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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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		919	1,897	2,747	2,747	3,619	3,619
Resources:							
Departmental Earnings	1,634	1,677	1,641	1,641	1,641	1,641	1,641
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,634	1,677	1,641	1,641	1,641	1,641	1,641
Expenditures:							
Direct Expenditures	650	658	728	706	706	700	700
Indirect Expenditures	65	41	63	63	63	63	63
Total Expenditures	715	699	791	769	769	763	763
Current Difference	919	978	850	872	872	878	878
Accumulated Ending Balance	919	1,897	2,747	3,619	3,619	4,497	4,497

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 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	24	23	21	20	20	20	20
Resources:							
Departmental Earnings		3	3	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		3	3	4	4	4	4
Expenditures:							
Direct Expenditures	1	5	4	4	4	4	4
Indirect Expenditures							
Total Expenditures	1	5	4	4	4	4	4
Current Difference	(1)	(2)	(1)				
Accumulated Ending Balance	23	21	20	20	20	20	20

Background Information:

Authority to collect fees from users for events at the Capitol building is provided in M.S. 16B.2405, subd. 2. Fees are determined based on actual hours of event, including set up and take down. Costs for cleaning and HVAC expenses are included in fees.

Forecast Basis:

Revenue for FY24-25 is anticipated to remain stable and relatively consistent with estimated FY23 revenue.

Recent Changes:

None. Fees were first implemented in FY 2018 and reduced in March 2020.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	537	671	763	705	705	824	824
Resources:							
Departmental Earnings	350	324	208	400	400	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	350	324	208	400	400	40	40
Expenditures:							
Direct Expenditures	214	228	262	277	277	283	283
Indirect Expenditures	2	4	4	4	4	4	4
Total Expenditures	216	232	266	281	281	287	287
Current Difference	134	92	(58)	119	119	(247)	(247)
Accumulated Ending Balance	671	763	705	824	824	577	577

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 schedules, 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 added in 2018. Two additional contract positions were added from 2021 to 2022 to address the influx of applications due to the possibility of the program sunset.

The state tax credit program in M.S. 290.0681 sunset at the end of fiscal year 2022, except that the authority to issue credit certificates based on allocation certificates issued before the sunset remains in effect through calendar year 2025.

Purpose: To allow the public, land managers, and professional archaeologists access to various levels of information relating to Minnesota's recorded archaeological sites.

Legal Citation: M.S. 13.03, Subd. 3b

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: OSA Portal Fees (G021296)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:			(32)	(70)	(70)	(70)	(70)
Resources:							
Departmental Earnings		37	47		50		53
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		37	47		50		53
Expenditures:							
Direct Expenditures		69	85		50		53
Indirect Expenditures							
Total Expenditures		69	85		50		53
Current Difference		(32)	(38)				
Accumulated Ending Balance		(32)	(70)	(70)	(70)	(70)	(70)

Background Information:

The portal fee in the annual amount of \$1,150 per user exists to partly defray the cost of Office of State Archaeologist (OSA) staff time used in developing, maintaining, supporting, and updating the portal, along with technical maintenance, including technical support, application planning, application support, system upgrades, project administration, and system maintenance. The fee also helps defray the cost of hosting the site and securing information storage. Without a fee, OSA would be unable to keep the portal online, functioning, and secure.

Forecast Basis:

Cost assumptions included OSA staff time and support estimates provided by MN.IT Services. OSA anticipates that these costs will increase annually.

Recent Changes:

N/A - this is a new fee as of FY22.

Agency Analysis/Comments:

Fees collected are not anticipated to cover the costs of the portal. To cover anticipated portal costs, OSA would need to nearly double the user fee, which would likely result in fewer users, thus not resolving the shortfall. A portal upgrade is needed in FY24, but without sufficient funding to update the portal, this activity and related fee collection will be discontinued in approximately July 2023.

Governor's Recommendation:

For information about the recommended change that affects the revenue and expenditures in this departmental earnings group, see the "Archaeological and Cemetery Site Inventory Portal" proposal in the Department of Administration's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	22	22	22	165	165	165	165
Resources:							
Departmental Earnings	22	22	165	165	165	165	165
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	22	22	165	165	165	165	165
Expenditures:							
Direct Expenditures	22	22	22	165	165	330	330
Indirect Expenditures							
Total Expenditures	22	22	22	165	165	330	330
Current Difference			143			(165)	(165)
Accumulated Ending Balance	22	22	165	165	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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	292	256	292	346	346	404	404
Resources:							
Departmental Earnings	2,544	2,748	3,515	3,515	3,515	3,515	3,515
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,544	2,748	3,515	3,515	3,515	3,515	3,515
Expenditures:							
Direct Expenditures	2,563	2,708	3,451	3,447	3,447	3,447	3,447
Indirect Expenditures	17	4	10	10	10	10	10
Total Expenditures	2,580	2,712	3,461	3,457	3,457	3,457	3,457
Current Difference	(36)	36	54	58	58	58	58
Accumulated Ending Balance	256	292	346	404	404	462	462

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); Administrative Hearings (5201); Workers Comp Transcript (5202)

Appropriation: Office Of Administrative Heari (G9K1OAH); Work Comp Pymt (G9K1WCP); Workers Compensation Transcript (G9K1WCT)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	44	44	44	47	47	50	50
Resources:							
Departmental Earnings	4	2	9	9	9	9	9
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4	2	9	9	9	9	9
Expenditures:							
Direct Expenditures	4	2	6	6	6	6	6
Indirect Expenditures							
Total Expenditures	4	2	6	6	6	6	6
Current Difference			3	3	3	3	3
Accumulated Ending Balance	44	44	47	50	50	53	53

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	4,216	2,788	2,111	1,008	1,008	1,763	1,763
Resources:							
Departmental Earnings	2,138	2,474	3,500	6,615	6,615	6,612	6,612
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	17	11	15	15	15	15	15
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,155	2,485	3,515	6,630	6,630	6,627	6,627
Expenditures:							
Direct Expenditures	3,084	2,760	3,994	5,081	5,081	3,581	3,581
Indirect Expenditures	499	402	624	794	794	559	559
Total Expenditures	3,583	3,162	4,618	5,875	5,875	4,140	4,140
Current Difference	(1,428)	(677)	(1,103)	755	755	2,487	2,487
Accumulated Ending Balance	2,788	2,111	1,008	1,763	1,763	4,250	4,250

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:

Predicting an additional increase in fees in January 2023 to address statutory changes that were passed in the 2022 legislative session.

Recent Changes:

The fees were increased in 2021.

Agency Analysis/Comments:

None

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

Legal Citation: M.S. 18C.551

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		18	41	55	55	70	70
Resources:							
Departmental Earnings	57	64	57	57	57	57	57
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	64	57	57	57	57	57
Expenditures:							
Direct Expenditures	39	41	43	42	42	42	42
Indirect Expenditures							
Total Expenditures	39	41	43	42	42	42	42
Current Difference	18	23	14	15	15	15	15
Accumulated Ending Balance	18	41	55	70	70	85	85

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. The expenditures shown for comparison are the amounts in the Inspection and Enforcement area.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	8	8	8	8	8	8	8
Resources:							
Departmental Earnings			1	1	1	1	1
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources			1	1	1	1	1
Expenditures:							
Direct Expenditures			1	1	1	1	1
Indirect Expenditures							
Total Expenditures			1	1	1	1	1
Current Difference							
Accumulated Ending Balance	8	8	8	8	8	8	8

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	49	46	59	52	52	42	42
Resources:							
Departmental Earnings	25	46	46	46	46	46	46
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	25	46	47	47	47	47	47
Expenditures:							
Direct Expenditures	24	29	47	49	49	50	50
Indirect Expenditures	4	4	7	8	8	8	8
Total Expenditures	28	33	54	57	57	58	58
Current Difference	(3)	13	(7)	(10)	(10)	(11)	(11)
Accumulated Ending Balance	46	59	52	42	42	31	31

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:

Account funds have increased after updates to how fees are processed were put in place in FY22.

Purpose: Fee paid by any person who requests a certificate issued by the Minnesota Department of Agriculture to facilitate the movement of Minnesota processed and manufactured foods destined for export from the state of Minnesota.

Legal Citation: M.S. 28A.081

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

Fund: Agriculture (2018)

Appropriation: Food Certification FFSD (B044A39); Food Certification -DMID (B045A39)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	132	101	87	72	72	65	65
Resources:							
Departmental Earnings	96	100	107	110	110	110	110
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1		2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	97	100	109	112	112	112	112
Expenditures:							
Direct Expenditures	110	99	107	103	103	104	104
Indirect Expenditures	18	15	17	16	16	17	17
Total Expenditures	128	114	124	119	119	121	121
Current Difference	(31)	(14)	(15)	(7)	(7)	(9)	(9)
Accumulated Ending Balance	101	87	72	65	65	56	56

Background Information:

Certificates establish products are freely sold within the state of Minnesota to facilitate export activities. Program is supported by licensing and inspection activities related to food production and sale in Minnesota. Main program activities are staff time for administration.

Forecast Basis:

Analysis of recent activity. Expecting a slow increase to pre-pandemic levels.

Recent Changes:

No major recent changes at this time

Agency Analysis/Comments:

Current fee revenues do not fully support program activities. A portion of the protection services general fund and FDA Food Inspection contract supplement program costs.

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:** Yes

Fund: General (1000); Agriculture (2018)

Appropriation: Commercial Canneries Inspect (B044A35); Food&Feed Non-Dedicated Rcpts (B044G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	153	61	(66)	(149)	(149)	(234)	(234)
Resources:							
Departmental Earnings	62	59	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	62	59	45	45	45	45	45
Expenditures:							
Direct Expenditures	143	171	121	122	122	124	124
Indirect Expenditures	11	15	7	8	8	8	8
Total Expenditures	154	186	128	130	130	132	132
Current Difference	(92)	(127)	(83)	(85)	(85)	(87)	(87)
Accumulated Ending Balance	61	(66)	(149)	(234)	(234)	(321)	(321)

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 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:** No

Fund: Agriculture (2018)

Appropriation: Commercial Feed (B044A30)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,954	4,761	5,158	4,948	4,948	4,401	4,401
Resources:							
Departmental Earnings	3,495	3,376	3,455	3,455	3,455	3,455	3,455
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	18	18	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out	330	330	330	330	330	330	330
Revenue Collected for Another Agency							
Total Resources	3,183	3,064	3,145	3,145	3,145	3,145	3,145
Expenditures:							
Direct Expenditures	2,045	2,325	2,902	3,193	3,193	3,293	3,293
Indirect Expenditures	331	342	453	499	499	514	514
Total Expenditures	2,376	2,667	3,355	3,692	3,692	3,807	3,807
Current Difference	807	397	(210)	(547)	(547)	(662)	(662)
Accumulated Ending Balance	4,761	5,158	4,948	4,401	4,401	3,739	3,739

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. Transfers out and expended in the lab for testing services.

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	130	141	153	145	145	129	129
Resources:							
Departmental Earnings	129	125	125	120	120	120	120
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	130	126	126	121	121	121	121
Expenditures:							
Direct Expenditures	103	100	119	122	122	125	125
Indirect Expenditures	16	14	15	15	15	15	15
Total Expenditures	119	114	134	137	137	140	140
Current Difference	11	12	(8)	(16)	(16)	(19)	(19)
Accumulated Ending Balance	141	153	145	129	129	110	110

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:

The MDA anticipates that revenues will generally stay the same for the foreseeable future as we move out in years for budget purposes. The MDA does not anticipate any new councils being formed and is not aware of any plans for referendums by any of the existing councils.

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
M.S. 28A.08, M.S. 28A.09

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

Fund: General (1000); Agriculture (2018)

Appropriation: Food&Feed Non-Dedicated Rcpts (B044G00); Food Licensing Modernization (B044Z01); Dairy&Meat Non-Dedicated Rcpts (B045G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(1,944)	(4,154)	(7,095)	(7,095)	(9,639)	(9,639)
Resources:							
Departmental Earnings	4,137	3,963	3,895	3,895	3,895	3,895	3,895
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,137	3,963	3,895	3,895	3,895	3,895	3,895
Expenditures:							
Direct Expenditures	6,081	6,173	6,836	6,439	6,439	6,435	6,435
Indirect Expenditures							
Total Expenditures	6,081	6,173	6,836	6,439	6,439	6,435	6,435
Current Difference	(1,944)	(2,210)	(2,941)	(2,544)	(2,544)	(2,540)	(2,540)
Accumulated Ending Balance	(1,944)	(4,154)	(7,095)	(9,639)	(9,639)	(12,179)	(12,179)

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 except for food certification and food handler plan review expenditures.

Governor's Recommendation:

For more information about the "Food Licensing Modernization" proposal, see the Department of Agriculture's 2024-25 Governor's Budget Recommendations. The proposal recommends modernizing the food safety program funding through the following steps:

1. Establish an Agriculture Fund account to dedicate food handler license and inspection fees. Redirect non-dedicated fee revenue of \$3.827 million from the General Fund to the new Agriculture Fund account beginning FY24 and on-going; and
2. Reduce by \$3.827 million the Protection Services General Fund base appropriation in FY25 and FY26-27.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	14	(1)	(26)	(55)	(55)	(85)	(85)
Resources:							
Departmental Earnings	17	24	25	25	25	25	25
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	17	24	25	25	25	25	25
Expenditures:							
Direct Expenditures	31	46	50	51	51	49	49
Indirect Expenditures	1	3	4	4	4	4	4
Total Expenditures	32	49	54	55	55	53	53
Current Difference	(15)	(25)	(29)	(30)	(30)	(28)	(28)
Accumulated Ending Balance	(1)	(26)	(55)	(85)	(85)	(113)	(113)

Background Information:

This program began in FY 2016 and was expanded in FY 2021.

Forecast Basis:

Revenues trending upward as number of registrants increases over time.

Recent Changes:

Sales volumes for registrants was increased significantly, allowing for more registrants to stay in this program

Agency Analysis/Comments:

Program outreach expenses are increasing to address equity, inclusion and language. General Fund dollars are 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 (B045A31); Dairy&Meat Non-Dedicated Rcpts (B045G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,166	628	(183)	(1,196)	(1,196)	(2,381)	(2,381)
Resources:							
Departmental Earnings	2,345	2,347	2,328	2,340	2,340	2,340	2,340
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	9	7	17	17	17	17	17
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	2,354	2,354	2,345	2,357	2,357	2,357	2,357
Expenditures:							
Direct Expenditures	3,486	2,913	3,075	3,217	3,217	3,274	3,274
Indirect Expenditures	406	252	283	325	325	337	337
Total Expenditures	3,892	3,165	3,358	3,542	3,542	3,611	3,611
Current Difference	(1,538)	(811)	(1,013)	(1,185)	(1,185)	(1,254)	(1,254)
Accumulated Ending Balance	628	(183)	(1,196)	(2,381)	(2,381)	(3,635)	(3,635)

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, 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. Transfers out and expended in the lab for testing services.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	58	50	39	33	33	27	27
Resources:							
Departmental Earnings	25	25	28	28	28	28	28
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	25	25	29	29	29	29	29
Expenditures:							
Direct Expenditures	28	31	30	30	30	31	31
Indirect Expenditures	5	5	5	5	5	5	5
Total Expenditures	33	36	35	35	35	36	36
Current Difference	(8)	(11)	(6)	(6)	(6)	(7)	(7)
Accumulated Ending Balance	50	39	33	27	27	20	20

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 & MS 18C.425 6

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

Fund: Agriculture (2018)

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

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,495	2,833	2,909	1,969	1,969	1,100	1,100
Resources:							
Departmental Earnings	3,653	3,803	3,472	3,472	3,472	3,472	4,222
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	40	54	39	39	39	39	39
Resource Reductions:							
Earnings Transferred Out	44	104	104	44	44	44	44
Revenue Collected for Another Agency							
Total Resources	3,649	3,753	3,407	3,467	3,467	3,467	4,217
Expenditures:							
Direct Expenditures	2,861	3,238	3,760	3,750	3,750	3,430	4,079
Indirect Expenditures	450	439	587	586	586	536	637
Total Expenditures	3,311	3,677	4,347	4,336	4,336	3,966	4,716
Current Difference	338	76	(940)	(869)	(869)	(499)	(499)
Accumulated Ending Balance	2,833	2,909	1,969	1,100	1,100	601	601

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. Transfers out and expended in the lab for testing services.

Forecast Basis:

Expenditures are going to be exceeding the revenues as revenues drop.

Recent Changes:

Submitted request for the fee increase in the fertilizer regulatory through the Change Item during FY24-25 budgeting process.

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.

Governor's Recommendation:

For information about recommended fee changes, see the "Fertilizer Tonnage Fee Increase" proposal in the Department of Agriculture's 2024-25 Governor's Budget Recommendations.

Purpose: Fees paid by retail food handlers for pre-opening review of facilities and equipment according to the MN Food Code requirements.

Legal Citation: M.S. 28A.082

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

Fund: Agriculture (2018)

Appropriation: Food Handler Plan Review (B044A32)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	182	(121)	(463)	(869)	(869)	(1,264)	(1,264)
Resources:							
Departmental Earnings	109	105	110	110	199	110	199
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1		1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	110	105	111	111	200	111	200
Expenditures:							
Direct Expenditures	393	424	493	494	583	506	595
Indirect Expenditures	20	23	24	12	12	12	12
Total Expenditures	413	447	517	506	595	518	607
Current Difference	(303)	(342)	(406)	(395)	(395)	(407)	(407)
Accumulated Ending Balance	(121)	(463)	(869)	(1,264)	(1,264)	(1,671)	(1,671)

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. Transfers out and expended in the lab for testing services.

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. Program services have increased to address small facility needs, and current fees do not cover all related program costs.

Agency Analysis/Comments:

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

Governor's Recommendation:

For information about recommended fee changes, see the "Plan Review Fee Modernization" proposal in the Department of Agriculture's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	116	99	81	63	63	49	49
Resources:							
Departmental Earnings	7	8	9	9	9	9	9
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	7	8	10	10	10	10	10
Expenditures:							
Direct Expenditures	21	23	24	21	21	21	21
Indirect Expenditures	3	3	4	3	3	3	3
Total Expenditures	24	26	28	24	24	24	24
Current Difference	(17)	(18)	(18)	(14)	(14)	(14)	(14)
Accumulated Ending Balance	99	81	63	49	49	35	35

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 collected for instances of severe issues requiring additional inspection activities in a short time period.

Purpose: Fees for fruit and vegetable inspection activities

Legal Citation: M.S. 27.07 Subdivision 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	484	334	(25)	(370)	(370)	(747)	(747)
Resources:							
Departmental Earnings	1,051	966	1,060	1,060	1,060	1,060	1,060
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	2	4	4	4	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,054	968	1,064	1,064	1,064	1,064	1,064
Expenditures:							
Direct Expenditures	1,076	1,187	1,256	1,284	1,284	1,285	1,285
Indirect Expenditures	128	140	153	157	157	157	157
Total Expenditures	1,204	1,327	1,409	1,441	1,441	1,442	1,442
Current Difference	(150)	(359)	(345)	(377)	(377)	(378)	(378)
Accumulated Ending Balance	334	(25)	(370)	(747)	(747)	(1,125)	(1,125)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	689	682	578	1,875	1,875	1,607	1,607
Resources:							
Departmental Earnings	606	568	569	569	569	569	569
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	4	1,502	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	610	572	2,071	574	574	574	574
Expenditures:							
Direct Expenditures	532	589	670	729	729	785	785
Indirect Expenditures	85	87	104	113	113	122	122
Total Expenditures	617	676	774	842	842	907	907
Current Difference	(7)	(104)	1,297	(268)	(268)	(333)	(333)
Accumulated Ending Balance	682	578	1,875	1,607	1,607	1,274	1,274

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 effective as of FY21 had new financial reporting requirements for licensees. Compliance with those requirements has been poor and as of FY23 the agency is pursuing enforcement options to bring entities into compliance.

Agency Analysis/Comments:

Increased requirements for inspection and review of financial information as well as legal costs associated with bond claims are causing expenditures to exceed revenue. The fund balance is projected to reach \$0 by FY26 without a change to expenditures and / or revenue.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	237	(46)	(294)	(492)	(492)	(681)	(681)
Resources:							
Departmental Earnings	303	235	239	239	239	239	239
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1		1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	304	235	240	240	240	240	240
Expenditures:							
Direct Expenditures	529	443	405	396	396	396	396
Indirect Expenditures	58	40	33	33	33	33	33
Total Expenditures	587	483	438	429	429	429	429
Current Difference	(283)	(248)	(198)	(189)	(189)	(189)	(189)
Accumulated Ending Balance	(46)	(294)	(492)	(681)	(681)	(870)	(870)

Background Information:

The industrial hemp pilot program was in place from 2016 through 2020. As of January 1, 2021, the MDA has offered a state-managed hemp program under USDA oversight and approval.

Forecast Basis:

Revenues have fluctuated along with market conditions for hemp. Anticipating revenue amounts from year to year has been difficult.

Recent Changes:

Hemp regulations have been consistent under USDA oversight but State regulations for Cannabis have created opportunity as well as questions to be resolved regarding hemp production.

Agency Analysis/Comments:

While factors related to production and regulation of hemp and Cannabis generally are in flux, optimism for hemp as a viable crop in Minnesota remains high. General Fund dollars have been appropriated and have been critical to supporting the 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	735	546	544	554	554	491	491
Resources:							
Departmental Earnings	235	288	335	359	359	359	359
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	44	70	63	63	63	63	63
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	279	358	398	422	422	422	422
Expenditures:							
Direct Expenditures	403	314	336	419	419	429	429
Indirect Expenditures	65	46	52	66	66	67	67
Total Expenditures	468	360	388	485	485	496	496
Current Difference	(189)	(2)	10	(63)	(63)	(74)	(74)
Accumulated Ending Balance	546	544	554	491	491	417	417

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: Dairy&Meat Non-Dedicated Rcpts (B045G00); Mktg & Dev Non-Dedicated Rcpts (B046G00)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	44	42	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	44	42	40	40	40	40	40
Expenditures:							
Direct Expenditures	44	42	40	40	40	40	40
Indirect Expenditures							
Total Expenditures	44	42	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 (B045A35); Livestock Weigh Ag Cert (B046A53)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	303	251	195	161	161	117	117
Resources:							
Departmental Earnings	467	434	523	544	544	586	586
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	468	435	524	545	545	587	587
Expenditures:							
Direct Expenditures	448	428	483	509	509	515	515
Indirect Expenditures	72	63	75	80	80	80	80
Total Expenditures	520	491	558	589	589	595	595
Current Difference	(52)	(56)	(34)	(44)	(44)	(8)	(8)
Accumulated Ending Balance	251	195	161	117	117	109	109

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings			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				
Expenditures:							
Direct Expenditures			3				
Indirect Expenditures							
Total Expenditures			3				
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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	314	290	278	255	255	231	231
Resources:							
Departmental Earnings	108	112	110	110	110	110	110
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	109	113	111	111	111	111	111
Expenditures:							
Direct Expenditures	114	109	116	117	117	118	118
Indirect Expenditures	19	16	18	18	18	18	18
Total Expenditures	133	125	134	135	135	136	136
Current Difference	(24)	(12)	(23)	(24)	(24)	(25)	(25)
Accumulated Ending Balance	290	278	255	231	231	206	206

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		7	9	9	9	9	9
Resources:							
Departmental Earnings	7	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	7	2					
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	7	2					
Accumulated Ending Balance	7	9	9	9	9	9	9

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(243)	(497)	(794)	(794)	(1,056)	(1,056)
Resources:							
Departmental Earnings	134	113	134	134	134	134	134
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	134	113	134	134	134	134	134
Expenditures:							
Direct Expenditures	325	320	373	343	343	348	348
Indirect Expenditures	52	47	58	53	53	54	54
Total Expenditures	377	367	431	396	396	402	402
Current Difference	(243)	(254)	(297)	(262)	(262)	(268)	(268)
Accumulated Ending Balance	(243)	(497)	(794)	(1,056)	(1,056)	(1,324)	(1,324)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	164	164	117	68	68	52	52
Resources:							
Departmental Earnings		25	40	90	90	120	120
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	1	1	1	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1	26	41	91	91	122	122
Expenditures:							
Direct Expenditures	1	64	84	94	94	99	99
Indirect Expenditures		9	6	13	13	13	13
Total Expenditures	1	73	90	107	107	112	112
Current Difference		(47)	(49)	(16)	(16)	10	10
Accumulated Ending Balance	164	117	68	52	52	62	62

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 dramatically impacted the number of tradeshow events that took place in person. These events are now gradually starting to take place in person again. We anticipate show participation and resulting revenue to increase and gradually return to pre-COVID levels during the biennium.

Recent Changes:

In spring of 2022, in-person trade shows and events began to occur in person. In some cases attendance and exhibitor levels have not yet returned to pre-COVID levels.

Agency Analysis/Comments:

MDA anticipates that 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	193	319	333	281	281	221	316
Resources:							
Departmental Earnings	92	67	71	73	93	77	97
Other Resources:							
Earning Transferred In	186	186	186	186	261	186	261
Revenue Collected by Another Agency							
Other Receipts	2	2	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	280	255	260	262	357	266	361
Expenditures:							
Direct Expenditures	154	241	312	322	322	322	322
Indirect Expenditures							
Total Expenditures	154	241	312	322	322	322	322
Current Difference	126	14	(52)	(60)	35	(56)	39
Accumulated Ending Balance	319	333	281	221	316	165	355

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 transfer from the General Fund along with fees.

Governor's Recommendation:

For information about the recommended revenue change and increased general fund transfer, see the "Expand Minnesota Grown Program Promotion of Locally Raised and Processed Meat and Poultry" proposal in the Department of Agriculture's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	628	676	805	832	832	848	848
Resources:							
Departmental Earnings	1,058	1,075	1,077	1,077	1,077	1,077	1,077
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	9	6	8	8	8	8	8
Resource Reductions:							
Earnings Transferred Out	14	11	11	11	11	11	11
Revenue Collected for Another Agency							
Total Resources	1,053	1,070	1,074	1,074	1,074	1,074	1,074
Expenditures:							
Direct Expenditures	864	820	911	921	921	940	940
Indirect Expenditures	141	121	136	137	137	138	138
Total Expenditures	1,005	941	1,047	1,058	1,058	1,078	1,078
Current Difference	48	129	27	16	16	(4)	(4)
Accumulated Ending Balance	676	805	832	848	848	844	844

Background Information:

This program performs inspections to monitor for the spread of exotic plants and plant pests and to ensure disease-free nursery stock. In addition, the agency has delegated authority from the US Department of Agriculture to issue phytosanitary certificates to facilitate market access for Minnesota plants and plant products. Transfers out and expended in the lab for testing services.

Forecast Basis:

Revenue for nursery stock certification is generally stable. Revenue generated by phytosanitary certification has been declining over the past 5 years or so.

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

The budget is stable with an adequate fund balance.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	4,212	4,954	6,000	5,607	5,607	3,911	3,911
Resources:							
Departmental Earnings	11,540	12,111	12,266	12,463	12,463	12,664	12,664
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	85	80	115	77	77	72	72
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	10,279	10,845	11,035	11,194	11,194	11,390	11,390
Expenditures:							
Direct Expenditures	8,203	8,546	9,884	11,149	11,149	10,974	10,974
Indirect Expenditures	1,334	1,253	1,544	1,741	1,741	1,713	1,713
Total Expenditures	9,537	9,799	11,428	12,890	12,890	12,687	12,687
Current Difference	742	1,046	(393)	(1,696)	(1,696)	(1,297)	(1,297)
Accumulated Ending Balance	4,954	6,000	5,607	3,911	3,911	2,614	2,614

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. Transfers out and expended in the lab for testing services.

Forecast Basis:

Slight increase in Pesticide revenues, which allows revenue to stay consistent with expenditures.

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings							
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	146	144	129	108	108	93	93
Resources:							
Departmental Earnings	4	5	8	8	8	8	8
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		1	3	3	3	3	3
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4	6	11	11	11	11	11
Expenditures:							
Direct Expenditures	5	18	28	22	22	22	22
Indirect Expenditures	1	3	4	4	4	4	4
Total Expenditures	6	21	32	26	26	26	26
Current Difference	(2)	(15)	(21)	(15)	(15)	(15)	(15)
Accumulated Ending Balance	144	129	108	93	93	78	78

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,820	2,112	2,411	2,630	2,630	2,775	2,775
Resources:							
Departmental Earnings	1,944	1,881	1,882	1,882	1,882	1,882	1,882
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	14	8	15	15	15	15	15
Resource Reductions:							
Earnings Transferred Out	460	460	460	460	460	460	460
Revenue Collected for Another Agency							
Total Resources	1,498	1,429	1,437	1,437	1,437	1,437	1,437
Expenditures:							
Direct Expenditures	1,040	985	1,054	1,118	1,118	1,142	1,142
Indirect Expenditures	166	145	164	174	174	178	178
Total Expenditures	1,206	1,130	1,218	1,292	1,292	1,320	1,320
Current Difference	292	299	219	145	145	117	117
Accumulated Ending Balance	2,112	2,411	2,630	2,775	2,775	2,892	2,892

Background Information:

This program ensures the truthful labeling of agricultural, vegetable, flower, tree and shrub seeds for sale in Minnesota. Transfers out and expended in the lab for testing services.

Forecast Basis:

Seed sales and resultant revenue have continued to be strong during the past several years.

Recent Changes:

None.

Agency Analysis/Comments:

Revenue for this program has been sufficient to operate the program at 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	295	219	115	60	60	59	59
Resources:							
Departmental Earnings	216	244	303	303	303	303	303
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	8	13	13	13	13	13
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	217	252	316	316	316	316	316
Expenditures:							
Direct Expenditures	252	310	321	274	274	279	279
Indirect Expenditures	41	46	50	43	43	44	44
Total Expenditures	293	356	371	317	317	323	323
Current Difference	(76)	(104)	(55)	(1)	(1)	(7)	(7)
Accumulated Ending Balance	219	115	60	59	59	52	52

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:

Minnesota's inspection fees have been among the lowest in the country. During the past year the per acreage certification charge was increased from \$28 to \$32/acre.

