1,242	1,269	2,183	1,715	1,715	1,715	1,715
Current Difference	(120)	(83)	(959)	(491)	(491)	(491)	(491)
Accumulated Ending Balance	978	895	(64)	(555)	(555)	(1,046)	(1,046)

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:

The board will continue to monitor revenues and expenditures to determine whether a fee change is needed in the future.

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 (8200); Drinking Water Revolving (8201); Transportation Revolving (8202)

Appropriation: Admin Credit Enhancement Fees (B240020); Admin Application Fees (B240040); Admin CWSRF Fees (B240110); Admin DWSRF Fees (B240230); Admin TRLF Fees (B240360)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	5,892	5,941	6,019	5,522	5,522	4,980	4,980
Resources:							
Departmental Earnings	3,674	3,878	3,998	3,998	3,998	3,998	3,998
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	4	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out	2,188	2,198	2,535	2,535	2,535	2,535	2,535
Revenue Collected for Another Agency							
Total Resources	1,491	1,684	1,465	1,465	1,465	1,465	1,465
Expenditures:							
Direct Expenditures	1,267	1,409	1,791	1,836	1,836	1,843	1,843
Indirect Expenditures	175	197	171	171	171	171	171
Total Expenditures	1,442	1,606	1,962	2,007	2,007	2,014	2,014
Current Difference	49	78	(497)	(542)	(542)	(549)	(549)
Accumulated Ending Balance	5,941	6,019	5,522	4,980	4,980	4,431	4,431

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 one-time general fund appropriation for a portion of it's total Revolving Fund related costs, and MDH sought and received increased fee authority (separate from these PFA fees) which will help. A portion of federal capitalization grants can be used for admin and may have to be at some point in the future, but this is not a preferred option because those dollars would otherwise be used for revolving loans.

Purpose: To cover the costs of background investigations of employees involved with lawful gambling. To cover the background investigation costs of Gambling Devices Manufacture and Distribution.

Legal Citation: M.S. 299L

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(722)	(1,542)	(2,444)	(2,444)	(3,321)	(3,321)
Resources:							
Departmental Earnings	445	470	417	417	417	417	417
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	445	470	417	417	417	417	417
Expenditures:							
Direct Expenditures	1,165	1,286	1,316	1,291	1,291	1,166	1,166
Indirect Expenditures	2	4	3	3	3	3	3
Total Expenditures	1,167	1,290	1,319	1,294	1,294	1,169	1,169
Current Difference	(722)	(820)	(902)	(877)	(877)	(752)	(752)
Accumulated Ending Balance	(722)	(1,542)	(2,444)	(3,321)	(3,321)	(4,073)	(4,073)

Background Information:

To cover the costs of background investigations of employees involved with lawful gambling. To cover the background investigation costs of Gambling Devices Manufacture and Distribution.

Forecast Basis:

It is assumed actual FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

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: AGE License and Fees (P079161); AGE 2AM Permit Control Approp. (P0791C2); Microdistillery fees (P0791M2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,945	3,910	5,426	5,426	7,021	7,021
Resources:							
Departmental Earnings	3,333	3,418	2,866	2,866	3,150	3,225	3,225
Other Resources:							
Earning Transferred In			284	284			
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	500	500	500	500	500	500	500
Revenue Collected for Another Agency							
Total Resources	2,833	2,918	2,650	2,650	2,650	2,725	2,725
Expenditures:							
Direct Expenditures	887	952	1,133	1,054	1,054	984	984
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	888	953	1,134	1,055	1,055	985	985
Current Difference	1,945	1,965	1,516	1,595	1,595	1,740	1,740
Accumulated Ending Balance	1,945	3,910	5,426	7,021	7,021	8,761	8,761

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 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The accumulated ending balance has been increasing and could offset the Gambling shortages. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

Governor's Recommendation:

For information about the recommended change, see the 2AM Permit Fee Fund Change change item in the Department of Public Safety - Public Safety's 2022- 23 Governor's Budget Recommendations.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:	557	196	330	530	530	730	730
Resources:							
Departmental Earnings	1,417	1,541	1,571	1,571	1,571	1,571	1,571
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,417	1,541	1,571	1,571	1,571	1,571	1,571
Expenditures:							
Direct Expenditures	1,778	1,407	1,371	1,371	1,371	1,371	1,371
Indirect Expenditures							
Total Expenditures	1,778	1,407	1,371	1,371	1,371	1,371	1,371
Current Difference	(361)	134	200	200	200	200	200
Accumulated Ending Balance	196	330	530	730	730	930	930

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 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

None.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,878	3,444	2,911	2,335	2,335	1,759	1,759
Resources:							
Departmental Earnings	3,998	4,774	4,000	4,000	4,000	4,000	4,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	16						
Revenue Collected for Another Agency							
Total Resources	3,982	4,774	4,000	4,000	4,000	4,000	4,000
Expenditures:							
Direct Expenditures	4,416	5,307	4,576	4,576	4,576	4,576	4,576
Indirect Expenditures							
Total Expenditures	4,416	5,307	4,576	4,576	4,576	4,576	4,576
Current Difference	(434)	(533)	(576)	(576)	(576)	(576)	(576)
Accumulated Ending Balance	3,444	2,911	2,335	1,759	1,759	1,183	1,183

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 FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		194	354	718	718	1,082	1,082
Resources:							
Departmental Earnings	430	396	600	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	430	396	600	600	600	600	600
Expenditures:							
Direct Expenditures	236	236	236	236	236	236	236
Indirect Expenditures							
Total Expenditures	236	236	236	236	236	236	236
Current Difference	194	160	364	364	364	364	364
Accumulated Ending Balance	194	354	718	1,082	1,082	1,446	1,446

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 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. The accumulated ending balance has been increasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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: Vehicle Serv. Control Acct (P077102); Driver Serv. Control Acct. (P077112); DVS Data Security Account (P077DS2)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		456	1,094	1,635	1,635	2,145	2,217
Resources:							
Departmental Earnings	542	702	630	630	718	630	718
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	542	702	630	630	718	630	718
Expenditures:							
Direct Expenditures	86	64	89	120	136	120	120
Indirect Expenditures							
Total Expenditures	86	64	89	120	136	120	120
Current Difference	456	638	541	510	582	510	598
Accumulated Ending Balance	456	1,094	1,635	2,145	2,217	2,655	2,815

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:

It is assumed actual FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

N/A

Agency Analysis/Comments:

The fee appears to cover the cost.

Governor's Recommendation:

For information about the recommended fee change, see the Driver and Vehicle Process Improvements Based on OLA Recommendations change item in the Department of Public Safety - Transportation's 2022- 23 Governor's Budget Recommendations.

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); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077711); Non Dedicated Receipts (P077811)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(791)	956	494	494	2,379	2,379
Resources:							
Departmental Earnings	29,843	36,097	38,939	38,939	38,939	38,939	38,939
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	29,843	36,097	38,939	38,939	38,939	38,939	38,939
Expenditures:							
Direct Expenditures	30,382	34,140	39,176	36,829	36,829	35,995	35,995
Indirect Expenditures	252	210	225	225	225	225	225
Total Expenditures	30,634	34,350	39,401	37,054	37,054	36,220	36,220
Current Difference	(791)	1,747	(462)	1,885	1,885	2,719	2,719
Accumulated Ending Balance	(791)	956	494	2,379	2,379	5,098	5,098

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:

IIt is assumed actual FY 21 revenues will prevail for fiscal years 22-23.

