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MINNESOTA BIENNIAL I E1

Transportation & Other Agencies 2000-01

Presented by Governor Jesse Ventura
to the 81st Legislature

2000-01 BIENNIAL BUDGET

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TRANSPORTATION AND OTHER AGENCIES

Bill Summary - Transportation

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The Governor's 2000-01 Biennial Budget can be viewed at
the Department of Finance's web site at:
<http://www.finance.state.mn.us/bis>

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**2000-01 Biennial Budget
Bill Summary: Transportation**

Funding provided in the transportation area of the state budget allows for the development, maintenance and management of state highways, financing of county state aid and municipal state aid roads, assistance for metropolitan and Greater Minnesota transit, development and maintenance of airports, and operations of the Department of Public Safety including the State Patrol and the Bureau of Criminal Apprehension.

Transportation Funding (\$000s)	1998-99 Biennium			
	General Fund	% of Total	All Funds	% of Total
Transportation, Department of	31,378	13.60	3,057,506	82.09
Public Safety, Department of	98,629	42.75	566,442	15.06
Metropolitan Council/Transport	100,702	43.65	100,702	2.70
Safety Council	0	0.00	134	0.00
Totals (Direct, Open, and Statutory)	230,709		3,724,784	

2000-01 Biennium			
General Fund	% of Total	All Funds	% of Total
94,572	30.76	3,563,446	87.86
99,253	32.28	378,153	9.32
113,602	36.95	113,602	2.80
25	0.01	189	0.00
307,452		4,055,390	

Base Adjustments by Category	F.Y. 2000		F.Y. 2001	
	General Fund	All Funds	General Fund	All Funds
Attorney General Costs		88		179
New Programs to Agency Base	69	(30)	139	109
Biennial Appropriations		2,200		2,200
Capital Project Operating Costs	240	240	252	252
Dedicated Receipts Offset		(32)		(62)
One-Time Appropriations	(7,031)	(15,647)	(7,031)	(15,647)
Open Appropriation Forecast Adj.		43,603		52,160
Document Space Rental/Lease	128	475	160	556
Statewide Administration Systems	75	916	75	916
2000-01 Salary & Benefits Base	629	10,480	1,279	21,307
1999 Salary Supplement Transfers		118		131
System Development Cost	(95)	(1,135)	(95)	(1,135)
Transfer Between Agencies	(1,350)	(940)	(1,350)	(1,714)
Uniform Pension Bill Reduced	(120)	(640)	(120)	(640)
Totals	(7,455)	39,696	(6,691)	58,612

Note: Total all funds expenditures for the 2000-01 biennium reflect the Governor's proposal to cap passenger vehicle re-registration taxes at \$75 annually effective January 1, 2000. The Governor's proposal also recommends that the resulting revenue loss, estimated to be \$95.7million in F.Y. 2000, be replaced with General Fund appropriation of \$95.7 million transfer to the dedicated highway funds. In F.Y. 2001, he recommends a General Fund appropriation of \$191.4 million, and a standing appropriation of this amount in future years.

Individual base adjustments may be positive or negative depending on the item and adjustment category; all category amounts shown here are net figures.

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**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Transportation, Department of (DOT)

AGENCY MISSION AND VISION:

The Minnesota Department of Transportation (Mn/DOT) was established by and operates in accordance with statutory authority "...to provide a balanced transportation system, including aeronautics, highways, motor carriers, ports, public transit, railroads and pipelines..." Further, Mn/DOT is sanctioned to function as the "...principal agency of the state for the development, implementation, administration, consolidation, and coordination of state transportation policies, plans, and programs."

Mission

The mission of the Minnesota Department of Transportation (Mn/DOT) is to develop a coordinated transportation network by leading and acting to:

- preserve, manage and improve the state's highway system;
- promote and support the transit, air, rail, waterways, bicycle and pedestrian systems;
- promote non-travel alternatives; and
- promote and support connections among transportation systems.

Vision

The department's vision is a coordinated transportation network that provides safe, user-friendly access and movement, and responds to the values of Minnesota's citizens.

KEY SERVICE STRATEGIES:

The department is guided by 3 strategic principles:

- *Safeguarding what exists.* Mn/DOT's strongest commitment is to existing transportation systems.
- *Making the transportation system operate better.* Mn/DOT will help increase Minnesota's economic competitiveness by improving the transportation systems.

- *Making Mn/DOT work better.* Mn/DOT will continuously improve management of its resources.

These principles direct the accomplishment of the department's legislative goals, as enumerated in M.S. 174.01, Subd. 2, and form the strategies used to pursue the department's mission.

- Provide safe transportation for users throughout the state.
- Provide multi-modal and intermodal transportation that enhances mobility and economic development and provides access to all persons and businesses in Minnesota while ensuring there is no undue burden placed on any community.
- Provide a reasonable travel time for commuters.
- Provide for the economical, efficient, and safe movement of goods to and from markets by rail, highway, and waterway.
- Encourage tourism by providing appropriate transportation to Minnesota facilities designed to attract tourists.
- Provide transit services throughout the state to meet the needs of transit users.
- Promote productivity through system management and the utilization of technological advancements.
- Maximize the benefits received for each state transportation investment.
- Provide funding for transportation that, at a minimum, preserves the transportation infrastructure.
- Ensure that the planning and implementation of all modes of transportation are consistent with the environmental and energy goals of the state.
- Increase high occupancy vehicle use.
- Provide an air transportation system sufficient to encourage economic growth and allow participation by all regions of the state in the global economy.
- Increase transit use in urban areas by giving highest priority to transportation modes with the greatest people-moving capacity.
- Promote and increase bicycling as an energy-efficient, non-polluting, and healthful transportation alternative.

OPERATING ENVIRONMENT:

The following challenges shape the development of Mn/DOT policies and programs:

- *Investment Preservation*
The aging infrastructure has challenged the department to focus its resources on maintaining and preserving acceptable levels of service on existing state and local roads and bridges. The department has limited ability to expand the

**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Transportation, Department of (DOT)
(Continuation)

capacity of the system; it must focus on maintaining the existing infrastructure in its current condition. It is concentrating available resources to reconstruct existing road systems. Of particular concern are the state's bridges, which are deteriorating at a faster rate than resources are available to reconstruct them. The department continues to explore the benefits of non-traditional financing mechanisms for feasibility and potential application.

■ *Safety*

The agency faces many challenges related to safety, including increased levels of traffic volume and congestion on highways, higher speed rail traffic and its exposure to high traffic levels at rail crossings, high levels of accidents in work zones, and a growing number of elderly drivers. Focus is placed on enhancing safety and access in the heaviest traveled inter-regional corridors.

■ *Increased Federal Funding*

The passage of the Transportation Equity Act (TEA-21) by the federal government signals its intention to rebuild America's highways and transit systems, increase transportation safety, invest in advanced technologies, and expand economic opportunities. The challenge of delivering a transportation program at the state level, which responsibly and responsively utilizes the expanded federal resources, will be substantial.

■ *Integration of Transportation Modes*

Minnesota's transportation system needs to provide a minimum level of critical access to all people, sustain and enhance regional economic centers, and exploit the strength and utility of all modes. Transportation solutions must recognize the interdependence of transportation systems to creatively and efficiently move people and goods. Demand for services is increasing in all modes - air traffic, highways, transit, railroads, and waterways. Consideration of the full costs and benefits of choices within and among transportation modes is crucial.

■ *Workforce Flexibility*

Mn/DOT needs to meet the challenge of creating an environment in which

flexible, multi-skilled workers are used to their fullest potential. The department and its employees mutually benefit from more flexible assignment opportunities, broadened employee skill development, expanded employee empowerment, stronger links between employee skill development and compensation, and fewer administrative requirements.

■ *Customer Focus*

Mn/DOT is working closely with local communities to assess and recognize local transportation needs, design appropriate systems and, where applicable, implement transportation services according to the requirements of the community. Through market research, extensive public outreach, and the use of Area Transportation Partnerships (ATP's), the department must meet the challenge of understanding the needs and developing informed consent among all users of its transportation services.

■ *Economic Development*

There is a need to complement state and local economic development strategies with transportation systems that effectively move people and goods within the state. There is renewed public emphasis on the social and economic effects of transportation projects on communities and neighborhoods.

■ *Technology*

Mn/DOT is committed to research and the application of new technologies. The department needs to foster, develop, and strategically manage new technology and research, challenging itself to apply this knowledge in ways that more effectively use the infrastructure and efficiently deliver traveler services. This includes providing more driver road information in new ways.

■ *Environment*

Mn/DOT recognizes the need to be responsible partners and caretakers in the world through efforts that reduce the level of pollutants and toxins and promote greater energy efficiency. The department is aware that it needs to balance transportation needs with environmental concerns. It continues to encourage innovation in using less road salt, reducing the amount of litter and hazardous debris along the road and right of way, and creating a more aesthetic transportation system.

■ *Partnerships*

Mn/DOT seeks creative solutions through public and private partnerships to provide effective and innovative transportation facilities and services that support future economic development and recognize individual expectations.

**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Transportation, Department of (DOT)
(Continuation)

The development of partnerships with public and private organizations is critical to implementation of long-range planning through the Statewide Transportation Improvement Program (STIP). There is also greater interest in partnerships with other governmental entities - mutually beneficial arrangements to share human, natural, and equipment resources to do more with less.

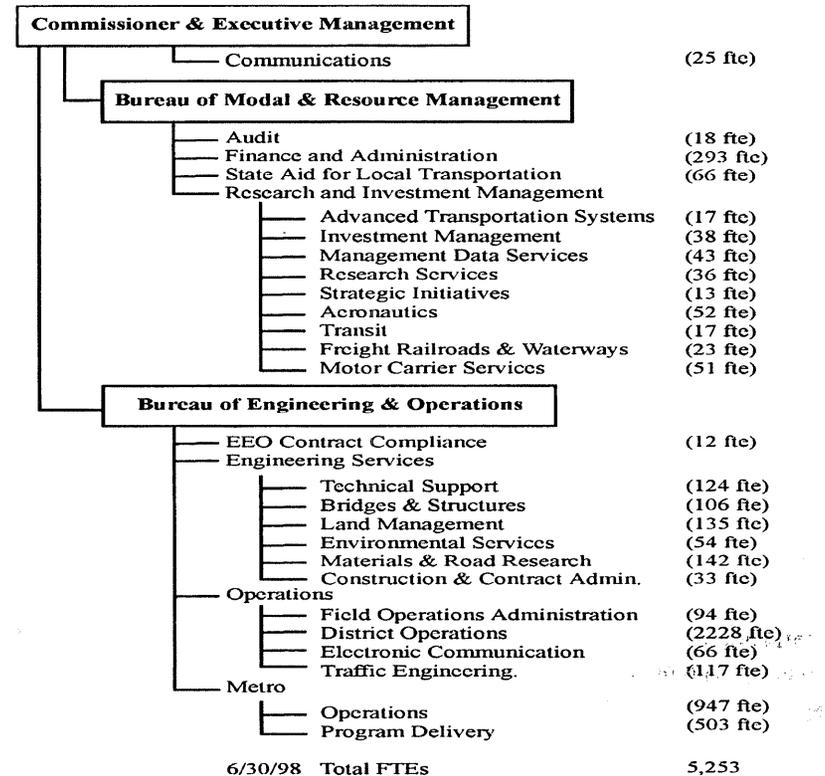
■ *Congestion*

Roadway traffic congestion in the metropolitan area is increasing at an alarming rate. Additional highway capacity cannot easily and economically respond to the increased traffic demands. Recent strategies to mitigate the growing effects of congestion include access management, intelligent transportation technologies, freight logistics, light rail transit, and the study of commuter rail. Ongoing strategies include highway helper, diamond and high occupancy lanes, ramp metering, and aggressive promotion of telework, transit, and car pooling options.

■ *Managing Resources*

Business planning, quality innovations, performance measurement, human resource reengineering, product and service assessment, strategic planning, management accounting, shared work teams, and information resource management are all current tactics Mn/DOT is using to improve its internal operations, increase efficiencies, and improve its competitiveness.