Agency Analysis/Comments:

Costs have increased greatly for the traditional winter grow out. Certification agencies and growers are considering other options for post-harvest testing.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	293	179	108	43	43		
Resources:							
Departmental Earnings							
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	1				
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1	1	1				
Expenditures:							
Direct Expenditures	99	63	57	37	37		
Indirect Expenditures	16	9	9	6	6		
Total Expenditures	115	72	66	43	43		
Current Difference	(114)	(71)	(65)	(43)	(43)		
Accumulated Ending Balance	179	108	43				

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. This chapter contains language related to establishing grade for fruit and vegetable transactions as well as some protections for sellers of wholesale produce.

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, anticipated in FY24.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	96	120	31	32	32	33	33
Resources:							
Departmental Earnings	31	25	31	31	31	31	31
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	2	1	1	1	1	1	1
Other Receipts		1					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	33	27	32	32	32	32	32
Expenditures:							
Direct Expenditures	9	116	31	31	31	31	31
Indirect Expenditures							
Total Expenditures	9	116	31	31	31	31	31
Current Difference	24	(89)	1	1	1	1	1
Accumulated Ending Balance	120	31	32	33	33	34	34

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 124 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	37	116	37	50	50	50	50
Resources:							
Departmental Earnings	101	91	115	115	115	115	115
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	101	91	115	115	115	115	115
Expenditures:							
Direct Expenditures	22	170	102	115	115	115	115
Indirect Expenditures							
Total Expenditures	22	170	102	115	115	115	115
Current Difference	79	(79)	13				
Accumulated Ending Balance	116	37	50	50	50	50	50

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		12	21	21	21	21	21
Resources:							
Departmental Earnings	14	10	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	2	1	1	1	1	1	1
Total Resources	12	9					
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	12	9					
Accumulated Ending Balance	12	21	21	21	21	21	21

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		151	1,637	1,317	1,317	2,541	2,541
Resources:							
Departmental Earnings	909	2,377	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	909	2,377	831	2,231	2,231	831	831
Expenditures:							
Direct Expenditures	609	715	1,022	874	874	874	874
Indirect Expenditures	149	176	129	133	133	133	133
Total Expenditures	758	891	1,151	1,007	1,007	1,007	1,007
Current Difference	151	1,486	(320)	1,224	1,224	(176)	(176)
Accumulated Ending Balance	151	1,637	1,317	2,541	2,541	2,365	2,365

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		92	256	363	363	369	369
Resources:							
Departmental Earnings	722	827	770	770	770	770	770
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	722	827	770	770	770	770	770
Expenditures:							
Direct Expenditures	630	663	663	764	764	764	764
Indirect Expenditures							
Total Expenditures	630	663	663	764	764	764	764
Current Difference	92	164	107	6	6	6	6
Accumulated Ending Balance	92	256	363	369	369	375	375

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 300 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(73)	(128)	(265)	(265)	(358)	(358)
Resources:							
Departmental Earnings	279	280	286	286	286	286	286
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	1	1	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	280	281	288	288	288	288	288
Expenditures:							
Direct Expenditures	328	304	397	353	353	353	353
Indirect Expenditures	25	32	28	28	28	28	28
Total Expenditures	353	336	425	381	381	381	381
Current Difference	(73)	(55)	(137)	(93)	(93)	(93)	(93)
Accumulated Ending Balance	(73)	(128)	(265)	(358)	(358)	(451)	(451)

Background Information:

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

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

Services:

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

Fees

\$85.00 Examination and Initial Certificate of Registered Barber: The Board administered examination of practical skills and 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 month 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 2022-2023 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: No **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201)

Appropriation: LPC Non Dedicated Receipts (H7X3000); ADC Non Dedicated Receipts (H7X4000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,250	3,403	3,946	4,083	4,083	4,407	4,407
Resources:							
Departmental Earnings	1,651	1,686	1,675	1,675	1,675	1,675	1,675
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	5	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,655	1,691	1,680	1,680	1,680	1,680	1,680
Expenditures:							
Direct Expenditures	948	690	1,051	864	864	875	875
Indirect Expenditures	554	458	492	492	492	481	481
Total Expenditures	1,502	1,148	1,543	1,356	1,356	1,356	1,356
Current Difference	153	543	137	324	324	324	324
Accumulated Ending Balance	3,403	3,946	4,083	4,407	4,407	4,731	4,731

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 section 148B.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: No **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201)

Appropriation: Chiro Non Dedicated Receipts (H7H1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,018	855	917	795	795	742	742
Resources:							
Departmental Earnings	801	819	824	803	803	803	803
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	801	819	824	803	803	803	803
Expenditures:							
Direct Expenditures	641	576	756	666	666	666	666
Indirect Expenditures	323	181	190	190	190	190	190
Total Expenditures	964	757	946	856	856	856	856
Current Difference	(163)	62	(122)	(53)	(53)	(53)	(53)
Accumulated Ending Balance	855	917	795	742	742	689	689

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	6,098	6,869	6,273	5,273	5,273	4,273	4,273
Resources:							
Departmental Earnings	4,565	4,386	4,400	4,400	4,400	4,400	4,400
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,515	1,500	1,300	1,300	1,300	1,300	1,300
Revenue Collected for Another Agency	211	22	100	100	100	100	100
Total Resources	2,839	2,864	3,000	3,000	3,000	3,000	3,000
Expenditures:							
Direct Expenditures	2,055	3,452	3,981	3,981	3,981	3,981	3,981
Indirect Expenditures	13	8	19	19	19	19	19
Total Expenditures	2,068	3,460	4,000	4,000	4,000	4,000	4,000
Current Difference	771	(596)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Accumulated Ending Balance	6,869	6,273	5,273	4,273	4,273	3,273	3,273

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		498	1,141	1,583	1,583	2,064	2,064
Resources:							
Departmental Earnings	958	1,086	1,008	1,008	1,008	1,008	1,008
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	958	1,086	1,008	1,008	1,008	1,008	1,008
Expenditures:							
Direct Expenditures	392	391	476	460	460	460	460
Indirect Expenditures	68	52	90	67	67	67	67
Total Expenditures	460	443	566	527	527	527	527
Current Difference	498	643	442	481	481	481	481
Accumulated Ending Balance	498	1,141	1,583	2,064	2,064	2,545	2,545

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		5	8	33	33	59	59
Resources:							
Departmental Earnings	18	16	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	16	42	42	42	42	42
Expenditures:							
Direct Expenditures	12	12	15	14	14	14	14
Indirect Expenditures	1	1	2	2	2	2	2
Total Expenditures	13	13	17	16	16	16	16
Current Difference	5	3	25	26	26	26	26
Accumulated Ending Balance	5	8	33	59	59	85	85

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	5,145	6,370	6,056	3,354	3,354	3,287	3,287
Resources:							
Departmental Earnings	11,249	10,564	11,915	11,515	13,775	11,515	13,775
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	27	25	26	26	26	26	26
Resource Reductions:							
Earnings Transferred Out	22	35	39	39	39	39	39
Revenue Collected for Another Agency							
Total Resources	11,254	10,554	11,902	11,502	13,762	11,502	13,762
Expenditures:							
Direct Expenditures	8,683	9,730	13,066	10,244	12,484	10,244	12,484
Indirect Expenditures	1,346	1,138	1,538	1,325	1,345	1,325	1,345
Total Expenditures	10,029	10,868	14,604	11,569	13,829	11,569	13,829
Current Difference	1,225	(314)	(2,702)	(67)	(67)	(67)	(67)
Accumulated Ending Balance	6,370	6,056	3,354	3,287	3,287	3,220	3,220

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, 2023. 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 recommended revenue and expenditures changes, see the "Energy Resources and Planning" and "Grid Reliability Assessment Extension" proposals in the Department of Commerce's 2024-25 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. 216E.18 subd 2-3; M.S. 216G.02

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,291	1,315	1,508	1,342	1,342	1,176	1,176
Resources:							
Departmental Earnings	2,282	2,445	2,405	2,405	2,405	2,405	2,405
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,282	2,445	2,405	2,405	2,405	2,405	2,405
Expenditures:							
Direct Expenditures	2,065	2,141	2,251	2,251	2,251	2,251	2,251
Indirect Expenditures	193	111	320	320	320	320	320
Total Expenditures	2,258	2,252	2,571	2,571	2,571	2,571	2,571
Current Difference	24	193	(166)	(166)	(166)	(166)	(166)
Accumulated Ending Balance	1,315	1,508	1,342	1,176	1,176	1,010	1,010

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,772	3,970	4,872	4,979	4,979	5,069	5,069
Resources:							
Departmental Earnings	8,677	8,093	8,092	8,092	8,104	8,092	8,092
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	32	65	35	35	35	35	35
Resource Reductions:							
Earnings Transferred Out	28	335	39	39	39	39	39
Revenue Collected for Another Agency							
Total Resources	8,681	7,823	8,088	8,088	8,100	8,088	8,088
Expenditures:							
Direct Expenditures	5,955	6,563	7,564	7,585	7,597	7,605	7,605
Indirect Expenditures	528	358	417	413	413	413	413
Total Expenditures	6,483	6,921	7,981	7,998	8,010	8,018	8,018
Current Difference	2,198	902	107	90	90	70	70
Accumulated Ending Balance	3,970	4,872	4,979	5,069	5,069	5,139	5,139

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.

Governor's Recommendation:

For information about the recommended fee change, see the "Money Transmission Modernization Act" proposal in the Department of Commerce's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		115	245	129	129	93	93
Resources:							
Departmental Earnings	512	528	445	445	445	445	445
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	512	528	445	445	445	445	445
Expenditures:							
Direct Expenditures	351	363	498	436	436	436	436
Indirect Expenditures	46	35	63	45	45	45	45
Total Expenditures	397	398	561	481	481	481	481
Current Difference	115	130	(116)	(36)	(36)	(36)	(36)
Accumulated Ending Balance	115	245	129	93	93	57	57

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		2	(45)	(119)	(119)	(184)	(184)
Resources:							
Departmental Earnings	106	54	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	106	54	55	55	55	55	55
Expenditures:							
Direct Expenditures	92	91	111	107	107	107	107
Indirect Expenditures	12	10	18	13	13	13	13
Total Expenditures	104	101	129	120	120	120	120
Current Difference	2	(47)	(74)	(65)	(65)	(65)	(65)
Accumulated Ending Balance	2	(45)	(119)	(184)	(184)	(249)	(249)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		10,666	22,014	31,772	31,772	41,711	41,711
Resources:							
Departmental Earnings	12,531	13,213	12,091	12,091	12,091	12,091	12,091
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,531	13,213	12,091	12,091	12,091	12,091	12,091
Expenditures:							
Direct Expenditures	1,499	1,530	1,859	1,774	1,774	1,774	1,774
Indirect Expenditures	366	335	474	378	378	378	378
Total Expenditures	1,865	1,865	2,333	2,152	2,152	2,152	2,152
Current Difference	10,666	11,348	9,758	9,939	9,939	9,939	9,939
Accumulated Ending Balance	10,666	22,014	31,772	41,711	41,711	51,650	51,650

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

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,983	4,455	6,520	4,687	4,687	4,989	4,989
Resources:							
Departmental Earnings	15,281	15,230	15,513	15,513	15,513	15,513	15,513
Other Resources:							
Earning Transferred In	1,515	1,300	2,170	2,111	2,111	2,111	2,111
Revenue Collected by Another Agency							
Other Receipts	95	97	96	96	96	96	96
Resource Reductions:							
Earnings Transferred Out	1,119	928	550	550	550	550	550
Revenue Collected for Another Agency							
Total Resources	15,772	15,699	17,229	17,170	17,170	17,170	17,170
Expenditures:							
Direct Expenditures	12,229	12,785	17,704	15,808	15,808	15,808	15,808
Indirect Expenditures	1,071	849	1,358	1,060	1,060	1,060	1,060
Total Expenditures	13,300	13,634	19,062	16,868	16,868	16,868	16,868
Current Difference	2,472	2,065	(1,833)	302	302	302	302
Accumulated Ending Balance	4,455	6,520	4,687	4,989	4,989	5,291	5,291

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		94	192	184	184	214	214
Resources:							
Departmental Earnings	331	338	307	307	307	307	307
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	338	307	307	307	307	307
Expenditures:							
Direct Expenditures	175	180	246	216	216	216	216
Indirect Expenditures	62	60	69	61	61	61	61
Total Expenditures	237	240	315	277	277	277	277
Current Difference	94	98	(8)	30	30	30	30
Accumulated Ending Balance	94	192	184	214	214	244	244

Background Information:

The department combined several small earnings categories into a single miscellaneous account. The miscellaneous earnings category includes 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	741	534	586	587	587	588	588
Resources:							
Departmental Earnings	3,615	3,868	4,071	4,071	4,071	4,071	4,071
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	22	1	1	1	1	1	1
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	398	426	430	430	430	430	430
Total Resources	3,239	3,443	3,642	3,642	3,642	3,642	3,642
Expenditures:							
Direct Expenditures	3,421	3,341	3,591	3,591	3,591	3,591	3,591
Indirect Expenditures	25	50	50	50	50	50	50
Total Expenditures	3,446	3,391	3,641	3,641	3,641	3,641	3,641
Current Difference	(207)	52	1	1	1	1	1
Accumulated Ending Balance	534	586	587	588	588	589	589

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	14,067	19,195	26,057	18,064	18,064	11,527	11,527
Resources:							
Departmental Earnings	22,349	23,669	25,000	25,000	25,000	25,000	25,000
Other Resources:							
Earning Transferred In	356	276	396				
Revenue Collected by Another Agency							
Other Receipts	1,919	244	143	143	143	143	143
Resource Reductions:							
Earnings Transferred Out	11,226	10,430	13,069	11,639	11,639	11,639	11,639
Revenue Collected for Another Agency							
Total Resources	13,398	13,759	12,470	13,504	13,504	13,504	13,504
Expenditures:							
Direct Expenditures	8,161	6,819	20,321	19,916	19,916	17,916	17,916
Indirect Expenditures	109	78	142	125	125	125	125
Total Expenditures	8,270	6,897	20,463	20,041	20,041	18,041	18,041
Current Difference	5,128	6,862	(7,993)	(6,537)	(6,537)	(4,537)	(4,537)
Accumulated Ending Balance	19,195	26,057	18,064	11,527	11,527	6,990	6,990

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:

None.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		115	146	(83)	(83)	(195)	(195)
Resources:							
Departmental Earnings	374	416	375	375	375	375	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	374	416	375	375	375	375	375
Expenditures:							
Direct Expenditures	231	330	529	431	431	431	431
Indirect Expenditures	28	55	75	56	56	56	56
Total Expenditures	259	385	604	487	487	487	487
Current Difference	115	31	(229)	(112)	(112)	(112)	(112)
Accumulated Ending Balance	115	146	(83)	(195)	(195)	(307)	(307)

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: Liquefied Petro Gas Fee (G906002)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	722	605	547	497	497	447	447
Resources:							
Departmental Earnings	409	458	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	409	458	450	450	450	450	450
Expenditures:							
Direct Expenditures	526	516	500	500	500	500	500
Indirect Expenditures							
Total Expenditures	526	516	500	500	500	500	500
Current Difference	(117)	(58)	(50)	(50)	(50)	(50)	(50)
Accumulated Ending Balance	605	547	497	447	447	397	397

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,360	2,485	2,477	1,626	1,626	916	916
Resources:							
Departmental Earnings	2,346	2,394	2,171	2,171	2,171	2,171	2,171
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	10	11	8	8	8	8	8
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,356	2,405	2,179	2,179	2,179	2,179	2,179
Expenditures:							
Direct Expenditures	1,907	2,094	2,571	2,536	2,536	2,536	2,536
Indirect Expenditures	324	319	459	353	353	353	353
Total Expenditures	2,231	2,413	3,030	2,889	2,889	2,889	2,889
Current Difference	125	(8)	(851)	(710)	(710)	(710)	(710)
Accumulated Ending Balance	2,485	2,477	1,626	916	916	206	206

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		57,388	115,296	167,674	167,674	220,229	220,229
Resources:							
Departmental Earnings	58,888	59,452	54,918	54,728	54,728	54,728	54,728
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	58,888	59,452	54,918	54,728	54,728	54,728	54,728
Expenditures:							
Direct Expenditures	1,350	1,418	2,314	2,014	2,014	2,014	2,014
Indirect Expenditures	150	126	226	159	159	159	159
Total Expenditures	1,500	1,544	2,540	2,173	2,173	2,173	2,173
Current Difference	57,388	57,908	52,378	52,555	52,555	52,555	52,555
Accumulated Ending Balance	57,388	115,296	167,674	220,229	220,229	272,784	272,784

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,825	5,361	5,960	5,710	5,710	5,460	5,460
Resources:							
Departmental Earnings	3,071	2,585	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	3,071	2,585	2,500	2,500	2,500	2,500	2,500
Expenditures:							
Direct Expenditures	1,530	1,978	2,745	2,745	2,745	2,745	2,745
Indirect Expenditures	5	8	5	5	5	5	5
Total Expenditures	1,535	1,986	2,750	2,750	2,750	2,750	2,750
Current Difference	1,536	599	(250)	(250)	(250)	(250)	(250)
Accumulated Ending Balance	5,361	5,960	5,710	5,460	5,460	5,210	5,210

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,685	3,210	4,038	4,125	4,125	4,212	4,212
Resources:							
Departmental Earnings	5,715	5,248	4,854	4,854	4,854	4,854	4,854
Other Resources:							
Earning Transferred In	671	23					
Revenue Collected by Another Agency							
Other Receipts	7	12	7	7	7	7	7
Resource Reductions:							
Earnings Transferred Out	2,048	2,060	2,093	2,093	2,093	2,093	2,093
Revenue Collected for Another Agency							
Total Resources	4,345	3,223	2,768	2,768	2,768	2,768	2,768
Expenditures:							
Direct Expenditures	2,810	2,389	2,665	2,665	2,665	2,752	2,752
Indirect Expenditures	10	6	16	16	16	16	16
Total Expenditures	2,820	2,395	2,681	2,681	2,681	2,768	2,768
Current Difference	1,525	828	87	87	87		
Accumulated Ending Balance	3,210	4,038	4,125	4,212	4,212	4,212	4,212

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	25	309	172	(232)	(232)	(345)	(345)
Resources:							
Departmental Earnings	1,317	937	1,151	1,151	1,151	1,151	1,151
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	11	18	20	20	20	20	20
Revenue Collected for Another Agency							
Total Resources	1,306	919	1,131	1,131	1,131	1,131	1,131
Expenditures:							
Direct Expenditures	901	948	1,370	1,117	1,117	1,117	1,117
Indirect Expenditures	121	108	165	127	127	127	127
Total Expenditures	1,022	1,056	1,535	1,244	1,244	1,244	1,244
Current Difference	284	(137)	(404)	(113)	(113)	(113)	(113)
Accumulated Ending Balance	309	172	(232)	(345)	(345)	(458)	(458)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		1,368	2,795	4,195	4,195	5,595	5,595
Resources:							
Departmental Earnings	1,368	1,427	1,400	1,400	1,400	1,400	1,400
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,368	1,427	1,400	1,400	1,400	1,400	1,400
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,368	1,427	1,400	1,400	1,400	1,400	1,400
Accumulated Ending Balance	1,368	2,795	4,195	5,595	5,595	6,995	6,995

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(547)	(911)	(1,516)	(1,516)	(2,056)	(2,056)
Resources:							
Departmental Earnings	387	491	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	387	491	392	392	392	392	392
Expenditures:							
Direct Expenditures	840	791	876	832	832	832	832
Indirect Expenditures	94	64	121	100	100	100	100
Total Expenditures	934	855	997	932	932	932	932
Current Difference	(547)	(364)	(605)	(540)	(540)	(540)	(540)
Accumulated Ending Balance	(547)	(911)	(1,516)	(2,056)	(2,056)	(2,596)	(2,596)

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 offset 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	346	360	330	330	330	330	330
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	346	360	330	330	330	330	330
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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		4,922	9,522	13,597	13,597	17,672	17,672
Resources:							
Departmental Earnings	4,922	4,600	4,075	4,075	4,075	4,075	4,075
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,922	4,600	4,075	4,075	4,075	4,075	4,075
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,922	4,600	4,075	4,075	4,075	4,075	4,075
Accumulated Ending Balance	4,922	9,522	13,597	17,672	17,672	21,747	21,747

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		540	1,321	1,996	1,996	2,671	2,671
Resources:							
Departmental Earnings	540	781	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	540	781	675	675	675	675	675
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	540	781	675	675	675	675	675
Accumulated Ending Balance	540	1,321	1,996	2,671	2,671	3,346	3,346

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1	3	7	9	9	11	11
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	1	1	3	3	3	3	3
Indirect Expenditures							
Total Expenditures	1	1	3	3	3	3	3
Current Difference	2	4	2	2	2	2	2
Accumulated Ending Balance	3	7	9	11	11	13	13

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		5,393	11,202	16,202	16,202	21,202	21,202
Resources:							
Departmental Earnings	5,393	5,809	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	5,393	5,809	5,000	5,000	5,000	5,000	5,000
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	5,393	5,809	5,000	5,000	5,000	5,000	5,000
Accumulated Ending Balance	5,393	11,202	16,202	21,202	21,202	26,202	26,202

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-LL Dedicated Receipts (P781230); MCF-OPH Dedicated Receipts (P781330); MCF-ML Dedicated Receipts (P781430); MCF-FRB Dedicated Receipts (P781530); MCF-FRB Rental Income (P781536); MCF-WR-CIP Dedicated Receipts (P781630); MCF-RC Offender Phones (P781720); MCF-RC Dedicated Receipts (P781730); MCF-Togo-CIP-Male Ded Receipts (P781830); MCF-SHK Dedicated Receipts (P782030); MCF-RW Dedicated Receipts (P783030)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	134	226	348	327	327	325	325
Resources:							
Departmental Earnings	179	165	69	69	69	69	69
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	182	167	71	71	71	71	71
Expenditures:							
Direct Expenditures	87	37	87	68	68	68	68
Indirect Expenditures	3	8	5	5	5	5	5
Total Expenditures	90	45	92	73	73	73	73
Current Difference	92	122	(21)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	226	348	327	325	325	323	323

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	282	30	1				
Resources:							
Departmental Earnings	43	48	60	60	60	60	60
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	48	60	60	60	60	60
Expenditures:							
Direct Expenditures	282	77	61	60	60	60	60
Indirect Expenditures	13						
Total Expenditures	295	77	61	60	60	60	60
Current Difference	(252)	(29)	(1)				
Accumulated Ending Balance	30	1					

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	722	857	973	793	793	613	613
Resources:							
Departmental Earnings	135	152	155	155	155	155	155
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	135	152	155	155	155	155	155
Expenditures:							
Direct Expenditures		32	316	316	316	316	316
Indirect Expenditures		4	19	19	19	19	19
Total Expenditures		36	335	335	335	335	335
Current Difference	135	116	(180)	(180)	(180)	(180)	(180)
Accumulated Ending Balance	857	973	793	613	613	433	433

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	10,485	11,773	12,595	13,622	13,622	14,975	14,975
Resources:							
Departmental Earnings	4,191	4,041	4,083	4,593	4,593	5,593	5,593
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	41	36	40	50	50	50	50
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,232	4,077	4,123	4,643	4,643	5,643	5,643
Expenditures:							
Direct Expenditures	2,897	3,099	3,041	3,231	3,231	3,546	3,546
Indirect Expenditures	47	156	55	59	59	59	59
Total Expenditures	2,944	3,255	3,096	3,290	3,290	3,605	3,605
Current Difference	1,288	822	1,027	1,353	1,353	2,038	2,038
Accumulated Ending Balance	11,773	12,595	13,622	14,975	14,975	17,013	17,013

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 Agreement (P781235)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	7	7					
Resources:							
Departmental Earnings	108	121	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	108	121	100	100	100	100	100
Expenditures:							
Direct Expenditures	103	123	96	96	96	96	96
Indirect Expenditures	5	5	4	4	4	4	4
Total Expenditures	108	128	100	100	100	100	100
Current Difference		(7)					
Accumulated Ending Balance	7						

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); Out-Of-State Juvenile Inspectn (P789051)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	67	80	60	49	49	38	38
Resources:							
Departmental Earnings	25	5	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	25	5	25	25	25	25	25
Expenditures:							
Direct Expenditures	12	23	33	33	33	33	33
Indirect Expenditures		2	3	3	3	3	3
Total Expenditures	12	25	36	36	36	36	36
Current Difference	13	(20)	(11)	(11)	(11)	(11)	(11)
Accumulated Ending Balance	80	60	49	38	38	27	27

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	7	1	2	3	3	4	4
Resources:							
Departmental Earnings	7	6	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	7	6	12	12	12	12	12
Expenditures:							
Direct Expenditures	12	4	10	10	10	11	11
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	13	5	11	11	11	12	12
Current Difference	(6)	1	1	1	1		
Accumulated Ending Balance	1	2	3	4	4	4	4

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	848	1,973	1,911	1,948	1,948	1,685	1,685
Resources:							
Departmental Earnings	1,768	1,902	2,142	2,142	2,142	2,142	2,142
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,768	1,902	2,142	2,142	2,142	2,142	2,142
Expenditures:							
Direct Expenditures	643	1,944	2,022	2,322	2,322	2,352	2,352
Indirect Expenditures		20	83	83	83	83	83
Total Expenditures	643	1,964	2,105	2,405	2,405	2,435	2,435
Current Difference	1,125	(62)	37	(263)	(263)	(293)	(293)
Accumulated Ending Balance	1,973	1,911	1,948	1,685	1,685	1,392	1,392

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		6	(31)	(498)	(498)	(835)	(835)
Resources:							
Departmental Earnings	2,666	2,711	2,856	2,672	2,672	2,972	2,972
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	4		5	5	4	4
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,670	2,715	2,856	2,677	2,677	2,976	2,976
Expenditures:							
Direct Expenditures	2,607	2,614	3,232	2,923	2,923	2,923	2,923
Indirect Expenditures	57	138	91	91	91	91	91
Total Expenditures	2,664	2,752	3,323	3,014	3,014	3,014	3,014
Current Difference	6	(37)	(467)	(337)	(337)	(38)	(38)
Accumulated Ending Balance	6	(31)	(498)	(835)	(835)	(873)	(873)

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 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.
- 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. This analysis is consistent with previous fiscal years.

Agency Analysis/Comments:

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

Fund: Health Related Boards (1201)

Appropriation: Dent Non Dedicated Receipts (H7F1000); Vol Health Care Prov Fees (H7F6600); Vol Health Care Prov Fees (H7K6600)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,550	1,545	1,939	1,730	1,730	1,773	1,773
Resources:							
Departmental Earnings	1,944	1,933	1,846	1,846	1,846	1,846	1,846
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,944	1,933	1,846	1,846	1,846	1,846	1,846
Expenditures:							
Direct Expenditures	1,401	1,241	1,730	1,490	1,490	1,490	1,490
Indirect Expenditures	548	298	325	313	313	313	313
Total Expenditures	1,949	1,539	2,055	1,803	1,803	1,803	1,803
Current Difference	(5)	394	(209)	43	43	43	43
Accumulated Ending Balance	1,545	1,939	1,730	1,773	1,773	1,816	1,816

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. 3250

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

Fund: Health Related Boards (1201)

Appropriation: DNP Non Dedicated Receipts (H7U1000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	274	309	360	387	387	434	393
Resources:							
Departmental Earnings	204	214	231	231	239	231	239
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	204	214	231	231	239	231	239
Expenditures:							
Direct Expenditures	141	144	184	164	213	164	217
Indirect Expenditures	28	19	20	20	20	20	20
Total Expenditures	169	163	204	184	233	184	237
Current Difference	35	51	27	47	6	47	2
Accumulated Ending Balance	309	360	387	434	393	481	395

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

Governor's Recommendation:

For information about the recommended fee change, see the "Fee Increase" proposal in the Board of Dietetics and Nutrition Practice's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	510	564	498				
Resources:							
Departmental Earnings	215	207	206	205	205	205	205
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	41	22					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	256	229	206	205	205	205	205
Expenditures:							
Direct Expenditures	202	295	704	205	205	205	205
Indirect Expenditures							
Total Expenditures	202	295	704	205	205	205	205
Current Difference	54	(66)	(498)				
Accumulated Ending Balance	564	498					

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	335	175	161	219	219	226	226
Resources:							
Departmental Earnings	538	667	624	624	624	624	624
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	539	668	625	625	625	625	625
Expenditures:							
Direct Expenditures	590	593	497	547	547	560	560
Indirect Expenditures	109	89	70	71	71	72	72
Total Expenditures	699	682	567	618	618	632	632
Current Difference	(160)	(14)	58	7	7	(7)	(7)
Accumulated Ending Balance	175	161	219	226	226	219	219

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 focus.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	7	7	7	4	4		
Resources:							
Departmental Earnings		16					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources		16					
Expenditures:							
Direct Expenditures		16	3	4	4		
Indirect Expenditures							
Total Expenditures		16	3	4	4		
Current Difference			(3)	(4)	(4)		
Accumulated Ending Balance	7	7	4				

Background Information:

Receipts for commodity donated foods (ended in 2020) 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:

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

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		440	976	1,226	1,226	1,476	1,476
Resources:							
Departmental Earnings	440	536	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	440	536	250	250	250	250	250
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	440	536	250	250	250	250	250
Accumulated Ending Balance	440	976	1,226	1,476	1,476	1,726	1,726

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		8	15	22	22	29	
Resources:							
Departmental Earnings	8	7	7	7	7	7	7
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	8	7	7	7	7	7	7
Expenditures:							
Direct Expenditures					29		7
Indirect Expenditures							
Total Expenditures					29		7
Current Difference	8	7	7	7	(22)	7	
Accumulated Ending Balance	8	15	22	29		36	

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.