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.

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		3,374	6,633	10,063	10,063	13,693	14,190
Resources:							
Departmental Earnings	14,077	13,417	14,155	14,355	14,852	14,355	14,852
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	10,629	10,101	10,664	10,664	10,664	10,664	10,664
Revenue Collected for Another Agency							
Total Resources	3,448	3,316	3,491	3,691	4,188	3,691	4,188
Expenditures:							
Direct Expenditures							
Indirect Expenditures	74	57	61	61	61	61	61
Total Expenditures	74	57	61	61	61	61	61
Current Difference	3,374	3,259	3,430	3,630	4,127	3,630	4,127
Accumulated Ending Balance	3,374	6,633	10,063	13,693	14,190	17,323	18,317

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 FY 21 revenues will prevail for fiscal years 22-23.

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 of having non-dedicated fee revenues without corresponding General Fund expenditures..

Governor's Recommendation:

For information about the recommended fee change, see the Partial Payment for Driver's License Reinstatements change item in the Department of Public Safety - Transportation's 2022- 23 Governor's Budget Recommendations.

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: Non Dedicated Receipts (P077811); Motorcycle Safety (P079222)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	723	1,406	2,323	2,898	2,898	3,599	3,599
Resources:							
Departmental Earnings	1,553	1,543	1,541	1,541	1,541	1,541	1,541
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,553	1,543	1,541	1,541	1,541	1,541	1,541
Expenditures:							
Direct Expenditures	861	618	959	840	840	840	840
Indirect Expenditures	9	8	7				
Total Expenditures	870	626	966	840	840	840	840
Current Difference	683	917	575	701	701	701	701
Accumulated Ending Balance	1,406	2,323	2,898	3,599	3,599	4,300	4,300

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 FY 21 revenues will prevail for fiscal years 22-23.

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

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	11,592	1,069	8,867				
Resources:							
Departmental Earnings	2,091	19,723	20,500	20,500	20,500	20,500	20,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	8						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,099	19,723	20,500	20,500	20,500	20,500	20,500
Expenditures:							
Direct Expenditures	12,603	11,909	29,343	20,480	20,480	20,480	20,480
Indirect Expenditures	19	16	24	20	20	20	20
Total Expenditures	12,622	11,925	29,367	20,500	20,500	20,500	20,500
Current Difference	(10,523)	7,798	(8,867)				
Accumulated Ending Balance	1,069	8,867					

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 actual FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

Filing fees will continue to cover the costs of this activity. Appropriation of 16 million from Driver Services Control Account and Motor Vehicle Services Control Account.

Agency Analysis/Comments:

Fees cover MNDRIVE activities

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); Dvs Technology Acct (P077172); Non Dedicated Receipts (P077711)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		11,219	24,952	34,530	34,530	45,073	45,225
Resources:							
Departmental Earnings	34,046	39,359	37,377	37,377	45,781	37,377	45,781
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	148	78	97	97	97	97	97
Revenue Collected for Another Agency							
Total Resources	33,898	39,281	37,280	37,280	45,684	37,280	45,684
Expenditures:							
Direct Expenditures	22,476	25,346	27,487	26,522	34,774	25,337	33,573
Indirect Expenditures	203	202	215	215	215	215	215
Total Expenditures	22,679	25,548	27,702	26,737	34,989	25,552	33,788
Current Difference	11,219	13,733	9,578	10,543	10,695	11,728	11,896
Accumulated Ending Balance	11,219	24,952	34,530	45,073	45,225	56,801	57,121

Background Information:

The fees are to cover the costs of registration, and related services related to motor vehciles

Forecast Basis:

It is assumed actual FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The agency will monitor fees appear to insure cover the cost of the activity.

Governor's Recommendation:

For information about the recommended fee changes, see the License Plate Fee Restructure and Temporary Trip Permits change items in the Department of Public Safety - Transportation's 2022- 23 Governor's Budget Recommendations.

Purpose: To cover the costs of Public Safety Law Enforcement 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 BCA (P073302); DPS Motor Vehicle Account MSP (P075052); DPS Motor Vehicle Account AGED (P079182)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,027	2,905	2,243	2,198	2,198	2,154	2,154
Resources:							
Departmental Earnings	4,831	4,540	4,389	4,389	4,389	4,389	4,389
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	9						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,840	4,540	4,389	4,389	4,389	4,389	4,389
Expenditures:							
Direct Expenditures	3,920	5,165	4,434	4,433	4,433	4,419	4,419
Indirect Expenditures	42	37					
Total Expenditures	3,962	5,202	4,434	4,433	4,433	4,419	4,419
Current Difference	878	(662)	(45)	(44)	(44)	(30)	(30)
Accumulated Ending Balance	2,905	2,243	2,198	2,154	2,154	2,124	2,124

Forecast Basis:

It is assumed actual FY 21 revenues will prevail for fiscal years 22-23.

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.

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); 911 Non Dedicated Receipt (P079699); Combined Local Access (P0796C9); Prepaid Wireless E911 Fees (P0796P9)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	50,625	63,570	70,289	56,678	56,678	54,754	39,404
Resources:							
Departmental Earnings	78,234	74,900	76,336	77,238	61,888	77,238	61,888
Other Resources:							
Earning Transferred In	133						
Revenue Collected by Another Agency							
Other Receipts	21	12	12	12	12	12	12
Resource Reductions:							
Earnings Transferred Out	33,614	33,252	33,985	33,619	33,619	33,619	33,619
Revenue Collected for Another Agency							
Total Resources	44,774	41,660	42,363	43,631	28,281	43,631	28,281
Expenditures:							
Direct Expenditures	31,795	34,901	55,853	45,435	45,435	45,435	45,435
Indirect Expenditures	34	40	121	120	120	120	120
Total Expenditures	31,829	34,941	55,974	45,555	45,555	45,555	45,555
Current Difference	12,945	6,719	(13,611)	(1,924)	(17,274)	(1,924)	(17,274)
Accumulated Ending Balance	63,570	70,289	56,678	54,754	39,404	52,830	22,130

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 $.95 per line per month.

Forecast Basis:

The agency projects no substantial increase in revenues in fiscal years 2022 and 2023.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees covers the projected costs

Governor's Recommendation:

For information about the recommended change, see the Emergency Communications Network Rate Change change item in the Department of Public Safety - Public Safety's 2022- 23 Governor's Budget Recommendations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	133	53	195	117	117	39	39
Resources:							
Departmental Earnings	13	237	62	62	62	256	256
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	237	62	62	62	256	256
Expenditures:							
Direct Expenditures	82	84	123	123	123	123	123
Indirect Expenditures	11	11	17	17	17	17	17
Total Expenditures	93	95	140	140	140	140	140
Current Difference	(80)	142	(78)	(78)	(78)	116	116
Accumulated Ending Balance	53	195	117	39	39	155	155

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 21-22, with the triennial increase in FY 2023.