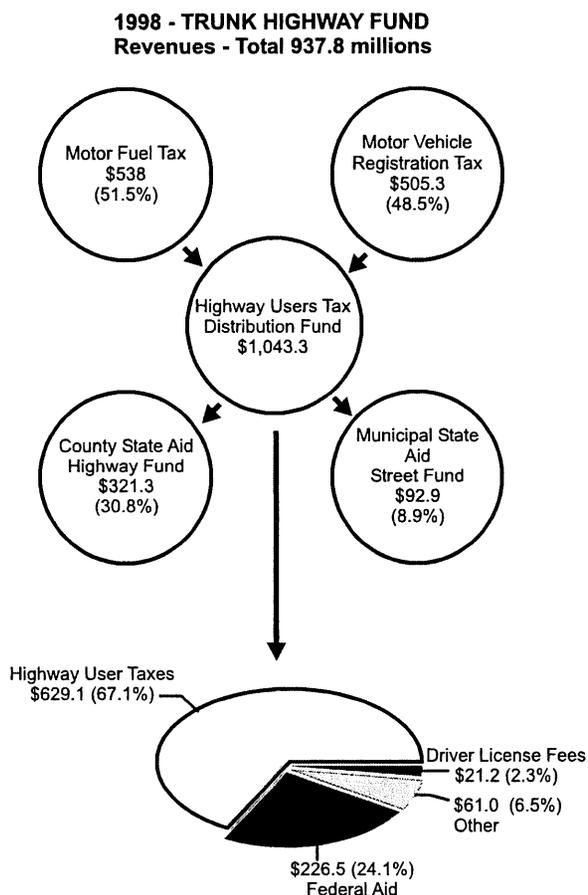
ORGANIZATION/PROGRAM STRUCTURE:



**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Transportation, Department of (DOT)
(Continuation)

TRENDS AND PERSPECTIVE:

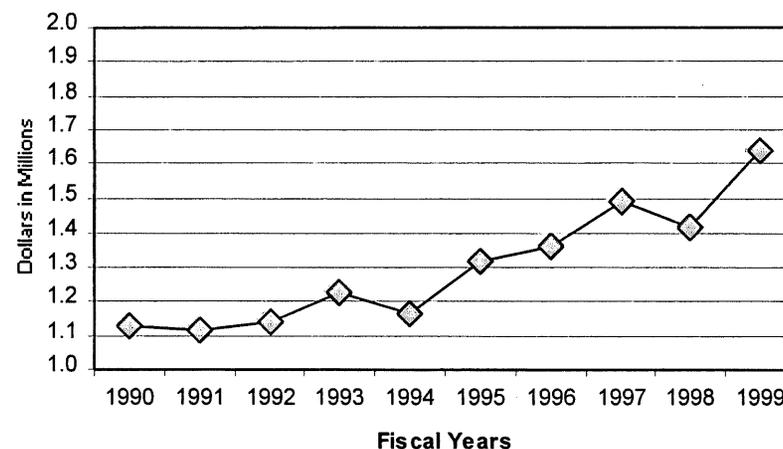


The graph above depicts the revenues to the Highway User Tax Distribution Fund (HUTDF) and subsequent dispersal to the Trunk Highway Fund, County State Aid Highway Fund, the Municipal State Aid Street Fund, and the Flexible Highway Account.

There are 2 principal sources of revenue to HUTDF. One is the state gasoline tax and the other is the motor vehicle registration tax. These revenues are constitutionally-dedicated and may only be used for highway purposes, which include the costs of employees, buildings, equipment, contracts for design, construction and maintenance and all general costs of doing business.

By constitutional formula, 95% of the proceeds to HUTDF are deposited to the Trunk Highway Fund (62%), County State Aid Highway Fund (29%), and the Municipal State Aid Street Fund (9%). Distribution of the remaining 5% is determined by the legislature every 6 years. In 1998, the legislature determined that these funds would be placed in a newly established Flexible Highway Account within the County State Aid Highway Fund beginning in F.Y. 2000.

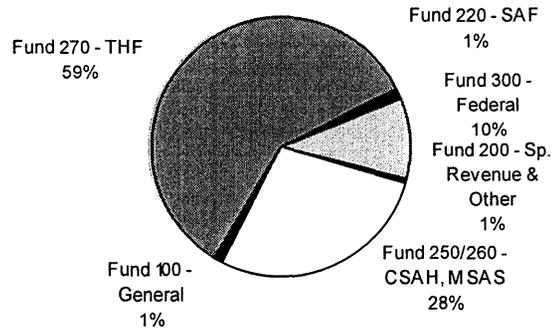
Total Budget - All Funds



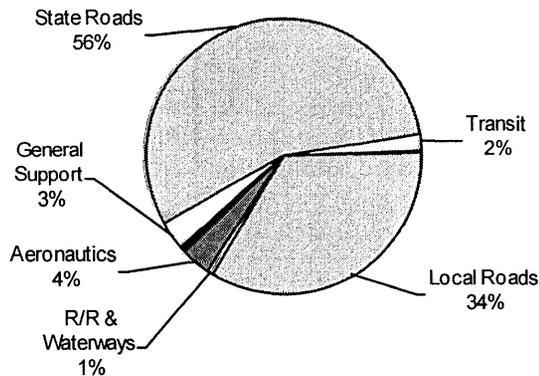
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Agency Executive Summary**

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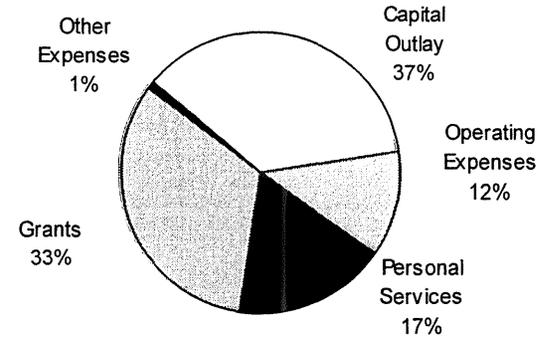
1998-99 Expenditures by Fund
Total \$3,057,506



1998-99 Expenditures by Program
Total - \$3,057,506



1998-99 Expenditures by Category
Total - \$3,057,506



GOVERNOR'S RECOMMENDATION:

The Governor's highway related recommendations reflect his proposal to cap passenger vehicle re-registration taxes at \$75 annually. The Governor's proposal also recommends that the resulting revenue loss, estimated to be \$95.7 million in F.Y. 2000, be replaced with \$95.7 million from the General Fund for transfer to the Dedicated Highway Funds. In F.Y. 2001 he recommends a General Fund appropriation of \$191.4 million and a standing appropriation of this amount in future years.

■ **Trunk Highway Fund**

The Governor recommends the addition of \$93,840,000 to the biennial base of \$1,823,047,000 for total spending in the 2000-2001 biennium of \$1,916,887,000. The additional spending includes \$62,750,000 for highway construction and related program delivery costs, \$10,687,000 in highway safety and freeway operations enhancements, \$5,000,000 for information technology needed for the delivery of an expanded construction program and other technology improvements, \$8,251,000 for operations building improvements, and other operating costs. These initiatives are made possible as a result of additional federal funds and increased fuel tax and license fee revenues.

■ **General Fund**

The Governor recommends a biennial increase of \$3,700,000 to maintain current levels of service for transit system outside the metropolitan area and \$1,622,000 as the General Fund share to complete the 800 MHz radio backbone system in the metropolitan area. The Governor also recommends that

**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Transportation, Department of (DOT)
(Continuation)

\$60 million be reserved at this time for the Hiawatha Light Rail project. A final recommendation will be made by 3-1-99.

■ **State Airports Fund**

The Governor recommends the addition of \$2,438,000 to the base level of \$36,317,000 for total spending of \$38,755,000 for the biennium. These initiatives are possible due to the growth in user fees in the statutorially dedicated airports fund and nearly all the funds will be used to directly support municipality owned airports outside the metropolitan area.

■ **Municipal State Aid Street Fund**

■ **County State Aid Highway Fund**

The Minnesota constitution and statutes dictate the distribution and use of these 2 funds.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Agency Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY PROGRAM:									
AERONAUTICS	37,427	43,552	68,405	102,239	103,458	102,362	103,581	95,082	84.9%
TRANSIT	20,369	18,454	40,477	30,718	92,568	35,156	37,006	70,643	119.9%
RAILROADS & WATERWAYS	5,875	6,675	14,101	8,038	8,038	7,980	7,980	(4,758)	-22.9%
MOTOR CARRIER REGULATION	3,257	2,935	3,365	3,220	3,220	3,387	3,387	307	4.9%
LOCAL ROADS	566,020	495,128	540,569	609,089	609,189	617,646	617,646	191,138	18.5%
STATE ROADS	811,683	794,922	913,894	889,735	930,361	895,437	936,892	158,437	9.3%
GENERAL SUPPORT	47,158	49,850	52,908	48,216	50,781	48,931	51,496	(481)	-5%
BUILDINGS	0	6,445	5,826	0	4,126	0	4,125	(4,020)	-32.8%
Total Expenditures	1,491,789	1,417,961	1,639,545	1,691,255	1,801,741	1,710,899	1,762,113	506,348	16.6%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
ENVIRONMENT & NATURAL RESOURCE	50	0	0	0	0	0	0	0	0
GENERAL	15,699	13,556	17,822	14,615	78,087	14,635	16,485		
MINNESOTA RESOURCES	0	0	0	0	100	0	0		
STATE GOVERNMENT SPECIAL REVENUE	60	217	83	0	0	0	0		
STATE AIRPORTS	12,143	18,653	17,337	18,117	19,336	18,200	19,419		
MUNICIPAL STATE AID STREET	105,248	107,928	99,264	101,149	101,149	102,894	102,894		
COUNTY STATE AID HIGHWAY	346,484	290,159	327,512	369,463	369,463	376,124	376,124		
TRUNK HIGHWAY	840,223	825,825	939,500	907,915	953,610	915,132	963,277		
OPEN APPROPRIATIONS:									
STATE AIRPORTS	80	160	112	112	112	112	112		
TRUNK HIGHWAY	5,637	11,367	8,195	8,195	8,195	8,195	8,195		
HIGHWAY USERS TAX DISTRIBUTION	441	406	433	433	433	433	433		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	4,103	3,234	8,566	4,977	4,977	4,779	4,779		
STATE AIRPORTS	1,294	1,209	3,265	1,586	1,586	1,626	1,626		
MUNICIPAL STATE AID STREET	1,732	2,938	2,026	2,064	2,064	2,100	2,100		
COUNTY STATE AID HIGHWAY	4,563	4,350	6,684	6,413	6,413	6,528	6,528		
TRUNK HIGHWAY	10,661	11,479	17,640	17,518	17,518	17,518	17,518		
FEDERAL	141,481	124,308	190,748	238,364	238,364	242,264	242,264		
AGENCY	1,890	2,172	358	334	334	359	359		
Total Financing	1,491,789	1,417,961	1,639,545	1,691,255	1,801,741	1,710,899	1,762,113		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Agency Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	4,717.0	4,812.0	5,005.3	5,094.3	5,155.3	5,094.3	5,183.3
PART-TIME, SEASONAL, LABOR SER	284.5	269.8	258.5	258.5	258.5	258.5	258.5
OVERTIME PAY	225.0	171.1	128.8	128.8	128.8	128.8	128.8
Total Full-Time Equivalent	5,226.5	5,252.9	5,392.6	5,481.6	5,542.6	5,481.6	5,570.6

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Transportation, Department of (DOT)

Fund: General

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>			
Appropriations (F.Y. 1999)	\$14,587	\$14,587	\$29,174
<u>BASE ADJUSTMENT</u>			
Documented Space Rental/Lease	8	8	16
2000-2001 Salary & Benefit Base	19	39	58
Uniform Pension Bill Reduction	(1)	(1)	(2)
Statewide Admin. Systems	<u>2</u>	<u>2</u>	<u>4</u>
<u>BASE LEVEL (for 2000 and 2001)</u>	\$14,615	\$14,635	\$29,250
<u>CHANGE ITEMS</u>			
Greater MN Transit Supplemental Funding	1,850	1,850	3,700
800 MHZ Radio System	1,622	-0-	1,622
Hiawatha Light Rail Transit	<u>60,000</u>	<u>-0-</u>	<u>60,000</u>
GOVERNOR'S RECOMMENDATION	\$78,087	\$16,485	\$94,572

The Governor recommends the following:

- \$3.7 million for the biennium to maintain current levels of service on existing transit systems.
- \$60 million to be held in reserve for the Hiawatha Light Rail project. A final recommendation will be made by 3-1-99.
- \$1.622 million in conjunction with the same amount from the Trunk Highway Fund in F.Y. 2000 for the state's share of a second zone controller, site development, capital complex radiating cable and 3 more repeater sites to complete Phase 1 of the metro region 800 MHZ backbone system.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Transportation, Department of (DOT) **Fund:** State Airports

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>			
Appropriations (F.Y. 1999)	\$15,828	\$15,828	\$31,656
<u>BASE ADJUSTMENT</u>			
Biennial Appropriations	2,200	2,200	4,400
2000-2001 Salary & Benefit Base	81	164	245
Statewide Administrative Systems	<u>8</u>	<u>8</u>	<u>16</u>
<u>BASE LEVEL (for 2000 and 2001)</u>	\$18,117	\$18,200	\$36,317
<u>CHANGE ITEMS</u>			
Maintenance Grants (Exp)	350	350	700
Construction Grants State (Exp)	500	500	1,000
Technology Transfer Program (Exp)	200	200	400
Hangar Loan Revolving Account Capital-Exp	150	150	300
Statewide Asset Preservation & Repair (Exp)	<u>19</u>	<u>19</u>	<u>38</u>
GOVERNOR'S RECOMMENDATION	\$19,336	\$19,419	\$38,755

- \$400,000 for the biennium to develop a technology training program for public airport employees.
- \$38,000 for the biennium to fund repairs and improvements to the Office of Aeronautics headquarters building.