Governor's Recommendation:

For information about expenditure changes in this departmental earnings group, see the “Online Learning Application Fee Spending Authority” proposal in the Department of Education's 2024-25 Governor’s Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		58	184	297	297	456	456
Resources:							
Departmental Earnings	448	397	480	500	500	525	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	448	397	480	500	500	525	525
Expenditures:							
Direct Expenditures	390	271	367	341	341	341	341
Indirect Expenditures							
Total Expenditures	390	271	367	341	341	341	341
Current Difference	58	126	113	159	159	184	184
Accumulated Ending Balance	58	184	297	456	456	640	640

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	213	220	125	(1)	(1)	(1)	(1)
Resources:							
Departmental Earnings	8		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	8		2	2	2	2	2
Expenditures:							
Direct Expenditures	1	95	128	2	2	2	2
Indirect Expenditures							
Total Expenditures	1	95	128	2	2	2	2
Current Difference	7	(95)	(126)				
Accumulated Ending Balance	220	125	(1)	(1)	(1)	(1)	(1)

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, M.S. 144E.31

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

Fund: General (1000)

Appropriation: EMS Receipts (H7S1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(740)	(1,334)	(2,125)	(2,125)	(2,916)	(2,916)
Resources:							
Departmental Earnings	75	85	78	78	78	78	78
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	75	85	78	78	78	78	78
Expenditures:							
Direct Expenditures	776	633	752	752	752	752	752
Indirect Expenditures	39	46	117	117	117	117	117
Total Expenditures	815	679	869	869	869	869	869
Current Difference	(740)	(594)	(791)	(791)	(791)	(791)	(791)
Accumulated Ending Balance	(740)	(1,334)	(2,125)	(2,916)	(2,916)	(3,707)	(3,707)

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	15	15	16	14	14	12	12
Resources:							
Departmental Earnings	2	3	5	5	5	5	5
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2	3	5	5	5	5	5
Expenditures:							
Direct Expenditures	2	2	7	6	6	6	6
Indirect Expenditures				1	1	1	1
Total Expenditures	2	2	7	7	7	7	7
Current Difference		1	(2)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	15	16	14	12	12	10	10

Background Information:

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

Forecast Basis:

\$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 hasn't fully utilized the program funds, and fewer applications have been approved.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	195	186	36	35	35	33	33
Resources:							
Departmental Earnings	7	214	70	70	70	70	70
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	4					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	11	218	70	70	70	70	70
Expenditures:							
Direct Expenditures	20	367	70	71	71	71	71
Indirect Expenditures		1	1	1	1	1	1
Total Expenditures	20	368	71	72	72	72	72
Current Difference	(9)	(150)	(1)	(2)	(2)	(2)	(2)
Accumulated Ending Balance	186	36	35	33	33	31	31

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, a mission to Japan and Korea in the fall of 2019, and a mission to the United Kingdom and Finland in 2022. Future revenues are estimated on the lower end with no major governor trade missions currently scheduled.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	863	732	636	411	411	361	361
Resources:							
Departmental Earnings	234	334	449	483	483	482	482
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	13	13	12	12	12	12	12
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	247	347	461	495	495	494	494
Expenditures:							
Direct Expenditures	378	443	686	545	545	545	545
Indirect Expenditures							
Total Expenditures	378	443	686	545	545	545	545
Current Difference	(131)	(96)	(225)	(50)	(50)	(51)	(51)
Accumulated Ending Balance	732	636	411	361	361	310	310

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)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	7,512	673	675				
Resources:							
Departmental Earnings	12	2					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	291						
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	303	2					
Expenditures:							
Direct Expenditures	7,142		675				
Indirect Expenditures							
Total Expenditures	7,142		675				
Current Difference	(6,839)	2	(675)				
Accumulated Ending Balance	673	675					

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 - No fees estimated in future years very low program usage

Small Business Loan Guarantee - No future fees estimated, temporary COVID program.

Recent Changes:

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

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. No fees were estimated with the programs low usage, if the program doesn't have applications and doesn't bring in funds, then that staff won't 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	965	914	973	692	692	519	982
Resources:							
Departmental Earnings	213	284	110	110	1,000	100	990
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	284	110	110	1,000	100	990
Expenditures:							
Direct Expenditures	233	196	337	245	672	253	680
Indirect Expenditures	31	29	54	38	38	39	39
Total Expenditures	264	225	391	283	710	292	719
Current Difference	(51)	59	(281)	(173)	290	(192)	271
Accumulated Ending Balance	914	973	692	519	982	327	1,253

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 CY2022 to authorize \$5 million in tax credits. However it is not authorized for any years past CY22. The program is currently not accepting applications without legislative re-authorization. The reporting fees for the 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. But no application fees are forecasted.

Recent Changes:

On May 27, 2022, the Angel Tax Credit Program exhausted its available credits for investments in all businesses; as a result we are no longer accepting certification or credit allocation applications. For 2022, \$5 million in credits were available, \$2.5 million of which were reserved for minority- and women-owned businesses, as well as businesses located in Greater Minnesota.

The 2022 legislative session adjourned without approving an Omnibus Tax Bill. Without passage of this bill, the proposed additional \$7M of funding is not available.

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.

Governor's Recommendation:

For information about recommended revenue and expenditure changes, see the "Angel Tax Credit" proposal in the Department of Employment and Economic Development's 2024-25 Governor's Budget Recommendations.

Purpose:

To recover the costs of regulating Nursing Home Administrators, Assisted Living Directors, and Health Service Executive.

Legal Citation:

M.S. 144A.19 – M.S. 144A.291, M.S. 214, and M.R. 6400

Dedicated Receipts: No

Non-Dedicated Receipts: Yes

Fund:

Health Related Boards (1201)

Appropriation:

NHA Non Dedicated Receipts (H7K1000)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	229	743	688	453	453	426	426
Resources:							
Departmental Earnings	985	496	677	677	677	677	677
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	985	496	677	677	677	677	677
Expenditures:							
Direct Expenditures	387	485	823	635	635	635	635
Indirect Expenditures	84	66	89	69	69	69	69
Total Expenditures	471	551	912	704	704	704	704
Current Difference	514	(55)	(235)	(27)	(27)	(27)	(27)
Accumulated Ending Balance	743	688	453	426	426	399	399

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	873	884	969	685	685	600	600
Resources:							
Departmental Earnings	162	157	205	245	245	265	265
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts		18	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	162	175	225	265	265	285	285
Expenditures:							
Direct Expenditures	151	90	509	350	350	592	592
Indirect Expenditures							
Total Expenditures	151	90	509	350	350	592	592
Current Difference	11	85	(284)	(85)	(85)	(307)	(307)
Accumulated Ending Balance	884	969	685	600	600	293	293

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	5,782	7,112	9,751	8,898	8,898	9,557	9,557
Resources:							
Departmental Earnings	4,715	6,952	5,825	5,825	5,825	5,825	5,825
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	55	70	70	70	70	70	70
Revenue Collected for Another Agency							
Total Resources	4,660	6,882	5,755	5,755	5,755	5,755	5,755
Expenditures:							
Direct Expenditures	3,319	4,243	6,608	5,096	5,096	4,926	4,926
Indirect Expenditures	11						
Total Expenditures	3,330	4,243	6,608	5,096	5,096	4,926	4,926
Current Difference	1,330	2,639	(853)	659	659	829	829
Accumulated Ending Balance	7,112	9,751	8,898	9,557	9,557	10,386	10,386

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 and increase staffing to reflect industry growth in gross receipts and complexity.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	907	909	922	922	922	922	922
Resources:							
Departmental Earnings	55	51	58	58	58	58	58
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	59	63	58	58	58	58	58
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	114	114	116	116	116	116	116
Expenditures:							
Direct Expenditures	93	84	97	97	97	97	97
Indirect Expenditures	19	17	19	19	19	19	19
Total Expenditures	112	101	116	116	116	116	116
Current Difference	2	13					
Accumulated Ending Balance	909	922	922	922	922	922	922

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	359	566	605	600	600	595	595
Resources:							
Departmental Earnings	559	535	546	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	559	535	546	546	546	546	546
Expenditures:							
Direct Expenditures	293	412	458	458	458	458	458
Indirect Expenditures	59	84	93	93	93	93	93
Total Expenditures	352	496	551	551	551	551	551
Current Difference	207	39	(5)	(5)	(5)	(5)	(5)
Accumulated Ending Balance	566	605	600	595	595	590	590

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 statute 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 is based on fee revenue from the number of licensed facilities, established by the Minnesota Adverse Health Care Events Reporting Act, of a \$600.00 base fee plus \$16.00 per bed or bassinet regardless of a hospital's accreditation status. Ambulatory surgical centers are assessed a base fee of \$2,200 per surgical center.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	130	401	950	949	949	948	948
Resources:							
Departmental Earnings	472	840	866	866	866	866	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	472	840	866	866	866	866	866
Expenditures:							
Direct Expenditures	167	242	721	721	721	721	721
Indirect Expenditures	34	49	146	146	146	146	146
Total Expenditures	201	291	867	867	867	867	867
Current Difference	271	549	(1)	(1)	(1)	(1)	(1)
Accumulated Ending Balance	401	950	949	948	948	947	947

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 2% of the total project cost for commercial facilities.
- Residential structures require a \$35 permit fee; asbestos contractor fees are \$105 annually.
- Worker and supervisor fees are \$52.50 annually.
- Inspectors, project designers, and management planner fees are \$105 annually. Permit fees for initial and renewal of training courses are \$250 and \$125 annually.
- Air monitoring fees are 2% 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 were modified in 2021, including a 1% increase to project fees, a \$5 increase to the asbestos inspector and contractor fee, and a \$2.50 increase to the asbestos worker and supervisor fee.

Agency Analysis/Comments:

The department's projected revenue is approximately equal to the program's projected expenditure. The department will monitor future revenue and expenditure and consider whether changes are needed for this activity.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		9,191	15,685	17,478	17,478	19,271	17,231
Resources:							
Departmental Earnings	9,191	10,359	10,132	10,132	10,132	10,132	10,132
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	9,191	10,359	10,132	10,132	10,132	10,132	10,132
Expenditures:							
Direct Expenditures		3,213	6,932	6,932	8,628	6,932	8,628
Indirect Expenditures		652	1,407	1,407	1,751	1,407	1,751
Total Expenditures		3,865	8,339	8,339	10,379	8,339	10,379
Current Difference	9,191	6,494	1,793	1,793	(247)	1,793	(247)
Accumulated Ending Balance	9,191	15,685	17,478	19,271	17,231	21,064	16,984

Background Information:

The legislature established a single license for “assisted living” in the Laws of 2019, chapter 60. Assisted living licensure was effective August 1, 2021. The department oversaw a partial shift in licensed providers from comprehensive home care to assisted living in fiscal year 2022. There will be 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.

Previously, the housing and service activities happened under two separate regulatory processes. First, the physical plant or “housing” part of the assisted living license was contained under the “housing with services” registration process. This registration process covered housing, with minimal care supports (also referred to as supportive services) but could be connected with an “arranged home care provider” which provided more sophisticated care services (also referred to as home care services). The service part of the assisted living concept was 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 was 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. 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:

The forecast is based on estimates of facility types, number of regulated facilities, estimated capacity, and per resident fees. Currently, Minnesota is home to 2,112 licensed assisted living facilities with a resident capacity of 60,884 people.

Recent Changes:

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

Agency Analysis/Comments:

The current appropriation of \$8,339,000 was based on the program serving 1,345 providers and 55,590 beds – the best estimates at the time. Now that the program is active, there are over 2,000 providers and more than 60,000 beds which is a significant increase in workload. The assisted living licensure program is therefore collecting more revenues than originally anticipated. There will be no fee change for providers.

Governor's Recommendation:

For information about recommended expenditures changes, see the "Assisted Living License and Home Care" proposal in the Department of Health's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	109	55	64	111	111	158	158
Resources:							
Departmental Earnings	323	376	448	448	448	448	448
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	323	376	448	448	448	448	448
Expenditures:							
Direct Expenditures	313	305	333	333	333	333	333
Indirect Expenditures	64	62	68	68	68	68	68
Total Expenditures	377	367	401	401	401	401	401
Current Difference	(54)	9	47	47	47	47	47
Accumulated Ending Balance	55	64	111	158	158	205	205

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.
- \$13.00 one-time surcharge to process criminal background checks.
- \$600 for a practical exam to dispense hearing instruments.
- \$60 fee for late renewals.
- \$25 to verify a license or 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
- \$22.50 one-time surcharge 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 working 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 and processing verification of licensure requests and late renewals.

Hearing instrument dispenser certification program fees increased in 2017 to reflect the following 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:

The COVID-19 pandemic reduced fiscal year 2021 and 2022 revenues and may also impact fiscal year 2023 revenue. Forecasted revenues exceed expenditures for fiscal years 2024 and 2025. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	542	732	1,190	1,329	1,329	1,468	1,468
Resources:							
Departmental Earnings	523	819	567	567	567	567	567
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	523	819	567	567	567	567	567
Expenditures:							
Direct Expenditures	277	300	356	356	356	356	356
Indirect Expenditures	56	61	72	72	72	72	72
Total Expenditures	333	361	428	428	428	428	428
Current Difference	190	458	139	139	139	139	139
Accumulated Ending Balance	732	1,190	1,329	1,468	1,468	1,607	1,607

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. Any body art establishments located within county and municipal jurisdictions with an ordinance that meet or exceeds state regulations are exempt from the regulation. Those areas that meet or exceed state regulations and are exempt from MDH regulation include Anoka, Hennepin and Steele counties and the cities of Minneapolis, Maplewood, Brooklyn Park, Bloomington, Richfield, and Edina. All body artist technicians regardless of where they practice must have a technician license from the Minnesota Department of Health.

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 and inspection and investigation of complaints of illegal practice. The establishment renewal cycle changed from three to two years.

Agency Analysis/Comments:

This activity slightly over-recovers through forecast period, resulting in a positive ending balance. As this industry grows, fee revenue may increase. 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, section 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	8	9	14	19	19	24	24
Resources:							
Departmental Earnings	5	10	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	5	10	10	10	10	10	10
Expenditures:							
Direct Expenditures	3	4	4	4	4	4	4
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	4	5	5	5	5	5	5
Current Difference	1	5	5	5	5	5	5
Accumulated Ending Balance	9	14	19	24	24	29	29

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:

In 2021, legislation went into effect that allows MDH to designate doula certifying organizations (Minnesota Statute, section 148.9965). MDH established designation criteria and a review process to review designation requests. There is no fee associated with designating organizations.

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: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,341	3,390	4,444	4,228	4,228	4,012	4,012
Resources:							
Departmental Earnings	14,311	13,239	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	14,311	13,239	12,499	12,499	12,499	12,499	12,499
Expenditures:							
Direct Expenditures	10,193	10,129	10,569	10,569	10,569	10,569	10,569
Indirect Expenditures	2,069	2,056	2,146	2,146	2,146	2,146	2,146
Total Expenditures	12,262	12,185	12,715	12,715	12,715	12,715	12,715
Current Difference	2,049	1,054	(216)	(216)	(216)	(216)	(216)
Accumulated Ending Balance	3,390	4,444	4,228	4,012	4,012	3,796	3,796

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(224)	(218)	(203)	(203)	(203)	(203)	(203)
Resources:							
Departmental Earnings	7	28	21	21	21	21	21
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7	28	21	21	21	21	21
Expenditures:							
Direct Expenditures	1	11	18	18	18	18	18
Indirect Expenditures		2	3	3	3	3	3
Total Expenditures	1	13	21	21	21	21	21
Current Difference	6	15					
Accumulated Ending Balance	(218)	(203)	(203)	(203)	(203)	(203)	(203)

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 health information organizations, a type of entity that provides health information exchange services in Minnesota to be certified by the department, and to pay application and certification fees.

Health information organizations pay a one-time \$7,000 application fee when they first apply to be certified by the department. Along with that application fee, they pay a \$7,000 certification fee to cover their one-year certification costs. In subsequent years, health information organizations are required to pay an annual \$7,000 certification fee. Currently, one organization is certified by the department as a health information organization.

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.

Forecast Basis:

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

Recent Changes:

The fee structure was last changed in 2015. The fee change slightly decreased the revenue generated. The fee change decreased the fee for health information organizations type from \$14,000 to \$7,000. Since 2015, no additional fee changes have been made for health information organizations. Prior to 2021, certification fees were also collected for a different type of entity called a health data intermediary. In 2021, the statute was updated to eliminate certification for these entities, resulting in an overall decrease in revenue due to those entities no longer paying application and certification fees.

Agency Analysis/Comments:

Projected expenditures and revenues are in 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 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	180	64	119	119	119	119	119
Resources:							
Departmental Earnings	366	476	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	366	476	490	490	490	490	490
Expenditures:							
Direct Expenditures	401	350	407	407	407	407	407
Indirect Expenditures	81	71	83	83	83	83	83
Total Expenditures	482	421	490	490	490	490	490
Current Difference	(116)	55					
Accumulated Ending Balance	64	119	119	119	119	119	119

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 forecast is based on the number of initial, renewal, or replacement certificates issued. Although revenues fluctuate somewhat 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.

Recent Changes:

The fee was last increased to \$35 in 2009.

Agency Analysis/Comments:

Projected expenditures and revenues are in balance. The department will continue to monitor this program to determine whether any changes are needed.

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: Freestanding Outpatient Surgic (H12291J); Health Regulation (H12970H)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(3,996)	(3,830)	(4,199)	(5,539)	(5,539)	(6,879)	(6,879)
Resources:							
Departmental Earnings	6,656	5,598	5,703	5,703	5,703	5,703	5,703
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,656	5,598	5,703	5,703	5,703	5,703	5,703
Expenditures:							
Direct Expenditures	5,395	4,960	5,855	5,855	5,855	5,855	5,855
Indirect Expenditures	1,095	1,007	1,188	1,188	1,188	1,188	1,188
Total Expenditures	6,490	5,967	7,043	7,043	7,043	7,043	7,043
Current Difference	166	(369)	(1,340)	(1,340)	(1,340)	(1,340)	(1,340)
Accumulated Ending Balance	(3,830)	(4,199)	(5,539)	(6,879)	(6,879)	(8,219)	(8,219)

Background Information:

The department licenses or registers the following:

- Ambulatory surgery centers – 78 facilities
- Birth centers – 8 facilities
- Boarding care homes - 20 facilities – 1,302 beds
- Hospice – 119 facilities (fee based on revenue)
- Hospitals -125 facilities – 15,807 hospital beds, 1,827 bassinets
- Nursing homes 350 facilities, beds, 25,111
- Out-patient surgical centers – 8 facilities
- Prescribed pediatric extended care center – 0 facilities
- Supervised living facilities/ICFIID – 199 facilities, 4,307 beds
- Supplemental Nursing Services Agencies – 321 facilities

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.

Engineering fee revenues are also included in this grouping. Engineering plan review fees were enacted in 2013 and are based on construction costs for licensed or certified health care facilities. Engineering plan review helps identify major code compliance issues to resolve problems before construction begins.

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 expenditures are in excess of revenues. Part of the imbalance is due to the engineering plan review fees which currently recover about 50 percent of the costs associated with performing this work. Required codes have been updated, resulting in more time needed to review plans.

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

Appropriation: Home Care Assisted Living Fine (H12230H); Sale of Materials & Products (H12269E); Health Regulation (H12970H); Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	5,016	6,580	6,039	7,926	7,926	9,813	8,322
Resources:							
Departmental Earnings	6,192	3,626	3,282	3,282	3,282	3,282	3,282
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,192	3,626	3,282	3,282	3,282	3,282	3,282
Expenditures:							
Direct Expenditures	3,847	3,464	1,160	1,160	2,399	1,160	2,399
Indirect Expenditures	781	703	235	235	487	235	487
Total Expenditures	4,628	4,167	1,395	1,395	2,886	1,395	2,886
Current Difference	1,564	(541)	1,887	1,887	396	1,887	396
Accumulated Ending Balance	6,580	6,039	7,926	9,813	8,322	11,700	8,718

Background Information:

The Home Care program oversees home care providers within individual homes. 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 provider delivers simple services, while a comprehensive home care licensed provider can deliver 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 providers by licensing and registering entities, conducting onsite surveys and enforcement, and training providers on home care laws and regulations, and informing the public. Revenues include license and renewal fees, penalties, change of ownership fees, and maltreatment fines.

Forecast Basis:

The forecast is based on estimates of the number of fee payers, fee rates, and regulatory costs. The department anticipated that after assisted living licensure went into effect on August 1, 2021, the majority of licensed providers would switch from home care to assisted living licensure. But the number of home care providers that made this switch was smaller than anticipated. This shift will have ongoing effects on ongoing home care revenue. Currently, there are 998 licensed home care providers in Minnesota.

Recent Changes:

The legislature established the assisted living licensure in the Laws of 2019, chapter 60, with an effective date of August 1, 2021. This new licensing process incorporated two separate registration/licenses (housing with services registrations and home care licenses) into a single license.

Agency Analysis/Comments:

As home care providers transition to the assisted living licensure, revenues are expected to decrease from previous years, but they are still projected to exceed expenditures. The department is proposing an increase in the home care appropriation to align expenditures more closely to estimated revenues in the Assisted Living Licensure and Home Care change item, however there will be no fee change for providers. 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.

Governor's Recommendation:

For information about recommended expenditures changes, see the "Assisted Living License and Home Care" proposal in the Department of Health's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(86)	149	224	224	224	224	224
Resources:							
Departmental Earnings	1,096	929	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	1,096	929	861	861	861	861	861
Expenditures:							
Direct Expenditures	716	710	716	716	716	716	716
Indirect Expenditures	145	144	145	145	145	145	145
Total Expenditures	861	854	861	861	861	861	861
Current Difference	235	75					
Accumulated Ending Balance	149	224	224	224	224	224	224

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 by 14.2%, from \$35 to \$40.

Agency Analysis/Comments:

Revenues and expenditures are projected to be the same going forward. The department will monitor future revenue and expenditure and consider whether changes are needed for this activity.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,481	1,745	1,537	1,539	1,539	1,541	1,541
Resources:							
Departmental Earnings	7,414	7,676	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	7,414	7,676	7,858	7,858	7,858	7,858	7,858
Expenditures:							
Direct Expenditures	6,775	6,554	6,530	6,530	6,530	6,530	6,530
Indirect Expenditures	1,375	1,330	1,326	1,326	1,326	1,326	1,326
Total Expenditures	8,150	7,884	7,856	7,856	7,856	7,856	7,856
Current Difference	(736)	(208)	2	2	2	2	2
Accumulated Ending Balance	1,745	1,537	1,539	1,541	1,541	1,543	1,543

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 year 2023 and beyond are based on regular fluctuations within these industries and a slight increase to the license base.

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. In August 2021, the department began licensing assisted living facilities. Separate food establishment licenses can no longer be issued to assisted living facilities and resulted in a decrease in revenue of \$278,000.

Agency Analysis/Comments:

Revenues and expenditures are projected to be roughly the same going forward. The department will monitor future revenues and expenditures and consider whether changes are needed for this activity.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	481	544	609	692	692	775	775
Resources:							
Departmental Earnings	135	128	173	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	135	128	173	173	173	173	173
Expenditures:							
Direct Expenditures	60	52	75	75	75	75	75
Indirect Expenditures	12	11	15	15	15	15	15
Total Expenditures	72	63	90	90	90	90	90
Current Difference	63	65	83	83	83	83	83
Accumulated Ending Balance	544	609	692	775	775	858	858

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 of interpreters.

Recent Changes:

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

Agency Analysis/Comments:

Revenue is projected to exceed expenditures. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	131	(6)	(177)	(177)	(177)	(177)	(177)
Resources:							
Departmental Earnings	421	387	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	421	387	410	410	410	410	410
Expenditures:							
Direct Expenditures	464	464	341	341	341	341	341
Indirect Expenditures	94	94	69	69	69	69	69
Total Expenditures	558	558	410	410	410	410	410
Current Difference	(137)	(171)					
Accumulated Ending Balance	(6)	(177)	(177)	(177)	(177)	(177)	(177)

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, therefore less revenue is available for the department to support laboratory standards.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Recent expenditures have slightly exceeded revenue, resulting in an accumulated deficit. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(737)	(769)	(794)	(687)	(687)	(580)	(580)
Resources:							
Departmental Earnings	53	47	517	517	517	517	517
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	53	47	517	517	517	517	517
Expenditures:							
Direct Expenditures	71	60	341	341	341	341	341
Indirect Expenditures	14	12	69	69	69	69	69
Total Expenditures	85	72	410	410	410	410	410
Current Difference	(32)	(25)	107	107	107	107	107
Accumulated Ending Balance	(769)	(794)	(687)	(580)	(580)	(473)	(473)

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 2023, resulting in both increased revenue and expenditures above prior year levels.

Agency Analysis/Comments:

The earnings group's accumulated negative balance is decreasing throughout the forecast as revenues are projected to exceed expenditures. The department will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures more closely into balance.

Purpose: The Managed Care program licenses and regulates health maintenance organizations (HMOs), county-based purchasers, and community integrated service networks, and ensures quality of care, monitors adequacy of provider networks, and addresses 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 Policy (H12970J)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(488)	424	740	721	721	702	702
Resources:							
Departmental Earnings	1,862	1,412	1,817	1,817	1,817	1,817	1,817
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,862	1,412	1,817	1,817	1,817	1,817	1,817
Expenditures:							
Direct Expenditures	790	911	1,526	1,526	1,526	1,526	1,526
Indirect Expenditures	160	185	310	310	310	310	310
Total Expenditures	950	1,096	1,836	1,836	1,836	1,836	1,836
Current Difference	912	316	(19)	(19)	(19)	(19)	(19)
Accumulated Ending Balance	424	740	721	702	702	683	683

Background Information:

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 2022, there are 10 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. HMOs also undergo annual financial reviews and quality audits every three years.

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:

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,644	4,087	5,923	9,910		13,897	
Resources:							
Departmental Earnings	3,244	5,097	7,411	7,411		10,879	
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,244	5,097	7,411	7,411		10,879	
Expenditures:							
Direct Expenditures	1,497	2,711	2,846	2,846		2,846	
Indirect Expenditures	304	550	578	578		578	
Total Expenditures	1,801	3,261	3,424	3,424		3,424	
Current Difference	1,443	1,836	3,987	3,987		7,455	
Accumulated Ending Balance	4,087	5,923	9,910	13,897		21,352	

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 patient registry, research and analytics, as well as regulation of manufacturers. The manufacturer's fee is equal to the cost of regulating and inspecting each manufacturer. As of fiscal year 2023, the manufacturer fee is \$236,525 and paid by two manufacturers. The annual patient fee is \$200. Patients that are on Medical Assistance, which are approximately half of all patients, qualify for a discounted fee of \$50.

There's been consistent patient growth since the program was established, and there are currently over 39,000 active patients. Additionally, in fiscal year 2022 dried raw Cannabis was approved as a new form of delivery.

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. Also, revenue is expected to increase from the approval of dried raw Cannabis in fiscal year 2022.

Recent Changes:

Patient fees are set in statute and have not changed since establishment of the program. The manufacturer fee was increased three times since fiscal year 2016 from \$94,000 to \$146,000 in fiscal year 2017, \$189,220 in fiscal year 2020, and \$236,525 in 2022. In fiscal year 2022, dried raw Cannabis was approved as a new form of delivery.

Agency Analysis/Comments:

Revenues have historically exceeded expenditures and are projected to continue over-recovering.

Governor's Recommendation:

For information about the recommendations that affect the Office of Medical Cannabis, see the "Legalizing Adult-Use Cannabis" proposal in the Department of Health's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(264)	(141)	(82)	74	74	230	230
Resources:							
Departmental Earnings	733	626	782	782	782	782	782
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	733	626	782	782	782	782	782
Expenditures:							
Direct Expenditures	507	471	520	520	520	520	520
Indirect Expenditures	103	96	106	106	106	106	106
Total Expenditures	610	567	626	626	626	626	626
Current Difference	123	59	156	156	156	156	156
Accumulated Ending Balance	(141)	(82)	74	230	230	386	386

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.

Recent Changes:

Fees and appropriations for this program were last increased in 2015. No recent statutory changes.

Agency Analysis/Comments:

Revenue is projected to exceed expenditures in fiscal years 2024 and 2025. 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. When a disorder is detected, the program ensure families are connected to appropriate services

Legal Citation: Minnesota Statutes, section 144.125; 144.064

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

Fund: State Government Special Rev (1200)

Appropriation: Public Health Laboratory (H12970S)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	485	582	220	605	605	990	990
Resources:							
Departmental Earnings	8,671	10,437	14,740	14,740	14,740	14,740	14,740
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	8,671	10,437	14,740	14,740	14,740	14,740	14,740
Expenditures:							
Direct Expenditures	7,127	8,977	11,441	11,441	11,441	11,441	11,441
Indirect Expenditures	1,447	1,822	2,914	2,914	2,914	2,914	2,914
Total Expenditures	8,574	10,799	14,355	14,355	14,355	14,355	14,355
Current Difference	97	(362)	385	385	385	385	385
Accumulated Ending Balance	582	220	605	990	990	1,375	1,375

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 \$220 per specimen.

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 the addition of new disorders to the screening panel. Estimated revenue for newborn screening is related to the state's birth rate. The number of births in Minnesota is expected to be about 67,000 annually in 2023 to 2025, then slowly increasing to 68,000 annually by 2026 and 2027.

Recent Changes:

Fees related to this program changed in fiscal year 2021. The fee increased from \$135 to \$177, per specimen. There is 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*). In fiscal year 2022, the fee increased from \$177 to \$220, due to the addition of congenital Cytomegalovirus (cCMV) to the screening panel. This fee increase was part of the Vivian Act, which directed the newborn screening advisory committee to review cCMV for addition to the panel. The committee reviewed and recommended the addition of cCMV to the commissioner in January 2022, and the commissioner approved the recommendation that same month.

Agency Analysis/Comments:

Projected revenues exceed expenditures. The department will continue to monitor the earning group to determine if any changes are needed to bring revenues and expenditures more closely into balance considering the recent change.

Purpose: The Early Hearing Detection and Intervention - 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 Statutes, 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	952	1,163	1,242	1,442	1,442	1,642	1,642
Resources:							
Departmental Earnings	964	884	1,005	1,005	1,005	1,005	1,005
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	964	884	1,005	1,005	1,005	1,005	1,005
Expenditures:							
Direct Expenditures	753	805	805	805	805	805	805
Indirect Expenditures							
Total Expenditures	753	805	805	805	805	805	805
Current Difference	211	79	200	200	200	200	200
Accumulated Ending Balance	1,163	1,242	1,442	1,642	1,642	1,842	1,842

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. In addition, services include individualized deaf and hard of hearing mentors who provide education and instruction in American Sign Language as an available option to interested families. A \$15 per newborn screening specimen fee was added to cover the cost of support 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:

There have been no recent changes since adding the surcharge fee in 2013.

Agency Analysis/Comments:

Revenue is projected to exceed expenditures for this program, resulting in annual savings to the general fund. The department will continue to monitor the earnings group to determine if a change is needed.