Recent Changes:

N/A

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

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. 297I.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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	9,816	5,819	10,331	3,765	3,765	4,946	4,946
Resources:							
Departmental Earnings	14,104	15,108	14,000	14,000	14,000	14,000	14,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	113	111	43	43	43	43	43
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14,217	15,219	14,043	14,043	14,043	14,043	14,043
Expenditures:							
Direct Expenditures	18,214	10,707	20,609	12,862	12,862	12,862	12,862
Indirect Expenditures							
Total Expenditures	18,214	10,707	20,609	12,862	12,862	12,862	12,862
Current Difference	(3,997)	4,512	(6,566)	1,181	1,181	1,181	1,181
Accumulated Ending Balance	5,819	10,331	3,765	4,946	4,946	6,127	6,127

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 FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees are covering the cost of the activity. The accumulated ending balance has been increasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,151	2,761	3,393	3,946	3,946	4,499	4,499
Resources:							
Departmental Earnings	1,457	1,562	1,510	1,510	1,510	1,510	1,510
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		15					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,457	1,577	1,510	1,510	1,510	1,510	1,510
Expenditures:							
Direct Expenditures	799	909	918	918	918	918	918
Indirect Expenditures	48	36	39	39	39	39	39
Total Expenditures	847	945	957	957	957	957	957
Current Difference	610	632	553	553	553	553	553
Accumulated Ending Balance	2,761	3,393	3,946	4,499	4,499	5,052	5,052

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 assumed actual FY 21 revenues will prevail for fiscal years 22-23.

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 of having non-dedicated fee revenues without corresponding General Fund expenditures..

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		383	758	1,015	1,015	1,272	1,272
Resources:							
Departmental Earnings	643	646	645	645	645	645	645
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	643	646	645	645	645	645	645
Expenditures:							
Direct Expenditures	260	271	388	388	388	388	388
Indirect Expenditures							
Total Expenditures	260	271	388	388	388	388	388
Current Difference	383	375	257	257	257	257	257
Accumulated Ending Balance	383	758	1,015	1,272	1,272	1,529	1,529

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 actual FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		3	(6)	(3)	(3)		
Resources:							
Departmental Earnings	45	33	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	45	33	45	45	45	45	45
Expenditures:							
Direct Expenditures	42	42	42	42	42	42	42
Indirect Expenditures							
Total Expenditures	42	42	42	42	42	42	42
Current Difference	3	(9)	3	3	3	3	3
Accumulated Ending Balance	3	(6)	(3)			3	3

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 FY 21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity. The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

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); Captiol Area After Hours Event (P07502I); Air Patrol Service non-state (P075082); St Patrol Escort Svc Non-state (P075122)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,201	2,440	1,851	2,166	2,166	1,881	1,881
Resources:							
Departmental Earnings	1,116	2,071	1,888	1,288	1,288	1,288	1,288
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	22	23	21	21	21	21	21
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,138	2,094	1,909	1,309	1,309	1,309	1,309
Expenditures:							
Direct Expenditures	899	2,683	1,594	1,594	1,594	1,073	1,073
Indirect Expenditures							
Total Expenditures	899	2,683	1,594	1,594	1,594	1,073	1,073
Current Difference	239	(589)	315	(285)	(285)	236	236
Accumulated Ending Balance	2,440	1,851	2,166	1,881	1,881	2,117	2,117

Background Information:

For FY2021 the fee for Patrol Escort Services Rate is $104.77 per hour with a vehicle and $81.77 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 22-23 revenues will increase from estimated FY21 revenues.

Recent Changes:

The Patrol Escort Services Rates are updated annually.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	671	485	361	(149)	(149)	(149)	(149)
Resources:							
Departmental Earnings	617	787	1,418	1,418	1,418	1,418	1,418
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	104	22	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	721	809	1,443	1,443	1,443	1,443	1,443
Expenditures:							
Direct Expenditures	907	933	1,953	1,443	1,443	1,443	1,443
Indirect Expenditures							
Total Expenditures	907	933	1,953	1,443	1,443	1,443	1,443
Current Difference	(186)	(124)	(510)				
Accumulated Ending Balance	485	361	(149)	(149)	(149)	(149)	(149)

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 FY21 revenues will prevail for fiscal years 22-23.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees cover the state share costs of the Office of Pipeline Safety. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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: Restrict Misc Special Revenue (2000)

Appropriation: Administrative Hearings (B82ALJ0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	115	27	66				
Resources:							
Departmental Earnings	162	165	180	180	180	180	180
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	162	165	180	180	180	180	180
Expenditures:							
Direct Expenditures	250	126	246	180	180	180	180
Indirect Expenditures							
Total Expenditures	250	126	246	180	180	180	180
Current Difference	(88)	39	(66)				
Accumulated Ending Balance	27	66					

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 several 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(1,986)	(2,041)	(2,567)	(2,567)	(2,859)	(2,859)
Resources:							
Departmental Earnings	5,828	7,126	7,205	7,005	7,005	7,005	7,005
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,828	7,126	7,205	7,005	7,005	7,005	7,005
Expenditures:							
Direct Expenditures	7,276	6,631	7,231	6,797	6,797	6,797	6,797
Indirect Expenditures	538	550	500	500	500	500	500
Total Expenditures	7,814	7,181	7,731	7,297	7,297	7,297	7,297
Current Difference	(1,986)	(55)	(526)	(292)	(292)	(292)	(292)
Accumulated Ending Balance	(1,986)	(2,041)	(2,567)	(2,859)	(2,859)	(3,151)	(3,151)

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 energy utilities reported for the previous year.

Forecast Basis:

The Forecast assumes FY2021 staffing levels and minimal salary adjustments for the FY2022-23 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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,087	943	2,056	1,913	1,913	1,770	1,770
Resources:							
Departmental Earnings	570	1,685	1,500	1,500	1,500	1,500	1,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	27	278	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	597	1,963	1,525	1,525	1,525	1,525	1,525
Expenditures:							
Direct Expenditures	741	850	1,668	1,668	1,668	1,668	1,668
Indirect Expenditures							
Total Expenditures	741	850	1,668	1,668	1,668	1,668	1,668
Current Difference	(144)	1,113	(143)	(143)	(143)	(143)	(143)
Accumulated Ending Balance	943	2,056	1,913	1,770	1,770	1,627	1,627

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. Currently, the program is funded by a ten 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 $7.00 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., Medicaid). 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.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(753)	(345)	(93)	(93)	209	209
Resources:							
Departmental Earnings	312	1,377	1,252	1,302	1,302	1,302	1,302
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	312	1,377	1,252	1,302	1,302	1,302	1,302
Expenditures:							
Direct Expenditures	995	919	950	950	950	950	950
Indirect Expenditures	70	50	50	50	50	50	50
Total Expenditures	1,065	969	1,000	1,000	1,000	1,000	1,000
Current Difference	(753)	408	252	302	302	302	302
Accumulated Ending Balance	(753)	(345)	(93)	209	209	511	511

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 FY2021 staffing levels and minimal salary adjustments for the FY2022-23 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.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	882	858	911	661	661	559	559
Resources:							
Departmental Earnings	828	818	811	811	811	811	811
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	828	818	811	811	811	811	811
Expenditures:							
Direct Expenditures	826	758	1,041	893	893	893	893
Indirect Expenditures	26	7	20	20	20	20	20
Total Expenditures	852	765	1,061	913	913	913	913
Current Difference	(24)	53	(250)	(102)	(102)	(102)	(102)
Accumulated Ending Balance	858	911	661	559	559	457	457

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.
- 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.

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 mostly unchanged only varying 5% over the last four fiscal years.

Recent Changes:

None

Agency Analysis/Comments:

The MRC anticipates a decline in operational budget funds, leadership is exploring ways to reduce agency costs and utilize other regulatory funds.