Base adjustments:

- Base adjustment items consist of \$4,400,000 for the biennium to equalize biennial appropriations, \$245,000 for compensation-related adjustments pursuant to budget guidelines and \$16,000 for Statewide Administrative Systems which include state accounting, payroll, human resources, procurement and related access systems.

The Governor recommends the following:

- \$700,000 in maintenance grants and \$1,000,000 in construction grants for improvements to state airports over the next biennium.
- \$300,000 for the biennium to more fully capitalize the Hangar Loan Revolving Account for the biennium.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Transportation, Department of (DOT) **Fund:** Municipal State Aid Highway

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>			
Appropriations (F.Y. 1999)	\$99,264	\$99,264	\$198,528
<u>BASE ADJUSTMENT</u>			
Open Appropriation, Forecast Adjustment	1,885	3,630	5,515
<u>BASE LEVEL (for 2000 and 2001)</u>	\$101,149	\$102,894	\$204,043
GOVERNOR'S RECOMMENDATION	\$100,149	\$102,894	\$204,043

GOVERNOR'S RECOMMENDATION(S):

- All funds received will be allocated to the municipalities eligible by constitutional formula and current statutory provisions.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Transportation, Department of (DOT) **Fund:** County State Aid Highway

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>			
Appropriations (F.Y. 1999)	\$327,512	\$327,512	\$655,024
<u>BASE ADJUSTMENT</u>			
Open Appropriation, Forecast Adjustment	<u>41,951</u>	<u>48,612</u>	<u>90,563</u>
<u>BASE LEVEL (for 2000 and 2001)</u>	\$369,463	\$376,124	\$745,587
GOVERNOR'S RECOMMENDATION	\$369,463	\$376,124	\$745,587

GOVERNOR'S RECOMMENDATION(S):

- All funds received will be allocated to the counties by constitutional formula and current statutory provisions.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Transportation, Department of (DOT) **Fund:** Trunk Highway

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>			
Appropriations (F.Y. 1999)	\$907,230	\$907,230	\$1,814,460
<u>BASE ADJUSTMENT</u>			
Attorney General Costs	51	103	154
One-Time Appropriations	(7,448)	(7,448)	(14,896)
Documented Space Rental/Lease	210	189	399
2000-2001 Salary & Benefit Base	7,691	15,638	23,329
1999 Salary Supplement Transfers	118	131	249
System Development Cost	(1,040)	(1,040)	(2,080)
Transfers Between Agencies	410	(364)	46
Statewide Administrative Systems	<u>693</u>	<u>693</u>	<u>1,386</u>
<u>BASE LEVEL (for 2000 and 2001)</u>	\$907,915	\$915,132	\$1,823,047
<u>CHANGE ITEMS</u>			
Salary for Additional Pilot (Exp)	65	65	130
Increase in Construction Program (Exp)	30,100	32,650	62,750
2000 Census Transportation Planning (Exp)	1,075	525	1,600
Transportation Worker Implementation (Exp)	750	750	1,500
Pavement Striping (Exp)	2,000	4,000	6,000
Safety Technology Applications (Exp)	950	950	1,900
Maintenance (Exp)	1,000	1,000	2,000
Statewide Asset Preservation & Repair (Exp)	150	150	300
Freeway Operations Enhancements (Exp)	1,357	1,430	2,787
Operations Buildings Projects (Exp)	4,126	4,125	8,251
Information Technology New Funding (Exp)	2,500	2,500	5,000
800 MHZ System Change (Exp)	<u>1,622</u>	<u>-0-</u>	<u>1,622</u>
GOVERNOR'S RECOMMENDATION	\$953,610	\$963,277	\$1,916,887

Base adjustments:

- The budget includes additions to the base for documented space rental/lease cost increases, Attorney General costs, compensation-related adjustments provided for in the budget guidelines and Statewide Administrative Systems which include state accounting, payroll, human resources, procurement and related access systems.

- There is a reduction to the base of \$14.896 million for the biennium because construction of the 800 MHZ metro regional digital trunk radio system is a one time project for which funds will be requested as needed.
- There is a biennial budget downwards base adjustment of \$2.08 million to reflect the zero-base nature of system development costs. These costs are similar to capital expenditures since they are non-recurring in nature.

The Governor recommends the following:

- \$130,000 over the biennium for the addition of 1 pilot to support air transportation services provided by the department.
- \$62.75 million over the biennium for increased trunk highway road construction expenditures. The 3 primary reasons for this recommendation are: 1) increased use of the state's roadways; 2) a reduction in the estimated remaining useful life of these roadways; and 3) a requirement for additional state matching money to obtain the increased federal funds now available under the new federal TEA-21 transportation bill.
- \$1.6 million over the biennium for conducting the census-based 2000 Travel Behavior Inventory with the metropolitan council for the 7- county metropolitan area.
- \$1.5 million over the biennium for the implementation of the Transportation Worker, multi-skilled, flexible, classification concept. Winter snow and ice control and summer road construction each require unique skill sets. The Transportation Worker concept addresses seasonal workload issues with skills assessment, training, work planning and business planning.
- \$6 million over the biennium to increase the brightness of highway center line and edge pavement stripes by increasing painting frequency and using more durable materials.

**2000-01 Biennial Budget
Agency Budget Brief**

Agency: Transportation, Department of (DOT)
(Continuation)

Fund: Trunk Highway

- \$1.9 million over the biennium to maintain and upgrade motorist information and other safety features such as guardrails, crash attenuators, and end treatments along Minnesota roadways.
- \$2 million over the biennium to operate safety rest areas, repair county ditches that cross state trunk highways and make tort claims payments to individuals who have incurred damages as a result of maintenance activities.
- \$300,000 over the biennium for building repair and maintenance as specified by M.S. 16A.11, Section 1, Subdivision 6.
- \$2.787 million over the biennium to enhance the twin cities metro area freeway operations program efforts to mitigate traffic congestion and accident problems. This would be accomplished by completing the installation of traffic management systems, integrating the traffic management systems operated by different agencies, expanding the highway helper program and increasing the hours of operation of the Traffic Management Center.
- \$8.251 million over the biennium for road operations building construction projects that are in close proximity to the transportation infrastructure. Each of the 16 individual projects or categories of projects identified is for less than \$1 million. Land purchase, building design, materials and construction costs are all included in this amount.
- \$5.0 million over the biennium to fund Mn/DOT's ongoing "Implementation Plan for Shared Information Resources."
- \$1.622 million in F.Y. 2000 for Mn/DOT's share of a second zone controller, site development, capitol complex radiating cable and 3 more repeater sites to complete Phase 1 of the metro region 800 MHZ backbone system.

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**2000-01 Biennial Budget
Agency Level Revenue Summary**

AGENCY: Transportation, Department of (DOT)

REVENUE SOURCES:

The Department of Transportation generates non-dedicated revenues, dedicated revenue, and federal funds. The primary funding for Mn/DOT non-federal expenditures comes as a transfer from the Highway User Tax Distribution fund (HUTD) to the Trunk Highway Fund. In F.Y. 1999 it is estimated that the Trunk Highway Fund will receive \$330.4 million from motor fuel tax collections and another \$317.8 million from motor vehicle registrations and fees. Drivers license sales and patrol fines collected by the Department of Public Safety will add another \$27.2 million of non-dedicated revenues to the Trunk Highway Fund. Funds collected directly by Mn/DOT in F.Y. 1999 are deposited in several state funds.

- General Fund: \$102,000 from transit and sales tax receipts
- Special Revenue Fund: \$1,804,000 which is primarily for partnership agreements throughout the various Mn/DOT programs
- Cambridge Bank Fund: \$130,000 in hazardous material handling registration and airport operator's licenses
- State Airports Fund: \$11.6 million is derived from air flight property taxes and aircraft registration tax collection
- Highway User Tax Distribution Fund: \$1.4 million from investment income.
- Agency Fund: \$24,000 for right of way damage deposits
- Hangar Revolving Fund: \$730,000 from payments received for hangar construction loans
- Air Transportation Revolving Fund: \$980,000 used for recovering the Mn/DOT airplane expenses and borne by all users of the aircraft
- Municipal State Aid Street Fund: \$8.8 million gained from investment income
- County State Aid Street Fund: \$16.3 million derived from investment income
- Trunk Highway Fund: \$46.8 million collected from fees, account receivable and investment income. \$276.0 million in federal formula highway funds are reimbursed to the trunk highway fund.
- Federal Fund: The department actively seeks grants from the federal government, and as a result was awarded 17 categories of grants in F.Y. 1999 totaling \$185.5 million. This excludes federal formula highway funds, but does include \$85 million for local government projects.

FEE STRUCTURE:

There are numerous state statutes that require Mn/DOT to regulate occupational groups, individuals and businesses by licensing or registration, endorsement of rules, or provision of education services. Fees are established to partially recover the cost of providing these services to various clients: trucking firms, aeronautics-related customers, rail and waterways transportation, transit, and the general traveling public.

The department collects fees for advertising devices along highway right-of-way and collects rents for use of vacant right-of-way land until it is used for agency roadway purposes. A portion of agency non-dedicated fee revenue is derived from inter-governmental lab testing and road products testing. Mn/DOT also provides road construction and maintenance for county and municipal agencies that find using Mn/DOT to be more efficient than doing all of their own road activities. Transportation permits are issued for overweight/size vehicles that increase road wear and increase the demand for road maintenance.

RECENT CHANGES:

The annual increase in revenue streams for Mn/DOT has remained fairly constant in the past 3 fiscal years. We have seen an approximate 22.0% growth in total Mn/DOT dedicated and non-dedicated revenues, along with a 7.1% growth in HUTD fund transfers to the department.

FORECAST BASIS:

Very little change is forecast for the agency in types of revenue or revenue growth patterns. Mn/DOT collected funds, led by federal construction grants, should increase about 16.3% over the next biennium. Predictions for HUTD fund growth are more guarded at about 2.2% growth for F.Y. 2000-2001. This forecast should enable Mn/DOT to continue to comply with its grant mandates as well as accomplish the mission of the department.