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 Statutes, 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	28	(4)	(32)	(31)	(31)	(30)	(30)
Resources:							
Departmental Earnings	116	132	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	116	132	163	163	163	163	163
Expenditures:							
Direct Expenditures	123	133	135	135	135	135	135
Indirect Expenditures	25	27	27	27	27	27	27
Total Expenditures	148	160	162	162	162	162	162
Current Difference	(32)	(28)	1	1	1	1	1
Accumulated Ending Balance	(4)	(32)	(31)	(30)	(30)	(29)	(29)

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 the program to determine if any changes are needed.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(28)	211	589	577	577	565	565
Resources:							
Departmental Earnings	670	988	1,005	1,005	1,005	1,005	1,005
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	670	988	1,005	1,005	1,005	1,005	1,005
Expenditures:							
Direct Expenditures	358	507	845	845	845	845	845
Indirect Expenditures	73	103	172	172	172	172	172
Total Expenditures	431	610	1,017	1,017	1,017	1,017	1,017
Current Difference	239	378	(12)	(12)	(12)	(12)	(12)
Accumulated Ending Balance	211	589	577	565	565	553	553

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.

Changes to federal and state regulations for increased security requirements in 2015 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.

Recent Changes:

Fees were established in 2004 and modified in 2021. Modifications include consolidating approximately 20 different license types into already existing license types to make licensing easier to navigate for regulated parties. Most remaining fee categories were increased by 10-20%. Increases in revenue from these changes were just over \$300,000 annually in fiscal year 2022 compared to fiscal year 2021 and is projected to remain level at or near the fiscal year 2022 level.

Agency Analysis/Comments:

Projected expenditures slightly exceed revenues. The department will continue to monitor this program to determine whether other changes are needed in order to bring revenues and expenditures into balance.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(949)	(540)	(217)	146	146	509	509
Resources:							
Departmental Earnings	671	614	685	685	685	685	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	671	614	685	685	685	685	685
Expenditures:							
Direct Expenditures	218	242	268	268	268	268	268
Indirect Expenditures	44	49	54	54	54	54	54
Total Expenditures	262	291	322	322	322	322	322
Current Difference	409	323	363	363	363	363	363
Accumulated Ending Balance	(540)	(217)	146	509	509	872	872

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 research, licensing, inspection, enforcement activities, and education and outreach. Revenue also supports the reporting IT system for processing applications.

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 fully implemented in September 2020. In 2016, the fee structure was reduced, and new exemptions were added. The effective date was delayed several times however therefore some of the regulatory requirements started in January 2019, while others were delayed to June and September 2020.

Agency Analysis/Comments:

Revenue is projected to exceed expenditures. 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 Statutes, 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	304	359	437	421	421	405	405
Resources:							
Departmental Earnings	217	225	205	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	217	225	205	205	205	205	205
Expenditures:							
Direct Expenditures	135	122	184	184	184	184	184
Indirect Expenditures	27	25	37	37	37	37	37
Total Expenditures	162	147	221	221	221	221	221
Current Difference	55	78	(16)	(16)	(16)	(16)	(16)
Accumulated Ending Balance	359	437	421	405	405	389	389

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.
- \$10.50 one-time surcharge to process criminal background checks. The surcharge is collected from individuals who apply for a temporary, full or re-licensure after a lapse.
- \$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:

The revenue forecast was determined based on the projected growth of the occupation over time. By the end of fiscal year 2022, there were 2,129 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 new applicants 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. The COVID-19 pandemic impacted fiscal year 2021 and 2022 revenues and may also impact fiscal year 2023 revenue.

Recent Changes:

A one-time surcharge fee was first collected in 2018 for initial applicants and began to be collected in 2020 for renewing applicants. The COVID-19 pandemic impacted collection of this one-time surcharge fee and we are still in the process of collecting this fee from renewing applicants.

Agency Analysis/Comments:

Projected expenditures slightly exceed revenues. 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 Policy (H12970J); Health Regulation (H12971H)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(46)	(6)	(68)	(149)	(149)	(223)	(149)
Resources:							
Departmental Earnings	348	347	347	354	668	354	668
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	348	347	347	354	668	354	668
Expenditures:							
Direct Expenditures	256	340	356	356	555	356	555
Indirect Expenditures	52	69	72	72	113	72	113
Total Expenditures	308	409	428	428	668	428	668
Current Difference	40	(62)	(81)	(74)		(74)	
Accumulated Ending Balance	(6)	(68)	(149)	(223)	(149)	(297)	(149)

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 2020, more than 4,300 Minnesotans died from unintentional 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, 123 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 fee of \$1,000 per facility, and a \$12 fee per licensed bed and bassinets. 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, meanwhile, the number of hospitals seeking a trauma designation has been much higher than originally estimated, leading to greater than anticipated program costs. In addition, information technology, personnel, and other costs have increased over the past two decades.

Agency Analysis/Comments:

Projected expenditures are expected to exceed revenue. The department is requesting an increase to the appropriation and revenue fee structure in the Trauma System Fee Adjustment change item to balance revenues and expenditures more closely and to manage the increased workload.

Governor's Recommendation:

For information about recommended fee changes, see the "Trauma System Fee Adjustment" proposal in the Department of Health's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	188	545	811	792	792	773	773
Resources:							
Departmental Earnings	809	794	883	883	883	883	883
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	2,599	2,594	2,300	2,300	2,300	2,300	2,300
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,408	3,388	3,183	3,183	3,183	3,183	3,183
Expenditures:							
Direct Expenditures	2,536	2,595	2,662	2,662	2,662	2,662	2,662
Indirect Expenditures	515	527	540	540	540	540	540
Total Expenditures	3,051	3,122	3,202	3,202	3,202	3,202	3,202
Current Difference	357	266	(19)	(19)	(19)	(19)	(19)
Accumulated Ending Balance	545	811	792	773	773	754	754

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 almost all certificates or documents, 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. In general, demand for vital records follows population trends. In recent years, the number of vital events occurring in Minnesota has decreased overall.

Recent Changes:

In 2021, legislation was passed, effective January 1, 2022, that provides homeless youth a no-cost birth certificate or certified state of no record found. Before this, the last substantial 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 expenditures are expected to exceed revenues. The department will continue to monitor this program to determine whether a change is needed for revenues and expenditures to balance more closely.

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)

Appropriation: Environmental Health (H12970P)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(956)	(314)	264	270	270	276	276
Resources:							
Departmental Earnings	3,692	3,910	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	3,692	3,910	3,739	3,739	3,739	3,739	3,739
Expenditures:							
Direct Expenditures	2,535	2,770	3,103	3,103	3,103	3,103	3,103
Indirect Expenditures	515	562	630	630	630	630	630
Total Expenditures	3,050	3,332	3,733	3,733	3,733	3,733	3,733
Current Difference	642	578	6	6	6	6	6
Accumulated Ending Balance	(314)	264	270	276	276	282	282

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. It is possible that revenues may be about \$300,000 lower than forecast in fiscal year 2023 through 2027 should the number of permits lag behind prior projections.

Recent Changes:

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 revenue slightly exceeds annual expenditure. The department will continue to monitor this earning group to determine if a change is needed.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	749	952	1,217	1,218	1,218	1,219	1,219
Resources:							
Departmental Earnings	1,656	1,713	1,684	1,684	1,684	1,684	1,684
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,656	1,713	1,684	1,684	1,684	1,684	1,684
Expenditures:							
Direct Expenditures	1,208	1,204	1,399	1,399	1,399	1,399	1,399
Indirect Expenditures	245	244	284	284	284	284	284
Total Expenditures	1,453	1,448	1,683	1,683	1,683	1,683	1,683
Current Difference	203	265	1	1	1	1	1
Accumulated Ending Balance	952	1,217	1,218	1,219	1,219	1,220	1,220

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 2021 and 2022. Forecasted revenue and expenditures are nearly balanced. The department will continue to monitor this program to determine if changes are needed to bring expenditures and revenues into balance.

Purpose:

State and federal criminal background checks are required in the licensure and re-licensure process of Minnesota health care professionals to protect the health and safety of healthcare consumers.

Legal Citation:

Minnesota Statutes, § 214.075

Dedicated Receipts: Yes

Non-Dedicated Receipts:

No

Fund:

Restrict Misc Special Revenue (2000)

Appropriation:

Criminal Background Check Rece (H7B9210); Criminal Background Check Rec (H7C9210); Criminal Background Check Rece (H7D9210); Criminal Background Check Rec (H7F9210); Criminal Background Check Rece (H7H9210); Criminal Background Check Rec (H7J9210); BELTSS Background Check (H7K9211); Criminal Background Checks (H7L3000); Criminal Background Check Rec (H7M9210); Criminal Background Check Rec (H7Q9210); Criminal Background Check Rec (H7R9210); Criminal Background Check Rec (H7U9210); Criminal Background Check Rec (H7V9210); Criminal Background Check Rec (H7W9210); Criminal Background Check Rec (H7X9210); OT Criminal Background Check (H7Y9210)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		157	225	(327)	(327)	(327)	(327)
Resources:							
Departmental Earnings	779	1,016	654	654	654	654	654
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	779	1,016	654	654	654	654	654
Expenditures:							
Direct Expenditures	622	948	1,206	654	654	654	654
Indirect Expenditures							
Total Expenditures	622	948	1,206	654	654	654	654
Current Difference	157	68	(552)				
Accumulated Ending Balance	157	225	(327)	(327)	(327)	(327)	(327)

Background Information:

Per statute, The Minnesota Health Licensing Boards are required to complete criminal background checks on initial applicants for licensure or reinstatement if more than one year has elapsed. The Criminal Background Check Program has been established by the Health Licensing Boards to meet this mandate. Background checks are completed by the MN Department of Public Safety and its Bureau of Criminal Apprehension (BCA) via interagency agreements. The BCA coordinates directly with the Federal Bureau of Investigation (FBI) to conduct the requisite federal background checks. Per the interagency agreements, the Boards collect required documentation and submits it directly to the BCA for processing. The fees for background checks are set by the BCA and the FBI and collected by the Boards. The fee for a general Minnesota and FBI background check is currently \$33.25.

Forecast Basis: Background check fees are set by the BCA and the FBI and are set to recover the costs for those to agencies. Since the fees are passed through to the BCA, net revenue is \$0.

Recent Changes:

The BCA increased the fee in January 2019 from \$32 to (the current) \$33.25.

Agency Analysis/Comments:

Since all collected fees are passed through to the BCA, the Health Licensing Boards have neither over-recovered nor under-recovered costs.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	766	746	588	294	294		
Resources:							
Departmental Earnings	512	504	639	639	639	639	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	512	504	639	639	639	639	639
Expenditures:							
Direct Expenditures	488	611	925	925	925	631	631
Indirect Expenditures	44	51	8	8	8	8	8
Total Expenditures	532	662	933	933	933	639	639
Current Difference	(20)	(158)	(294)	(294)	(294)		
Accumulated Ending Balance	746	588	294				

Background Information:

Licensure of private degree granting postsecondary institutions.

Statutes require the Office of Higher Education to set minimum standards for private and out-of-state institutions that offer academic programs in Minnesota. The Minnesota Private Institution Registration Act (M.S. 136A.61-136A.71) provides quality control and consumer protection for private and out-of-state postsecondary institutions offering associate degree and higher educational programs within the state. Licensing of private schools (M.S. 136A.82-136A.83.4) provides quality control and consumer protection for private, career training providers offering programs below the associate degree level.

Standards address the quality of academic programs faculty, facilities and other program resources, financial stability, advertising and promotion, and protection for students if an institution does not maintain the program as promised or ceases operations. State oversight protects prospective students from schools that collect tuition money fraudulently, “diploma mills” that sell degrees without offering legitimate programs, and schools that lack sufficient expertise or financial resources to develop and maintain adequate postsecondary programs.

Forecast Basis:

Based on historical receipt patterns.

Recent Changes:

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 equivalent 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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(677)	(1,210)	(1,876)	(1,876)	(2,542)	(2,542)
Resources:							
Departmental Earnings	56	225	160	160	160	160	160
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	225	160	160	160	160	160
Expenditures:							
Direct Expenditures	716	716	797	797	797	797	797
Indirect Expenditures	17	42	29	29	29	29	29
Total Expenditures	733	758	826	826	826	826	826
Current Difference	(677)	(533)	(666)	(666)	(666)	(666)	(666)
Accumulated Ending Balance	(677)	(1,210)	(1,876)	(2,542)	(2,542)	(3,208)	(3,208)

Background Information:

The fee for the Workforce Certificate of Compliance is statutorily set in Minn. Stat. 363A.36 Subd. 2 at \$250. 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.

In FY 22, MDHR issued 739 Workforce Compliance Certificates. In FY23, MDHR issued 370 Workforce Certificates as of November 21, 2022.

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:

This fee was raised from \$150 for 4 years to \$250 for 4 years in 2021 to account for inflation. This was effective as of July 1, 2021.

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.

Purpose: Fees collected for the issue of Certificates for Pay Equity to fund the cost of issuing certificates and investigating grievances.

Legal Citation: M.S. 363A.44

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pay Equity Certificates (G172900)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(186)	(326)	(527)	(527)	(728)	(728)
Resources:							
Departmental Earnings	58	112	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	58	112	75	75	75	75	75
Expenditures:							
Direct Expenditures	238	238	266	266	266	266	266
Indirect Expenditures	6	14	10	10	10	10	10
Total Expenditures	244	252	276	276	276	276	276
Current Difference	(186)	(140)	(201)	(201)	(201)	(201)	(201)
Accumulated Ending Balance	(186)	(326)	(527)	(728)	(728)	(929)	(929)

Background Information:

The fee for the Equal Pay Certificate is statutorily set in Minn. Stat. 363A.44, Subd. 2 at \$250. 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 FY22, MDHR issued approximately 399 Equal Pay certificates. In FY23, MDHR issued 264 Equal Pay Certificates as of November 21, 2022.

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:

This fee was raised from \$150 for 4 years to \$250 for 4 years in 2021 to account for inflation. This was effective as of July 1, 2021.

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.

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); 34 Alternative Care (COVID-19) (H551915)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	797	738	1,904	1,854	1,854	1,854	1,854
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	797	738	1,904	1,854	1,854	1,854	1,854
Expenditures:							
Direct Expenditures	797	738	1,904	1,854	1,854	1,854	1,854
Indirect Expenditures							
Total Expenditures	797	738	1,904	1,854	1,854	1,854	1,854
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)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	3,778	6,022	10,911	10,911	11,481	10,911	11,517
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,778	6,022	10,911	10,911	11,481	10,911	11,517
Expenditures:							
Direct Expenditures	3,623	5,394	10,456	10,456	11,026	10,456	11,062
Indirect Expenditures	155	628	455	455	455	455	455
Total Expenditures	3,778	6,022	10,911	10,911	11,481	10,911	11,517
Current Difference							
Accumulated Ending Balance							

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 these 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.

Governor's Recommendation:

For information about recommended fee changes, see the "Background Studies Fee Changes" proposal in the Department of Human Services' 2024-25 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	4,840	4,359	4,820	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	4,840	4,359	4,820	4,820	4,820	4,820	4,820
Expenditures:							
Direct Expenditures	4,840	4,359	4,820	4,820	4,820	4,820	4,820
Indirect Expenditures							
Total Expenditures	4,840	4,359	4,820	4,820	4,820	4,820	4,820
Current Difference							
Accumulated Ending Balance							

Background Information:

Laws of 2003, 1st Special Session, Chapter 14, Article 6, Section 58, Subd. 7 provided a vehicle for DHS to charge a 1% cost recovery fee of the amount of child support collected/recovered. Laws of Minnesota 2011, 1st Special Session, Chapter 9, Article 1, section 32 increased the fee from 1% to 2%. This language has been codified in M.S. 518A.51.

Forecast Basis:

The amount is 2% of projected child support collections/recoveries for the fee-eligible applicants (federal and state share).

Recent Changes:

This fee was implemented on July 1, 2004, based on legislation cited above. The fee increase was implemented on January 1, 2012, based on the legislation cited above.

Agency Analysis/Comments:

None.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	1,873	1,732	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	1,873	1,732	1,223	1,223	1,223	1,223	1,223
Expenditures:							
Direct Expenditures	1,873	1,732	1,223	1,223	1,223	1,223	1,223
Indirect Expenditures							
Total Expenditures	1,873	1,732	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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	5,295	5,647	5,469	5,469	6,209	5,469	6,209
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,295	5,647	5,469	5,469	6,209	5,469	6,209
Expenditures:							
Direct Expenditures	5,295	5,647	5,469	5,469	6,209	5,469	6,209
Indirect Expenditures							
Total Expenditures	5,295	5,647	5,469	5,469	6,209	5,469	6,209
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 placed in statute. In 2005, the fee schedule was reduced 25 percent for child care centers. In 2011, fees were increased \$900,000 and license fees were placed in the state government special revenue fund. In 2013, a fee schedule was adopted for the Home and Community-Based Services programs (MN Stat. Chapter 245D) to be licensed beginning January 1, 2014.

Governor's Recommendation:

For information about recommended fee change, see the "Home and Community-Based Services Corporate License Application Fee" proposal in the Department of Human Services' 2024-25 Governor's Budget Recommendations.

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: 91 Communication Impaired (H551389); 91 FDA Tobacco Inspections (H551484); 11 Provider Screening (H551567); 59 Behavioral Hlth Support Grt (H551854)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	1,431	1,261	870	870	870	870	870
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,431	1,261	870	870	870	870	870
Expenditures:							
Direct Expenditures	1,431	1,261	870	870	870	870	870
Indirect Expenditures							
Total Expenditures	1,431	1,261	870	870	870	870	870
Current Difference							
Accumulated Ending Balance							

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); 33 Medical Assistance COVID-19 (H551914)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	8,729	9,004	9,675	9,675	9,675	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	8,729	9,004	9,675	9,675	9,675	9,675	9,675
Expenditures:							
Direct Expenditures	8,729	9,004	9,675	9,675	9,675	9,675	9,675
Indirect Expenditures							
Total Expenditures	8,729	9,004	9,675	9,675	9,675	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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(90,977)	(188,286)	(294,472)	(294,472)	(399,661)	(399,661)
Resources:							
Departmental Earnings	15,886	17,093	15,000	15,000	15,000	15,000	15,000
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	15,886	17,093	15,000	15,000	15,000	15,000	15,000
Expenditures:							
Direct Expenditures	92,219	96,347	102,669	101,672	101,672	101,672	101,672
Indirect Expenditures	14,644	18,055	18,517	18,517	18,517	18,517	18,517
Total Expenditures	106,863	114,402	121,186	120,189	120,189	120,189	120,189
Current Difference	(90,977)	(97,309)	(106,186)	(105,189)	(105,189)	(105,189)	(105,189)
Accumulated Ending Balance	(90,977)	(188,286)	(294,472)	(399,661)	(399,661)	(504,850)	(504,850)

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."

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,702	2,830	2,551	2,008	2,008	1,465	1,465
Resources:							
Departmental Earnings	863	1,091	850	850	850	850	850
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	11	12	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	874	1,103	870	870	870	870	870
Expenditures:							
Direct Expenditures	738	1,376	1,407	1,407	1,407	1,407	1,407
Indirect Expenditures	8	6	6	6	6	6	6
Total Expenditures	746	1,382	1,413	1,413	1,413	1,413	1,413
Current Difference	128	(279)	(543)	(543)	(543)	(543)	(543)
Accumulated Ending Balance	2,830	2,551	2,008	1,465	1,465	922	922

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)

Appropriation: 31 Minnesotacare Grants (H551070); 31 Minnesotacare Premiums/Non (H551552); 31 Minnesotacare Premiums/BHP (H551619)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	33,000	6,131	6,182	5,656	5,656	5,131	5,131
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	33,000	6,131	6,182	5,656	5,656	5,131	5,131
Expenditures:							
Direct Expenditures	33,000	6,131	6,182	5,656	5,656	5,131	5,131
Indirect Expenditures							
Total Expenditures	33,000	6,131	6,182	5,656	5,656	5,131	5,131
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.

Effective January 2015, MinnesotaCare operates as the state's Basic Health Program (BHP). As a BHP, MinnesotaCare no longer receives federal funding in the form of a percentage expenditure match. Instead, the state receives a per person subsidy equal to 95% of the premium tax credits each BHP enrollee would have received through MNsure had the state opted against running a BHP. BHP premium revenue is not shared with the federal Trust Fund

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:

The American Rescue Plan Act of 2021 (ARPA) increased and expanded eligibility for advanced premium tax credits (APTC) for tax years 2021 and 2022. On August 16, 2022, the Inflation Reduction Act of 2022 was signed into law which extended the increase in APTC authorized by ARPA through December 31, 2025. These changes result in reduced MinnesotaCare premiums between calendar years 2021 through 2025. The reduced premium scales result in zero premiums for people with annual family income of less than 160% of the Federal Poverty Guideline (FPG) and a premium scale between \$4 and \$28 for people with incomes between 160% and 200% of FPG.

Additionally, because ARPA and the Inflation Reduction Act of 2022 result in higher tax credits in the individual market, the State will receive increases in federal BHP funding through calendar year 2025 as a result.

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

Appropriation: Health Regulation (H12970H); 11 Provider Screening (H551567); 14 Nursing Home Adv Council (H551617)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	167	144	222	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	167	144	222	392	392	392	392
Expenditures:							
Direct Expenditures	167	144	222	392	392	392	392
Indirect Expenditures							
Total Expenditures	167	144	222	392	392	392	392
Current Difference							
Accumulated Ending Balance							

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,585	2,104	1,332	625	625	625	625
Resources:							
Departmental Earnings	1,172	1,358	1,426	1,426	1,426	1,426	1,426
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	49	21					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,221	1,379	1,426	1,426	1,426	1,426	1,426
Expenditures:							
Direct Expenditures	1,690	2,133	2,118	1,416	1,416	1,425	1,425
Indirect Expenditures	12	18	15	10	10	10	10
Total Expenditures	1,702	2,151	2,133	1,426	1,426	1,435	1,435
Current Difference	(481)	(772)	(707)			(9)	(9)
Accumulated Ending Balance	2,104	1,332	625	625	625	616	616

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 program and are used to maintain buildings and property owned by the state. Balances in these accounts may 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); 63 Ded Srvs-Outpatient (SP) (H556034)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	115	136	150	150	150	150	150
Resources:							
Departmental Earnings	28	23	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	28	23	10	10	10	10	10
Expenditures:							
Direct Expenditures	7	9	10	10	10	10	10
Indirect Expenditures							
Total Expenditures	7	9	10	10	10	10	10
Current Difference	21	14					
Accumulated Ending Balance	136	150	150	150	150	150	150

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 Svcs (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 Svcs-Outpatient (SP) (H556034); 62 CABHS - MITH (H556040); 65 Community Health Clinics (H556043)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(149,530)	(299,956)	(500,032)	(500,032)	(701,861)	(692,804)
Resources:							
Departmental Earnings	230,032	247,098	234,384	235,725	234,499	237,080	235,854
Other Resources:							
Earning Transferred In	7,938	17,060	17,535	17,535	2,832	17,535	1,999
Revenue Collected by Another Agency							
Other Receipts	689	836	791	791	791	791	791
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	238,659	264,994	252,710	254,051	238,122	255,406	238,644
Expenditures:							
Direct Expenditures	371,762	393,144	428,999	432,193	407,207	435,148	408,209
Indirect Expenditures	16,427	22,276	23,787	23,687	23,687	23,687	23,687
Total Expenditures	388,189	415,420	452,786	455,880	430,894	458,835	431,896
Current Difference	(149,530)	(150,426)	(200,076)	(201,829)	(192,772)	(203,429)	(193,252)
Accumulated Ending Balance	(149,530)	(299,956)	(500,032)	(701,861)	(692,804)	(905,290)	(886,056)

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."

Governor's Recommendation:

For information about recommended revenue and expenditure changes, see the "Direct Care and Treatment Program Enhancements" proposal in the Department of Human Services' 2024-25 Governor's Budget Recommendations.

Purpose: To provide therapeutic work activities for people who have developmental disabilities and/or mental illness.

Legal Citation: M.S. 246.56

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

Fund: Restrict Misc Special Revenue (2000); MN State Operated Comm Svcs (4350)

Appropriation: 62 Waivered Services (MSOCS) (H556009); 63 Ded Svcs-Work Actv (SP) (H556033)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	473	439	555	623	623	691	691
Resources:							
Departmental Earnings	616	664	723	723	723	723	723
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	616	664	723	723	723	723	723
Expenditures:							
Direct Expenditures	650	548	655	655	655	655	655
Indirect Expenditures							
Total Expenditures	650	548	655	655	655	655	655
Current Difference	(34)	116	68	68	68	68	68
Accumulated Ending Balance	439	555	623	691	691	759	759

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 people who have developmental disabilities and/or mental illness. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(606)	(1,952)	(3,921)	(3,921)	(5,890)	(5,890)
Resources:							
Departmental Earnings	6,072	7,549	6,672	6,672	6,672	7,148	7,148
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,072	7,549	6,672	6,672	6,672	7,148	7,148
Expenditures:							
Direct Expenditures	6,678	8,895	8,641	8,641	8,641	8,641	8,641
Indirect Expenditures							
Total Expenditures	6,678	8,895	8,641	8,641	8,641	8,641	8,641
Current Difference	(606)	(1,346)	(1,969)	(1,969)	(1,969)	(1,493)	(1,493)
Accumulated Ending Balance	(606)	(1,952)	(3,921)	(5,890)	(5,890)	(7,383)	(7,383)

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: \$6,525,000

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: \$97,000

Board Administration

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

Annual Departmental Earning Estimate: \$50,000

Recent Changes:

None.

Agency Analysis/Comments:

The agency recommends no change in fees at this time.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	97	68	78	42	42	25	25
Resources:							
Departmental Earnings	20	85	75	75	90	75	90
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	20	85	75	75	90	75	90
Expenditures:							
Direct Expenditures	45	65	95	79	94	69	84
Indirect Expenditures	4	10	16	13	13	11	11
Total Expenditures	49	75	111	92	107	80	95
Current Difference	(29)	10	(36)	(17)	(17)	(5)	(5)
Accumulated Ending Balance	68	78	42	25	25	20	20

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:

The Combative Sports Program has resumed full service in-person events since Covid-19 restrictions have lifted. Forecasted revenues were built in FY24/25 with events at typical capacity.

Recent Changes:

Fees were last 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.

Governor's Recommendation:

For information about the recommended revenue and expenditure changes, see the "Combative Sports Health and Safety Improvements" proposal in the Department of Labor and Industry's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	22,113	22,867	22,336	17,213	17,213	13,921	13,920
Resources:							
Departmental Earnings	33,475	32,969	29,378	31,596	31,760	31,596	31,859
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	348	347	322	404	404	404	404
Resource Reductions:							
Earnings Transferred Out		75					
Revenue Collected for Another Agency							
Total Resources	33,823	33,241	29,700	32,000	32,164	32,000	32,263
Expenditures:							
Direct Expenditures	29,891	29,993	30,774	30,900	31,065	31,184	31,448
Indirect Expenditures	3,178	3,779	4,049	4,392	4,392	4,455	4,455
Total Expenditures	33,069	33,772	34,823	35,292	35,457	35,639	35,903
Current Difference	754	(531)	(5,123)	(3,292)	(3,293)	(3,639)	(3,640)
Accumulated Ending Balance	22,867	22,336	17,213	13,921	13,920	10,282	10,280

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 2021 legislative session, the temporary reduction to licensing fees for construction contractors, electricians, plumbers, high pressure pipe fitters, and boiler operators originally implemented during the 2015 session were extended. The fee reductions will sunset September 30, 2023.

Agency Analysis/Comments:

DLI did not experience a drop in revenues due to Covid restrictions. There are uncertainties regarding the current economic downturn and how it may impact the Construction Code Fund, specifically with slowing revenues identified with building permits and building plan reviews. DLI is cautiously moving forward with level revenue forecasts. 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 recommended fee and expenditure changes, see the "Safe Housing for the Elderly and Vulnerable Adults" and "Construction Code and License Fee Reimbursements and Reductions" proposals in the Department of Labor and Industry's 2024-25 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	445	485	280				
Resources:							
Departmental Earnings	271	98	22	22	22	22	22
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	271	98	22	22	22	22	22
Expenditures:							
Direct Expenditures	202	254	250	18	18	18	18
Indirect Expenditures	29	49	52	4	4	4	4
Total Expenditures	231	303	302	22	22	22	22
Current Difference	40	(205)	(280)				
Accumulated Ending Balance	485	280					

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:

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 staff turnover resulting in excess cash on hand. DLI anticipates the remaining 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 Program (B423801)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	241	213	222	222	222	222	222
Resources:							
Departmental Earnings	742	739	740	740	740	740	740
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	742	739	740	740	740	740	740
Expenditures:							
Direct Expenditures	769	729	739	739	739	739	739
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	770	730	740	740	740	740	740
Current Difference	(28)	9					
Accumulated Ending Balance	213	222	222	222	222	222	222

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 consistent revenues for the next few years.

Recent Changes:

None

Agency Analysis/Comments:

To utilize the accumulation of the fund balance, DLI is currently researching methods to expand on safety training programs and providing additional resources.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(1,707)	(3,480)	(5,293)	(5,293)	(7,146)	(7,146)
Resources:							
Departmental Earnings	270	167	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	270	167	250	250	250	250	250
Expenditures:							
Direct Expenditures	1,977	1,940	2,063	2,103	2,103	2,144	2,144
Indirect Expenditures							
Total Expenditures	1,977	1,940	2,063	2,103	2,103	2,144	2,144
Current Difference	(1,707)	(1,773)	(1,813)	(1,853)	(1,853)	(1,894)	(1,894)
Accumulated Ending Balance	(1,707)	(3,480)	(5,293)	(7,146)	(7,146)	(9,040)	(9,040)

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

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(61)	(125)	(171)	(171)	(217)	(217)
Resources:							
Departmental Earnings	45	44	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	45	44	50	50	50	50	50
Expenditures:							
Direct Expenditures	106	108	96	96	96	97	97
Indirect Expenditures							
Total Expenditures	106	108	96	96	96	97	97
Current Difference	(61)	(64)	(46)	(46)	(46)	(47)	(47)
Accumulated Ending Balance	(61)	(125)	(171)	(217)	(217)	(264)	(264)

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.