Purpose: Assessor's Licensing

Legal Citation: M.S. 270.44

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Prop Tax Board of Assessors Li (G676353)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	101	109	124	124	124	124	124
Resources:							
Departmental Earnings	106	104	100	100	100	100	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	106	104	100	100	100	100	100
Expenditures:							
Direct Expenditures	98	89	100	100	100	100	100
Indirect Expenditures							
Total Expenditures	98	89	100	100	100	100	100
Current Difference	8	15					
Accumulated Ending Balance	109	124	124	124	124	124	124

Background Information:

Fees are set to recover the costs of the State Board of Assessors.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

1Sp2017 Chapter 4, Article 2 Subd. 34 increased the license fees. Subd. 35 changed the disposition of this fee to a Special Revenue Fund, appropriated directly to the department.

Agency Analysis/Comments:

Effective with FY 2018, revenues are dedicated and appropriated to the department to fund the annual operating board costs.

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 (G677750)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,299	1,338	1,156	1,061	1,061	961	961
Resources:							
Departmental Earnings	738	719	805	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	738	719	805	800	800	800	800
Expenditures:							
Direct Expenditures							
Indirect Expenditures	699	901	900	900	900	900	900
Total Expenditures	699	901	900	900	900	900	900
Current Difference	39	(182)	(95)	(100)	(100)	(100)	(100)
Accumulated Ending Balance	1,338	1,156	1,061	961	961	861	861

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		11,974	24,603	36,672	36,672	48,734	48,734
Resources:							
Departmental Earnings	12,945	13,647	13,060	13,123	13,123	13,189	13,189
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,945	13,647	13,060	13,123	13,123	13,189	13,189
Expenditures:							
Direct Expenditures	971	1,018	991	1,061	1,061	968	968
Indirect Expenditures							
Total Expenditures	971	1,018	991	1,061	1,061	968	968
Current Difference	11,974	12,629	12,069	12,062	12,062	12,221	12,221
Accumulated Ending Balance	11,974	24,603	36,672	48,734	48,734	60,955	60,955

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	2,806	2,844	3,058	2,465	2,465	1,589	1,589
Resources:							
Departmental Earnings	3,937	4,363	4,250	4,270	4,270	4,375	4,375
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,937	4,363	4,250	4,270	4,270	4,375	4,375
Expenditures:							
Direct Expenditures	3,899	4,149	4,843	5,146	5,146	4,955	4,955
Indirect Expenditures							
Total Expenditures	3,899	4,149	4,843	5,146	5,146	4,955	4,955
Current Difference	38	214	(593)	(876)	(876)	(580)	(580)
Accumulated Ending Balance	2,844	3,058	2,465	1,589	1,589	1,009	1,009

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.

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)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(3,952)	(7,806)	(11,879)	(11,879)	(15,732)	(15,732)
Resources:							
Departmental Earnings	27	72	30	72	72	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	27	72	30	72	72	32	32
Expenditures:							
Direct Expenditures	3,979	3,926	4,103	3,925	3,925	4,060	4,060
Indirect Expenditures							
Total Expenditures	3,979	3,926	4,103	3,925	3,925	4,060	4,060
Current Difference	(3,952)	(3,854)	(4,073)	(3,853)	(3,853)	(4,028)	(4,028)
Accumulated Ending Balance	(3,952)	(7,806)	(11,879)	(15,732)	(15,732)	(19,760)	(19,760)

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, FY22 and FY24.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,140	4,154	5,472	5,472	6,774	6,774
Resources:							
Departmental Earnings	1,467	3,353	1,648	1,656	1,656	1,664	1,664
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	3,353	1,648	1,656	1,656	1,664	1,664
Expenditures:							
Direct Expenditures	327	339	330	354	354	323	323
Indirect Expenditures							
Total Expenditures	327	339	330	354	354	323	323
Current Difference	1,140	3,014	1,318	1,302	1,302	1,341	1,341
Accumulated Ending Balance	1,140	4,154	5,472	6,774	6,774	8,115	8,115

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		2,933	5,997	9,316	9,316	12,645	12,645
Resources:							
Departmental Earnings	3,260	3,403	3,649	3,683	3,683	3,701	3,701
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,260	3,403	3,649	3,683	3,683	3,701	3,701
Expenditures:							
Direct Expenditures	327	339	330	354	354	323	323
Indirect Expenditures							
Total Expenditures	327	339	330	354	354	323	323
Current Difference	2,933	3,064	3,319	3,329	3,329	3,378	3,378
Accumulated Ending Balance	2,933	5,997	9,316	12,645	12,645	16,023	16,023

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.

Purpose: To recover the costs of regulating the social work profession.

Legal Citation: M.S. 148E, 148D.061-148D.063, 214, 319B

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

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

Appropriation: Soc Wk Non Dedicated Receipts (H7L1000); Criminal Background Checks (H7L3000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	305	173	310	290	290	395	293
Resources:							
Departmental Earnings	1,512	1,889	1,964	1,977	1,977	2,011	2,011
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	6	8					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,518	1,897	1,964	1,977	1,977	2,011	2,011
Expenditures:							
Direct Expenditures	1,220	1,362	1,566	1,454	1,556	1,454	1,559
Indirect Expenditures	430	398	418	418	418	418	418
Total Expenditures	1,650	1,760	1,984	1,872	1,974	1,872	1,977
Current Difference	(132)	137	(20)	105	3	139	34
Accumulated Ending Balance	173	310	290	395	293	534	327

Background Information:

The mission of the Minnesota Board of Social Work (BOSW) is protecting the public and ensuring residents of Minnesota quality social work services by establishing and enforcing professional standards to ensure licensed social workers are qualified, professional, ethical, and accountable. The public safety mission creates the foundation for the Board's work. 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.

Currently, the Board has a staff of 12.6 FTE serving over 16,000 licensees. Annually, staff process over 2,000 applications for licensure, over 6,000 applications for license renewal, and over 400 complaints, over 400 supervised practice verifications. The Board keeps Minnesotans safe by licensing qualified social workers and investigating and resolving complaints when services do not meet standards. The Board conducts regular strategic planning, identifies outcome-based priorities, measures results, and engages in continuous process and service delivery improvements with the goal to be a mission-driven, efficient, and effective state agency.

Board of Social Work Services and Statutory Mandate:

The Board accomplishes its core public safety and regulatory mission by 1) licensing and regulating qualified social work professionals; 2) investigating and resolving complaints against licensed social workers' practice in a fair and timely manner; 3) providing education, outreach, strategic communications, and building collaborative partnerships through the following services.

- Establish and enforce requirements for initial and continued licensure, including ethical practice standards, education, national examination, criminal background checks, supervised practice experience, and continuing education.
- Issue and renew bachelor and graduate degree licenses: Licensed Social Worker (LSW); Licensed Graduate Social Worker (LGSW); Licensed Independent Social Worker (LISW); and Licensed Independent Clinical Social Worker (LICSW).
- Set and enforce standards of ethical practice to ensure that licensed social workers meet professional standards, practice safely and competently, and are accountable to the people they serve. Results show that when the Board takes action against a licensee, a future complaint is rare.
- Investigate and resolve complaints of alleged violations of statutes, hold educational and disciplinary conferences with licensees; take legal action, when appropriate, against licensees who fail to meet minimum standards of social work practice.
- Educate the public, social work students and faculty, licensed professionals, applicants, employers, diverse communities, and organizations about professional licensing responsibilities, ethical practice standards, and the complaint resolution process through in-person and web-based methods.
- Partner with local, state, and national organizations to improve public safety policies, regulatory practices, and mental health workforce issues, including social work licensing mobility and portability.