CHANGE ITEMS:

No change items affecting the collection of revenue to the agency are being requested by the department.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Summary of Agency Revenues	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Forecast	Governor Recomm.	Forecast	Governor Recomm.	Dollars	Percent
NON-DEDICATED REVENUE:									
DEPARTMENTAL EARNINGS:									
GENERAL	40	0	0	0	0	0	0	0	
CAMBRIDGE DEPOSIT FUND	154	181	130	165	165	165	165	19	6.1%
TRUNK HIGHWAY	10,406	8,686	9,833	11,841	11,841	12,636	12,636	5,958	32.2%
GRANTS:									
STATE AIRPORTS	0	0	250	250	250	250	250	250	100.0%
TRUNK HIGHWAY	235,258	240,294	280,000	310,213	310,213	310,213	310,213	100,132	19.2%
OTHER REVENUES:									
GENERAL	38	261	50	50	50	50	50	(211)	-67.8%
STATE AIRPORTS	1,098	2,351	1,100	1,088	1,088	1,108	1,108	(1,255)	-36.4%
MUNICIPAL STATE AID STREET	6,374	6,155	8,750	8,750	8,750	8,750	8,750	2,595	17.4%
COUNTY STATE AID HIGHWAY	13,753	13,573	16,250	16,250	16,250	16,250	16,250	2,677	9.0%
TRUNK HIGHWAY	23,221	26,994	20,736	19,939	19,939	20,245	20,245	(7,546)	-15.8%
HIGHWAY USERS TAX DISTRIBUTION	1,083	1,227	1,392	1,390	1,390	1,390	1,390	161	6.1%
TAXES:									
GENERAL	55	32	52	50	50	50	50	16	19.0%
STATE AIRPORTS	12,082	11,248	10,979	12,206	12,206	12,156	12,156	2,135	9.6%
Total Non-Dedicated Receipts	303,562	311,002	349,522	382,192	382,192	383,263	383,263	104,931	15.9%
DEDICATED RECEIPTS:									
DEPARTMENTAL EARNINGS:									
SPECIAL REVENUE	3	24	50	75	75	75	75	76	102.7%
STATE AIRPORTS	888	992	980	850	850	890	890	(232)	-11.8%
AGENCY	0	0	24	24	24	24	24	24	100.0%
GRANTS:									
SPECIAL REVENUE	673	1,514	1,754	1,744	1,744	1,646	1,646	122	3.7%
TRUNK HIGHWAY	9,434	8,886	16,313	16,313	16,313	16,313	16,313	7,427	29.5%
FEDERAL	141,719	124,193	188,805	238,291	238,291	242,190	242,190	167,483	53.5%

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Summary of Agency Revenues	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Forecast	Governor Recomm.	Forecast	Governor Recomm.	Dollars	Percent
DEDICATED RECEIPTS:									
OTHER REVENUES:									
SPECIAL REVENUE	320	455	523	455	455	455	455	(68)	-7.0%
STATE AIRPORTS	0	22	33	36	36	36	36	17	30.9%
TRUNK HIGHWAY	1,023	2,442	1,134	1,205	1,205	1,205	1,205	(1,166)	-32.6%
FEDERAL	1	53	58	73	73	74	74	36	32.4%
AGENCY	221	197	239	310	310	335	335	209	47.9%
OTHER SOURCES:									
SPECIAL REVENUE	2,427	2,400	1,750	2,100	2,100	2,000	2,000	(50)	-1.2%
STATE AIRPORTS	546	547	660	700	700	700	700	193	16.0%
AGENCY	1,703	1,960	0	0	0	0	0	(1,960)	-100.0%
Total Dedicated Receipts	158,958	143,685	212,323	262,176	262,176	265,943	265,943	172,111	48.3%
Agency Total Revenues	462,520	454,687	561,845	644,368	644,368	649,206	649,206	277,042	27.3%

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**2000-2001 Biennial Budget
Federal Funds Summary
(\$ in Thousands)**

Agency: Transportation, Department of (DOT)

State revenue sources (e.g. motor fuel taxes, motor vehicle registrations) contribute approximately 69% of the department's overall funding, while federal sources contribute approximately 31%. Much of the federal revenue is passed through the department to local governments in the form of direct grants, as well as payments for activities conducted on behalf of the department.

Federal revenues are a major source of overall funding for several of the department's budget programs. Of proposed expenditures in these programs, federal revenues represent approximately the following percents: State Road (34%), Transit (52%), Aeronautics (80%), Rail and Waterways (51%), Motor Carrier (22%), and Local Roads (21%).

Most of the federal revenues are relatively stable. In cases where these revenues have fluctuated, the department has adjusted its activities to compensate for the changes.

Certain other federal revenues are available on a one-time basis, such as the Central Corridor Study, or are project-based, such as the Guidestar program.

The department anticipates an increase in overall available federal revenues for the next biennium with the largest dollar increase occurring in the State Roads program.

Federal funds in the Aeronautics program will more than double in order to upgrade and modernize airports in Minnesota.

Although overall federal revenues supporting most transit activities are expected to remain at approximately current levels for the F.Y. 2000-01 biennium, there will be an increase for the Northstar and Riverview Corridors Transportation Improvement studies.

Mn/DOT aggressively seeks federal sources of funding as opportunities present themselves. New federal programs affecting Minnesota constituents are monitored to maintain as high a level of service as possible with available resources.

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Transportation, Department of (DOT)

Federal Program	Related State Spending	Primary Purpose	SFY 1998 Revenues	SFY 1999 Revenues	Estimated SFY 2000 Revenues	Estimated SFY 2001 Revenues
AERONAUTICS						
Federal Airport Improvement Program	Airport may be required to provide matching funds	Upgrade and modernize airports in Minnesota. Increase for MAC to improve MSP International	17,345.0	42,000.0	80,000.0	80,000.0
Airport Inspection Program 5010	None	State airport safety inspection	-0-	35.0	35.0	35.0
Air Traffic Control Training	None	Air traffic control training at Hennepin Vo-Tech, Eden Prairie	5,969.0	5,800.0	2,500.0	2,500.0
TRANSIT						
Non-Urban Area Formula Grant Program (FTA Section 18)	Greater Mn/Assistance General Fund	Capital and operating assistance to local governments with < 50,000 population	3,745.0	8,115.0	5,753.0	6,049.0
Elderly & Persons w/Disabilities Program (Capital Sec. 16 Vehicle Disposition)	None	Reimbursement of funds originally spent on Sec. 16 vehicles which have been disposed of	-0-	50.0	50.0	50.0
Elderly & Persons w/Disabilities Program (FTS Capital Purchases)	Local match for capital purchases Administration by Transit Program	Capital assistance to private/non-profit & other organizations for elderly & disabled travelers	848.0	1,123.0	1,237.0	1,336.0
Metropolitan Planning Program State Planning & Research Program (FTA Section 8/26A Planning)	None Greater MN Transit & Admin.	Transit planning funds to Metro Planning Orgs. and Mn/DOT	552.0	706.0	706.0	706.0
Rideshare	Local match Rideshare Coordinator funded 100% Federal dollars	Fund metropolitan-wide rideshare activity programs	971.0	2,121.0	2,307.0	2,307.0

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Transportation, Department of (DOT)

Federal Program	Related State Spending	Primary Purpose	SFY 1998 Revenues	SFY 1999 Revenues	Estimated SFY 2000 Revenues	Estimated SFY 2001 Revenues
Capital Program (Central Corridor Study)	None	Funds for planning and prelim. engineering for Central Corridor Project	-0-	7,742.0	-0-	-0-
Transitways	Local Match 100%	Northstar & Riverview Corridors Transportation Improvement Studies	-0-	1,500.0	6,000.0	10,000.0
RAILROADS & WATERWAYS						
Federal/Local Rail Projects	Most grants require matching funds	Keep marginal railroads operating	1,441.0	8,000.0	4,000.0	4,000.0
Federal Rail Assistance - 97 Flood	None	Flood Repairs to Rail Lines	964.0	781.0	-0-	-0-
Hi Speed Rail	100% State Match	1st Phase Feasibility Study	90.0	150.0	100.0	100.0
MOTOR CARRIER						
Motor Carrier Safety Assistance Program	80/20% federal/state after first \$213,000	Prevention of commercial vehicle accidents	602.0	505.0	670.0	771.0
LOCAL ROADS						
Federal County Road & Bridge	Local Match	Local government road construction projects	89,536.0	105,000.0	130,000.0	130,000.0
STATE ROADS						
Federal Formula Highway Funds	80/20% federal/state match	State road & bridge construction projects	239,181.0	280,000.0	310,000.0	310,000.0
Metropolitan Planning Grants (Sec. 112 Planning Grants)	20% local match	Supplement MPO budgets for transportation planning and coordination	1,845.0	3,662.0	3,662.0	3,662.0
Bike/Ped Coordinators	20% state match	Bike/pedestrian planning and construction activities for Mn/DOT	130.0	88.0	94.0	98.0

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Transportation, Department of (DOT)

Federal Program	Related State Spending	Primary Purpose	SFY 1998 Revenues	SFY 1999 Revenues	Estimated SFY 2000 Revenues	Estimated SFY 2001 Revenues
Mn/Road Pooled Fund Project	20% state match	Pavement research activities	191.0	985.0	400.0	300.0
Federal/State Safety	20% state match	Traffic information database development	116.0	213.0	213.0	213.0
Non-Intrusive Technology (Guidestar)	20% state match	Camera monitoring; freeway traffic control	17.0	100.0	350.0	350.0
Pavement Marking Management System	20% state match	Testing of new marking products	-0-	400.0	500.0	-0-
Agency Total			363,543.0	469,076.0	548,577.0	552,477.0

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2000-01 Biennial Budget

PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

The aeronautics program exists to accomplish the following statutory goals:

- Promote aviation safety.
- Support development and maintenance of a system of airports.
- Establish and operate a system of navigation aids.
- Foster the development of aviation.

These goals are addressed through the following budget activities: Airport Development and Assistance, Aviation Support, and Air Transportation. Customers of these activities are:

1998
15,900 active pilots 7,270 registered aircraft
139 publicly-owned airports <ul style="list-style-type: none"> - 27 key system (paved and lighted, 5,000 ft. or longer) - 81 intermediate system (paved and lighted, less than 5,000 ft. long) - 31 turf landing strips
7 privately-owned, public-use airports 17 public-use seaplane bases 2,700 users of Mn/DOT air transportation services

STRATEGIES AND PERFORMANCE:

This program addresses safety issues to pilots through safety seminars, reliable navigation information, and current weather information to facilitate decision making. It also encourages airport owners to maintain a safe operating environment on their airports. Construction grants and maintenance grants are available to provide financial assistance to airport owners.

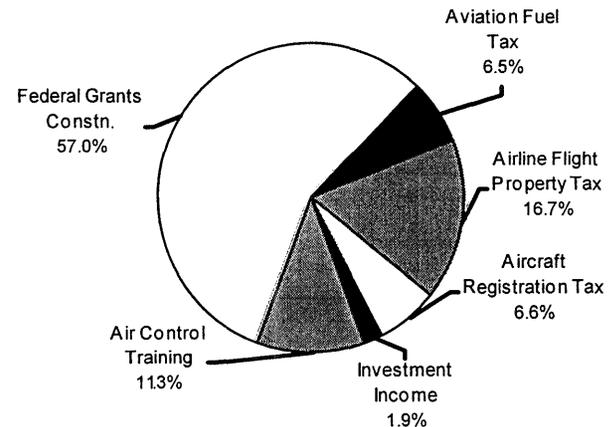
The program promotes aviation by sponsoring and participating in aviation events for the public and aviation education activities for students of all ages. The program provides grants to communities to assist with promoting scheduled air service.

FINANCING INFORMATION:

The State Airports Fund, a statutorily dedicated fund, supports this program. Income to this fund comes from the Aviation Fuel Tax, the Aircraft Registration Tax, the Airline Flight Property Tax, and investment income. Federal Airport Improvement (A.I.P.) grants to municipalities also help support the program. A summary of the revenues and expenditures for the 1998-1999 biennium is shown below.