Forecast Basis:

The primary components of this revenue source are as follows: rehabilitation provider registration and renewal 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	9,967	9,254	9,556	9,545	9,545	9,772	9,771
Resources:							
Departmental Earnings	1,991	2,188	1,875	2,175	2,174	1,875	1,874
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	40	37	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,031	2,225	1,900	2,200	2,199	1,900	1,899
Expenditures:							
Direct Expenditures	2,703	1,880	1,898	1,960	1,960	1,961	1,961
Indirect Expenditures	41	43	13	13	13	13	13
Total Expenditures	2,744	1,923	1,911	1,973	1,973	1,974	1,974
Current Difference	(713)	302	(11)	227	226	(74)	(75)
Accumulated Ending Balance	9,254	9,556	9,545	9,772	9,771	9,698	9,696

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.

Governor's Recommendation:

For information about the recommended revenue change, see the "'Construction Code and License Fee Reimbursements and Reductions" proposal in the Department of Labor and Industry's 2024-25 Governor's Budget Recommendations.

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: Workers Compensation (2830)

Appropriation: Special Comp Fund Revenues (B422320); Assigned Risk Safety (B423800)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	7,928	5,936	4,469	3,735	3,735	3,046	3,046
Resources:							
Departmental Earnings	1,048	1,209	1,220	1,220	1,220	1,220	1,220
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	299	362	601	601	601	601	601
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,347	1,571	1,821	1,821	1,821	1,821	1,821
Expenditures:							
Direct Expenditures	3,082	2,740	2,281	2,229	2,229	2,203	2,203
Indirect Expenditures	257	298	274	281	281	287	287
Total Expenditures	3,339	3,038	2,555	2,510	2,510	2,490	2,490
Current Difference	(1,992)	(1,467)	(734)	(689)	(689)	(669)	(669)
Accumulated Ending Balance	5,936	4,469	3,735	3,046	3,046	2,377	2,377

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	76	47	34	26	26	18	18
Resources:							
Departmental Earnings	21	38	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	21	38	35	35	35	35	35
Expenditures:							
Direct Expenditures	50	51	43	43	43	43	43
Indirect Expenditures							
Total Expenditures	50	51	43	43	43	43	43
Current Difference	(29)	(13)	(8)	(8)	(8)	(8)	(8)
Accumulated Ending Balance	47	34	26	18	18	10	10

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: Continuing Legal Education (J650CLE)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	33	20					
Resources:							
Departmental Earnings	(13)	(20)					
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	(13)	(20)					
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	(13)	(20)					
Accumulated Ending Balance	20						

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,222	1,564	1,314	992	992	670	670
Resources:							
Departmental Earnings	1,740	1,854	1,812	1,812	1,812	1,812	1,812
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	5	6	9	9	9	9	9
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	10						
Total Resources	1,735	1,860	1,821	1,821	1,821	1,821	1,821
Expenditures:							
Direct Expenditures	2,393	2,110	2,143	2,143	2,143	2,143	2,143
Indirect Expenditures							
Total Expenditures	2,393	2,110	2,143	2,143	2,143	2,143	2,143
Current Difference	(658)	(250)	(322)	(322)	(322)	(322)	(322)
Accumulated Ending Balance	1,564	1,314	992	670	670	348	348

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	614	604	651	511	511	371	371
Resources:							
Departmental Earnings	370	367	344	344	344	344	344
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	5	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	374	372	349	349	349	349	349
Expenditures:							
Direct Expenditures	384	325	489	489	489	489	489
Indirect Expenditures							
Total Expenditures	384	325	489	489	489	489	489
Current Difference	(10)	47	(140)	(140)	(140)	(140)	(140)
Accumulated Ending Balance	604	651	511	371	371	231	231

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: Continuing Legal Education (J650CLE); Lawyer Assistance (J650LAP); Lawyer Prof Respsblty Bd (J650LPR)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,613	1,930	1,432	1,091	1,091	750	750
Resources:							
Departmental Earnings	4,472	4,607	4,609	4,609	4,609	4,609	4,609
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	128	54	82	82	82	82	82
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,600	4,661	4,691	4,691	4,691	4,691	4,691
Expenditures:							
Direct Expenditures	5,283	5,159	5,032	5,032	5,032	5,032	5,032
Indirect Expenditures							
Total Expenditures	5,283	5,159	5,032	5,032	5,032	5,032	5,032
Current Difference	(683)	(498)	(341)	(341)	(341)	(341)	(341)
Accumulated Ending Balance	1,930	1,432	1,091	750	750	409	409

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,981	3,647	3,682	2,880	2,880	2,078	2,078
Resources:							
Departmental Earnings	28	27	25	25	25	25	25
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	17	16	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	45	43	45	45	45	45	45
Expenditures:							
Direct Expenditures	379	8	847	847	847	847	847
Indirect Expenditures							
Total Expenditures	379	8	847	847	847	847	847
Current Difference	(334)	35	(802)	(802)	(802)	(802)	(802)
Accumulated Ending Balance	3,647	3,682	2,880	2,078	2,078	1,276	1,276

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	15	13	9	9	9	9	9
Resources:							
Departmental Earnings	3	3	6	6	6	6	6
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	4	7	9	9	9	9	9
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	7	10	15	15	15	15	15
Expenditures:							
Direct Expenditures	8	13	14	14	14	14	14
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	9	14	15	15	15	15	15
Current Difference	(2)	(4)					
Accumulated Ending Balance	13	9	9	9	9	9	9

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.29-148B.392, M.S. 214, M.S. 319B

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

Fund: Health Related Boards (1201)

Appropriation: MFT Non Dedicated Receipts (H7M1000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	455	428	434	314	314	250	503
Resources:							
Departmental Earnings	433	449	436	436	722	436	722
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	434	449	436	436	722	436	722
Expenditures:							
Direct Expenditures	370	357	466	410	443	410	456
Indirect Expenditures	91	86	90	90	90	90	90
Total Expenditures	461	443	556	500	533	500	546
Current Difference	(27)	6	(120)	(64)	189	(64)	176
Accumulated Ending Balance	428	434	314	250	503	186	679

Background Information:

The mission of the Board of Marriage and Family Therapy is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of marriage and family therapy to ensure a standard of competent and ethical practice.

To accomplish the Board's mission, we:

- Set standards for initial licensure, including a review of each applicant's education and training;
- Administer an examination of each applicant's knowledge of the laws and rules governing the practice of marriage and family therapy in Minnesota prior to issuing marriage and family therapy license;
- Annually review qualifications and renew licenses of current, qualified licensees;
- 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;
- Monitor and enforce continuing education requirements for license renewal;
- Maintain mandated and educational information on a public website;
- Work collaboratively with academic institutions and national and state marriage and family therapy 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;
- Collaborate and assist other governmental entities, including the MN Department of Human Services, MN Department of Health, Health Professional Services Program, and MN Department of Revenue, on matters involving licensed health care professionals in Minnesota.

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 many 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 continue to increase slightly as we continue to see growth in the profession. No significant changes are anticipated to the amount of revenue generated in the upcoming biennium. Costs relating to board operations have increased at a rate greater than anticipated revenues, leading the board to forecast a revenue shortfall in the coming years.

Recent Changes:

The Board will be seeking fee increases to four application fees and five licensure fees in 2023. 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 (decreased 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 rate of increase in costs as compared to revenues in the recent past has resulted in a decrease in the board's fund balance, resulting in the request to increase several fees in 2023.

Governor's Recommendation:

For information about recommended fee changes, see the "Fee Change" proposal in the Board of Marriage and Family Therapy's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	65	65	65	67	67	69	69
Resources:							
Departmental Earnings			1	1	1	1	1
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			2	2	2	2	2
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference			2	2	2	2	2
Accumulated Ending Balance	65	65	67	69	69	71	71

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

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

Fund: Health Related Boards (1201)

Appropriation: Med Pract NonDedicate Receipts (H7B1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	18,759	19,338	21,102	22,565	22,565	24,698	24,698
Resources:							
Departmental Earnings	6,479	7,301	7,659	7,996	7,996	8,352	8,352
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	9	9	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,488	7,310	7,679	8,016	8,016	8,372	8,372
Expenditures:							
Direct Expenditures	4,752	4,555	5,178	4,845	4,845	4,845	4,845
Indirect Expenditures	1,157	991	1,038	1,038	1,038	1,038	1,038
Total Expenditures	5,909	5,546	6,216	5,883	5,883	5,883	5,883
Current Difference	579	1,764	1,463	2,133	2,133	2,489	2,489
Accumulated Ending Balance	19,338	21,102	22,565	24,698	24,698	27,187	27,187

Background Information:

The agency'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 of Medical Practice.

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, and licensees/registrants 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		2,983	5,755	14,740	14,740	10,264	10,264
Resources:							
Departmental Earnings	18,372	21,444	21,755	20,982	20,982	20,500	20,500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts			13,269				
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	18,372	21,444	35,024	20,982	20,982	20,500	20,500
Expenditures:							
Direct Expenditures	15,389	18,672	26,039	25,458	25,458	24,683	24,683
Indirect Expenditures							
Total Expenditures	15,389	18,672	26,039	25,458	25,458	24,683	24,683
Current Difference	2,983	2,772	8,985	(4,476)	(4,476)	(4,183)	(4,183)
Accumulated Ending Balance	2,983	5,755	14,740	10,264	10,264	6,081	6,081

Background Information:

MNSure operates from a special revenue fund because agency resources primarily come from a premium withhold fee on health and dental plans sold by insurance carriers on the state's health insurance exchange. MNSure resources also include reimbursements from the Department of Human Services (DHS) for costs incurred which benefit public health programs and their enrollees, as described in the Public Assistance Cost Allocation Plan (PACAP) submitted to, and approved by, the Centers for Medicare & Medicaid Services (CMS). Additional funding sources include federal grants and state coronavirus fiscal recovery funds for modernization of state exchanges to support expanded benefits to Minnesotans through the American Rescue Plan Act of 2021 (ARP). The legislature has also appropriated one-time funding for MNSure to support the Alec Smith Insulin Affordability Act and has replaced lost revenues resulting from the enactment of the Minnesota Premium Security Plan. The Departmental Earnings Report appropriately reflects only the premium withhold revenue collected from health insurance carriers.

Forecast Basis:

Statute authorizes the 3.5% fee that is collected on premiums paid for qualified health and dental plans sold through the state health insurance exchange. Annual premium withhold revenue projections are calculated by considering the number of enrollments for the current plan year, estimating enrollments for the next plan year, building in an enrollment lapse rate, and estimating future average premiums for enrollees based on published rates insurance carriers submit for review to the Department of Commerce.

Recent Changes:

None.

Agency Analysis/Comments:

The process of receiving premium withhold revenue involves several steps, including: reviewing and reconciling effectuated enrollment data, invoicing insurance carriers the premium withhold fee on policies that were effectuated during the prior month, waiting up to 30 days for carriers to submit payments, processing the receipts, and making subsequent adjustments to prior months 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: M.S. 86B.415, subd 7; M.S. 84D.108; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,378	2,547	2,952	1,411	1,411	540	1,560
Resources:							
Departmental Earnings	3,119	2,719	2,410	2,410	4,980	2,410	4,980
Other Resources:							
Earning Transferred In	1,684	1,560	1,315	1,315	940	1,315	940
Revenue Collected by Another Agency							
Other Receipts	86	74	21	21	21	21	21
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,889	4,353	3,746	3,746	5,941	3,746	5,941
Expenditures:							
Direct Expenditures	3,709	3,938	5,277	4,607	5,782	4,607	5,807
Indirect Expenditures	11	10	10	10	10	10	10
Total Expenditures	3,720	3,948	5,287	4,617	5,792	4,617	5,817
Current Difference	1,169	405	(1,541)	(871)	149	(871)	124
Accumulated Ending Balance	2,547	2,952	1,411	540	1,560	(331)	1,684

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 are focused on invasive species work. The DNR also receives 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. The surcharge provided \$2.7 million to the Invasive Species Account in FY22. In addition, the \$5 AIS surcharge on non-resident fishing licenses provided \$1.2 million. About \$200 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:

No recent changes.

Agency Analysis/Comments:

AIS related revenues do not cover the current appropriations from AIS prevention and management activities. The 2019 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 \$331,000.

Governor's Recommendation:

For information about recommended fee changes, see the “Prevent and Manage Spread of Aquatic Invasive Species in Minnesota” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations.

The Governor’s recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the “Maintain Current Service Levels” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations for more information.

Purpose:	Receipts from sale of documents, publications, aerial photos, and payments for cooperative agreements are used to cover the cost of providing these materials or services.		
Legal Citation:	M.S. 84.026, subd 1; M.S. 84.027, subd 14 (2); M.S. 84.0855, subd 1; M.S. 84.085, subd 1(c); M.S. 88.6435; M.S. 89.22; M.S. 89.421; M.S. 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); Remediation (2801)		
Appropriation:	EWR Environmental Damages ITC (R290300); LAM Env Coop Res Match (R291026); LAM Misc SR (R291206); EWR Coop Agreements (R292200); EWR Publications (R292212); EWR NonFed Grant Approp SR (R292214); EWR Coop Agreement (R292226); EWR Non Game Gift (R292227); EWR Red River Coord (R292253); EWR Twin MetalsMNLLC Income SR (R292344); EWR Resch SuperiorNatlForCS SR (R292347); EWR MN Native Plant CommForCS (R292382); EWR MN Income Contract EIS Pre (R292S06); 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); 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	10,305	9,875	7,074	5,721	5,721	4,451	4,451
Resources:							
Departmental Earnings	6,174	1,746	2,405	1,905	1,905	1,905	1,905
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,174	1,746	2,405	1,905	1,905	1,905	1,905
Expenditures:							
Direct Expenditures	6,604	4,547	3,758	3,175	3,175	2,840	2,840
Indirect Expenditures							
Total Expenditures	6,604	4,547	3,758	3,175	3,175	2,840	2,840
Current Difference	(430)	(2,801)	(1,353)	(1,270)	(1,270)	(935)	(935)
Accumulated Ending Balance	9,875	7,074	5,721	4,451	4,451	3,516	3,516

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. For example, the Forestry Division engages in cooperative agreements for the purposes of fire prevention, emergency fire suppression, forest management, or wildlife habitat management. Cooperative Agreements compensate the division for agreed upon services.

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 – Laws established in 2001 are meant to provide regulation and oversight to the harvesting and sale of wholesale level decorative materials and trees. Decorative material is defined in M.S. 88.641 and primarily covers the harvest and sale of conifer boughs, branches, saplings, and tops to be used as seasonal decoration. The annual fee for a license to buy decorative materials license is \$25. M.S. 88.6435, 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 M.S. 116D.045. The income received is project-specific and finite.

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 agency 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:

No recent changes.

Agency Analysis/Comments:

Annual revenues and expenditures in this earnings group 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: M.S. 85.41, subd 5; M.S. 85.46, subd 5; M.S. 97A.405, subd 2(d); M.S. 97A.485

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,060	2,469	2,718	2,179	2,179	2,228	2,228
Resources:							
Departmental Earnings	4,835	4,511	4,193	4,127	4,127	4,059	4,059
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	11	13	22	22	22	22	22
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,846	4,524	4,215	4,149	4,149	4,081	4,081
Expenditures:							
Direct Expenditures	4,437	4,275	4,754	4,100	4,100	4,032	4,032
Indirect Expenditures							
Total Expenditures	4,437	4,275	4,754	4,100	4,100	4,032	4,032
Current Difference	409	249	(539)	49	49	49	49
Accumulated Ending Balance	2,469	2,718	2,179	2,228	2,228	2,277	2,277

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 table shows each license issuing fee, the fee amount, and the activity it supports.

Dedicated		
Departmental Earnings	Fee Amount	Activity Supported
Licensing fee for federal duck stamp	\$2.00 Fulfillment Fee \$1.00 ELS Fee	Mailing services Electronic Licensing System (ELS)
Licensing fee for watercraft registration	\$1.50 Watercraft Title Registration	Electronic Licensing System (ELS)
Licensing fee for snowmobile registration	\$1.50 Snowmobile Registration/Renewal	Electronic Licensing System (ELS)
Licensing fee for ATV registration	\$1.50 ATV Registration/Renewal	Electronic Licensing System (ELS)
Licensing fee for off-highway motorcycle registration	\$1.50 Off Hwy Motorcycle Registration/Renewal	Electronic Licensing System (ELS)
Licensing fee for off-road vehicle registration	\$1.50 Off Road Vehicle Registration/Renewal	Electronic Licensing System (ELS)
Licensing fee for parks registrations	\$1.22 License Issuing Fee	Electronic Licensing System (ELS)
Licensing fee for cross country ski pass	\$1.22 Cross Country Ski pass	Electronic Licensing System (ELS)
Licensing fee for decorative materials or horse trail pass	\$1.22 Decorative materials \$1.22 Horse Trail Pass	Electronic Licensing System (ELS)
Licensing fee related to game and fish licenses and validations	\$0.71 - \$2.50 multiple license types \$3.00 Walk In Access Validation	Electronic Licensing System (ELS)
Licensing fee related to youth deer licenses	\$1 Youth Deer Licenses (muzzleloader, archery, firearm)	Electronic Licensing System (ELS)

Forecast Basis:

Fish and wildlife receipts are forecasted on historical and anticipated future trends, participation rates, recent fee changes, and the impact of prior years' weather conditions. 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.

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: M.S. 84.026; M.S. 88.065; M.S. 88.17, subd 5; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	544	787	2,814	3,151	3,151	3,001	3,001
Resources:							
Departmental Earnings	5,294	8,446	3,760	3,760	3,760	3,760	3,760
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,294	8,446	3,760	3,760	3,760	3,760	3,760
Expenditures:							
Direct Expenditures	5,051	6,419	3,423	3,910	3,910	3,910	3,910
Indirect Expenditures							
Total Expenditures	5,051	6,419	3,423	3,910	3,910	3,910	3,910
Current Difference	243	2,027	337	(150)	(150)	(150)	(150)
Accumulated Ending Balance	787	2,814	3,151	3,001	3,001	2,851	2,851

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.
- **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.
- **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.

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.

Out-of-state firefighting makes up about 90% of revenues received in this category.

Recent Changes:

No recent changes.

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: M.S. 89.37

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	552	553	371	671	671	871	871
Resources:							
Departmental Earnings	866	754	1,031	1,141	1,141	1,251	1,251
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	627	477	690	690	690	690	690
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,493	1,231	1,721	1,831	1,831	1,941	1,941
Expenditures:							
Direct Expenditures	1,492	1,413	1,421	1,631	1,631	1,741	1,741
Indirect Expenditures							
Total Expenditures	1,492	1,413	1,421	1,631	1,631	1,741	1,741
Current Difference	1	(182)	300	200	200	200	200
Accumulated Ending Balance	553	371	671	871	871	1,071	1,071

Background Information:

The DNR State Forest Nursery produces and sells products for forestation using localized seed sources. The Nursery account has two revenue sources. One is for the sale of seedlings (small trees sprouted from seed) and the other for the sale of tree seed (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 seed procurement and extraction, seedling production, shipping, and maintenance of facilities and equipment. 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 ten years from the date of purchase. The nursery requires a minimum order of 500 trees.

Forecast Basis:

The forecast is based on projected sales of nursery stock. Prices are based on a combination of factors:

- Surveys of public and private nurseries to obtain pricing information, which allows the DNR to set comparable and competitive pricing while recovering costs.
- Production estimates of the various tree species needed in future years on both public and private lands.
- Analysis of nursery operations, which enables the nursery to set its product pricing to meet the objective of recovering costs for native seed procurement, seedling production, marketing, and distribution.

The State Forest Nursery seedling sales were about \$1.2 to \$1.5 million annually over the past two years. The operating budget of the state forest nursery is based on anticipated sales to recover costs. Seedling sales typically account for 88% of annual sales revenue, and seed sales account for 12%.

Recent Changes:

The price of seedlings for orders under 1,000 trees has increased for FY23 due to rising costs. Increases vary from 7% to 9% for conifers and hardwoods. Pricing has not changed for conifer and hardwood orders of 1,000 or more to encourage larger scale planting projects, and the current price is comparable to others selling higher quantity orders. Shrubs, predominately purchased from vendors for resale by the nursery, increased by 11% to 22%. Charges for shipping increased 25% from \$33 to \$41 per 1,000 to recover packaging materials and freight costs. The cost of conifer seed purchased from the nursery increased by 11%.

Agency Analysis/Comments:

The DNR produces and distributes an annual report to the legislature 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 conduct spring harvest and prepare seedlings for shipment. The nursery experienced an operating deficit of over \$900,000, reducing the FY20 balance to about \$550,000. The pandemic also affected FY21 and FY22 available inventories due to reduced capacity for weeding, maintaining, and planting fields. The cost of inputs like fertilizer and fuel are significant drivers of inflationary pressures. The nursery is anticipated to recover operating costs in FY23 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:	M.S. 16A.68; M.S. 17.4988, subd 2, 3; M.S. 84.091, subd 3; M.S. 84.152; M.S. 97A.055, subd 2, 2(2), 2(3), 5; M.S. 97A.065, subd 2, 6; M.S. 97A.071, subd 2; M.S. 97A.075, subd 1(e), 2, 3, 4, 6; M.S. 97A.221; M.S. 97A.225; M.S. 97A.341, subd 5; M.S. 97A.431, subd 3; M.S. 97A.433, subd 3; M.S. 97A.434, subd 3; M.S. 97A.435, subd 3; M.S. 97A.473, subd 5; M.S. 97A.474; M.S. 97A.4742; M.S. 97A.475 subd 3a(b), 4, 4(b), 5, 6, 7, 7(b), 8, 8(b), 10, 10a, 11, 12, 13, 15, 29; M.S. 97A.485; M.S. 97B.002; M.S. 97B.015, subd 4; M.S. 97B.025; M.S. 97B.401 (c), M.S. 97C.081, subd 3; M.S. 103G.611, subd 1a; M.R. 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 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	17,037	39,745	51,566	52,720	52,720	55,938	58,285
Resources:							
Departmental Earnings	105,506	99,565	105,836	97,812	113,598	99,453	110,851
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	20,159	17,109	16,814	17,402	17,402	17,451	17,451
Other Receipts	228	258	418	418	418	418	418
Resource Reductions:							
Earnings Transferred Out	1,545	1,427	1,165	1,161	1,161	1,155	1,155
Revenue Collected for Another Agency							
Total Resources	124,348	115,505	121,903	114,471	130,257	116,167	127,565
Expenditures:							
Direct Expenditures	100,620	102,809	119,874	110,378	123,817	110,247	125,562
Indirect Expenditures	1,020	875	875	875	875	875	875
Total Expenditures	101,640	103,684	120,749	111,253	124,692	111,122	126,437
Current Difference	22,708	11,821	1,154	3,218	5,565	5,045	1,128
Accumulated Ending Balance	39,745	51,566	52,720	55,938	58,285	60,983	59,413

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, conduct outreach, and provide safety education to protect Minnesota's people and natural resources.

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	\$3.75 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	Application is for costs associated with conducting the wolf license

	\$28.78 resident wolf firearm, trapping \$248.78 non-resident wolf firearm, trapping	drawing and wolf management research, damage control, enforcement, and education
Wolf Allocation	\$.50	Wolf management, research, damage control, enforcement, and education
Non-Dedicated		
Departmental Earnings	Fee Amount	Activity Supported
Application Fees	\$2.78 Application Fee \$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	Variety of miscellaneous game and fish-related activities
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 \$68.29 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 youth and adult hunter education and firearms safety 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 \$7.50. 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 on historical and anticipated future trends, participation rates, recent fee changes, and the impact of prior years' weather conditions.

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 hunter education and firearms safety training 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:

Manufacturers' increased sales have resulted in higher excise taxes, which states have used as grants to support conservation initiatives.

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 diverse, 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 statutorily-mandated hunter education and firearms safety training program. 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.

Governor's Recommendation:

For information about recommended fee changes, see the “Investments in Fishing” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations.

The Governor’s recommended budget includes multiple investments that leverage additional Pittman-Robertson (PR) federal funds that focus on wildlife conservation. These investments include the following proposals:

- Enhancing Grasslands and Restoring Wetlands on WMAs for Carbon Capture and Resiliency
- Chronic Wasting Disease Management
- Investing in Minnesota’s Wildlife and Aquatic Management Areas
- Maintain Current Service Levels

The Governor’s recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the “Maintain Current Service Levels” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations for more information.

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

Legal Citation: M.S. 84.788; M.S. 84.791, subd 2; M.S. 84.7945; M.S. 84.798; M.S. 84.8015; M.S. 84.8035; M.S. 84.82; M.S. 84.8205; M.S. 84.83, subd 5; M.S. 84.86, subd 1(6); M.S. 84.8712; M.S. 84.922, subd 2, 5; M.S. 84.925, subd 1(c); M.S. 84.9275; M.S. 85.41; M.S. 85.42; M.S. 85.46; M.S. 85.47; M.S. 97A.065, subd 2; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	6,463	5,922	5,581	(485)	(485)	(3,101)	(3,906)
Resources:							
Departmental Earnings	15,261	15,311	15,878	14,405	14,405	15,937	15,937
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	9,742	10,328	11,123	11,210	11,210	11,297	11,297
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	25,003	25,639	27,001	25,615	25,615	27,234	27,234
Expenditures:							
Direct Expenditures	24,894	25,360	32,424	27,599	28,404	27,598	28,673
Indirect Expenditures	650	620	643	632	632	632	632
Total Expenditures	25,544	25,980	33,067	28,231	29,036	28,230	29,305
Current Difference	(541)	(341)	(6,066)	(2,616)	(3,421)	(996)	(2,071)
Accumulated Ending Balance	5,922	5,581	(485)	(3,101)	(3,906)	(4,097)	(5,977)

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 and were last increased in 2017:

- Snowmobile registrations (\$105 for a three-year registration)
- Snowmobile trail permits (\$50 for a one-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 per 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 M.S. 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 per 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 M.S. 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 per year or \$30 for 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 ski pass fee is \$9 for a daily, \$24 for an annual, and \$69 for a three-year. These fees were last increased in 2019. 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. These fees were established in 2006 and have not been increased. 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 DNR fee for the ATV program is \$10; youth and adult snowmobile is \$5; ORV is \$15, and OHM is \$5.

Forecast Basis:

Snowmobile: Revenue projections are based on the latest estimated number of registration renewals coming due each year and five-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 \$6 million to \$7.7 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 expansion of the Iron Range Off-highway Vehicle Recreation Area. The DNR recently updated the master plan for the David Dill/Arrowhead State Trail and will be upgrading portions of the trail for OHV use. 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:

No recent changes.

Agency Analysis/Comments:

To the extent appropriation levels are higher than receipts, the DNR collaborates with stakeholders on planned expenditures or adjusts grants-in-aid to keep account balances positive.

Governor's Recommendation:

Current fee levels are sufficient to support the Governor's recommendation to maintain current service levels. See the "Maintain Current Service Levels" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations for more information.

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

Legal Citation: M.S. 85.052, subd 4c; M.S. 92.50, M.S. 93.17; M.S. 93.20; M.S. 93.20, subd 25; M.S. 93.222; M.S. 93.25; M.S. 93.285; M.S. 93.33; M.S. 93.41; M.R. 6125.0500

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); 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 G&F (R291A02); LAM Non Dedicated Receipts MMA (R291A03)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,958	8,364	8,994	6,568	6,568	5,505	4,862
Resources:							
Departmental Earnings	42,177	47,738	23,670	17,644	17,644	16,499	16,499
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	26,954	40,487	19,298	12,252	12,252	11,246	11,246
Revenue Collected for Another Agency							
Total Resources	15,223	7,251	4,372	5,392	5,392	5,253	5,253
Expenditures:							
Direct Expenditures	8,802	6,609	6,786	6,443	7,086	6,006	6,812
Indirect Expenditures	15	12	12	12	12	12	12
Total Expenditures	8,817	6,621	6,798	6,455	7,098	6,018	6,824
Current Difference	6,406	630	(2,426)	(1,063)	(1,706)	(765)	(1,571)
Accumulated Ending Balance	8,364	8,994	6,568	5,505	4,862	4,740	3,291

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 2022, mineral exploration and mining on state-owned lands have generated \$907 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 312 current (as of October 1, 2022) 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	101	8,393
Metallic Non-Ferrous	194	68,677
Industrial	9	3,844
Residue	8	1,374
Total	312	82,287

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 FY22, mineral revenue (royalties and rentals) totaled \$47.7 million. Although mineral receipts fluctuate greatly from year-to-year, the past ten years have averaged over \$38 million each year, a total of \$383 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 FY22 were approximately \$9.5 million. 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. Seventy percent of the costs are personnel; the remainder is rental, maintenance, and communications, travel, and equipment costs. The state authorized \$2.8 million in FY22 expenditures for mineral management activities. 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 ten years the actual expenditures on mineral management expenses have averaged 8% of total receipts.

LAM Special Advance Royalties – Some of the state’s 101 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 FY22, \$189,853 of minimum annual payments were collected and none of the balance was applied to FY22 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, recent developments in December 2020 (Cleveland Cliffs purchase of ArcelorMittal USA) have reduced the majority owners and operators of the six active taconite mines from three to two companies: United States Steel and Cleveland Cliffs and both are significant steel companies in North America. With Cleveland Cliffs recent transition into becoming an integrated steel company rather than a merchant pellet supplier, Cliffs is adjusting their iron ore pellet production rates to serve their internal steel making needs at their steelmaking operations. As a result, less pellet production was needed in this period and as of October 2022, one of Cliffs' mining operations (Northshore Mining) is currently idled. Again, production rates can always adjust due to Cliffs' future business decisions, whether to continue to supply internal needs or to also sell pellets to external customers. Historic high royalty rates on State leases did benefit the State royalty revenue in FY21 and FY22, and even with some diminished production overall of taconite pellets, the State's lease revenue remained relatively unchanged. Mineral receipts in FY22 are very close to the ten-year average.

Agency Analysis/Comments:

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. Recognizing that future years' income is uncertain, the spending amount was capped at \$2.9 million each year. The balance in the fund is reviewed annually and any excess above \$3 million is returned to the trust that generated the mineral income.

Although mineral activities and mineral income have grown significantly in the past ten years, the amount DNR is appropriated for mineral management activities has risen little (the most recent appropriation is about \$3.3 million.) With inflationary pressures on salaries, expenses and overheads, staff have been focusing more time on current lease administration issues with less time on exploring, researching, and advancing the future of the state's mineral resources.