Board of Social Work Fees:

- The Board is entirely fee supported, by licensure fees, and receives no General Fund dollars to provide services. Minnesota Statutes section 214.06, subdivision 1(a) requires the Board to collect fees in the amount sufficient to cover direct and indirect expenditures.
- Funds are deposited as non-dedicated revenue into the state government special revenue fund. From this fund, the Board receives a direct appropriation to pay for operations and program services provided by the agency, including licensing, complaint investigation and resolution, education and outreach, salaries, rent, and technology costs.
- In addition to Board operational and program service expenses, fees collected must be sufficient to pay statewide indirect costs to other state agencies and programs providing services, including the Office of the Attorney General for legal services, and inter-board programs including the Administrative Services Unit,

Department of Administration Small Agency Resource Team, Health Professionals Services Program, and the Criminal Background Check Program.
- Fees are approved and enacted by the Legislature, as identified in Minnesota Statutes, Sections 148E.175 and 148E.180.

Forecast Basis:

- Revenues are forecasted based on demonstrated trends, including analysis of actual revenue collected in previous years, number of applicants seeking initial licensure and renewing licenses, any statutory fee changes, and anticipated changes in statewide indirect costs.
- Expenditures are forecasted based on demonstrated trends, including analysis of actual direct and indirect expenditures in previous years and anticipated increases, identified increased costs of doing business, costs for new Board-identified critical strategic initiatives to ensure our public safety mission, and to meet the dramatic increase in the demand for Board services.

Recent Changes:

- The Board of Social Work fee change was approved by the Legislature and Governor during the 2019 Legislative Special Session, effective May 30, 2019. The Board began collecting new fee amounts on July 8, 2019. This was required to avoid deficit spending.
- The approved fee change includes a "not to exceed amount" model, allowing the Board to adjust fees lower than the amount listed in law.
- This is the first fee increase since 2000, and still resulted in the new fee amounts being lower than the fees authorized in 2000. The increase is $1.21 per month to $3.60 per month depending on license type and includes a "new grad discount" to ease the impact of the fee change on new licensees.

Agency Analysis/Comments:

The board will continue to monitor revenues and expenditures to determine whether a fee change is needed in the future.

Purpose: To recover the cost for utilizing utilities and miscellaneous services received while renting office space at Minnesota State Academies. These dollars are used for Staff Development purposes for employees at the Academies.

Legal Citation: M.S. 125A.71

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Faribault Acad Rental Income (E447203)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	221	227	233	184	184	137	137
Resources:							
Departmental Earnings	5	5	5	6	6	6	6
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	1	2	2	2	2
Resource Reductions:							
Earnings Transferred Out			30	30	30	30	30
Revenue Collected for Another Agency							
Total Resources	6	6	(24)	(22)	(22)	(22)	(22)
Expenditures:							
Direct Expenditures			25	25	25	25	25
Indirect Expenditures							
Total Expenditures			25	25	25	25	25
Current Difference	6	6	(49)	(47)	(47)	(47)	(47)
Accumulated Ending Balance	227	233	184	137	137	90	90

Background Information:

The Minnesota State Academies Fees account has two revenue sources. One is for the rental of farmland which reverts to the General Fund and the other is for the rental of office space which goes to the Academies to support staff development efforts for employees.

Forecast Basis:

The forecast is based on the established lease that was set up for the farmland as well as the anticipated dollars that are to come in for the rental of vacant office space.

Recent Changes:

None.

Agency Analysis/Comments:

The Department of Administration is responsible for doing the bidding out of the farmland as needed.

Purpose: To recover all costs of the audit examination of local governments.

Legal Citation: M.S. 6.581

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

Fund: General (1000)

Appropriation: Non-Dedicated Audit Receipts (G611999)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(894)	(1,230)	(1,230)	(1,230)	(1,230)	(1,230)
Resources:							
Departmental Earnings	5,544	5,975	9,670	8,166	8,166	8,166	8,166
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,544	5,975	9,670	8,166	8,166	8,166	8,166
Expenditures:							
Direct Expenditures	6,438	6,311	9,670	8,166	8,166	8,166	8,166
Indirect Expenditures							
Total Expenditures	6,438	6,311	9,670	8,166	8,166	8,166	8,166
Current Difference	(894)	(336)					
Accumulated Ending Balance	(894)	(1,230)	(1,230)	(1,230)	(1,230)	(1,230)	(1,230)

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 non-dedicated revenue deposited in the General 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 2020.

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 2019 was deemed necessary to keep the cost recovery formula in balance.

Agency Analysis/Comments:

Fees are sufficient to recover the cost of audit examinations.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	537	545	516	296	296	222	222
Resources:							
Departmental Earnings	2,095	2,090	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	2,095	2,090	2,100	2,100	2,100	2,100	2,100
Expenditures:							
Direct Expenditures	2,087	2,119	2,320	2,174	2,174	2,174	2,174
Indirect Expenditures							
Total Expenditures	2,087	2,119	2,320	2,174	2,174	2,174	2,174
Current Difference	8	(29)	(220)	(74)	(74)	(74)	(74)
Accumulated Ending Balance	545	516	296	222	222	148	148

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.

Purpose: To reimburse the cost of providing copies to patrons

Legal Citation: M.S. 480.09 Subd. 5

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	7	5	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	7	5	5	5	5	5	5
Expenditures:							
Direct Expenditures	7	5	5	5	5	5	5
Indirect Expenditures							
Total Expenditures	7	5	5	5	5	5	5
Current Difference							
Accumulated Ending Balance							

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		465	936	1,407	1,407	1,878	1,878
Resources:							
Departmental Earnings	465	471	471	471	471	471	471
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	471	471	471	471	471	471
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	465	471	471	471	471	471	471
Accumulated Ending Balance	465	936	1,407	1,878	1,878	2,349	2,349

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	97	153	296				
Resources:							
Departmental Earnings	56	143	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	56	143	35	35	35	35	35
Expenditures:							
Direct Expenditures			331	35	35	35	35
Indirect Expenditures							
Total Expenditures			331	35	35	35	35
Current Difference	56	143	(296)				
Accumulated Ending Balance	153	296					

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	25	10	14	11	11	8	8
Resources:							
Departmental Earnings	43	53	55	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	43	53	55	55	55	55	55
Expenditures:							
Direct Expenditures	58	49	58	58	58	58	58
Indirect Expenditures							
Total Expenditures	58	49	58	58	58	58	58
Current Difference	(15)	4	(3)	(3)	(3)	(3)	(3)
Accumulated Ending Balance	10	14	11	8	8	5	5

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	15	11	8	6	6	4	4
Resources:							
Departmental Earnings	4	4	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	4	4	10	10	10	10	10
Expenditures:							
Direct Expenditures	8	7	12	12	12	12	12
Indirect Expenditures							
Total Expenditures	8	7	12	12	12	12	12
Current Difference	(4)	(3)	(2)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	11	8	6	4	4	2	2

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.