1998-99 Aeronautics Program

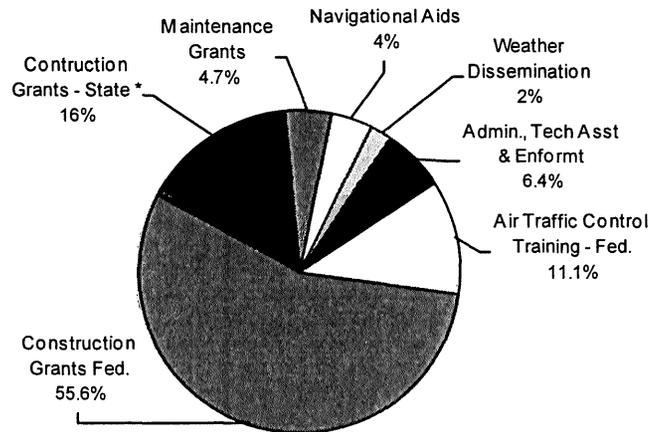
Revenues - Total \$116.0 Millions



2000-01 Biennial Budget

PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)
(Continuation)

1998-99 Aeronautics Program
Expenditure Distribution by Function



* Includes Air Service Marketing and Grants

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$38,000 for building repair and maintenance, and \$1,000,000 for airport construction grants, \$700,000 for airport maintenance grants, \$300,000 to be transferred from the state airports fund to the hangar loan revolving account for hangar loans to airports, and \$400,000 to conduct technology training at airports.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
AIRPORT DEVELOP & ASSIST	31,118	31,439	56,131	93,688	94,688	93,688	94,688	101,806	116.3%
AVIATION SUPPORT	5,434	10,792	10,885	7,563	7,782	7,645	7,864	(6,031)	-27.8%
AIR TRANSPORTATION	875	1,321	1,389	988	988	1,029	1,029	(693)	-25.6%
Total Expenditures	37,427	43,552	68,405	102,239	103,458	102,362	103,581	95,082	84.9%

CHANGE ITEMS:	FUND:				
(B) CONSTRUCTION GRANTS STATE	AIR			500	500
(B) HANGAR LOAN REVOLVING ACCOUNT CAPITAL	AIR			150	150
(B) MAINTENANCE GRANTS	AIR			350	350
(B) STATEWIDE ASSET PRESERVATION	AIR			19	19
(B) TECHNOLOGY TRAINING PROGRAM	AIR			200	200
Total Change Items				1,219	1,219

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	0	400	0	50	50	50	50
STATE AIRPORTS	12,064	18,587	17,267	18,047	19,266	18,130	19,349
TRUNK HIGHWAY	0	0	0	11	11	11	11
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	0	42	10	10	10	10	10
STATE AIRPORTS	1,294	1,209	3,265	1,586	1,586	1,626	1,626
FEDERAL	24,069	23,314	47,863	82,535	82,535	82,535	82,535
Total Financing	37,427	43,552	68,405	102,239	103,458	102,362	103,581

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	46.7	46.3	49.8	49.8	49.8	49.8	49.8
PART-TIME, SEASONAL, LABOR SER	4.4	4.8	0.4	0.4	0.4	0.4	0.4
OVERTIME PAY	0.3	0.4	0.3	0.3	0.3	0.3	0.3
Total Full-Time Equivalent	51.4	51.5	50.5	50.5	50.5	50.5	50.5

2000-01 Biennial Budget

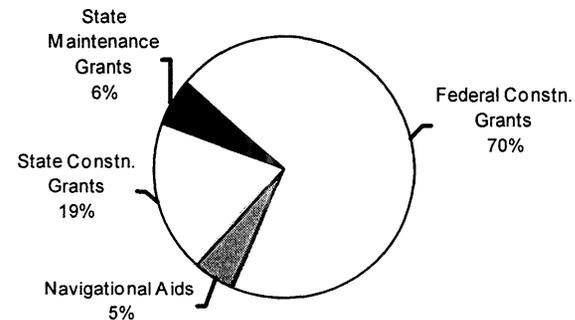
FINANCING INFORMATION:

BUDGET ACTIVITY: Airport Development and Assistance
PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)

**1998-99 Airport Develop and Assist
Expenditure Distribution**

ACTIVITY PROFILE:

This activity assists local units of government that own and operate the 139 publicly-owned airports. It provides support in planning, zoning, project development, programming, design, land acquisition, construction, and construction inspection. This activity also reimburses local governments for part of airport operating and maintenance costs, provides loans for constructing hangars and provides matching funds for federal air service grants. The activity maintains and improves the Piney-Pinecreek Border Airport, jointly owned and operated by the State of Minnesota and the Local Government District of Piney, Manitoba under an international agreement.



This activity also installs and operates a system of electronic navigation aids and automated weather observation systems and assists municipalities to develop and improve airport lighting systems.

STRATEGIES AND PERFORMANCE:

The agency will:

- provide financial grant assistance to communities for capital improvements and maintenance of airports;
- issue hangar loans for constructing hangars;
- operate and enhance the system of electronic navigation aids and automated weather systems;
- provide funds in the form of grants to match federal funds to support local air service;
- support operation of the Piney-Pinecreek Border Airport.

Grants:

- *State Construction Grants, M.S. 360.011, 360.015, 360.305.* Municipalities that own airports receive grants to finance capital improvements. Airports must be zoned or in the process of being zoned to be eligible for a construction grant. The agency maintains a 5-year Capital Improvement Plan (C.I.P.) that lists potential projects with estimated costs and time schedules.
- *State Maintenance Grants, M.S. 360.011, 360.015, 360.305.* The agency issues maintenance grants to municipalities that own airports for part of their operating and maintenance costs. To be eligible for the grant, the municipality must zone the airport. The agency uses a set of criteria based on size and activity levels to establish reimbursement categories. Each category has a state/local cost share and a maximum allowable reimbursement.
- *Air Service Grants, M.S. 360.011, 360.015, 360.305.* Air service grants support scheduled air service in communities that participate in the federal Essential Air Service Program under a cost sharing basis with the federal government. Air service grants assist the community with their local matching share. Fergus Falls is the only city currently eligible for this program.
- *Airport Improvement Program (A.I.P.) Grants - Federal, M.S. 360.011, 360.015, 360.016.* The Federal Aviation Administration (FAA) issues grants to municipalities for capital improvements to their airports. The airport must

2000-01 Biennial Budget

BUDGET ACTIVITY: Airport Development and Assistance
PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)
(Continuation)

be a part of the National Plan of Integrated Airport Systems to be eligible for a grant. The FAA uses a rating system to evaluate and rank projects for programming purposes. Under state law, Mn/DOT serves as agent for communities when they apply for a federal grant, as well as receiver and disbursing officer of the funds to the municipality.

BUDGET ISSUES:

There are not enough federal dollars available to support the capital improvement needs of local communities. This has increased demand for state construction grants. Also, the Mn/DOT construction cost index has increased 9% over the past 2 years. State Construction grants need to meet the growing needs of the airport system.

Although the number of airports receiving maintenance grants has not changed, the number of infrastructures and cost to maintain them is increasing. Municipalities need additional funding to preserve their capital investments in airports and maintain safe operating environments.

The unit cost per hangar stall has increased 10% in the past 4 years. The waiting period to receive a loan is 18 months and growing.

Current level of funding committed to navigation systems to ensure that pilots continue to have adequate navigation information and current weather information.

Although Fergus Falls does not have an airline to serve its community, it is working with the U.S. DOT to find a replacement carrier. Funding for the Air Service Grant program will ensure that service can continue in this market.

To ensure safe operation of the Piney-Pinercreek Border Airport, the agency needs continued funding to support this facility.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Activity: AIRPORT DEVELOP & ASSIST

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OPERATING EXPENSES	2,182	1,301	2,357	2,356	2,356	2,356	2,356	1,054	28.8%
OTHER EXPENSES	360	337	1,964	730	880	730	880	(541)	-23.5%
SUBTOTAL STATE OPERATIONS	2,542	1,638	4,321	3,086	3,236	3,086	3,236	513	8.6%
CAPITAL OUTLAY	35	53	0	0	0	0	0	(53)	-100.0%
LOCAL ASSISTANCE	28,541	29,748	51,810	90,602	91,452	90,602	91,452	101,346	124.3%
Total Expenditures	31,118	31,439	56,131	93,688	94,688	93,688	94,688	101,806	116.3%

CHANGE ITEMS:	FUND						
(B) CONSTRUCTION GRANTS STATE	AIR			500		500	
(B) HANGAR LOAN REVOLVING ACCOUNT CAPITAL	AIR			150		150	
(B) MAINTENANCE GRANTS	AIR			350		350	
Total Change Items				1,000		1,000	

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
STATE AIRPORTS	7,343	13,739	12,157	12,948	13,948	12,948	13,948
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	0	18	10	10	10	10	10
STATE AIRPORTS	492	337	1,964	730	730	730	730
FEDERAL	23,283	17,345	42,000	80,000	80,000	80,000	80,000
Total Financing	31,118	31,439	56,131	93,688	94,688	93,688	94,688

REVENUE COLLECTED:							
DEDICATED							
STATE AIRPORTS	546	547	690	730	730	730	730
FEDERAL	23,283	17,345	42,000	80,000	80,000	80,000	80,000

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: AERONAUTICS
 Activity: AIRPORT DEVELOP & ASSIST

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
STATE AIRPORTS	0	0	250	250	250	250	250
Total Revenues Collected	23,829	17,892	42,940	80,980	80,980	80,980	80,980

F.Y. 2000-01 BUDGET CHANGE ITEM

OUTCOMES:

AGENCY: Transportation, Department of (DOT)
PROGRAM: Aeronautics
ACTIVITY: Airport Development and Assistance

Mn/DOT will respond more quickly to requests to finance airport capital improvements.

ITEM TITLE: Construction Grants - State

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
State Airport Fund				
- Grants	\$500	\$500	\$500	\$500
Revenues: (\$000s)				
State Airport Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity	<input checked="" type="checkbox"/> Supplemental Funding	<input type="checkbox"/> Reallocation		

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$500,000 each fiscal year to increase the state's share of construction grants for airport improvements.

RATIONALE:

Mn/DOT lacks enough federal funds to keep pace with the capital improvement needs of airports. This shortage has increased the demands for state construction grants. Also, the construction cost index has increased 9% over the past 2 years. These factors together have created a backlog of construction grant requests.

FINANCING:

Mn/DOT received \$8,200,000 for each year of the 1998-1999 biennium. Because of the shortage in federal funds, Mn/DOT moved \$2,500,000 from F.Y. 1999 to F.Y. 1998 to avoid deferring major projects. Adding \$500,000 in F.Y. 2000 and \$500,000 in F.Y. 2001 will increase each year's grant money by 6.1%

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Aeronautics
ACTIVITY: Airport Development and Assistance

ITEM TITLE: Hangar Loan Revolving Account Capitalization

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
State Airport Fund				
- State Operations	\$150	\$150	\$-0-	\$-0-
Revenues: (\$000s)				
State Airport Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes X No

If yes, statutes(s) affected: M.S. Chapter 360.305, Subd. 4(7)

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$150,000 each fiscal year in this biennium to increase the funding for the hangar loan revolving account.

RATIONALE:

The program has lent all funds in the revolving account. The agency has a waiting list for new loans and applicants must wait approximately 18 months to receive a loan to construct a hangar. Both the waiting list and the waiting time continue to grow. Capitalization for this account has not been increased for 4 years. During this time, the unit cost per hangar stall has increased 10%.

The program needs additional capital to improve responsiveness to the needs of airport owners.

FINANCING:

Current capitalization of this revolving account is \$4,100,000. An increase of \$150,000 each year will increase capitalization by 3.65% annually over the current level. Loan payments will continue to be deposited in the revolving account and re-loaned to applicants.

OUTCOMES:

The agency needs more money to respond to the waiting list for hangar loans. The program will lend money to municipalities to satisfy the hangar needs on their airports.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Aeronautics
ACTIVITY: Airport Development and Assistance

OUTCOMES:

The agency needs additional funding to continue reimbursing municipalities for a portion of their airport maintenance costs. Proper maintenance is needed to ensure a safe operating environment for aircraft as well as to extend the life of capital investments.

ITEM TITLE: Maintenance Grants

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
State Airport Fund				
- Grants	\$350	\$350	\$350	\$350
Revenues: (\$000s)				
State Airport Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$350,000 each fiscal year to increase airport maintenance grants to municipalities.

RATIONALE:

Although the number of airports eligible to receive maintenance grants has remained constant, the infrastructure on these airports is expanding to make them eligible for a higher maximum reimbursement. Inflation cuts into the buying power of the municipalities that operate airports. Consequently, the program needs more money to restore the purchasing power for maintenance activities.

FINANCING:

The legislature appropriated \$2,500,000 each year of the 1998-1999 biennium. The program needs an additional \$350,000 in F.Y. 2000 and F.Y. 2001 to increase each year's appropriation by 14%.

2000-01 Biennial Budget

FINANCING INFORMATION:

BUDGET ACTIVITY: Aviation Support
PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

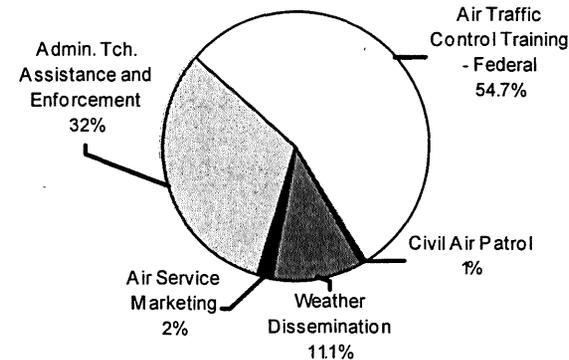
This activity:

- promotes aviation and air safety;
- inspects and licenses public, private, and private-use airports, helipads, seaplane bases, and commercial operations;
- registers all general aviation aircraft and collects registration taxes;
- disseminates weather information to pilots;
- provides funding for promoting local scheduled air service;
- provides funding for the Civil Air Patrol (C.A.P.);
- provides office management support services for the Aeronautics program, including the Mid-America Aviation Resource Consortium (M.A.R.C.);
- supports operation of the Aeronautics office building at 222 East Plato Boulevard.