Governor's Recommendation:

Current fee levels are sufficient to support the Governor's recommendation to maintain current service levels. See the "Maintain Current Service Levels" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations for more information.

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

Legal Citation: M.S. 16A.125, subd 5(b); M.S. 84.027, subd 14 (2); M.S. 84.0855, subd 1; M.S. 85.052; M.S. 85.053; M.S. 85.055; M.S. 85.22, subd 2a; M.S. 85.34, subd 7; M.S. 89.21; M.S. 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 Non Dedicated Receipts SP (R294A03)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	16,043	24,227	30,217	29,857	29,857	31,780	29,410
Resources:							
Departmental Earnings	30,874	32,475	30,858	30,858	33,488	30,858	33,488
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	11	13	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	30,885	32,488	30,878	30,878	33,508	30,878	33,508
Expenditures:							
Direct Expenditures	22,572	26,379	31,119	28,836	33,836	28,836	33,836
Indirect Expenditures	129	119	119	119	119	119	119
Total Expenditures	22,701	26,498	31,238	28,955	33,955	28,955	33,955
Current Difference	8,184	5,990	(360)	1,923	(447)	1,923	(447)
Accumulated Ending Balance	24,227	30,217	29,857	31,780	29,410	33,703	28,963

Background Information:

Parks departmental earnings are intended to partially fund the maintenance and operation of the state park system.

Description	Fees	Date of last fee change
Forest Campgrounds	\$17 to \$50	1/1/2021
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	\$130 to \$500	1/1/2017
Horseback	\$22 to \$25	1/1/2021
Tipi	\$35	1/1/2021
Camper Cabin	\$75 to \$90	1/1/2021
Drive in Sites	\$20 to \$25	1/1/2021
Electric Fee	\$10	4/1/2021
Water and Sewer Fee	\$8	1/1/2020
All other parks-related fees and sales	Set by commissioner orders	Various

The Parks Working Capital account is a special revenue account established under M.S. 85.22. 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 M.S. 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.

The 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 \$230,000 per year. Receipts from forest campgrounds located

on state lands (not school trust land) totaling approximately \$225,000 annually are deposited into the natural resources fund and appropriated to the DNR.

Forecast Basis:

Forecast revenues are based on recent history and current trends in parks usage and receipts.

Recent Changes:

The most recent fee changes occurred through Commissioner Order and were effective 1/1/2021.

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.

FY20 saw a surge in visitation that persisted into FY22. While visitation has waned some, it has not dropped to pre-pandemic. Day use and camping remain high in most of the state parks and recreation areas. This has resulted in increased annual and daily permit sales, camping fees, and facility rentals. Associated revenues, such as retail, equipment rental, tours, and facility rentals, had lagged early in the pandemic and have now rebounded.

Early indications are that the increased visitation seen in parks and trails is a new pattern will be sustained in a post-pandemic era.

Governor's Recommendation:

For information about recommended fee changes, see the "Improve Visitor Services at State Parks and Recreation Areas" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations.

The Governor's recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the "Maintain Current Service Levels" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations for more information.

Purpose:	To generate revenues from real estate transactions on acquired lands, school trust lands (permanent school and permanent university), and tax-forfeited lands.		
Legal Citation:	M.S. 84.027; M.S. 84.153; M.S. 84.415; M.S. 84.415, subd 5; M.S. 84.63; M.S. 84.631; M.S. 84.632; M.S. 84.633; M.S. 84.972; M.S. 85.015; M.S. 89.035; M.S. 89.17; M.S. 92.115; M.S. 92.28; M.S. 92.46; M.S. 92.50; M.S. 92.501; M.S. 94.10; M.S. 94.16; M.S. 94.343, subd 8a; M.S. 97A.135; M.R. 6135.0400; Laws 2016, Chapter 154, Section 19 (f)		
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 Lease Monitoring Fee SR (R291236); 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); FOR Cons Monitoring (R293231); PAT Land Acq (R294202); PAT Working Capital (R294206); PAT Fort Snelling Dominion (R294254); FAW Land Acq Wildlife (R296209); FAW WL Beltrami Island Cons (R296215); FAW Public Grazing Program (R296222); FAW Land or Water Damages (R296288); MR Facility Rent & Maint (R298211)		
Fee Change?	Yes		

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	469	5,180	7,184	7,378	7,378	7,839	9,187
Resources:							
Departmental Earnings	6,866	3,723	2,276	2,203	5,080	2,205	2,995
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	189	130	72	72	72	72	72
Revenue Collected for Another Agency							
Total Resources	6,677	3,593	2,204	2,131	5,008	2,133	2,923
Expenditures:							
Direct Expenditures	1,966	1,589	2,010	1,670	3,199	1,670	3,639
Indirect Expenditures							
Total Expenditures	1,966	1,589	2,010	1,670	3,199	1,670	3,639
Current Difference	4,711	2,004	194	461	1,809	463	(716)
Accumulated Ending Balance	5,180	7,184	7,378	7,839	9,187	8,302	8,471

Background Information:

The Division of Lands and Minerals manages the real estate transactions on 5.6 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, communications 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 M.S. 84.153, 89.17, 92.50, 92.501, and 92.502. DNR also issues grant-in-aid trail permits for crossing state land under the authority of M.S. 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 \$1.00 to \$2.70 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 \$25 annually, with a current rate of \$650 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 M.S. 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 fifty years, but the applicant may request a term of twenty-five 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 preparing special terms and conditions of the license to ensure proper construction, and a market value fee for the use of the state lands or waters for the term of the license. The legislature enacted an exemption (effective July 2014) from all application fees, unless the utility license is for an electric power line, cable or conduit of 100 kilovolts or greater or if the utility license is for a main pipeline for gas, liquids or solids in suspension.

The application fee is \$2,250 for water crossing license and \$3,500 for a land crossing license. The monitoring fee is based on projected hours for the staff work at the division's professional services rate that recovers costs. The market value fee for water crossing licenses is set in rules based on type of utility, number of crossings and length of each crossing. The market value fee for land crossing licenses is set in rules, based on type of utility, number of crossings, and length of each crossing, plus an additional fee not to exceed 15 percent of the value of the land in excess of \$100 per acre of the actual acreage taken by the right-of-way.

Road Easements and Easement Releases

Easements to the United States, the state or subdivision of the state, or tribal governments are issued under M.S. 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 M.S. 84.631. Road easements on school trust lands can be issued to individuals, but only up to a term of fifty years. Easements for ingress and egress to cross a state trail, when the private party has a preexisting right, are issued under M.S. 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.

Under M.S. 84.632, the DNR may release all or part of an unneeded easement that burdens another party's land. A \$2,000 application fee covers the DNR staff cost for reviewing the application and preparing the easement release. The applicant must also pay a market value fee which is credited to the account from which money was spent to acquire the easement, or, if there is no specific account, to the land acquisition account.

Land sales

State-owned land administered by the DNR is sold under M.S. 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 five 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 that are within a management unit of the outdoor recreation system. Revenues are used to pay for the transaction costs of land sales and acquiring access easements and lands from willing sellers for state forest purposes under the authority

of M.S. 89.032.

The Forestry Division annually collects approximately \$63,000 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. The number of licenses issued continues to increase. In the last four calendar years an average of 442 licenses were issued annually, of which 362 water crossing licenses and 80 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 aggregate was last adjusted in November of 2021. The rates increased based on the market. Over time, there is likely to be a modest increase in aggregate lease revenue.

All the hunting cabin leases are renewed at the same time. The current set of leases were renewed in 2022, with a rate of \$650, based on an analysis of the public and private market for hunting cabin leases, along with a \$25 per year rental increase for the ten-year term. At the time of renewal, the lease rate was \$650 per year.

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. Due to operating increases, DNR is currently receiving \$463,960 from the general fund. This is short about \$50,000 compared to 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 do not always recover 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.

Governor's Recommendation:

For information about recommended fee changes, see the "Updating Utility License Fees for State Lands and Public Waters" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations.

The Governor's recommended budget authorizes land sales that result in increased revenue. See the "Lands Bill" proposal for more information.

The Governor's recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the "Maintain Current Service Levels" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations for more information.

Purpose: Revenues are used to pay for the state's cost for issuing permits, evaluating reclamation plans, and monitoring reclamation activities for mine properties.

Legal Citation: M.S. 93.481, subd 7; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,281	1,224	1,150	939	939	739	739
Resources:							
Departmental Earnings	549	942	609	609	609	609	609
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4	5	8	8	8	8	8
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	553	947	617	617	617	617	617
Expenditures:							
Direct Expenditures	610	1,021	828	817	817	817	817
Indirect Expenditures							
Total Expenditures	610	1,021	828	817	817	817	817
Current Difference	(57)	(74)	(211)	(200)	(200)	(200)	(200)
Accumulated Ending Balance	1,224	1,150	939	739	739	539	539

Background Information:

In 2009, the governor signed legislation that created a fee structure to assess companies holding mining permits, known as *Permits to Mine*. The fee was established to pay for the state's cost for issuing permits, evaluating reclamation plans and monitoring reclamation activities for mine properties. During the 2010 legislative session, the fee structure for mineland reclamation permits was modified to fully recover the cost of issuing and managing permits. Specifically, the permit program functions include: 1) reducing the environmental impacts of mining, 2) ensuring reclamation mining during and following completion of mining, 3) ensuring public review and input to the permitting process, and 4) enforcing reclamation rules. The permitting fees are appropriated to the department for the management of the Mineland Reclamation Permitting Program. The fees are assessed to operators of taconite mines, scam mines, non-ferrous (i.e. copper, nickel) mineral operations, and horticultural peat mines (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 scam 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 scam 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 2024-25.

The current trend for ferrous mining in Minnesota is one where the taconite facilities operate at or near full production levels. A number of new scam mining proposals are being worked on, which may become operational in FY24-25. Peat operations are small compared to metallic mineral operations, but they are currently steady seasonal operations within our state. The DNR is starting to experience an increased workload around non-ferrous mining projects, which is expected to increase further with a federal focus on developing domestic sources for strategic minerals.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Although the fee system for the Permit to Mine has historically worked well to cover the traditional permit issuance, amendment, assignment, and annual review/inspection workload, fees are now insufficient to cover compensation growth and are ineffective given increases in work activities not included in the current fee system. Activities not included in the current fee system include litigation, public document requests, research work, work on special permit conditions, wetland work outside of a permit request, assistance with environmental review, website management, and management of rule review.

Based on workplans and annual reports from new and existing mining projects, as well as the complicated nature of environmental review, the demand for applied research, and already pending litigation, the DNR's regulatory work will continue increasing. For example, the active list of permits and amendments under DNR review increased 40% from 2021 to 2022 and work time in environmental review and litigation has grown from 0.46% in FY18 to 16.8% in FY22. To help manage this funding gap, the DNR is seeking additional funding from the 2023 legislature for applied research and key regulatory work.

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

Legal Citation: M.S. 16A.125, subd 5; M.S. 88.79, subd 2; M.S. 89.035; M.S. 89.17; M.S. 90.101; M.S. 90.151, subd 15; M.S. 90.181, subd 2; M.S. 90.191; M.S. 90.193; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	15,979	14,704	13,534	7,942	7,942	4,046	4,046
Resources:							
Departmental Earnings	21,136	22,168	20,849	20,655	20,655	20,605	20,605
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	13,290	13,704	13,900	13,362	13,362	13,217	13,217
Revenue Collected for Another Agency							
Total Resources	7,846	8,464	6,949	7,293	7,293	7,388	7,388
Expenditures:							
Direct Expenditures	9,045	9,562	12,469	11,117	11,117	11,226	11,226
Indirect Expenditures	76	72	72	72	72	72	72
Total Expenditures	9,121	9,634	12,541	11,189	11,189	11,298	11,298
Current Difference	(1,275)	(1,170)	(5,592)	(3,896)	(3,896)	(3,910)	(3,910)
Accumulated Ending Balance	14,704	13,534	7,942	4,046	4,046	136	136

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 forestry 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. 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:

No recent changes.

Agency Analysis/Comments:

The FY22 year-end fund balance was \$11.8 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.

The Forestry Division anticipates the per acre fee for writing forest stewardship plans will be need to be increased during the next biennium to approximately \$9 to adequately recover costs related to providing private forest management assistance.

Purpose: To regulate use of ground and surface water.

Legal Citation: M.S. 103G.271, subd 6; M.S. 103G.299; M.S. 103G.301, subd 2, 3; M.S. 103G.515, subd 4; M.S. 103I.681, subd 11; M.R. 6115.0130

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

Fund: Other Misc Special Revenue (2001); 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 Fen Mitigation (R292395); EWR Fen Monitoring Leon 33 (R292396); EWR NonDedicated Rec ITC WM (R292A38)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,908	2,039	2,944	1,122	1,122	445	1,645
Resources:							
Departmental Earnings	5,282	6,477	5,381	5,381	7,081	5,381	7,081
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,282	6,477	5,381	5,381	7,081	5,381	7,081
Expenditures:							
Direct Expenditures	5,122	5,543	7,203	6,058	6,558	6,058	6,558
Indirect Expenditures	29	29					
Total Expenditures	5,151	5,572	7,203	6,058	6,558	6,058	6,558
Current Difference	131	905	(1,822)	(677)	523	(677)	523
Accumulated Ending Balance	2,039	2,944	1,122	445	1,645	(232)	2,168

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. In FY22, there were approximately 10,250 active water appropriation permits of which 6,500 were for agricultural irrigation. Energy and mining industries use predominantly surface water. 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 \$100,000 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 \$100,000 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 DNR is about \$5.9 million. The DNR spends about half on water appropriation permitting and about half on public water work permitting. Public water permits provide approximately \$255,000 of the revenue to the Water Management Account.

Governor's Recommendation:

For information about recommended fee changes, see the "Protecting and Managing Water Resources" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations.

The Governor's recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the "Maintain Current Service Levels" proposal in the Department of Natural Resources' 2024-25 Governor's Budget Recommendations for more information.

Purpose: To fund water recreation programs including but not limited to: boat and water safety programs (administration, enforcement and education), acquisition development and maintenance of public water access, and watercraft registration and titling.

Legal Citation: M.S. 84.091; M.S. 84D.11; M.S. 86A.21; M.S. 86B.415; M.S. 86B.705, subd 2; M.S. 86B.706; M.S. 86B.870; M.S. 103G.615; M.S. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,218	3,470	2,503	503	503	(271)	(1,096)
Resources:							
Departmental Earnings	8,387	7,473	7,795	7,805	13,805	7,805	16,605
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency	9,849	10,449	11,243	11,332	11,332	11,421	11,421
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	375	375	375	375		375	
Revenue Collected for Another Agency							
Total Resources	17,861	17,547	18,663	18,762	25,137	18,851	28,026
Expenditures:							
Direct Expenditures	16,474	18,391	20,540	19,413	26,613	19,395	26,595
Indirect Expenditures	135	123	123	123	123	123	123
Total Expenditures	16,609	18,514	20,663	19,536	26,736	19,518	26,718
Current Difference	1,252	(967)	(2,000)	(774)	(1,599)	(667)	1,308
Accumulated Ending Balance	3,470	2,503	503	(271)	(1,096)	(938)	212

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, healthy shorelines, and the prevention of the spread of aquatic invasive species. The goal is to meet user expectations for well-designed sites for all boat types to provide safe facilities for all ages and abilities.

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, all to ensure Minnesota's water resources are healthy.

The Division of Fish and Wildlife reviews permits for winter aeration equipment and manages permits for aquatic plant management to ensure Minnesota's fisheries remain healthy.

In 2021 there were 830,000 registered boats, which has remained strong for a decade. Boat license fees have not increased since 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; also deposited are watercraft fines, restitution, and harbor and marina fees.

The watercraft registration fees last changed in 2006: 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 \$9.00; 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.

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 ten 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:

No recent changes.

Agency Analysis/Comments:

The fees do not fully support the currently appropriated amount. The DNR manages spending to the available resources.

Governor's Recommendation:

For information about recommended fee changes, see the “Improving Minnesota’s Water Recreation Experiences” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations.

The Governor’s recommended budget includes a proposal to maintain current service levels. This increases expenditures in this departmental earnings category. See the “Maintain Current Service Levels” proposal in the Department of Natural Resources’ 2024-25 Governor’s Budget Recommendations for more information.

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. 6301-6321

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

Fund: Health Related Boards (1201)

Appropriation: Nursing Non Dedicated Receipts (H7C1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	14,211	15,164	17,374	17,599	17,599	17,697	17,697
Resources:							
Departmental Earnings	7,576	8,639	8,342	7,423	7,423	7,423	7,423
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,576	8,639	8,342	7,423	7,423	7,423	7,423
Expenditures:							
Direct Expenditures	4,568	4,537	6,131	5,339	5,339	5,339	5,339
Indirect Expenditures	2,055	1,892	1,986	1,986	1,986	1,986	1,986
Total Expenditures	6,623	6,429	8,117	7,325	7,325	7,325	7,325
Current Difference	953	2,210	225	98	98	98	98
Accumulated Ending Balance	15,164	17,374	17,599	17,697	17,697	17,795	17,795

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, M.S. 144.9508, M.S. 214

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

Fund: Health Related Boards (1201)

Appropriation: OT Non Dedicated Receipts (H7Y1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	(18)	68	195	135	135	129	129
Resources:							
Departmental Earnings	557	545	539	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	557	545	539	504	504	504	504
Expenditures:							
Direct Expenditures	403	367	545	456	456	456	456
Indirect Expenditures	68	51	54	54	54	54	54
Total Expenditures	471	418	599	510	510	510	510
Current Difference	86	127	(60)	(6)	(6)	(6)	(6)
Accumulated Ending Balance	68	195	135	129	129	123	123

Background Information:

The Board is funded by fees it collects and receives no general fund dollars. The Board of Occupational Therapy Practice promotes and protects the health and safety of the citizens of Minnesota, accomplishes its public protection mission, and contributes to statewide outcomes by:

- Issuing licenses to practice to only fully qualified individuals.
- Administering the license renewal process, ensuring statutory requirements are met.
- Educating stakeholders, licensees, potential licensees, educational programs, and the public.
- Responding to inquiries, complaints, and reports regarding applicants and licensees.
- Investigating and resolving complaints.
- Maintaining a comprehensive website that provides information for licensees, applicants, the public, and any other interested parties.
- Ensuring inquiries are managed in a courteous, timely, and efficient manner.

Fees are paid by occupational therapist and occupational therapy assistant licensing and regulation. 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 completion of the transition to birth month renewals for all licensees. The next biennium will include many prorated fees due to this transition. Additionally, there is a national push for an interstate licensure compact and the state association is expected to bring compact legislation forward during the 2023 legislative session.

Recent Changes:

There is no recent fee change. The most recent fee change went into effect July 1, 2019 and is reflected in the fee table.

Agency Analysis/Comments:

The agency is currently recovering costs incurred by agency operations.

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

Fund: Health Related Boards (1201)

Appropriation: Opt Non Dedicated Receipts (H7J1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	146	148	224	118	118	84	84
Resources:							
Departmental Earnings	231	264	227	227	227	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	231	264	227	227	227	227	227
Expenditures:							
Direct Expenditures	190	166	310	238	238	238	238
Indirect Expenditures	39	22	23	23	23	23	23
Total Expenditures	229	188	333	261	261	261	261
Current Difference	2	76	(106)	(34)	(34)	(34)	(34)
Accumulated Ending Balance	148	224	118	84	84	50	50

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 several 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 only once 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 is comprised of 1.5 FTE with two, part time employees. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		13	(96)	(294)	(294)	(492)	(492)
Resources:							
Departmental Earnings	547	473	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	547	473	450	450	450	450	450
Expenditures:							
Direct Expenditures	516	536	573	573	573	573	573
Indirect Expenditures	18	46	75	75	75	75	75
Total Expenditures	534	582	648	648	648	648	648
Current Difference	13	(109)	(198)	(198)	(198)	(198)	(198)
Accumulated Ending Balance	13	(96)	(294)	(492)	(492)	(690)	(690)

Background Information:

The fee is for to cover the administrative costs of testing and licensing peace officers and part-time officers. The fees are \$90 for a Peace Officer License and \$105 for a Peace Officer Examination. There is also a \$90 renewal fee for renewal of existing licenses, of which there are about 3,600 annually.

Forecast Basis:

It is assumed past actual revenues will prevail for fiscal years 24-25.

Recent Changes:

The fee was last changed in 1998 to recover costs.

Agency Analysis/Comments:

These figures have been relatively stable over multiple bienniums. 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: Space Rental (E25REN0)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	117	113	110	84	84	65	65
Resources:							
Departmental Earnings		1	5	5	5	5	5
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	3	14	15	15	15	15	15
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3	15	20	20	20	20	20
Expenditures:							
Direct Expenditures	7	18	46	39	39	39	39
Indirect Expenditures							
Total Expenditures	7	18	46	39	39	39	39
Current Difference	(4)	(3)	(26)	(19)	(19)	(19)	(19)
Accumulated Ending Balance	113	110	84	65	65	46	46

Background Information:

Perpich collects fees from the leasing of space on the Perpich Campus. The fee amounts vary depending on space usage, custodial 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 custodial 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 FY22 is assumed due to COVID-19 but expected to rebound in the upcoming biennium.

Recent Changes:

N/A

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	12,936	27,455	42,601	55,926	55,926	69,351	69,351
Resources:							
Departmental Earnings	14,607	15,212	13,550	13,550	13,550	13,550	13,550
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	14,607	15,212	13,550	13,550	13,550	13,550	13,550
Expenditures:							
Direct Expenditures	88	66	225	125	125	125	125
Indirect Expenditures							
Total Expenditures	88	66	225	125	125	125	125
Current Difference	14,519	15,146	13,325	13,425	13,425	13,425	13,425
Accumulated Ending Balance	27,455	42,601	55,926	69,351	69,351	82,776	82,776

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 appropriated 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;

Annual 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;
- third-party logistics provider, \$260;
- drug manufacturer, nonopiate legend drugs only, \$5,260;
- drug manufacturer, nonopiate legend and nonlegend drugs, \$5,260;
- drug manufacturer, nonlegend, veterinary legend drugs, or both, \$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.

Furthermore, if a manufacturer has more than 2,000,000 opiate units distributed into the State of Minnesota in a calendar year, they are subject to a \$250,000 opiate product registration fee. This fee is also deposited into the opiate epidemic response fund.

Forecast Basis:

The Board has now assessed the increased licensure fees and/or opiate product registration fees for three years. 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. Regarding the opiate product registration fee, there has been some variation in the volume of manufacturers that have met the 2,000,000 opiate unit threshold, and thus have needed to pay the \$250,000 registration fee. In reviewing data from 2022, 12 manufacturers were required to pay the \$250,000 invoice based on opiate units in Minnesota. There are three manufacturers just above or slightly below the 2,000,000 unit threshold. Given market fluctuation, when forecasting, this can result in a \$750,000 variation, depending on if the threshold is met or not by each company.

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:

In fiscal year 2022, the Board collected \$15,253,766 for the opiate epidemic response fund. The year prior, the Board collected over \$14,000,000. Knowing that a few manufacturers can result in more significant revenue fluctuations (due to the \$250,000 opiate product registration fee) as well as shifts in the market, the Board errs on modest revenue projections. That said, we believe the companies who were unwilling to pay the increased licensing fee have already dropped their license, as was noted in the first year of the program's inception. Currently, the Board is requesting to collect additional licensing fees for the maintenance of the Board's operation outside of the funds intended for the opiate epidemic response fund. The OER fund will continue to receive the licensing fees of \$5,000 and \$55,000, as well as the opiate product registration fee (\$250,000). The increase in licensing fees is to provide sustainable funding for the Board's daily operations. This is further explained in the Pharmacy Board licensing fees section of this report.

The Board receives an appropriation of \$126,000 for its costs associated with administering the Opiate Product Registration Fee Program.

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

Fund: Health Related Boards (1201)

Appropriation: Pharm Non Dedicated Receipts (H7D1000)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	923	558	694	164	164	(193)	(420)
Resources:							
Departmental Earnings	3,579	3,704	3,407	3,407	4,003	3,407	4,003
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,579	3,704	3,407	3,407	4,003	3,407	4,003
Expenditures:							
Direct Expenditures	3,190	3,104	3,432	3,259	4,082	3,259	4,062
Indirect Expenditures	754	464	505	505	505	505	505
Total Expenditures	3,944	3,568	3,937	3,764	4,587	3,764	4,567
Current Difference	(365)	136	(530)	(357)	(584)	(357)	(564)
Accumulated Ending Balance	558	694	164	(193)	(420)	(550)	(984)

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.
- Regulatory oversight of hemp-derived cannabinoid products intended for human or animal consumption, pursuant to Minnesota Statutes section 151.72

The Board of Pharmacy's operations are entirely fee supported and no General Fund dollars are received to provide services. The Board is granted authority to use these fees by the Minnesota Legislature to pay for all expenses incurred by the Board. The Board's current fee structure, as defined in Minnesota Statutes section 151.065, is shown below:

Application fees:

- pharmacist licensed by examination, \$175;
- pharmacist licensed by reciprocity, \$275;
- pharmacy intern, \$50;
- pharmacy technician, \$50;
- pharmacy, \$260;
- 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;
- third-party logistics provider, \$260;
- 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;
- medical gas dispenser, \$260;
- controlled substance researcher, \$75; and
- pharmacy professional corporation, \$150.

Original license fee:

- The pharmacist original licensure fee, \$175.

Annual renewal fees:

- pharmacist, \$175;
- pharmacy technician, \$50;
- pharmacy, \$260;
- 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;
- third-party logistics provider, \$260;
- drug manufacturer, nonopiate legend drugs only, \$5,260;
- drug manufacturer, nonopiate legend and nonlegend drugs, \$5,260;
- drug manufacturer, nonlegend, veterinary legend drugs, or both, \$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;
- medical gas dispenser, \$260;
- controlled substance researcher, \$75; and
- pharmacy professional corporation, \$100.

Miscellaneous fees:

- intern affidavit, \$20;
- duplicate small license, \$20; and
- duplicate large certificate, \$30.

The Board is also able to collect late fees or reinstatement fees, depending on the scenario, as defined in statutes.

Importantly, \$5,000 and \$55,000 of the aforementioned wholesaler and manufacturer fees is not utilized by the Board for its operations. Rather, this funding is deposited into the opioid epidemic response fund to aid the State with combatting opioid abuse.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and registrants are set to recover most of the board's direct and indirect expenditures. 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 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.

The Board has a small appropriation from the Health Care Access Fund for the administration of the Minnesota Insulin Safety Program. The Board also has a small appropriation from the Opioid Epidemic Response Fund for administering the State's Opiate Product Registration Fee Program.

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. The present fee increase request will be the Board's fifth fee increase request spread out over the past 20 years. If approved, the projected \$596,520 increase in revenue would be an 8% increase from the revenues collected in fiscal year 2022.

Agency Analysis/Comments:

The Board is requesting authority to collect additional fees and is also requesting an increase in its appropriation. This is to ensure the Board has sufficient funding and spending authority to maintain the Board's operations. Both the Board's direct and indirect expenditures have increased in recent years, and they are expected to continue increasing for the Board in FY24 and FY25. With the Board's relocation to St. Paul, the cost of rent increased such that the Board was unable to replace a pharmacist surveyor after the individual retired. Additionally, the amount the Board pays to the Attorney General's Office (AGO) for legal service is a significant and highly variable expense for the Board. As the volume of complex disciplinary matters and contested cases rise, so too does the Board's utilization of the AGO for legal services. In FY21, the Board spent \$207,076 on AGO fees. The Board is also in dire need of migrating away from paper applications and processes to electronic applications and processes. The Board's maintenance expenses for MNIT have also significantly increased. To ensure the Board can continue operating and best serve the public, the Board is respectfully asking that the increase in fees and appropriation be granted.

Governor's Recommendation:

For information about recommended fee changes, see the "Fee Increase" proposal in the Board of Pharmacy's 2024-25 Governor's Budget Recommendations.

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 – 5601.3200

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

Fund: Health Related Boards (1201)

Appropriation: Phy Th Non Dedicated Receipts (H7W1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,494	1,342	1,516	1,373	1,373	1,412	1,412
Resources:							
Departmental Earnings	716	791	723	723	723	723	723
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	717	792	723	723	723	723	723
Expenditures:							
Direct Expenditures	725	504	746	564	564	564	564
Indirect Expenditures	144	114	120	120	120	120	120
Total Expenditures	869	618	866	684	684	684	684
Current Difference	(152)	174	(143)	39	39	39	39
Accumulated Ending Balance	1,342	1,516	1,373	1,412	1,412	1,451	1,451

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

Fund: Health Related Boards (1201)

Appropriation: Pod Med Non Dedicated Receipts (H7Q1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	446	411	557	378	378	429	429
Resources:							
Departmental Earnings	128	287	155	289	289	155	155
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	128	287	155	289	289	155	155
Expenditures:							
Direct Expenditures	129	118	310	214	214	214	214
Indirect Expenditures	34	23	24	24	24	24	24
Total Expenditures	163	141	334	238	238	238	238
Current Difference	(35)	146	(179)	51	51	(83)	(83)
Accumulated Ending Balance	411	557	378	429	429	346	346

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		16,690	32,810	48,510	48,510	64,210	64,210
Resources:							
Departmental Earnings	16,690	16,120	15,700	15,700	15,700	15,700	15,700
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	16,690	16,120	15,700	15,700	15,700	15,700	15,700
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	16,690	16,120	15,700	15,700	15,700	15,700	15,700
Accumulated Ending Balance	16,690	32,810	48,510	64,210	64,210	79,910	79,910

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 2021 was \$145.23 per ton of emissions.
- The fee for calendar year 2022 was \$171.64 per ton of emissions.
- The fee for calendar year 2023 is estimated to be around \$152 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 dollar per ton rates also increase as facility air emissions decrease and or dollar per ton rates decrease when emissions increase. Fees dollar per ton rates 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 increased from CY 21 to CY 22 because of decreased emissions from reduction of emissions and economic changes from the pandemic. However, the expected decrease in fees for 2023 are the result of increased emissions as facilities return to normal operation from the economic changes from pandemic.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	72	117	164				650
Resources:							
Departmental Earnings	513	551	650	650	650	650	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	513	551	650	650	650	650	650
Expenditures:							
Direct Expenditures	468	504	814	650		650	
Indirect Expenditures							
Total Expenditures	468	504	814	650		650	
Current Difference	45	47	(164)		650		650
Accumulated Ending Balance	117	164			650		1,300

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) to establish the Dry Cleaner Environmental Response and Reimbursement Account. The Account is funded by registration and solvent fees from drycleaner operators, and is used to reimburse owners and operators of dry cleaning facilities for costs associated with environmental cleanups.