Purpose: Cigarette Sale Regulation

Legal Citation: M.S. 297F.03, Subd. 5-6 & 297F.24 Subd 1

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		7,705	15,572	23,369	23,369	31,192	31,192
Resources:							
Departmental Earnings	7,729	7,870	7,827	7,827	7,827	7,827	7,827
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,729	7,870	7,827	7,827	7,827	7,827	7,827
Expenditures:							
Direct Expenditures							
Indirect Expenditures	24	3	30	4	4	39	39
Total Expenditures	24	3	30	4	4	39	39
Current Difference	7,705	7,867	7,797	7,823	7,823	7,788	7,788
Accumulated Ending Balance	7,705	15,572	23,369	31,192	31,192	38,980	38,980

Background Information:

Cigarette and tobacco licensure is to regulate the sale of cigarette and tobacco products. Cigarette and tobacco fees are a 2 year license that is issued on January 1 of the even number year and runs through Dec 31 of the odd number year. There is a significant increase in applications in November/December of odd number years.

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.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	70	7	6	15	15	24	24
Resources:							
Departmental Earnings	(62)		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	(62)		10	10	10	10	10
Expenditures:							
Direct Expenditures	1	1	1	1	1	1	1
Indirect Expenditures							
Total Expenditures	1	1	1	1	1	1	1
Current Difference	(63)	(1)	9	9	9	9	9
Accumulated Ending Balance	7	6	15	24	24	33	33

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-FY19. Funds collected have been maintained in a separate appropriation in G90.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		8		5	5	(11)	(11)
Resources:							
Departmental Earnings	14	14	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	14	14	13	13	13	13	13
Expenditures:							
Direct Expenditures							
Indirect Expenditures	6	22	8	29	29	10	10
Total Expenditures	6	22	8	29	29	10	10
Current Difference	8	(8)	5	(16)	(16)	3	3
Accumulated Ending Balance	8		5	(11)	(11)	(8)	(8)

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.

Purpose: Tax preparers that file a paper tax return must pay a fee to compensate the state for the added cost of processing 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		85	117	157	157	197	197
Resources:							
Departmental Earnings	85	32	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	85	32	40	40	40	40	40
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	85	32	40	40	40	40	40
Accumulated Ending Balance	85	117	157	197	197	237	237

Background Information:

Tax preparers that file a paper tax return must pay a fee of $5.00 to compensate the state for the added cost of processing 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.

Purpose: Permits fees collected for the placement of advertising devices (signs, etc.) along interstate and primary systems of highways.

Legal Citation: MS 173.13 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		289	376	446	446	516	516
Resources:							
Departmental Earnings	517	317	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	517	317	300	300	300	300	300
Expenditures:							
Direct Expenditures	228	230	230	230	230	230	230
Indirect Expenditures							
Total Expenditures	228	230	230	230	230	230	230
Current Difference	289	87	70	70	70	70	70
Accumulated Ending Balance	289	376	446	516	516	586	586

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.

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.

Purpose: Fees collected from air transportation users to cover: (1) direct operating costs excluding pilot salary and aircraft acquisition and (2) a portion of aircraft acquisition, replacement, or leasing costs

Legal Citation: MS 360.024

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

Fund: Air Transportation Revolving (2722)

Appropriation: Air Transport Servic (T790041); Air Trans Svc Capital Acct (T791471)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	677	1,136	681	336	336	336	336
Resources:							
Departmental Earnings	949	742	750	1,102	1,102	1,104	1,104
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	949	742	750	1,102	1,102	1,104	1,104
Expenditures:							
Direct Expenditures	490	1,197	1,095	1,102	1,102	941	941
Indirect Expenditures							
Total Expenditures	490	1,197	1,095	1,102	1,102	941	941
Current Difference	459	(455)	(345)			163	163
Accumulated Ending Balance	1,136	681	336	336	336	499	499

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 2020.

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 costs and a portion of aircraft acquisition, replacement, or leasing costs

Recent Changes:

The statute was changed in 2019 to allow the rate charged to include a portion of aircraft acquisition, replacement, or leasing costs

Purpose: Fees for licensing of aviation dealers in the business of buying and selling aircraft (MS 360.63). Also for aircraft registration and licensing of pilots engaged in commercial operations (MS 360.018).

Legal Citation: MS 360.63 and MS 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(17)	(35)	(52)	(52)	(69)	(69)
Resources:							
Departmental Earnings	17	16	17	17	17	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	17	16	17	17	17	17	17
Expenditures:							
Direct Expenditures	34	34	34	34	34	34	34
Indirect Expenditures							
Total Expenditures	34	34	34	34	34	34	34
Current Difference	(17)	(18)	(17)	(17)	(17)	(17)	(17)
Accumulated Ending Balance	(17)	(35)	(52)	(69)	(69)	(86)	(86)

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.

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: MS 222.63 8; MS 160.298; MS 161.391; MS 161.231; MS 174.02 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)

Appropriation: Rail Bank Maintenance (T790019); Land Conveyance (T790094); WI/DOT Dresbach Bridge (T790108); Metro Emerg - Motorola SSA (T790172); Carver Cty Sheriffs Office (T790176); WI Dot - MN &WI Bridge 00511 (T790249); 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); ND Border Bridge 89463-P (T790742); Highway Sign Revolving Account (T790765); 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); City Cass Lk WelcomeCtr87418PL (T791169); WI StCroix Bridge Coop 02732 (T791171); Chaska TS Fuel/Utilities 01859 (T791193); Canadian Natl Railway Co 05122 (T791207); Richfield CedarAve TS Fuel4963 (T791212); Blue Line Ext LRT #06737 (T791231); 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); Auburn University #1000887 (T791248); City of Virginia #1001136 (T791255); NRRA Associate Dues #1002993 (T791270); WI/DOT-36/64 St Croix #06253R (T791281); WY/DOT Clear Rds #1026447 (T791289); AASHTO/NTPEP #1025949 (T791292); KDOT TPIMS Tiger Grant #100440 (T791298); ND DOT Kennedy Bridge #06131R (T791300); LAPC-TCMC 2nd Empire #1027313 (T791301); WI/DOT RedWing Bridge #1026157 (T791302); Dakota Cty-City Rosemount #102 (T791303); Washington-Johnson #03553WO04 (T791304); ND/DOT I-94 Red Rvr #1027428 (T791312); Utah DOT Research #1027913 (T791315); Henn I35W/Lk #1027480 (T791316); Mpls I35W/Lake #1027509 (T791317); Metro Transit I35W/Lk #1027528 (T791318); WI/DOT- Osceola Design#1028224 (T791353); WI/DOT Osceola Const #1028574 (T791354); City Park Rapids WO2 #1029157 (T791368); Min Transp Ontario #98621A01 (T791371); WI/DOT-Scope Blatnik #1029644 (T791376); RCRRA #1029758 WO1 (T791378); RCRRA #1029758 WO2 (T791379); Project for Pride #1030978 (T791380); City of Mankato Levee #1030755 (T791381); WA NW Passage Pool Fund1031010 (T791383); Lake County #1028589W03 (T791384); Anoka County #1028103W03 (T791385); CAV Hennepin Cty #1028107 (T791451); Lake County #1028589W04 (T791452); Le Sueur County #1028027WO1 (T791453); MnRoad/NCAT Pavement #1031559 (T791454); RCRRA #1029758W03 (T791455); Dayton & I-94 Pre 1028681W01 (T791456); I94 & Pioneer Rd 1028276W02 (T791457); MnROAD/Intercomp#1032789 (T791458); City of EdenPrairie#1028133W01