STRATEGIES AND PERFORMANCE:

- Aviation and air safety will be promoted through pilot safety seminars, aviation and aerospace education materials, and aviation and aerospace education for schools.
- The agency will continue to inspect and license landing facilities and commercial operations according to standards set by statutes and agency rules.
- Aircraft owned by Minnesota residents will be registered, appropriate registration fees collected, and records maintained.
- Weather information will be disseminated to pilots through computer terminals at airports and a home user program, as well as on a public television station, to facilitate pilot decision-making and thereby improve aviation safety.
- Financial support will be provided for the air service promotion program as well as the C.A.P. budgeting, accounting, personnel records, staff salaries, and administrative support for the program as well as maintenance, operation, and improvements to the Aeronautics offices at 222 East Plato Boulevard will continue to be provided.

1998-99 Aviation Support
Expenditures - Total \$21.8 millions



This activity registers all general aviation aircraft and collects an annual registration tax on each of these aircraft. These taxes are based on the list price of the aircraft together with the age of the aircraft. Receipts are deposited to the State Airports Fund and are forecast to be \$3.45 million in F.Y. 2000 and \$3.4 million in F.Y. 2001.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Activity: AVIATION SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	2,439	2,517	2,840	2,919	2,919	3,001	3,001	563	10.5%
OPERATING EXPENSES	2,114	2,240	5,479	2,079	2,298	2,079	2,298	(3,123)	-40.5%
OTHER EXPENSES	4	0	0	0	0	0	0	0	
SUBTOTAL STATE OPERATIONS	4,557	4,757	8,319	4,998	5,217	5,080	5,299	(2,560)	-19.6%
CAPITAL OUTLAY	16	1	0	0	0	0	0	(1)	-100.0%
LOCAL ASSISTANCE	861	6,034	2,566	2,565	2,565	2,565	2,565	(3,470)	-40.3%
Total Expenditures	5,434	10,792	10,885	7,563	7,782	7,645	7,864	(6,031)	-27.8%

CHANGE ITEMS:	FUND				
(B) STATEWIDE ASSET PRESERVATION	AIR			19	19
(B) TECHNOLOGY TRAINING PROGRAM	AIR			200	200
Total Change Items				219	219

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
STATE AIRPORTS	4,648	4,799	5,022	5,028	5,247	5,110	5,329
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	0	24	0	0	0	0	0
FEDERAL	786	5,969	5,863	2,535	2,535	2,535	2,535
Total Financing	5,434	10,792	10,885	7,563	7,782	7,645	7,864

REVENUE COLLECTED:							
DEDICATED							
FEDERAL	786	5,969	5,835	2,535	2,535	2,535	2,535

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Activity: AVIATION SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
CAMBRIDGE DEPOSIT FUND	8	4	15	15	15	15	15
STATE AIRPORTS	13,180	13,599	12,079	13,294	13,294	13,264	13,264
Total Revenues Collected	13,974	19,572	17,929	15,844	15,844	15,814	15,814
FTE BY EMPLOYMENT TYPE:							
FULL TIME	40.7	40.2	47.8	47.8	47.8	47.8	47.8
PART-TIME, SEASONAL, LABOR SER	4.4	4.8	0.4	0.4	0.4	0.4	0.4
OVERTIME PAY	0.3	0.4	0.3	0.3	0.3	0.3	0.3
Total Full-Time Equivalent	45.4	45.4	48.5	48.5	48.5	48.5	48.5

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Aeronautics
ACTIVITY: Aviation Support

ITEM TITLE: Statewide Asset Preservation and Repair

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
State Airport Fund				
- State Operations	\$19	\$19	\$19	\$19
Revenues: (\$000s)				
State Airport Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial increase of \$38,000 to the agency's base budget for repair and replacement of state assets and facilities. This recommendation is part of a statewide, multi-agency initiative to reduce facility repair and replacement needs by at least 5% in each agency.

RATIONALE:

The Office of Aeronautics has occupied offices in a building at 222 East Plato Boulevard since September, 1992, which was purchased in 1993. Since that time, operation of the building plus any repairs and improvements have been funded from appropriations for this budget activity. Having occupied the building for this long, the agency anticipates there will be increased repair costs and need for more extensive improvements. Additional funding is needed to respond to these needs.

FINANCING:

The only alternatives to this request are to shift funds intended for other programs or to defer maintenance and improvements to the building. Deferring needed maintenance will only increase the cost of the work when it is eventually done.

OUTCOMES:

Providing this funding will ensure that the building is properly cared for and the value of the investment is preserved.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Aeronautics
ACTIVITY: Aviation Support

ITEM TITLE: Technology Training Program

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
State Airport Fund				
- State Operations	\$200	\$200	\$200	\$200
Revenues: (\$000s)				
State Airport Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$200,000 each fiscal year to provide technology training to airport employees throughout the state.

RATIONALE:

Employees at airports, especially smaller airports, have few opportunities to receive training. They encounter many challenges when using new technology, new materials, and new techniques. Also, employees who are new to their work environment often lack someone to train them in their new responsibilities. The agency proposes to develop a technology training program where knowledgeable instructors will train airport employees on a regional basis. Mn/DOT will use the funding to develop curriculum and materials and train instructors.

OUTCOMES:

Mn/DOT will provide practical, reasonable-cost training to airport employees who operate and maintain public airports in Minnesota. This training will result in improved operations, cost effective materials and technology, and safer airports.

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2000-01 Biennial Budget

BUDGET ACTIVITY: Air Transportation
PROGRAM: Aeronautics
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

This activity provides air transportation service to the governor, legislators, other elected officials and their staffs, agency heads, and staff of state agencies. This service increases the efficiency of state government by reducing travel time of state officials and employees of state agencies when responding to constituent needs in greater Minnesota.

STRATEGIES AND PERFORMANCE:

The agency owns and operates 1 jet aircraft and 2 twin-engine, turbo prop aircraft. The agency also leases a light twin-engine aircraft to accommodate small loads. In addition to providing scheduling services for Mn/DOT's aircraft, the agency arranges for charter flights when needed. The goal is to provide responsive, cost effective transportation for users. In addition, the schedulers arrange for flights on scheduled airlines for agency personnel.

Fiscal Year 1998 Activity

Number of passengers flown	2,722
Number of flights	590
Number of miles flown	249,855
Number of passenger miles flown	878,433
Number of flight hours	953

FINANCING INFORMATION:

The air transportation service is operated through a revolving account. Rates for use of the aircraft are set so that the direct operating costs and maintenance of the aircraft are covered and a reserve for future engine replacement is maintained. As a result of 1998 legislative action, acquisition costs are no longer recovered and pilots salaries are now paid from appropriated accounts rather than the Air Transportation Revolving Account. Rates are periodically reviewed and adjusted so a positive cash flow is maintained.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: AERONAUTICS

Activity: AIR TRANSPORTATION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	366	405	69	71	71	72	72	(331)	-69.8%
OPERATING EXPENSES	509	916	1,320	917	917	957	957	(362)	-16.2%
SUBTOTAL STATE OPERATIONS	875	1,321	1,389	988	988	1,029	1,029	(693)	-25.6%
Total Expenditures	875	1,321	1,389	988	988	1,029	1,029	(693)	-25.6%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	0	400	0	50	50	50	50		
STATE AIRPORTS	73	49	88	71	71	72	72		
TRUNK HIGHWAY	0	0	0	11	11	11	11		
STATUTORY APPROPRIATIONS:									
STATE AIRPORTS	802	872	1,301	856	856	896	896		
Total Financing	875	1,321	1,389	988	988	1,029	1,029		

REVENUE COLLECTED:									
DEDICATED									
STATE AIRPORTS	888	1,014	983	856	856	896	896		
Total Revenues Collected	888	1,014	983	856	856	896	896		

FTE BY EMPLOYMENT TYPE:									
FULL TIME	6.0	6.1	2.0	2.0	2.0	2.0	2.0		
Total Full-Time Equivalent	6.0	6.1	2.0	2.0	2.0	2.0	2.0		

2000-01 Biennial Budget

PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

The goals of the state transportation system include providing transit services throughout the state to meet the needs of transit users (M.S. 174.01). The transit program provides:

- Grants for operating and capital assistance to Greater Minnesota Public Transit providers
Technical assistance to increase efficiency and productivity of public transit systems

The Greater Minnesota transit program benefits thousands of Minnesotans in areas where public transit is often the only means of access to life-sustaining goods, services, and work opportunities.

Counties in Greater Minnesota typically have shrinking tax bases, lower revenues, higher shares of low-income residents, and a growing elderly population.

STRATEGIES AND PERFORMANCE:

The transit program helps people and communities meet their mobility needs by supporting safe, responsive, efficient and environmentally sound transit services. Program goals are accomplished by:

- Planning and promoting a coordinated statewide network of transit services incorporating all modes of alternatives to the single occupancy vehicle
Developing partner relationships with internal and external agencies and organizations
Developing an overview from a statewide perspective to identify and publicize best practice in service delivery

- Fostering the development of advanced technologies in improving public transit service delivery
Focusing on customer needs through involving local communities in information gathering and decision-making

The state's commitment to public transportation will be maintained by directing limited resources toward preservation and management of existing public transit systems. Public transit service exists in 59 counties, including 35 regional centers, in Greater Minnesota.

Public satisfaction with the availability of transit services will be measured through the Statewide Omnibus Survey on Public Attitudes and Opinions about Transportation. This information will assist Mn/DOT in determining customer response to public transit service and in tailoring the service to meet local needs.

Public transit addresses Minnesota Milestones' goal that all people are welcomed, respected and able to participate fully in Minnesota's communities and economy. Achievement of this goal becomes more critical as population is increasingly represented by people from all parts of the world, people with physical and mental limitations, and older people.

Table with 2 rows and 11 columns: Greater MN Counties, 1980, 1990, 1991, 1992, 1993, 1994, 1995, 1996, 1997, 1998. Values: 24, 36, 36, 36, 37, 39, 51, 53, 58, 59*

* 3 additional counties are scheduled to implement new service during the 1998-1999 biennium, bringing the total to 62.

2000-01 Biennial Budget

PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)
 (Continuation)

FINANCING INFORMATION:

Program Funds

The transit program administers state and federal transit assistance funds for Greater Minnesota (outside the 7-county metropolitan area). It also has statewide responsibility for the administration of transit federal programs.