The FY23 fee structure is as follows:

Registration Fees. The owner or operator of a dry cleaning facility must register with the Minnesota Department of Revenue by October 3 and pay a fee by October 18th of each year. The registration fee for each dry cleaning facility is determined by its full time equivalence (FTE) rate, as follows:

1. Less than 5 FTEs = \$5,186;
2. 5 -10 FTEs = \$16,080; and
3. >10 FTEs = \$29,610.

Solvents Fees. Suppliers of certain dry cleaning solvents must collect and remit to the Minnesota Department of Revenue, on or before the 20th of the month following the month in which the sales of the solvents are made. Solvent fees per gallon sold are as follows:

1. Tetrachloroethene (Perchloroethylene or Perc) = \$71.00
2. Hydrocarbon-based solvents = \$37.64; and
3. Other non-aqueous solvents = \$17.58.

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. reimbursement for all but \$10,000 of the environmental response costs incurred by the owner or operator of a dry cleaning facility; and
4. administrative costs of the Commissioner of the Department 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 perc and other dry cleaning solvents sold each year is decreasing.

Recent Changes:

The last time the fees changed:

- Registration fee was last changed effective July 1, 2022.
- The solvent fee was last changed effective July 1, 2022.

Due to the decrease in both the number of dry cleaning facilities paying registration fees and the volume of dry

cleaning solvents sold each year, substantial increases in fees were necessary to generate the \$650,000 per year required by statute.

Agency Analysis/Comments:

The MPCA adjusts the fees each year in an attempt to reach \$650,000 per year to the fund as required by statute. Generating sufficient fees has become increasingly difficult, as more and more dry cleaning facilities close or consolidate and the amount of solvents they use decreases. This results in annual fees increases for individual owners or operators.

It is noted that the potential liability for cleanup costs related to this program far exceeds the amount collected in fees.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		12,548	23,433	34,318	34,318	45,203	45,203
Resources:							
Departmental Earnings	12,548	10,885	10,885	10,885	10,885	10,885	10,885
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,548	10,885	10,885	10,885	10,885	10,885	10,885
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	12,548	10,885	10,885	10,885	10,885	10,885	10,885
Accumulated Ending Balance	12,548	23,433	34,318	45,203	45,203	56,088	56,088

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 cathode ray tubes (CRTS) from mixed municipal solid waste. This program provides a mechanism to collect and recycle electronic devices covered under the Minnesota Electronics Recycling Act. Electronic manufacturers are required to register annually and if they sell 100 or more VDDs during the previous calendar year, 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:

CM Environ Fund Non Dedicated (R32C002)

Fee Change?

No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		113	235	361	361	487	487
Resources:							
Departmental Earnings	113	122	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	113	122	126	126	126	126	126
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	113	122	126	126	126	126	126
Accumulated Ending Balance	113	235	361	487	487	613	613

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. Manufacturers that sell 99 or fewer units are also subject to the variable recycling fee.

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 2021 Legislative session to clarify definitions, correct minor errors, remove antiquated language that is no longer applicable to the program, update language on retailer restrictions to clarify that a retailer may not sell VDD to Minnesota households unless the brand is registered with the state, and clarified language to directly state that registered manufacturers with 99 or fewer units sold in Minnesota in a given calendar year are also subject to the variable recycling fee.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		5,121	10,501	15,151	15,151	19,801	19,801
Resources:							
Departmental Earnings	5,121	5,380	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	5,121	5,380	4,650	4,650	4,650	4,650	4,650
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	5,121	5,380	4,650	4,650	4,650	4,650	4,650
Accumulated Ending Balance	5,121	10,501	15,151	19,801	19,801	24,451	24,451

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 – \$728.26 (\$668.89 last year)
- HW Non Metro Per Pound Fee – \$0.1142 (\$0.0989 last year)
- HW Metro Base Fee – \$304.65 (\$287.79 last year)
- HW Metro Per Pound Fee - \$0.0203 (\$0.0205 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 facility fees ranged from \$11,580 to \$193,650, 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 along with the permit application every five years when the permit is up for reissuance, and range similar to the annual fees. The variability in annual facility 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 permit applications that are submitted each year. The annual facility, 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

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		8	20	27	27	34	34
Resources:							
Departmental Earnings	8	12	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	12	7	7	7	7	7
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	8	12	7	7	7	7	7
Accumulated Ending Balance	8	20	27	34	34	41	41

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 paint's waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for end-of-life recycling and reuse.

Legal Citation: M.S. 115A.1415, Subd. 16

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Product Stewardship (R32D117)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	14	11	8				
Resources:							
Departmental Earnings	17	21	91	91	91	91	91
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	17	21	91	91	91	91	91
Expenditures:							
Direct Expenditures	20	24	99	91	91	91	91
Indirect Expenditures							
Total Expenditures	20	24	99	91	91	91	91
Current Difference	(3)	(3)	(8)				
Accumulated Ending Balance	11	8					

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 current 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 after April 1, 2022, unless extended. MPCA is currently evaluating another request from PaintCare for a continuance of the higher fee level.

Recent Changes:

None

Agency Analysis/Comments:

Present receipts are sufficient to cover the cost of program operations.

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); Remediation Income Agreements (R32G134); Income Agreements (R32H112)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	480	377	128				
Resources:							
Departmental Earnings	3,212	3,006	3,714	3,714	3,714	3,714	3,714
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,212	3,006	3,714	3,714	3,714	3,714	3,714
Expenditures:							
Direct Expenditures	3,315	3,255	3,842	3,714	3,714	3,714	3,714
Indirect Expenditures							
Total Expenditures	3,315	3,255	3,842	3,714	3,714	3,714	3,714
Current Difference	(103)	(249)	(128)				
Accumulated Ending Balance	377	128					

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	357	295	64				
Resources:							
Departmental Earnings	408	369	380	380	380	380	380
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	408	369	380	380	380	380	380
Expenditures:							
Direct Expenditures	470	600	444	380	380	380	380
Indirect Expenditures							
Total Expenditures	470	600	444	380	380	380	380
Current Difference	(62)	(231)	(64)				
Accumulated Ending Balance	295	64					

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, which had been \$125 per hour since 2011 was changed in early 2022 to \$150 per hour. 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:

In early 2022 the fee was changed from \$125 per hour to \$150 per hour. This was the first fee change since 2011. The agency decided to raise the fee for this and other agency review services back to their previous, pre-2011 rate of \$150 per hour to help cover more of the costs for administering these services and make the fees 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		94	1,413	2,643	2,643	3,873	3,873
Resources:							
Departmental Earnings	94	1,319	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	94	1,319	1,230	1,230	1,230	1,230	1,230
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	94	1,319	1,230	1,230	1,230	1,230	1,230
Accumulated Ending Balance	94	1,413	2,643	3,873	3,873	5,103	5,103

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		403	834	1,204	1,204	1,574	1,574
Resources:							
Departmental Earnings	403	431	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	403	431	370	370	370	370	370
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	403	431	370	370	370	370	370
Accumulated Ending Balance	403	834	1,204	1,574	1,574	1,944	1,944

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		442	858	1,274	1,274	1,690	1,690
Resources:							
Departmental Earnings	442	416	416	416	416	416	416
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	442	416	416	416	416	416	416
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	442	416	416	416	416	416	416
Accumulated Ending Balance	442	858	1,274	1,690	1,690	2,106	2,106

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		3	8	11	11	14	14
Resources:							
Departmental Earnings	3	5	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	5	3	3	3	3	3
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	3	5	3	3	3	3	3
Accumulated Ending Balance	3	8	11	14	14	17	17

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		8	18	24	24	30	30
Resources:							
Departmental Earnings	8	10	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	8	10	6	6	6	6	6
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	8	10	6	6	6	6	6
Accumulated Ending Balance	8	18	24	30	30	36	36

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		56	124	184	184	244	244
Resources:							
Departmental Earnings	56	68	60	60	60	60	60
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	68	60	60	60	60	60
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	56	68	60	60	60	60	60
Accumulated Ending Balance	56	124	184	244	244	304	304

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		4,571	9,433	14,293	14,293	19,153	19,153
Resources:							
Departmental Earnings	4,571	4,862	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	4,571	4,862	4,860	4,860	4,860	4,860	4,860
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	4,571	4,862	4,860	4,860	4,860	4,860	4,860
Accumulated Ending Balance	4,571	9,433	14,293	19,153	19,153	24,013	24,013

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. Points 8, Application Fee \$2,480.[BS(1)]

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. Points 40, Application Fee \$12,400. Individual Permit with Noncontact Cooling Water Discharge New or Increased Flow
7. noncontact Cooling Water Flow increase less than 50 mgd. Points 5, Application Fee \$1,550.
8. non noncontact Cooling Water Flow increase equal to or greater than 50 mgd. Points 20, Application Fee \$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.

Minnesota Rule 7002.0254 WATER QUALITY STORM [BS(2)]WATER PERMIT APPLICATION FEES.

Current fee

1. for coverage under an MS4 permit or modification of an MS4 permit, other than modification of a storm water pollution prevention program, \$400
2. for those required to obtain an individual storm water permit, \$400 for the initial application, for modifications, and for reissuance.

Minnesota Rule 7002.0270 ANNUAL FEE.[BS(3)]

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.

Minnesota Rule 7002.0310 WATER QUALITY ANNUAL PERMIT FEES.[BS(4)]

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:

DesignFlowinMillionGallonsperDay(MGD)AnnualFee[BS(5]

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(51)	(101)	(209)	(209)	(297)	(297)
Resources:							
Departmental Earnings	195	212	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	195	212	200	200	200	200	200
Expenditures:							
Direct Expenditures	246	262	308	288	288	288	288
Indirect Expenditures							
Total Expenditures	246	262	308	288	288	288	288
Current Difference	(51)	(50)	(108)	(88)	(88)	(88)	(88)
Accumulated Ending Balance	(51)	(101)	(209)	(297)	(297)	(385)	(385)

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 FY22 will prevail for fiscal years 24-25

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.R. 8710.0200

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

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

Appropriation: Lic by Portfolio Control Acct (E390000); Licensing Fees (E39ND01)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(1,456)	(2,274)	(3,872)	(3,872)	(5,329)	(5,329)
Resources:							
Departmental Earnings	1,761	2,144	1,858	1,858	1,858	1,858	1,858
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,761	2,144	1,858	1,858	1,858	1,858	1,858
Expenditures:							
Direct Expenditures	3,023	2,651	2,980	2,839	2,839	2,839	2,839
Indirect Expenditures	194	311	476	476	476	476	476
Total Expenditures	3,217	2,962	3,456	3,315	3,315	3,315	3,315
Current Difference	(1,456)	(818)	(1,598)	(1,457)	(1,457)	(1,457)	(1,457)
Accumulated Ending Balance	(1,456)	(2,274)	(3,872)	(5,329)	(5,329)	(6,786)	(6,786)

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.

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

Fund: Health Related Boards (1201)

Appropriation: Psy Non Dedicated Receipts (H7V1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	895	570	603	(198)	(198)	(540)	(540)
Resources:							
Departmental Earnings	1,113	1,118	1,199	1,199	1,199	1,199	1,199
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	4		10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,117	1,118	1,209	1,209	1,209	1,209	1,209
Expenditures:							
Direct Expenditures	1,019	903	1,819	1,360	1,360	1,360	1,360
Indirect Expenditures	423	182	191	191	191	191	191
Total Expenditures	1,442	1,085	2,010	1,551	1,551	1,551	1,551
Current Difference	(325)	33	(801)	(342)	(342)	(342)	(342)
Accumulated Ending Balance	570	603	(198)	(540)	(540)	(882)	(882)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	6,025	5,704	5,599	5,729	5,729	5,729	5,729
Resources:							
Departmental Earnings	3,898	3,961	4,986	4,150	4,150	3,906	3,906
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts				529	529	806	806
Resource Reductions:							
Earnings Transferred Out	2,535	2,485	2,783	2,783	2,783	2,783	2,783
Revenue Collected for Another Agency							
Total Resources	1,363	1,476	2,203	1,896	1,896	1,929	1,929
Expenditures:							
Direct Expenditures	1,684	1,581	2,073	1,896	1,896	1,929	1,929
Indirect Expenditures							
Total Expenditures	1,684	1,581	2,073	1,896	1,896	1,929	1,929
Current Difference	(321)	(105)	130				
Accumulated Ending Balance	5,704	5,599	5,729	5,729	5,729	5,729	5,729

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.

MPFA anticipates that starting in fiscal year 2024, we will again need to rely partially on federal grants to cover MDH's administrative costs.

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. As states in the Background section, MPFA anticipates that starting in fiscal year 2024, we will again need to rely partially on federal grants to cover MDH's administrative costs.

Agency Analysis/Comments:

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 full inclusion of MDH costs for fiscal year 2023, but annual receipts are projected to be less than uses, and we plan to use federal grants to partially support these program administrative costs long-term. To the extent that federal capitalization grants are used for administrative costs, this reduces dollars otherwise available 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	350	(458)	(1,332)	(2,348)	(2,348)	(3,332)	(3,332)
Resources:							
Departmental Earnings	485	434	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	485	434	420	420	420	420	420
Expenditures:							
Direct Expenditures	1,293	1,308	1,436	1,404	1,404	1,404	1,404
Indirect Expenditures							
Total Expenditures	1,293	1,308	1,436	1,404	1,404	1,404	1,404
Current Difference	(808)	(874)	(1,016)	(984)	(984)	(984)	(984)
Accumulated Ending Balance	(458)	(1,332)	(2,348)	(3,332)	(3,332)	(4,316)	(4,316)

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 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Shortfall is covered by Liquor Enforcement Fees Surplus. 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: No **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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	64	2,531	5,135	7,319	7,319	9,532	9,532
Resources:							
Departmental Earnings	3,267	3,533	3,144	3,144	3,144	3,144	3,144
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	3,267	3,533	3,144	3,144	3,144	3,144	3,144
Expenditures:							
Direct Expenditures	800	929	960	931	931	931	931
Indirect Expenditures							
Total Expenditures	800	929	960	931	931	931	931
Current Difference	2,467	2,604	2,184	2,213	2,213	2,213	2,213
Accumulated Ending Balance	2,531	5,135	7,319	9,532	9,532	11,745	11,745

Background Information:

The various fees ranges from \$20 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 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

In Fiscal Year 2022, the after 1AM Liquor License was changed to a Non-Dedicated License Fee.

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.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	91	418	790	483	483	683	683
Resources:							
Departmental Earnings	1,489	1,690	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	1,489	1,690	1,571	1,571	1,571	1,571	1,571
Expenditures:							
Direct Expenditures	1,151	1,308	1,868	1,361	1,360	1,360	1,360
Indirect Expenditures	11	10	10	10	11	11	11
Total Expenditures	1,162	1,318	1,878	1,371	1,371	1,371	1,371
Current Difference	327	372	(307)	200	200	200	200
Accumulated Ending Balance	418	790	483	683	683	883	883

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 22 revenues will prevail for fiscal years 24-25.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		917	(1,947)	(1,617)	(1,617)	(1,849)	(1,849)
Resources:							
Departmental Earnings	2,521	4,091	8,432	8,432	8,432	8,432	8,432
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,521	4,091	8,432	8,432	8,432	8,432	8,432
Expenditures:							
Direct Expenditures	1,604	6,922	8,069	8,629	8,629	8,712	8,712
Indirect Expenditures		33	33	35	35	37	37
Total Expenditures	1,604	6,955	8,102	8,664	8,664	8,749	8,749
Current Difference	917	(2,864)	330	(232)	(232)	(317)	(317)
Accumulated Ending Balance	917	(1,947)	(1,617)	(1,849)	(1,849)	(2,166)	(2,166)

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 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees should cover the cost of the activity. Agency expecting increasing revenues. Agency will monitor revenues and expenditures to avoid shortfall.

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

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		984	1,331	1,920	1,920	2,509	2,509
Resources:							
Departmental Earnings	1,115	838	900	900	900	900	900
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,115	838	900	900	900	900	900
Expenditures:							
Direct Expenditures	131	491	311	311	311	311	311
Indirect Expenditures							
Total Expenditures	131	491	311	311	311	311	311
Current Difference	984	347	589	589	589	589	589
Accumulated Ending Balance	984	1,331	1,920	2,509	2,509	3,098	3,098

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 22 revenues will prevail for fiscal years 24-25.

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? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,483	2,971	3,462	4,033	4,033	4,602	4,602
Resources:							
Departmental Earnings	568	578	595	595	595	596	596
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	568	578	595	595	595	596	596
Expenditures:							
Direct Expenditures	80	85	22	23	23	25	25
Indirect Expenditures		2	2	3	3	3	3
Total Expenditures	80	87	24	26	26	28	28
Current Difference	488	491	571	569	569	568	568
Accumulated Ending Balance	2,971	3,462	4,033	4,602	4,602	5,170	5,170

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 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

N/A

Agency Analysis/Comments:

The fee appears to cover the cost.

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: Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077711); Non Dedicated Receipts (P077811)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,638	7,185	7,792	(1,281)	(1,281)	(5,231)	1,271
Resources:							
Departmental Earnings	43,544	35,729	32,192	32,192	42,745	32,036	44,226
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	43,544	35,729	32,192	32,192	42,745	32,036	44,226
Expenditures:							
Direct Expenditures	38,659	34,754	40,890	35,748	39,799	35,718	39,729
Indirect Expenditures	338	368	375	394	394	417	417
Total Expenditures	38,997	35,122	41,265	36,142	40,193	36,135	40,146
Current Difference	4,547	607	(9,073)	(3,950)	2,552	(4,099)	4,080
Accumulated Ending Balance	7,185	7,792	(1,281)	(5,231)	1,271	(9,330)	5,351

Background Information:

Fees are listed in M.S. 171.06.

The fees are to cover the costs of licensing drivers and related activities. The fuel tax fee varies based on the Minnesota miles driven. The fees charged are to cover the cost of the program.

Forecast Basis:

It is assumed actual FY 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Agency will monitor revenues and expenditures to avoid a shortfall and if necessary request future changes.

Governor's Recommendation:

For information about recommended fee and expenditure changes, see the "Eliminate Out of State Knowledge Test," "DVS Filing Fee Increase," "Driver's License for All," "Reinstate \$0.75 REAL ID Driver's License Fee," "DVS Credential Fee Increase," "Online Driver's License Renewal Every Other Cycle," and "Maintain DVS Exam Station Staffing" proposals in the Department of Public Safety - Transportation's 2024-25 Governor's Budget Recommendations.

Purpose: To recover cost of revoking and suspending drivers licenses and related costs of reinstatement.

Legal Citation: M.S. 171.29, Subd. 2

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

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

Appropriation: Dwi Reinstatement-Sp Rev (P077062); Dwi Reinstatement 1st Half+25 (P077082); Dwi Reinstatement 2nd Pymt (P077092); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077811)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		3,353	6,764	10,219	10,219	13,675	24,275
Resources:							
Departmental Earnings	13,523	13,886	14,094	14,097	14,097	14,099	14,099
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	10,150	10,437	10,601	10,600		10,600	
Revenue Collected for Another Agency							
Total Resources	3,373	3,449	3,493	3,497	14,097	3,499	14,099
Expenditures:							
Direct Expenditures							
Indirect Expenditures	20	38	38	41	41	41	41
Total Expenditures	20	38	38	41	41	41	41
Current Difference	3,353	3,411	3,455	3,456	14,056	3,458	14,058
Accumulated Ending Balance	3,353	6,764	10,219	13,675	24,275	17,133	38,333

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 22 revenues will prevail for fiscal years 24-25.

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 offsetting General Fund expenditures.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	714	1,579	2,826	3,498	3,498	4,166	4,166
Resources:							
Departmental Earnings	1,699	1,867	1,575	1,575	1,575	1,575	1,575
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,699	1,867	1,575	1,575	1,575	1,575	1,575
Expenditures:							
Direct Expenditures	826	612	895	899	899	920	920
Indirect Expenditures	8	8	8	8	8	10	10
Total Expenditures	834	620	903	907	907	930	930
Current Difference	865	1,247	672	668	668	645	645
Accumulated Ending Balance	1,579	2,826	3,498	4,166	4,166	4,811	4,811

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 Drive (MNDRIVE) information system.

Legal Citation: MS 299.705, Subd. 3; 168.33 Subd 7

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	8,871	20,919	25,836	19,662	19,662	12,104	12,139
Resources:							
Departmental Earnings	23,547	22,304	21,200	21,200	21,235	21,200	21,217
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	23,547	22,304	21,200	21,200	21,235	21,200	21,217
Expenditures:							
Direct Expenditures	11,480	17,366	27,354	28,736	28,736	24,578	24,578
Indirect Expenditures	19	21	20	22	22	23	23
Total Expenditures	11,499	17,387	27,374	28,758	28,758	24,601	24,601
Current Difference	12,048	4,917	(6,174)	(7,558)	(7,523)	(3,401)	(3,384)
Accumulated Ending Balance	20,919	25,836	19,662	12,104	12,139	8,703	8,755

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 22 revenues will prevail for fiscal years 24-25

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Recent Changes:

Filing fees will continue to cover the costs of this activity.

Agency Analysis/Comments:

Fees cover MNDRIVE activities

Governor's Recommendation:

For information about the recommended revenue change, see the "Driver's License for All" proposal in the Department of Public Safety - Transportation's 2024-25 Governor's Budget Recommendations.

Purpose: To title vehicles for the purpose of providing consumer protection. To recover the costs of administrating the registration for vehicles in a fleet. Administrative and miscellaneous motor vehicle fees for tax exempt vehicles. To cover the costs of issuing Motor Vehicle Dealer License and to provide consumer protection.

Legal Citation: M.S. 168A.29; M.S. 168.54 M.S. 169.127 subd 6 M.S. 168.581;168.012;168.013, Subd 12; 168.017; 168.018; 168.10; 168.12; 168.29;168.31;168A.152; 299A.01; and 299A.802 M.S. 168.27 subd 11 & 22

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: Non Dedicated Receipts (P075647); Vehicle Serv. Control Acct (P077102); Non Dedicated Receipts (P077711)

Fee Change? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,527	22,450	41,299	54,358	54,358	65,645	67,645
Resources:							
Departmental Earnings	48,857	54,062	49,425	49,425	53,025	53,025	57,825
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	48,857	54,062	49,425	49,425	53,025	53,025	57,825
Expenditures:							
Direct Expenditures	27,603	34,839	35,976	37,728	39,328	39,640	40,940
Indirect Expenditures	331	374	390	410	410	430	430
Total Expenditures	27,934	35,213	36,366	38,138	39,738	40,070	41,370
Current Difference	20,923	18,849	13,059	11,287	13,287	12,955	16,455
Accumulated Ending Balance	22,450	41,299	54,358	65,645	67,645	78,600	84,100

Background Information:

The fees are to cover the costs of registration, and related services related to motor vehicles

Forecast Basis:

It is assumed actual FY 22 revenues will prevail for fiscal years 24-25.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The agency will monitor fees appear to insure cover the cost of the activity. Surplus is result of having non-dedicated fee revenues without offsetting General Fund expenditures.

Governor's Recommendation:

For information about the recommended revenue and expenditure change, see the "Blackout Special Plate" and "DVS Vehicle Inspection Sites" proposals in the Department of Public Safety - Transportation's 2024-25 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,456	5,859	4,502	2,325	2,325	1,803	1,803
Resources:							
Departmental Earnings	5,036	4,492	4,389	4,389	4,389	4,389	4,389
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,036	4,492	4,389	4,389	4,389	4,389	4,389
Expenditures:							
Direct Expenditures	2,583	5,796	6,514	4,856	4,856	4,852	4,852
Indirect Expenditures	50	53	52	55	55	59	59
Total Expenditures	2,633	5,849	6,566	4,911	4,911	4,911	4,911
Current Difference	2,403	(1,357)	(2,177)	(522)	(522)	(522)	(522)
Accumulated Ending Balance	5,859	4,502	2,325	1,803	1,803	1,281	1,281

Forecast Basis:

It is assumed actual FY 22 revenues will prevail for fiscal years 24-25

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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 Non Dedicated Receipt (P079699)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	14,135	40,493	56,989	43,193	43,193	42,505	42,505
Resources:							
Departmental Earnings	80,897	73,375	69,289	69,289	69,289	69,289	69,289
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	21,010	10,358	9,675	9,675	9,675	9,675	9,675
Revenue Collected for Another Agency							
Total Resources	59,887	63,017	59,614	59,614	59,614	59,614	59,614
Expenditures:							
Direct Expenditures	33,477	46,454	73,335	60,102	60,102	60,102	60,102
Indirect Expenditures	52	67	75	200	200	200	200
Total Expenditures	33,529	46,521	73,410	60,302	60,302	60,302	60,302
Current Difference	26,358	16,496	(13,796)	(688)	(688)	(688)	(688)
Accumulated Ending Balance	40,493	56,989	43,193	42,505	42,505	41,817	41,817

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

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	196	170	103	98	98	87	87
Resources:							
Departmental Earnings	57	10	62	62	62	62	62
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	57	10	62	62	62	62	62
Expenditures:							
Direct Expenditures	83	77	67	73	73	74	74
Indirect Expenditures							
Total Expenditures	83	77	67	73	73	74	74
Current Difference	(26)	(67)	(5)	(11)	(11)	(12)	(12)
Accumulated Ending Balance	170	103	98	87	87	75	75

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 24 and 25.

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? Yes

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	16,499	15,643	19,511	23,301	23,301	28,262	30,827
Resources:							
Departmental Earnings	16,383	17,468	17,468	17,468	22,568	17,468	22,568
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	116	133	100	100	100	100	100
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	16,499	17,601	17,568	17,568	22,668	17,568	22,668
Expenditures:							
Direct Expenditures	17,355	13,689	13,723	12,552	15,087	12,552	15,087
Indirect Expenditures		44	55	55	55	55	55
Total Expenditures	17,355	13,733	13,778	12,607	15,142	12,607	15,142
Current Difference	(856)	3,868	3,790	4,961	7,526	4,961	7,526
Accumulated Ending Balance	15,643	19,511	23,301	28,262	30,827	33,223	38,353

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 24-25.

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.

Governor's Recommendation:

For information about recommended surcharge and expenditure changes, see the "State Fire Marshal Staff and Fire Surcharge" proposal in the Department of Public Safety - Public Safety's 2024-25 Governor's Budget Recommendations.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,210	2,737	3,289	3,812	3,812	4,290	4,290
Resources:							
Departmental Earnings	1,738	1,479	1,469	1,469	1,469	1,469	1,469
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,738	1,479	1,469	1,469	1,469	1,469	1,469
Expenditures:							
Direct Expenditures	1,201	920	935	980	980	1,027	1,027
Indirect Expenditures	10	7	11	11	11	11	11
Total Expenditures	1,211	927	946	991	991	1,038	1,038
Current Difference	527	552	523	478	478	431	431
Accumulated Ending Balance	2,737	3,289	3,812	4,290	4,290	4,721	4,721

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 22 revenues will prevail for fiscal years 24-25.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		421	899	1,347	1,347	1,832	1,832
Resources:							
Departmental Earnings	589	593	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	589	593	645	645	645	645	645
Expenditures:							
Direct Expenditures	168	115	197	160	160	160	160
Indirect Expenditures							
Total Expenditures	168	115	197	160	160	160	160
Current Difference	421	478	448	485	485	485	485
Accumulated Ending Balance	421	899	1,347	1,832	1,832	2,317	2,317

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 22 revenues will prevail for fiscal years 24-25

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Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	52	40	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	52	40	45	45	45	45	45
Expenditures:							
Direct Expenditures	52	40	45	45	45	45	45
Indirect Expenditures							
Total Expenditures	52	40	45	45	45	45	45
Current Difference							
Accumulated Ending Balance							

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 22 revenues will prevail for fiscal years 24-25.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,922	2,056	2,129	2,728	2,728	3,327	3,327
Resources:							
Departmental Earnings	1,623	742	1,597	1,597	1,597	1,597	1,597
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	10	14	96	96	96	96	96
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,633	756	1,693	1,693	1,693	1,693	1,693
Expenditures:							
Direct Expenditures	1,489	672	1,084	1,083	1,083	1,083	1,083
Indirect Expenditures	10	11	10	11	11	11	11
Total Expenditures	1,499	683	1,094	1,094	1,094	1,094	1,094
Current Difference	134	73	599	599	599	599	599
Accumulated Ending Balance	2,056	2,129	2,728	3,327	3,327	3,926	3,926

Background Information:

For FY2021 the fee for Patrol Escort Services Rate is \$122.18 per hour with a vehicle and \$97.18 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 24-25 revenues will increase from estimated FY23 revenues.

Recent Changes:

The Patrol Escort Services Rates are updated annually.

Agency Analysis/Comments:

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pipeline Safety Control Approp (P0794C2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	644	6	425	6	6	7	7
Resources:							
Departmental Earnings	362	746	1,418	1,418	1,418	1,418	1,418
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	89	696	26	26	26	26	26
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	451	1,442	1,444	1,444	1,444	1,444	1,444
Expenditures:							
Direct Expenditures	1,089	1,023	1,863	1,443	1,443	1,443	1,443
Indirect Expenditures							
Total Expenditures	1,089	1,023	1,863	1,443	1,443	1,443	1,443
Current Difference	(638)	419	(419)	1	1	1	1
Accumulated Ending Balance	6	425	6	7	7	8	8

Background Information:

On a quarterly basis Pipeline Operators are charged the state share of the costs of the Office of Pipeline Safety. The quarterly costs apportioned according to a formula set by rules.