(T791459); Envirnmtl Qlty Board #1033601 (T791460); Spring Lake Townshp 1031896W01 (T791461); Adv Trfc Mgmt Systm 1028107W04 (T791462); TH 29 Frontage Rd Cnst 1033908 (T791463); Web-based Geomtrc Dsgn 1032686 (T791464); LA Fnctnl Mtrls/MnRD 1034211 (T791465); Red Lake Watershed 1035147 (T791479); IA TransDept Clear Rds 1034405 (T791480); CR 221 Winter Maint 1028589W07 (T791484); e-Builder Service #1032834WO1 (T791485); Old 61 Winter Maint 1028589W06 (T791486); Duluth Metro EVP Signal Rev (T791487); MnROAD Research Asphalt Mix (T791506); Duluth EVP Signal Revisions (T791507); Wabasha Bridge Design&Painting (T791508); WyomingDOT NW Pass Pooled Fund (T791509); SW Light Rail Transit Plant (T791510); Duluth/Oliver Bridge Snow&Ice (T791511); DNR Bridge 3459 Design 1028184 (T791513); CSAH22 Bemidji - BeltramiCtyMap (T791515); Hennepin Cty ADA Improvement D (T791516); Illinois Tollway, National Roa (T791517); City of Dayton - Mtls Testing, (T791520); Hennepin Cty Cedar Ave Design (T791524); MN BWSR Mitigation Project (T791527); Ramsey County Rgnl Rail Auth (T791531); City of Redwing Value Engr Std (T791533); Anoka Cty signal replacement (T791534); Anoka Cty ADA Upgrades CSAH12 (T791536); County Partnership Constr (T796300); County Partnership Maint (T796301); County Partnership DepSup (T796303); Non-Ded Construction - 2700 (T799000); Non-Ded Dept Support - 2700 (T799007); Non-Ded Aeronautics - 2720 (T799008)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	46,472	39,275	27,219	10,587	10,587	7,350	7,350
Resources:							
Departmental Earnings	57,742	73,412	46,793	46,026	46,026	39,575	39,575
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	57,742	73,412	46,793	46,026	46,026	39,575	39,575
Expenditures:							
Direct Expenditures	64,939	85,468	63,425	49,263	49,263	42,699	42,699
Indirect Expenditures							
Total Expenditures	64,939	85,468	63,425	49,263	49,263	42,699	42,699
Current Difference	(7,197)	(12,056)	(16,632)	(3,237)	(3,237)	(3,124)	(3,124)
Accumulated Ending Balance	39,275	27,219	10,587	7,350	7,350	4,226	4,226

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 Safely 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:

None

Agency Analysis/Comments:

These department earnings are a mix of dedicated and non-dedicated receipts established for cost recovery.

Purpose: User fees collected for single passenger vehicles traveling in the high occupancy vehicle lanes (MnPASS)

Legal Citation: MS 160.93

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

Fund: Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: MnPass_Receipts Maintenance (T790679); Mn/Pass Unearned Receipts (T791177); MnPASS 35E Corridor (T791467); MnPASS 35W Corridor (T791468); MnPASS 394 Corridor (T791469); MnPASS Transponders (T791470); Non-Ded Construction - 2700 (T799000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,682	4,344	3,922	(838)	(838)	(2,147)	(2,147)
Resources:							
Departmental Earnings	4,825	3,836	1,461	2,903	2,903	4,194	4,194
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,825	3,836	1,461	2,903	2,903	4,194	4,194
Expenditures:							
Direct Expenditures	4,163	4,258	6,221	4,212	4,212	4,948	4,948
Indirect Expenditures							
Total Expenditures	4,163	4,258	6,221	4,212	4,212	4,948	4,948
Current Difference	662	(422)	(4,760)	(1,309)	(1,309)	(754)	(754)
Accumulated Ending Balance	4,344	3,922	(838)	(2,147)	(2,147)	(2,901)	(2,901)

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. The I-35E HOT lane fees are deposited in the Trunk Highway fund for repayment.

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 Special Revenue fund account. Unearned receipts equal approximately $1,800,000 of the rolled forward balances and non-dedicated receipts to the Trunk Highway fund from I-35E HOT lane fess add an $600,000 each year to the balance. Revenue in the Special Revenue fund is used to maintain and expand the current system. Expenditures include revenue sharing agreement payments to Metropolitan Council.

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: MS 221.131; MS 174.30 4E

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		(258)	(761)	(1,793)	(1,793)	(2,531)	(2,531)
Resources:							
Departmental Earnings	1,572	1,489	1,525	1,525	1,525	1,525	1,525
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,572	1,489	1,525	1,525	1,525	1,525	1,525
Expenditures:							
Direct Expenditures	1,830	1,992	2,557	2,263	2,263	2,263	2,263
Indirect Expenditures							
Total Expenditures	1,830	1,992	2,557	2,263	2,263	2,263	2,263
Current Difference	(258)	(503)	(1,032)	(738)	(738)	(738)	(738)
Accumulated Ending Balance	(258)	(761)	(1,793)	(2,531)	(2,531)	(3,269)	(3,269)

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.

Purpose: Fees on short term vehicle rentals.

Legal Citation: MS 297A.64 Subd 2 and 5, MS 297A.94d

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:		1,492	2,384	3,276	3,276	4,168	4,168
Resources:							
Departmental Earnings	1,492	892	892	892	892	892	892
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,492	892	892	892	892	892	892
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,492	892	892	892	892	892	892
Accumulated Ending Balance	1,492	2,384	3,276	4,168	4,168	5,060	5,060

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 MN Laws of 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.

Purpose: Lease receipts for use of statewide communication tower space.

Legal Citation: MS 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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1,547	1,402	444	361	361	278	278
Resources:							
Departmental Earnings	1,186	1,417	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	1,186	1,417	1,300	1,300	1,300	1,300	1,300
Expenditures:							
Direct Expenditures	1,331	2,375	1,383	1,383	1,383	1,383	1,383
Indirect Expenditures							
Total Expenditures	1,331	2,375	1,383	1,383	1,383	1,383	1,383
Current Difference	(145)	(958)	(83)	(83)	(83)	(83)	(83)
Accumulated Ending Balance	1,402	444	361	278	278	195	195

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 costs incurred.

Purpose: To regulate the movement of oversized/overweight vehicles on the trunk highway system and to compensate for damage to the highways

Legal Citation: MS 169.865; MS 169.86; MS 169.8261; MS 169.869; MS 174.525

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

Fund: Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: CVO Permit Program Admin (T790078); Forest Prod Hauler - Local (T790701); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	3,256	8,703	14,023	14,023	14,023	12,726	12,726
Resources:							
Departmental Earnings	5,622	5,772	1,250	1,250	1,250	1,250	1,250
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,622	5,772	1,250	1,250	1,250	1,250	1,250
Expenditures:							
Direct Expenditures	175	452	1,250	2,547	2,547	2,546	2,546
Indirect Expenditures							
Total Expenditures	175	452	1,250	2,547	2,547	2,546	2,546
Current Difference	5,447	5,320		(1,297)	(1,297)	(1,296)	(1,296)
Accumulated Ending Balance	8,703	14,023	14,023	12,726	12,726	11,430	11,430

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 was deposited in the Trunk Highway Fund and was used to maintain and repair the trunk highway system. MN Laws of 2020, Chapter 69 dedicated these revenues to a dedicated special revenue fund account managed by MMB to repay loans received under the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program. MnDOT is in the process of applying for a TIFIA loan for a project on TH 14.