Appropriations:

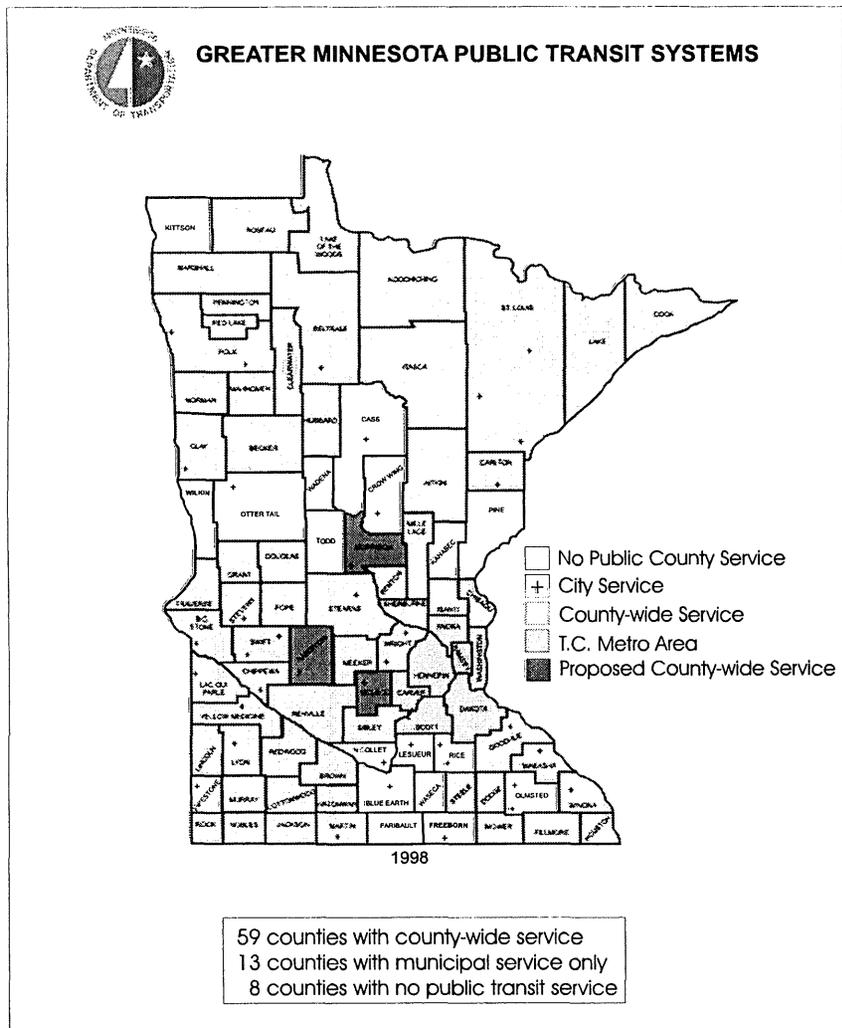
	Dollars in Thousands					
	F.Y. 1994	F.Y. 1995	F.Y. 1996	F.Y. 1997	F.Y. 1998	F.Y. 1999
State Transit Assistance	\$10,644	\$9,994	\$11,557	\$11,556	\$13,556	\$13,556
Access to Jobs	-0-	-0-	-0-	-0-	925	-0-
Federal Operating Assistance	3,821	3,892	3,294	3,479	3,989	4,988

Grants Summary

Minnesota established a public transit participation program to meet objectives stated in M.S. 174.21 by providing financial assistance to eligible recipients outside of the metropolitan area. Since 1-1-1984, public transit systems in Greater Minnesota have received state assistance through a fixed local share funding formula.

BUDGET ISSUES:

- The state is required by law to pay a fixed percentage of approved operating costs. Base-level funding will reduce the assistance needed to operate existing systems at current levels due to inflation.
- If 3 counties begin service by the end of the biennium as anticipated, there will still be 18 counties without countywide transit services. Base level funding will not address the need for new service in counties and communities without public transit service.
- As a result of Minnesota's booming economy coupled with its low unemployment rate, bus operator salaries, which make up the largest percentage of a transit system's operating budget, continue to rise.
- The Access to Jobs appropriation was able to fund approximately 50% of the requests made by 24 organizations. These funds facilitated the transition between public assistance and employment by marketing and coordinating a rideshare network, providing ride vouchers, passes, and subsidies, and expanding transit service.



2000-01 Biennial Budget

PROGRAM: Transit

AGENCY: Transportation, Department of (DOT)
(Continuation)

- TEA-21 has guaranteed funding levels for transit. FTA's Section 5307 funds for Urbanized Area Formula Program (operating and capital assistance for urbanized areas 50,000 to 200,000 in population) and Section 5311 funds for Non-urbanized Area Formula Program (operating and capital assistance of areas less than 50,000 in population) are estimated to increase each year of the Act. However, federal funds make up only a small percentage of total operating costs.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$3,700,000 for transit grants to local communities to maintain current levels of service. In addition, the Governor recommends that \$60,000,000 from the General Fund for the Hiawatha Light Rail transit project be held in reserve at this time. He will make a final recommendation by 3-1-99. This appropriation is to match local and federal funds.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: TRANSIT

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
GREATER MINN TRANSIT ASSIST	18,888	16,424	27,570	20,913	22,763	21,269	23,119	1,888	4.3%
TRANSIT ADMINISTRATION	1,163	1,026	1,499	1,563	1,563	1,645	1,645	683	27.0%
METRO TRANSIT	318	1,004	11,408	8,242	68,242	12,242	12,242	68,072	548.4%
Total Expenditures	20,369	18,454	40,477	30,718	92,568	35,156	37,006	70,643	119.9%

CHANGE ITEMS:	FUND				
(B) GREATER MN TRANSIT SUPPLEMENTAL FUNDING	GEN			1,850	1,850
(B) HIAWATHA LIGHT RAIL TRANSIT	GEN			60,000	
Total Change Items				61,850	1,850

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	15,139	11,759	17,197	14,032	75,882	14,042	15,892
TRUNK HIGHWAY	434	295	332	324	324	332	332
STATUTORY APPROPRIATIONS:							
FEDERAL	4,576	6,220	22,618	16,053	16,053	20,448	20,448
AGENCY	220	180	330	309	309	334	334
Total Financing	20,369	18,454	40,477	30,718	92,568	35,156	37,006

FTE BY EMPLOYMENT TYPE:							
FULL TIME	16.3	16.1	15.9	15.9	15.9	15.9	15.9
PART-TIME, SEASONAL, LABOR SER	0.4	0.4	0.8	0.8	0.8	0.8	0.8
OVERTIME PAY	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	16.7	16.6	16.7	16.7	16.7	16.7	16.7

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2000-01 Biennial Budget

BUDGET ACTIVITY: Greater MN Transit Assistance
PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

This activity provides access to transit for persons who have no alternative mode of transit available, increases the efficiency and productivity of public transit systems, maintains a state commitment to public transportation and meets other needs of individual transit systems consistent with the objectives stated in M.S. 174.21.

The Greater Minnesota Transit Assistance activity, in financial partnership with local recipients and federal government, provides:

- grants for operating and capital assistance to fund public transportation service outside the metropolitan area in 59 of 80 counties (8 counties are without public transit service and 13 have service only in certain municipalities);
- a variety of community-based transit services, such as fixed route, flexible fixed route, demand responsive, and specialized services;
- transportation service for persons with no alternative mode of transportation available;
- transit service to a variety of destinations, including employment sites, educational institutions, medical appointments, shopping centers, recreational facilities, and congregate dining;
- technical assistance to increase efficiency and productivity of public transit systems;
- coordination of access to jobs activities.

This activity benefits thousands of Minnesotans in areas where public transit is often the only means of access to life-sustaining goods, services, and work opportunities.

Without this assistance, users of these systems would have few, if any, mobility alternatives. The need for local public transit service, particularly in Greater Minnesota is increasing, especially among elderly and low-income citizens.

STRATEGIES AND PERFORMANCE:

The Greater Minnesota Transit Plan established the groundwork for providing transit service within every Minnesota county. The plan focuses on a strategy that acknowledges the diversity of service options available to meet transit needs throughout Greater Minnesota. Currently, the department works closely with Greater Minnesota communities and agencies to maintain existing public transit service, fill service gaps, and develop a comprehensive, coordinated transit network.

- Number of public transit systems in Greater Minnesota: 74
- Number of the 39 Regional Centers served by public transit in Greater Minnesota:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
33	34	34	34	35	36*

- Number of the 80 counties in Greater Minnesota with county-wide public transit service:

<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>
39	51	53	58	59	62*

- * Three additional counties (including 1 regional center) are scheduled to implement new service during the current biennium.

- Rides on existing public transit systems in Greater Minnesota:

	(in millions)			
	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Urbanized/E&D	6.133	6.060	6.182	6.130
Sm Urban/Rural	2.121	2.199	2.308	2.388
TOTAL	8.254	8.259	8.490	8.518

FINANCING INFORMATION:

Program Funds

This activity provides grants to eligible recipients to operate public transit services in Greater Minnesota. State funds are made available through the public transit participation program (M.S. 174.24). Federal funds are made available through the Federal Transit Administration's Section 5311, Non-urbanized Area Formula Program.

2000-01 Biennial Budget

BUDGET ACTIVITY: Greater MN Transit Assistance
PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)
 (Continuation)

The current priorities for financial assistance under the public transit participation program are:

- operating assistance for existing transit systems;
- capital assistance (critical for continued system operation) for existing transit systems; and,
- operating and capital assistance for establishing new transit systems.

Base level funding will support existing operations at somewhat reduced service levels. However, current funding levels won't allow service to be expanded into counties that lack transit services or those with limited services. It also precludes investment in transit capital.

Grants Summary

The transit program currently provides grants for the operation of 74 public transit systems and provides grants for 24 transit partnerships to enhance their access to job programs.

Eligible recipients include any legislatively established public transit commission or authority, any county or statutory or home rule charter city providing financial assistance to or operating public transit, any private operator of public transit, or any combination thereof. Eligible recipients must be located outside of the metropolitan area.

M.S. 174.21 establishes a fixed local share funding formula for recipients of the public transit participation program. This formula sets a maximum local share of the total operating cost. The local share can consist of any combination of revenue sources including farebox receipts, auxiliary revenues, and local tax levies. The remainder of the operating cost is paid from state funds less any assistance received from any federal source.

FIXED LOCAL SHARE		STATE AND FEDERAL SHARE
Elderly & Disabled	35%	65%
Rural	35%	65%
Small Urban (2,500-50,000)	40%	60%
Urbanized (50,000-100,000)	40%	60%
Large Urban (100,000+)	55%	45%
TOTAL OPERATING COST - 100%		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: TRANSIT
Activity: GREATER MINN TRANSIT ASSIST

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
PAYMENTS TO INDIVIDUALS	82	87	86	95	95	95	95	17	9.8%
LOCAL ASSISTANCE	18,806	16,337	27,484	20,818	22,668	21,174	23,024	1,871	4.3%
Total Expenditures	18,888	16,424	27,570	20,913	22,763	21,269	23,119	1,888	4.3%

CHANGE ITEMS:	FUND				
(B) GREATER MN TRANSIT SUPPLEMENTAL FUNDING	GEN			1,850	1,850
Total Change Items				1,850	1,850

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	14,655	11,370	16,667	13,556	15,406	13,556	15,406
STATUTORY APPROPRIATIONS:							
FEDERAL	4,013	4,874	10,573	7,048	7,048	7,379	7,379
AGENCY	220	180	330	309	309	334	334
Total Financing	18,888	16,424	27,570	20,913	22,763	21,269	23,119

REVENUE COLLECTED:							
DEDICATED							
FEDERAL	4,453	5,145	9,994	7,746	7,746	8,141	8,141
AGENCY	221	197	238	309	309	334	334
NONDEDICATED							
GENERAL	0	0	50	50	50	50	50
Total Revenues Collected	4,674	5,342	10,282	8,105	8,105	8,525	8,525

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Transit
ACTIVITY: Greater MN Transit Assistance

ITEM TITLE: Greater Minnesota Transit Supplemental Funding

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$1,850	\$1,850	\$1,850	\$1,850
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends an annual increase of \$1.850 million in Greater Minnesota Transit Assistance funds to provide operating assistance for existing public transit systems in Greater Minnesota. Funding at this level will enable established systems to maintain current levels of service to their respective communities.

RATIONALE:

The additional funds will be used to achieve the statutory goal of maintaining the state's investment in public transportation service for Greater Minnesota (M.S. 174.21). This amount will support current service levels by providing sufficient operating assistance to cover typical inflationary costs (e.g., drivers' wages, fuel, insurance) of operating public transit. Transit system budgets have also been impacted by a recent rise in drivers' wages, which make up the single largest operating expense item.

FINANCING:

Base level funding will support existing systems only at a reduced level of service. The initiative will enable the state to participate fully in supporting current service levels. Additionally, new service initiated in 9 counties during the 1998-1999 biennium will receive adequate operating assistance to continue system implementation.

OUTCOMES:

The initiative will ensure that there is no deterioration in the current level of transit service. Public transportation will be available for a variety of purposes including access to employment, education, medical appointments, shopping, recreation, and other life sustaining activities. People who are dependent upon public transportation are often elderly, disabled or economically disadvantaged. Public transit services will enable Greater Minnesota residents to access vital goods and services and remain independent in their communities.

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2000-01 Biennial Budget

BUDGET ACTIVITY: Transit Administration
PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The transit administration activity:

- administers contracts with 74 public transit programs located outside the metropolitan area.
- manages federal transit assistance programs for recipients of FTA’s Section 5309, 5310 and 5311 funds.
- provides technical assistance to increase efficiency and productivity of public transit systems.
- administers a cooperative procurement process for annually procuring 30 - 50 transit vehicles.
- manages intelligent transportation system (ITS) projects that demonstrate the use of new technologies for small urban and rural transit systems.
- conducts statewide transit surveys.
- provides resources for training transit system managers, drivers, dispatchers, and mechanics.
- administers contracts for non-construction, transit-related Congestion Mitigation Air Quality (CMAQ) funds identified in the Statewide Transportation Improvement Program for transportation demand management activities in the Twin Cities Metropolitan Area.
- coordinates transit and rideshare activities in Greater Minnesota.