Forecast Basis:

It is assumed actual FY22 revenues will prevail for fiscal years 24-25.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	66	82					
Resources:							
Departmental Earnings	158	313	500	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	158	313	500	600	600	600	600
Expenditures:							
Direct Expenditures	142	395	500	600	600	600	600
Indirect Expenditures							
Total Expenditures	142	395	500	600	600	600	600
Current Difference	16	(82)					
Accumulated Ending Balance	82						

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(139)	(590)	(1,687)	(1,687)	(2,446)	(2,446)
Resources:							
Departmental Earnings	6,788	7,098	7,205	7,205	7,205	7,205	7,205
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,788	7,098	7,205	7,205	7,205	7,205	7,205
Expenditures:							
Direct Expenditures	6,372	6,933	7,802	7,414	7,414	7,414	7,414
Indirect Expenditures	555	616	500	550	550	550	550
Total Expenditures	6,927	7,549	8,302	7,964	7,964	7,964	7,964
Current Difference	(139)	(451)	(1,097)	(759)	(759)	(759)	(759)
Accumulated Ending Balance	(139)	(590)	(1,687)	(2,446)	(2,446)	(3,205)	(3,205)

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 FY2023 staffing levels and minimal salary adjustments for the FY2024-25 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 or program eligible Minnesotans to maintain telephone service by funding a monthly wireline 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	2,066	2,896	3,151	3,151	3,151	3,151	3,151
Resources:							
Departmental Earnings	1,671	1,227	1,500	1,500	1,500	1,500	1,500
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	11	11	25	25	25	25	25
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	1,682	1,238	1,525	1,525	1,525	1,525	1,525
Expenditures:							
Direct Expenditures	852	983	1,525	1,525	1,525	1,525	1,525
Indirect Expenditures							
Total Expenditures	852	983	1,525	1,525	1,525	1,525	1,525
Current Difference	830	255					
Accumulated Ending Balance	2,896	3,151	3,151	3,151	3,151	3,151	3,151

Background Information:

The Telephone Assistance Program (TAP) fund assists low income or program eligible Minnesotans, to maintain telephone service by funding a monthly wireline 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 seven cent monthly surcharge. TAP provides monthly credits to low income program eligible subscribers. The TAP monthly credit is presently set at \$10.00 by the Commission. Qualification is based on an income at or below 135 percent of the federal poverty guidelines, or participation in eligible programs (e.g., Medicaid). The continued migration to wireless telecommunications service has resulted in a decline in TAP revenues, which is expected to continue.

Recent Changes:

No recent changes

Agency Analysis/Comments:

Telephone Assistance Program (TAP) 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 CY2021, the Commission reduced the surcharge paid by utilities to seven cents per wireline and increased the credit to \$10.00 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(24)	214	566	566	913	913
Resources:							
Departmental Earnings	984	1,134	1,302	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	984	1,134	1,302	1,302	1,302	1,302	1,302
Expenditures:							
Direct Expenditures	973	843	900	900	900	900	900
Indirect Expenditures	35	53	50	55	55	55	55
Total Expenditures	1,008	896	950	955	955	955	955
Current Difference	(24)	238	352	347	347	347	347
Accumulated Ending Balance	(24)	214	566	913	913	1,260	1,260

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 FY2023 staffing levels and minimal salary adjustments for the FY2024-25 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	911	1,295	1,149	772	772	674	674
Resources:							
Departmental Earnings	1,140	492	820	820	820	820	820
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,140	492	820	820	820	820	820
Expenditures:							
Direct Expenditures	749	634	1,172	893	893	893	893
Indirect Expenditures	7	4	25	25	25	25	25
Total Expenditures	756	638	1,197	918	918	918	918
Current Difference	384	(146)	(377)	(98)	(98)	(98)	(98)
Accumulated Ending Balance	1,295	1,149	772	674	674	576	576

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Prop Tax Board of Assessors Li (G676353)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	123	131	134	140	140	146	146
Resources:							
Departmental Earnings	105	106	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	105	106	100	100	100	100	100
Expenditures:							
Direct Expenditures	97	103	94	94	94	94	94
Indirect Expenditures							
Total Expenditures	97	103	94	94	94	94	94
Current Difference	8	3	6	6	6	6	6
Accumulated Ending Balance	131	134	140	146	146	152	152

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	1,156	818	630	630	630	630	630
Resources:							
Departmental Earnings	472	727	800	800	800	800	800
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	472	727	800	800	800	800	800
Expenditures:							
Direct Expenditures	810	915	800	800	800	800	800
Indirect Expenditures							
Total Expenditures	810	915	800	800	800	800	800
Current Difference	(338)	(188)					
Accumulated Ending Balance	818	630	630	630	630	630	630

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		14,886	30,184	43,095	43,095	55,262	55,262
Resources:							
Departmental Earnings	16,010	16,294	14,072	13,254	13,254	13,320	13,320
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	16,010	16,294	14,072	13,254	13,254	13,320	13,320
Expenditures:							
Direct Expenditures	1,124	996	1,161	1,087	1,087	1,095	1,095
Indirect Expenditures							
Total Expenditures	1,124	996	1,161	1,087	1,087	1,095	1,095
Current Difference	14,886	15,298	12,911	12,167	12,167	12,225	12,225
Accumulated Ending Balance	14,886	30,184	43,095	55,262	55,262	67,487	67,487

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 (out of state) & 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 a Reinstatement is needed or it's a foreign (out of state) entity. 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	3,058	3,971	5,049	3,600	3,600	2,100	2,100
Resources:							
Departmental Earnings	5,099	5,021	4,375	4,480	4,480	4,585	4,585
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	5,099	5,021	4,375	4,480	4,480	4,585	4,585
Expenditures:							
Direct Expenditures	4,186	3,943	5,824	5,980	5,980	5,902	5,902
Indirect Expenditures							
Total Expenditures	4,186	3,943	5,824	5,980	5,980	5,902	5,902
Current Difference	913	1,078	(1,449)	(1,500)	(1,500)	(1,317)	(1,317)
Accumulated Ending Balance	3,971	5,049	3,600	2,100	2,100	783	783

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		(4,076)	(7,294)	(11,788)	(11,788)	(15,500)	(15,500)
Resources:							
Departmental Earnings	28	74	28	73	73	28	28
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	28	74	28	73	73	28	28
Expenditures:							
Direct Expenditures	4,104	3,292	4,522	3,785	3,785	3,782	3,782
Indirect Expenditures							
Total Expenditures	4,104	3,292	4,522	3,785	3,785	3,782	3,782
Current Difference	(4,076)	(3,218)	(4,494)	(3,712)	(3,712)	(3,754)	(3,754)
Accumulated Ending Balance	(4,076)	(7,294)	(11,788)	(15,500)	(15,500)	(19,254)	(19,254)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		1,334	2,763	4,044	4,044	5,355	5,355
Resources:							
Departmental Earnings	1,709	1,761	1,665	1,673	1,673	2,950	2,950
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,709	1,761	1,665	1,673	1,673	2,950	2,950
Expenditures:							
Direct Expenditures	375	332	384	362	362	365	365
Indirect Expenditures							
Total Expenditures	375	332	384	362	362	365	365
Current Difference	1,334	1,429	1,281	1,311	1,311	2,585	2,585
Accumulated Ending Balance	1,334	2,763	4,044	5,355	5,355	7,940	7,940

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		3,147	6,226	9,543	9,543	12,900	12,900
Resources:							
Departmental Earnings	3,522	3,411	3,701	3,719	3,719	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	3,522	3,411	3,701	3,719	3,719	3,739	3,739
Expenditures:							
Direct Expenditures	375	332	384	362	362	365	365
Indirect Expenditures							
Total Expenditures	375	332	384	362	362	365	365
Current Difference	3,147	3,079	3,317	3,357	3,357	3,374	3,374
Accumulated Ending Balance	3,147	6,226	9,543	12,900	12,900	16,274	16,274

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

Fund: Health Related Boards (1201)

Appropriation: Soc Wk Non Dedicated Receipts (H7L1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	310	518	874	743	743	949	949
Resources:							
Departmental Earnings	2,097	2,100	2,141	2,229	2,229	2,255	2,255
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	9	9					
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,106	2,109	2,141	2,229	2,229	2,255	2,255
Expenditures:							
Direct Expenditures	1,425	1,312	1,798	1,560	1,560	1,560	1,560
Indirect Expenditures	473	441	474	463	463	463	463
Total Expenditures	1,898	1,753	2,272	2,023	2,023	2,023	2,023
Current Difference	208	356	(131)	206	206	232	232
Accumulated Ending Balance	518	874	743	949	949	1,181	1,181

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. We promote a diverse and qualified workforce guided by our agency core values and are committed to actively examine and address systemic inequities in policy and practice with a diversity, equity, inclusion, and belonging lens to reduce unnecessary licensing barriers, while maintaining standards to ensure our mission of protecting the public. 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 13.6 FTE serving over 17,000 licensees. Annually, staff process over 2,000 applications for licensure, over 6,000 applications for license renewal, over 400 complaints, and over 7500 supervised practice forms. 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.
- 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. Results show that when the Board takes action against a licensee, a future complaint is rare.
- 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, and any statutory fee changes.
- 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	233	241	197	150	150	105	105
Resources:							
Departmental Earnings	6	4	6	6	6	6	6
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	2	1	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	8	5	8	8	8	8	8
Expenditures:							
Direct Expenditures		49	55	53	53	48	48
Indirect Expenditures							
Total Expenditures		49	55	53	53	48	48
Current Difference	8	(44)	(47)	(45)	(45)	(40)	(40)
Accumulated Ending Balance	241	197	150	105	105	65	65

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	4,469	4,350	6,500	6,500	6,790	6,500	7,076
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4,469	4,350	6,500	6,500	6,790	6,500	7,076
Expenditures:							
Direct Expenditures	4,469	4,350	6,500	6,500	6,790	6,500	7,076
Indirect Expenditures							
Total Expenditures	4,469	4,350	6,500	6,500	6,790	6,500	7,076
Current Difference							
Accumulated Ending Balance							

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 2022.

Agency Analysis/Comments:

Fees are sufficient to recover the cost of audit examinations.

Governor's Recommendation:

For information about recommended revenue and expenditure changes, see the "Operating Adjustment" proposal in the State Auditor's 2024-25 Governor's Budget Recommendations.

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); Pro Hac Vice (J650PHV)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	621	527	818	693	693	519	519
Resources:							
Departmental Earnings	2,130	2,273	2,250	2,250	2,250	2,250	2,250
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,130	2,273	2,250	2,250	2,250	2,250	2,250
Expenditures:							
Direct Expenditures	2,224	1,982	2,375	2,424	2,424	2,423	2,423
Indirect Expenditures							
Total Expenditures	2,224	1,982	2,375	2,424	2,424	2,423	2,423
Current Difference	(94)	291	(125)	(174)	(174)	(173)	(173)
Accumulated Ending Balance	527	818	693	519	519	346	346

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	3	1	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	3	1	1	1	1	1	1
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	423	446	446	446	446	446	446
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency	423	446	446	446	446	446	446
Total Resources							
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference							
Accumulated Ending Balance							

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. 480.236

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	296	264	283	140	140		
Resources:							
Departmental Earnings	39	80	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	39	80	35	35	35	35	35
Expenditures:							
Direct Expenditures	71	61	178	175	175	35	35
Indirect Expenditures							
Total Expenditures	71	61	178	175	175	35	35
Current Difference	(32)	19	(143)	(140)	(140)		
Accumulated Ending Balance	264	283	140				

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	25	32	36				
Resources:							
Departmental Earnings	57	51	52	52	52	52	52
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	51	52	52	52	52	52
Expenditures:							
Direct Expenditures	50	47	88	52	52	52	52
Indirect Expenditures							
Total Expenditures	50	47	88	52	52	52	52
Current Difference	7	4	(36)				
Accumulated Ending Balance	32	36					

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	10	2	1				
Resources:							
Departmental Earnings	2	2	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	2	2	10	10	10	10	10
Expenditures:							
Direct Expenditures	10	3	11	10	10	10	10
Indirect Expenditures							
Total Expenditures	10	3	11	10	10	10	10
Current Difference	(8)	(1)	(1)				
Accumulated Ending Balance	2	1					

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		7,381	13,088	18,184	18,184	23,314	23,314
Resources:							
Departmental Earnings	7,411	5,711	5,135	5,135	5,135	5,135	5,135
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	7,411	5,711	5,135	5,135	5,135	5,135	5,135
Expenditures:							
Direct Expenditures							
Indirect Expenditures	30	4	39	5	5	35	35
Total Expenditures	30	4	39	5	5	35	35
Current Difference	7,381	5,707	5,096	5,130	5,130	5,100	5,100
Accumulated Ending Balance	7,381	13,088	18,184	23,314	23,314	28,414	28,414

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	8	11	4	8	8	12	12
Resources:							
Departmental Earnings	4	(6)	5	5	5	5	5
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	4	(6)	5	5	5	5	5
Expenditures:							
Direct Expenditures	1	1	1	1	1	1	1
Indirect Expenditures							
Total Expenditures	1	1	1	1	1	1	1
Current Difference	3	(7)	4	4	4	4	4
Accumulated Ending Balance	11	4	8	12	12	16	16

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		6	(9)	(6)	(6)	(23)	(23)
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	8	29	10	30	30	10	10
Indirect Expenditures							
Total Expenditures	8	29	10	30	30	10	10
Current Difference	6	(15)	3	(17)	(17)	3	3
Accumulated Ending Balance	6	(9)	(6)	(23)	(23)	(20)	(20)

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		13	42	77	77	112	112
Resources:							
Departmental Earnings	13	29	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	13	29	35	35	35	35	35
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	13	29	35	35	35	35	35
Accumulated Ending Balance	13	42	77	112	112	147	147

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		272	465	732	732	999	999
Resources:							
Departmental Earnings	500	421	500	500	500	500	500
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	500	421	500	500	500	500	500
Expenditures:							
Direct Expenditures	188	188	193	193	193	193	193
Indirect Expenditures	40	40	40	40	40	40	40
Total Expenditures	228	228	233	233	233	233	233
Current Difference	272	193	267	267	267	267	267
Accumulated Ending Balance	272	465	732	999	999	1,266	1,266

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	739	1,017	1,323	1,534	1,534	1,745	1,745
Resources:							
Departmental Earnings	1,052	1,094	1,102	1,102	1,102	1,102	1,102
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,052	1,094	1,102	1,102	1,102	1,102	1,102
Expenditures:							
Direct Expenditures	774	788	891	891	891	891	891
Indirect Expenditures							
Total Expenditures	774	788	891	891	891	891	891
Current Difference	278	306	211	211	211	211	211
Accumulated Ending Balance	1,017	1,323	1,534	1,745	1,745	1,956	1,956

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		29	15	1	1	(13)	(13)
Resources:							
Departmental Earnings	63	20	20	20	20	20	20
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	63	20	20	20	20	20	20
Expenditures:							
Direct Expenditures	34	34	34	34	34	34	34
Indirect Expenditures							
Total Expenditures	34	34	34	34	34	34	34
Current Difference	29	(14)	(14)	(14)	(14)	(14)	(14)
Accumulated Ending Balance	29	15	1	(13)	(13)	(27)	(27)

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:	Met Council - Shared Mobility (T790008); Met Council - Traffic Signal (T790009); WYDOT Clear Roads Pooled Fund (T790013); VESTudy TH169/TH282/CR9 Jordan (T790017); Rail Bank Maintenance (T790019); North Loop Green Pilot Project (T790020); TH 61 Pre-Scoping Hastings (T790021); Anoka Cty ADA Upgrades Blaine (T790022); Metro Gold Bus Rapid Transit (T790026); Intl Bridge Pigeon River TH61 (T790027); Utah DOT-Clear Roads Pool Fund (T790028); Dept VA - Road Salt (T790029); Metro Council - Road Salt (T790031); St.Paul Srvy&Desgn SP6221-107 (T790032); MetCouncil Gold Line TMS Repla (T790035); 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); VA DOT Pool Fund (T790252); Central Corridor LRT (T790300); Pavement Stripe Rev Acct (T790580); WI Border Bridge (T790618); Mn/DOT- Duluth Shared OAC (T790624); Excess R/W Rent (T790668); ND Border Bridge (T790742); Highway Sign Revolving Account (T790765); Central Corr LRT R/W Parcels (T791041); Southwest LRT (T791153); City Cass Lk WelcomeCtr (T791169); WI StCroix Bridge Coop (T791171); Chaska TS Fuel/Utilities (T791193); Blue Line Ext LRT (T791231); St Louis & Lk Cty RRA#1001203 (T791256); City of VA-Utilities #1001482 (T791257); U of M NASA Grant #1002350 (T791266); NRRRA Associate Dues (T791270); WI/DOT-36/64 St Croix #06253R (T791281); WY/DOT Clear Rds (T791289); AASHTO/NTPEP (T791292); KDOT TPIMS Tiger Grant (T791298); ND DOT Kennedy Bridge #06131R (T791300); WI/DOT RedWing Bridge #1026157 (T791302); Narwhal Weather Event Analysis (T791315); Henn I35W/Lk #1027480 (T791316); Mpls I35W/Lake #1027509 (T791317); Metro Transit I35W/Lk #1027528 (T791318); City Park Rapids WO2 #1029157 (T791368); Min Transp Ontario #98621A01 (T791371); WI/DOT-Scope Blatnik #1029644 (T791376); RCRRA (T791378); RCRRA W02 (T791379); Kandiyohi ROW Acq #1028342W01 (T791382); WA NW Passage Pool Fund1031010 (T791383); MnRoad/NCAT Pavement #1031559 (T791454); City of EdenPrairie#1028133W01 (T791459); Spring Lake Townshp 1031896W01 (T791461); Adv Trfc Mgmt Systm 1028107W04 (T791462); Web-based Geomtrc Dsgn (T791464); LA Fnctnl Mtrls/MnRD (T791465); MnDOT/WiDOT Blatnik Br 1034263 (T791481); MN/ND TH55/CR11 Rabbit River (T791482); CR 221 Winter Maint (T791484); e-Builder Service (T791485); Old 61 Winter Maint (T791486); MnROAD Research Asphalt Mix (T791506); WyomingDOT NW Pass Pooled Fund (T791509); SW Light Rail Transit Plant (T791510); Duluth/Oliver Bridge Snow&Ice (T791511); Illinois Tollway, National Roa (T791517);		

MetCouncil-4 Traffic Signals (T791525); Wash Cty Sig Cab & Fiber Optic (T791526); Intercomp-MnROAD Rental (T791528); Ramsey County Rgnl Rail Auth (T791531); City of Redwing Value Engr Std (T791533); Anoka Cty signal replacement (T791534); Anoka Cty ADA Upgrades CSAH12 (T791536); Wabasha Bridge Reconst Br79000 (T791538); Roseau Cty-Cedar Ave 6803-40 (T791539); Chisago Cty-TH8 Lets Get Movin (T791540); City of Albert Lea Traffic Sig (T791541); TH10 Valuation Engr Study (T791607); MN Bridge 6347/WI BR #B=48-224 (T791608); Msp Public Works-Ramp A Lobby (T791609); TH36 Lk Elmo Construct Rt Turn (T791611); Eden Prairie - 7 Cell Modems (T791612); Wilkin Cty Girders Brdg #84508 (T791613); Northshore Inline Marathon (T791620); Grandma's Marathon (T791622); CSAG2, CSAH3 & CSAH15 Nbr 0203 (T791623); MetCo RushLine MFA Staff (T791624); ADA Upgrades for CSAH12 (T791626); Concrete Pvmt Rehab TH94 (T791651); WeFest Traffic Cntl/Signs (T791663); MetroD Line Signal & Elec Supp (T791668); BluLn Extn-Adv/Let/Admin (T791669); MetroD Lab Test & Plant Insp. (T791675); City of MPLS Rent Ramp B (T791678); WisDOT/MnDOT Blatnik Br Maint (T791680); WSDOT Clear Roads Pooled Fund (T791681); Metro A&C Signal & Elec S (T791682); City of Farmington-Design Svcs (T791684); County Partnership Constr (T796300); County Partnership Maint (T796301); 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	35,952	9,873	(18,132)	(27,085)	(27,085)	(37,356)	(37,356)
Resources:							
Departmental Earnings	37,346	21,258	33,746	32,173	32,173	31,072	31,072
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	37,346	21,258	33,746	32,173	32,173	31,072	31,072
Expenditures:							
Direct Expenditures	63,425	49,263	42,699	42,444	42,444	42,418	42,418
Indirect Expenditures							
Total Expenditures	63,425	49,263	42,699	42,444	42,444	42,418	42,418
Current Difference	(26,079)	(28,005)	(8,953)	(10,271)	(10,271)	(11,346)	(11,346)
Accumulated Ending Balance	9,873	(18,132)	(27,085)	(37,356)	(37,356)	(48,702)	(48,702)

Background Information:

MnDOT Leases, External

MnDOT will continue to utilize available resources (vacant land and buildings) in a fiscally responsible manner until the resource is needed for construction. Many leases are long-term such as parking for churches or hay cutting along state roads. Also, some lease collections are for inter-governmental co-operation property utilization. These earnings are collected as miscellaneous income and are not identified with specific operating expenditures in the department. Vacant right-of-way is also leased to interested parties until needed by MnDOT.

MnDOT Agreement with other Governments

These agreements are with other units of government including bordering states for provision of MnDOT expertise in project engineering and construction.

Sale of Gravel, Sand, and Salt

MnDOT sells gravel, sand, and salt to other units of government where locations are convenient, and supplies are adequate at an at cost basis.

Rail Safety Inspection Assessment

Reimbursements are received for Rail Safety Inspector's inspection of rail tracks, rail right-of-way, review of maintenance and repair records, and review of railroad security measures.

Forecast Basis:

Forecast is based on historic and current cost of above activities. Amounts collected in these accounts are established within each written agreement.

Recent Changes:

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: Mn/Pass Unearned Receipts (T791177); 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	6,107	1,520	19	(835)	(835)	288	288
Resources:							
Departmental Earnings	404	1,481	2,864	4,840	4,840	5,229	5,229
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	1,481	2,864	4,840	4,840	5,229	5,229
Expenditures:							
Direct Expenditures	4,991	2,982	3,718	3,717	3,717	3,717	3,717
Indirect Expenditures							
Total Expenditures	4,991	2,982	3,718	3,717	3,717	3,717	3,717
Current Difference	(4,587)	(1,501)	(854)	1,123	1,123	1,512	1,512
Accumulated Ending Balance	1,520	19	(835)	288	288	1,800	1,800

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 fees 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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		1,378	2,747	4,085	4,085	5,423	5,423
Resources:							
Departmental Earnings	1,503	1,494	1,463	1,463	1,463	1,463	1,463
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,503	1,494	1,463	1,463	1,463	1,463	1,463
Expenditures:							
Direct Expenditures	125	125	125	125	125	125	125
Indirect Expenditures							
Total Expenditures	125	125	125	125	125	125	125
Current Difference	1,378	1,369	1,338	1,338	1,338	1,338	1,338
Accumulated Ending Balance	1,378	2,747	4,085	5,423	5,423	6,761	6,761

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:		1,351	2,915	4,479	4,479	6,043	6,043
Resources:							
Departmental Earnings	1,351	1,564	1,564	1,564	1,564	1,564	1,564
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,351	1,564	1,564	1,564	1,564	1,564	1,564
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures							
Current Difference	1,351	1,564	1,564	1,564	1,564	1,564	1,564
Accumulated Ending Balance	1,351	2,915	4,479	6,043	6,043	7,607	7,607

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	488	1,438	1,402	1,384	1,384	1,366	1,366
Resources:							
Departmental Earnings	1,577	1,692	1,692	1,692	1,692	1,692	1,692
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	1,577	1,692	1,692	1,692	1,692	1,692	1,692
Expenditures:							
Direct Expenditures	627	1,728	1,710	1,710	1,710	1,710	1,710
Indirect Expenditures							
Total Expenditures	627	1,728	1,710	1,710	1,710	1,710	1,710
Current Difference	950	(36)	(18)	(18)	(18)	(18)	(18)
Accumulated Ending Balance	1,438	1,402	1,384	1,366	1,366	1,348	1,348

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); OSOW TH to TIFIA (T791670); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	5,382	10,730	14,089	17,863	17,863	21,637	21,637
Resources:							
Departmental Earnings	6,598	5,906	6,320	6,320	6,320	6,320	6,320
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	6,598	5,906	6,320	6,320	6,320	6,320	6,320
Expenditures:							
Direct Expenditures	1,250	2,547	2,546	2,546	2,546	2,546	2,546
Indirect Expenditures							
Total Expenditures	1,250	2,547	2,546	2,546	2,546	2,546	2,546
Current Difference	5,348	3,359	3,774	3,774	3,774	3,774	3,774
Accumulated Ending Balance	10,730	14,089	17,863	21,637	21,637	25,411	25,411

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); Redwood Cemetery M&D (H751RW2)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	804	1,117	684	372	372	127	127
Resources:							
Departmental Earnings	212	224	294	281	281	291	291
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts	424	385	579	565	565	620	620
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	636	609	873	846	846	911	911
Expenditures:							
Direct Expenditures	318	1,036	1,182	1,088	1,088	985	985
Indirect Expenditures	5	6	3	3	3	3	3
Total Expenditures	323	1,042	1,185	1,091	1,091	988	988
Current Difference	313	(433)	(312)	(245)	(245)	(77)	(77)
Accumulated Ending Balance	1,117	684	372	127	127	50	50

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:

Revenues are estimated to increase 1.5% between FY24 to FY25.

Purpose: Lease fees charged to tenants to cover building maintenance, utility costs and other expenditures.

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)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	128	118	71	67	67	63	63
Resources:							
Departmental Earnings	157	183	185	185	185	185	185
Other Resources:							
Earning Transferred In							
Revenue Collected by							
Another Agency							
Other Receipts	4	6	5	5	5	5	5
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for							
Another Agency							
Total Resources	161	189	190	190	190	190	190
Expenditures:							
Direct Expenditures	136	207	194	194	194	194	194
Indirect Expenditures	35	29					
Total Expenditures	171	236	194	194	194	194	194
Current Difference	(10)	(47)	(4)	(4)	(4)	(4)	(4)
Accumulated Ending Balance	118	71	67	63	63	59	59

Background Information:

The Hastings Veterans Home leases a campus building to the Cochran Recovery Services Inc.

Forecast Basis:

Forecasted revenue estimate is based on current lease amount for Cochran Recovery Services Inc.

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	318	111	12				
Resources:							
Departmental Earnings	8	51	51	52	52	53	53
Other Resources:							
Earning Transferred In	72	164	317	328	328	327	327
Revenue Collected by Another Agency							
Other Receipts	426	563	526	542	542	558	558
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	506	778	894	922	922	938	938
Expenditures:							
Direct Expenditures	710	875	903	919	919	935	935
Indirect Expenditures	3	2	3	3	3	3	3
Total Expenditures	713	877	906	922	922	938	938
Current Difference	(207)	(99)	(12)				
Accumulated Ending Balance	111	12					

Background Information:

Adult Daycare maintenance fee is a resident daily co-pay to cover the cost of their care.

Forecast Basis:

Revenue is estimated to increase 1.9% per year.

Purpose: Maintenance fees charged to domiciliary residents to cover the cost of their care. Fees are set by MN Rule Chapter 9050 per M.S. 198.03 subd. 2

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	2,157	2,234	2,255	2,289	2,289	2,323	2,323
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	2,157	2,234	2,255	2,289	2,289	2,323	2,323
Expenditures:							
Direct Expenditures	2,157	2,234	2,255	2,289	2,289	2,323	2,323
Indirect Expenditures							
Total Expenditures	2,157	2,234	2,255	2,289	2,289	2,323	2,323
Current Difference							
Accumulated Ending Balance							

Background Information:

The commissioner sets out in MN 9050 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 costs 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:

FY23 & FY24 revenues are estimated to increase 1.5% from previous year receipts.

Purpose: Maintenance fees charged to skilled nursing residents to cover the cost of their care. Fees are set by MN Rule Chapter 9050 per M.S. 198.03 subd. 2

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:							
Resources:							
Departmental Earnings	12,690	12,685	13,213	13,410	13,410	13,568	13,568
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	12,690	12,685	13,213	13,410	13,410	13,568	13,568
Expenditures:							
Direct Expenditures	12,690	12,685	13,213	13,410	13,410	13,568	13,568
Indirect Expenditures							
Total Expenditures	12,690	12,685	13,213	13,410	13,410	13,568	13,568
Current Difference							
Accumulated Ending Balance							

Background Information:

The commissioner sets out in MN Rule 9050 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 costs 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:

FY23 & FY24 are estimated to increase 1.5% from previous year receipts.

Purpose: To recover the costs of regulating the veterinary medicine profession.

Legal Citation: M.S. 156, 214, 319B and M.R. 9100

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

Fund: Health Related Boards (1201)

Appropriation: Vet Med Non Dedicated Receipts (H7R1000)

Fee Change? No

Group Summary (Dollars in Thousands)	Actual FY 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	416	435	471	353	353	307	307
Resources:							
Departmental Earnings	410	417	412	412	412	412	412
Other Resources:							
Earning Transferred In							
Revenue Collected by Another Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Revenue Collected for Another Agency							
Total Resources	410	417	412	412	412	412	412
Expenditures:							
Direct Expenditures	294	291	435	363	363	363	363
Indirect Expenditures	97	90	95	95	95	95	95
Total Expenditures	391	381	530	458	458	458	458
Current Difference	19	36	(118)	(46)	(46)	(46)	(46)
Accumulated Ending Balance	435	471	353	307	307	261	261

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 2021	Actual FY 2022	Estimated FY 2023	Current Law FY 2024	Gov Rec FY 2024	Current Law FY 2025	Gov Rec FY 2025
Accumulated Balance:	402	1,292	1,736	1,480	1,480	1,270	1,270
Resources:							
Departmental Earnings	1,688	1,192	925	945	945	945	945
Other Resources:							
Earning Transferred In	440						
Revenue Collected by Another Agency							
Other Receipts		8					
Resource Reductions:							
Earnings Transferred Out	698	208	273	200	200	200	200
Revenue Collected for Another Agency							
Total Resources	1,430	992	652	745	745	745	745
Expenditures:							
Direct Expenditures	460	465	818	860	860	850	850
Indirect Expenditures	80	83	90	95	95	105	105
Total Expenditures	540	548	908	955	955	955	955
Current Difference	890	444	(256)	(210)	(210)	(210)	(210)
Accumulated Ending Balance	1,292	1,736	1,480	1,270	1,270	1,060	1,060

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 has encountered increased variability more recently, and projections have been extended to be based on receipt history for the last 5 years. As there is a notable increase from 4-5 years ago, the amounts in FY21 and FY22 do not appear to be representative of the long term trajectory, so more weight continues to be given to FY19 amounts and prior.

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 are made to the State Board of Investment account for long term stewardship costs.