Dedicated revenue, (M.S. 169.8261 - Forest Products Permits, MS 169.869 - Road Construction Materials Permits, MS 169.865 - Special Farm Product Permits) 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:

MN Laws of 2020, Chapter 69 dedicated the non-dedicated TH revenues to a dedicated special revenue fund account managed by MMB to repay loans received under the federal Transportation Infrastructure Finance and Innovation Act (TIFIA) program. MnDOT is in the process of applying for a TIFIA loan for a project on TH 14.

Agency Analysis/Comments:

Note that beginning in FY 2021, the non-dedicated revenues that in previous years were deposited in the TH Fund are now planned on being deposited in the special revenue account managed by MMB to repay any TIFIA loans

Purpose: Fees charged to cover the cost of burials for eligible 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: Duluth Cem Develop & Maint (H751DL2); Little Falls Cem Dev & Maint-i (H751LF2); Preston Cem Develop & Maint (H751PN2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	887	1,016	724	691	691	631	631
Resources:							
Departmental Earnings	171	165	195	195	195	195	195
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	377	397	487	542	542	590	590
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	548	562	682	737	737	785	785
Expenditures:							
Direct Expenditures	411	846	707	789	789	764	764
Indirect Expenditures	8	8	8	8	8	8	8
Total Expenditures	419	854	715	797	797	772	772
Current Difference	129	(292)	(33)	(60)	(60)	13	13
Accumulated Ending Balance	1,016	724	691	631	631	644	644

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 revenue increases expected at this time.

Purpose: Rental and lease fees charged to tenants to cover building maintenance and utility costs.

Legal Citation: M.S. 198.003, subd.3 and 4

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	155	127	128	128	128	128	128
Resources:							
Departmental Earnings	122	166	168	167	167	167	167
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	4	4	4	4	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	127	170	172	171	171	171	171
Expenditures:							
Direct Expenditures	155	169	172	171	171	171	171
Indirect Expenditures							
Total Expenditures	155	169	172	171	171	171	171
Current Difference	(28)	1					
Accumulated Ending Balance	127	128	128	128	128	128	128

Background Information:

The Hastings Veterans Home leases campus buildings to the Dakota County Detox Facility and the Department of Transportation. It also receives rent from veterans who have transitioned from domiciliary care to a supportive housing unit.

Forecast Basis:

Forecast revenue estimate is based on current lease amounts for the Dakota County Detox Facility and the Department of Transportation buildings. The supportive housing unit will close in FY21 and will no longer generate any revenue.

Purpose: Maintenance fees charged to Adult Daycare Residents to cover the cost of their care.

Legal Citation: M.S. 198.03, subd. 2

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	1	41	318				
Resources:							
Departmental Earnings	25	13	5	5	5	5	5
Other Resources:							
Earning Transferred In	550	391		407	407	409	409
Revenue Collected by Another Agency							
Other Receipts	367	657	350	380	380	395	395
Resource Reductions:							
Earnings Transferred Out			242				
Revenue Collected for Another Agency							
Total Resources	942	1,061	113	792	792	809	809
Expenditures:							
Direct Expenditures	902	784	431	792	792	809	809
Indirect Expenditures							
Total Expenditures	902	784	431	792	792	809	809
Current Difference	40	277	(318)				
Accumulated Ending Balance	41	318					

Background Information:

Adult Daycare maintenance fees were made up of both a resident daily co-pay and a fee for basic hygiene services. The department no longer charges a daily co-pay.

Forecast Basis:

The estimated ADC Maintenance Fees have been reduce to $5,000 per year to account for the expected revenues received for basic hygiene services. It does not include the daily co-pay which the department no longer collects.

Purpose: Maintenance fees charged to domiciliary residents to cover the cost of their care.

Legal Citation: M.S. 198.03 subd. 2

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

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Hastings Ops (H752H10); MPLS DOMS CARE (H752M13)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:							
Resources:							
Departmental Earnings	1,942	2,188	2,200	2,200	2,200	2,200	2,200
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,942	2,188	2,200	2,200	2,200	2,200	2,200
Expenditures:							
Direct Expenditures	1,942	2,188	2,200	2,200	2,200	2,200	2,200
Indirect Expenditures							
Total Expenditures	1,942	2,188	2,200	2,200	2,200	2,200	2,200
Current Difference							
Accumulated Ending Balance							

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for domiciliary care residents. The cost is 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:

Due to the difficulty of forecasting this type of revenue, the forecast is based on estimated FY21 receipts with no expected increases in FY22 and FY23.

Purpose: Maintenance fees charged to skilled nursing residents to cover the cost of their care.

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 Minneapolis Ops (H752M10); Veterans Home Silver Bay Ops (H752S10)

Fee Change? No

Group Summary (Dollars in Thousands)	**Actual FY 2019**	**Actual FY 2020**	**Estimated FY 2021**	**Current Law FY 2022**	**Gov Rec FY 2022**	**Current Law FY 2023**	**Gov Rec FY 2023**
Accumulated Balance:							
Resources:							
Departmental Earnings	14,685	14,686	12,997	14,685	14,685	14,685	14,685
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14,685	14,686	12,997	14,685	14,685	14,685	14,685
Expenditures:							
Direct Expenditures	14,685	14,686	12,997	14,685	14,685	14,685	14,685
Indirect Expenditures							
Total Expenditures	14,685	14,686	12,997	14,685	14,685	14,685	14,685
Current Difference							
Accumulated Ending Balance							

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for skilled nursing care residents. The cost is 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:

Due to the difficulty of forecasting this type of revenue, the forecast is based on FY20 receipts with little to no expected increase in FY22 and FY23. In FY21, this revenue decreased because of reduced Resident Census due to COVID-19.

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 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	340	304	416	285	285	227	227
Resources:							
Departmental Earnings	407	478	394	394	394	394	394
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	407	478	394	394	394	394	394
Expenditures:							
Direct Expenditures	274	277	432	359	359	359	359
Indirect Expenditures	169	89	93	93	93	93	93
Total Expenditures	443	366	525	452	452	452	452
Current Difference	(36)	112	(131)	(58)	(58)	(58)	(58)
Accumulated Ending Balance	304	416	285	227	227	169	169

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.
- Review initial registration documents and annual reports for veterinary professional firms to determine compliance with professional firm regulations.
- 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.

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); WBNK Easement Fee (R9PBNKE); WBNK Stewardship (R9PBNKS); WCA - Appeal - Fee (R9PWCA0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2019	Actual FY 2020	Estimated FY 2021	Current Law FY 2022	Gov Rec FY 2022	Current Law FY 2023	Gov Rec FY 2023
Accumulated Balance:	339	590	402	249	249	133	133
Resources:							
Departmental Earnings	709	459	589	589	589	589	589
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out		110	85	75	75	75	75
Revenue Collected for Another Agency							
Total Resources	709	349	504	514	514	514	514
Expenditures:							
Direct Expenditures	401	460	500	493	493	480	480
Indirect Expenditures	57	77	157	137	137	11	11
Total Expenditures	458	537	657	630	630	491	491
Current Difference	251	(188)	(153)	(116)	(116)	23	23
Accumulated Ending Balance	590	402	249	133	133	156	156

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 receipt history for the last 3 years.

Recent Changes:

None.

Agency Analysis/Comments:

Expense costs look at recent revenue history and budget those based on moving averages, leaving a slight margin to cover for unexpected drops in revenue. Wetland Banking Stewardship takes a portion of Wetland Banking Fees and transfers to SBI account for long term stewardship costs.