STRATEGIES AND PERFORMANCE:

Continued efforts will be made to involve customers and partners in developing and deploying a coordinated transit network that is integrated into the overall transportation system. This will be accomplished by:

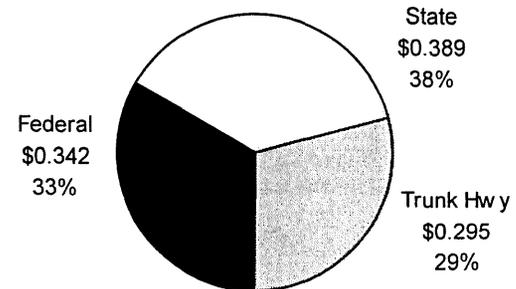
- surveying Greater Minnesotans biennially to track their satisfaction with availability of transit options (1996’s base year survey indicated that 69.4% of respondents were satisfied with the availability of public transit in their communities);
- partnering with other Mn/DOT offices and state agencies to establish 9 Transportation Operations/Communications Centers throughout Greater Minnesota over the next 6 years. TOCs are expected to foster integration and

- coordination of an operations and communications network using the latest technological advances;
- providing technical assistance to redesign transit services to county/multi-county systems for efficiency of operation;
- providing assistance to communities who are developing transit plans for future service implementation;
- improving statewide transit data collection and management to ensure Year 2000 compliance and improve way business is conducted in the future;
- conducting statewide transit market research to identify needs of transit riders and non-riders and develop new marketing techniques for use by local transit communities;
- sponsoring annual ‘best practices’ events (e.g., bus rodeo, transit conference), which create opportunities to enhance driving skills and showcase innovative ideas across the state;
- coordinating training opportunities for transit professionals to improve the quality and safety of services delivered to customers;
- providing a cooperative vehicle procurement process that allows local communities to purchase the best vehicle at the best price.

FINANCING INFORMATION:

This activity’s administrative budget consists of general, trunk highway, and federal funds. Personal services presently comprise approximately 83% of the administrative budget.

**F.Y. 1998 Expenditures by Fund
Total: \$1.026 Million**



State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: TRANSIT
Activity: TRANSIT ADMINISTRATION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	811	852	921	967	967	996	996	190	10.7%
OPERATING EXPENSES	352	174	578	596	596	649	649	493	65.6%
SUBTOTAL STATE OPERATIONS	1,163	1,026	1,499	1,563	1,563	1,645	1,645	683	27.0%
Total Expenditures	1,163	1,026	1,499	1,563	1,563	1,645	1,645	683	27.0%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	484	389	530	476	476	486	486		
TRUNK HIGHWAY	434	295	332	324	324	332	332		
STATUTORY APPROPRIATIONS:									
FEDERAL	245	342	637	763	763	827	827		
Total Financing	1,163	1,026	1,499	1,563	1,563	1,645	1,645		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	16.3	16.1	15.9	15.9	15.9	15.9	15.9		
PART-TIME, SEASONAL, LABOR SER	0.4	0.4	0.8	0.8	0.8	0.8	0.8		
OVERTIME PAY	0.0	0.1	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	16.7	16.6	16.7	16.7	16.7	16.7	16.7		

2000-01 Biennial Budget

BUDGET ACTIVITY: Metro Transit
PROGRAM: Transit
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The metro transit activity includes federal funding for transit corridors and certain federal CMAQ transit projects in the Twin Cities Metropolitan Area. Some federal, state and local funds have been approved for the Hiawatha Light Rail Transit project.

Congress authorized federal funds for the Northstar Corridor and Transitway Corridors in the Twin Cities Metropolitan Area. The Northstar Corridor Development Authority will address transportation improvements along the Northstar Corridor (from downtown Minneapolis to St. Cloud along Highway 10). These improvements include safety improvements, highway improvements, commuter and freight rail service, recreational trails, intelligent transportation systems, and related land use issues. The Ramsey County Regional Railroad Authority will conduct a study of transportation improvements in the Riverview Corridor (from downtown St. Paul to the Mpls/St. Paul International Airport).

CMAQ funds were approved for the Metropolitan Council to plan, organize, and implement a regional travel demand program and a travel demand management project along the I-494 corridor. Minneapolis will jointly conduct a Coordinated Traffic System Project, which provides resources to implement an Advanced Urban Signal Control and Integration Project.

STRATEGIES AND PERFORMANCE:

The major objectives include:

- improve air quality, travel time, security and the quality of service for Twin Cities transit customers.
- enhance economic development in the corridors.

FINANCING INFORMATION:

In federal F.Y. 1999 and F.Y. 2000, Congress earmarked \$6 million and \$10 million, respectively, for the Northstar Corridor for intermodal facilities and buses. Congress also authorized \$6 million for final design and construction for the Northstar Corridor (Downtown Minneapolis - Anoka County - St. Cloud).

The Federal Transit Administration made these funds available. The funds are passed through to a joint powers organization, known as the Northstar Corridor Development Authority. This authority consists of members from Anoka, Hennepin and Sherburne County Regional Railroad Authorities; Anoka, Hennepin, Benton, and Sherburne Counties; the Cities of Elk River, Big Lake, Clear Lake, St. Cloud, Becker, Fridley, Spring Lake Park, Columbia Heights, Minneapolis, Anoka, Coon Rapids, Blaine, Sartel and Sauk Rapids; and Big Lake, Becker, Clear Lake and Haven Townships.

Mn/DOT is the designated agency to receive CMAQ funds from FHWA. Mn/DOT passes funds through to the Metropolitan Council and the City of Minneapolis for travel management programs that help reduce congestion in the Twin Cities Metropolitan Area.

Mn/DOT is responsible for administering federal funds for the transit corridors and certain CMAQ funds in the Twin Cities Metropolitan Area.

This activity will also support Metro Rideshare grants with \$2.242 million each year in federal funds.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: TRANSIT

Activity: METRO TRANSIT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OPERATING EXPENSES	0	0	0	0	60,000	0	0	60,000	
SUBTOTAL STATE OPERATIONS	0	0	0	0	60,000	0	0	60,000	
LOCAL ASSISTANCE	318	1,004	11,408	8,242	8,242	12,242	12,242	8,072	65.0%
Total Expenditures	318	1,004	11,408	8,242	68,242	12,242	12,242	68,072	548.4%

CHANGE ITEMS:	FUND				
(B) HIAWATHA LIGHT RAIL TRANSIT	GEN			60,000	
Total Change Items				60,000	

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	0	0	0	0	60,000	0	0
STATUTORY APPROPRIATIONS:							
FEDERAL	318	1,004	11,408	8,242	8,242	12,242	12,242
Total Financing	318	1,004	11,408	8,242	68,242	12,242	12,242

REVENUE COLLECTED:							
DEDICATED							
FEDERAL	451	971	11,363	8,307	8,307	12,307	12,307
Total Revenues Collected	451	971	11,363	8,307	8,307	12,307	12,307

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Transit
ACTIVITY: Metro Transit

ITEM TITLE: Light Rail Transit Construction

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$60,000	\$-0-	\$-0-	\$-0-
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends that \$60 million be reserved at this time as the balance of state funds for the Hiawatha Light Rail project. Light rail transit represents a significant change in transportation policy in Minnesota. It would also be the single largest transportation financial commitment the state has made. Therefore, the Governor intends to make his final decision whether to support continuation of this project by 3-1-99 after he has an opportunity to further discuss the project with the various interested parties and to determine if this project should be an integral part of his overall transportation plan. If approved, this will complete the projected state share for the 12.2 mile Hiawatha Corridor light rail line that will connect downtown Minneapolis, the Metrodome, the University of Minnesota and Augsburg College, several south Minneapolis neighborhoods, the Veterans Hospital, the Fort Snelling Military Complex, the International Airport, the Airport south commercial district and the Mall of America.

RATIONALE:

Accessibility and mobility provide a good transportation system that has been a key contributor to the vitality that the Twin Cities has enjoyed in the past. Looking to the future we see a continuation of the current trend of more people making more trips, more often.

One of the strategies to maintain a desirable level of regional accessibility is an improved transit system. A network of light rail transit lines will provide the backbone for an improved transit system. The Hiawatha Corridor Light Rail Transit line is the first segment of that system to be constructed.

A committed, stable and reliable source of state and local funds is critical to receive federal funds that are available for the construction of Light Rail Transit in the Hiawatha Corridor.

FINANCING:

The anticipated funding sources are as follows:

State *	\$100 million
Federal	\$223 million
Local	<u>\$123 million</u>
Total	\$446 million

* \$40 million appropriated in 1998

OUTCOMES:

The identification of all funding sources will allow for the application with the FTA for a full funding grant agreement. This application process will begin in mid-summer of 1999 and requires the completion of the preliminary engineering plan and the identification of all funds and sources of those funds.

Construction could begin in the year 2000 with completion and the beginning of revenue operation slated to begin in 2003.

PROGRAM: Railroads and Waterways
AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

This program is designed to preserve and improve rail and water shipping opportunities in Minnesota, increase productivity and efficiencies of freight movements, and improve safety at railroad grade crossings. The program serves the freight community and traveling public in Minnesota.

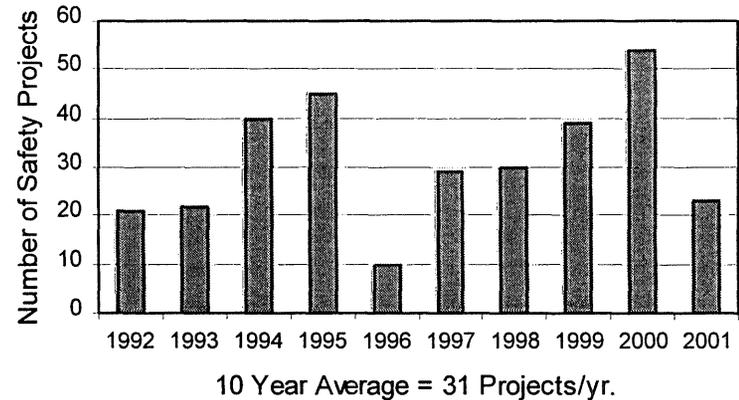
There are 5 key components to the Railroad and Waterway program. Each component provides a primary linkage between the state and the railroad and waterway industries and users of the systems.

- Identify and develop safety improvements at railroad grade crossings.
- Develop statewide railroad and waterway plans that guide future investment of state and federal funds and establish a framework for policy development.
- Develop agreements and provide loans or grants to public port authorities, regional railroad authorities, railroads, and shippers to improve rail and water facilities through the Port Development Assistance program and the Minnesota Rail Service Improvement (MRSI) program.
- Manage passenger rail planning activities.
- Develop strategies to improve freight productivity.

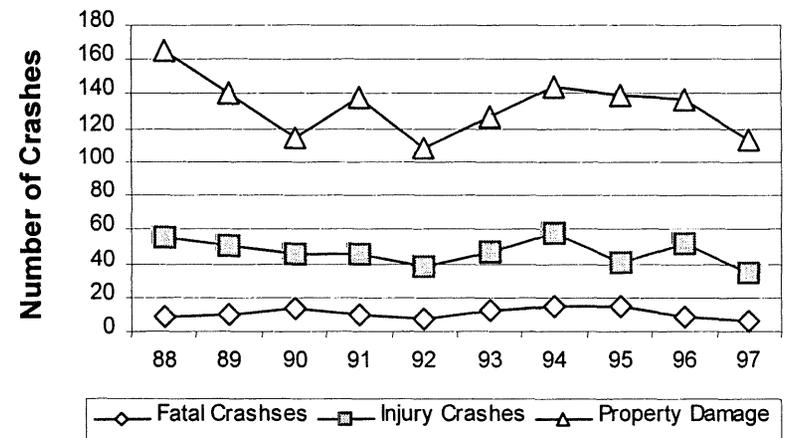
STRATEGIES AND PERFORMANCE:

The business planning process drives investment strategies by soliciting customer input, identifying key opportunities, and determining which investments will achieve the highest return. This process is applied to all investments, including safety improvements at railroad - highway grade crossings and railroad and port improvement projects.

**Railroad Highway Grade Crossing
 Safety Improvement Projects 1992 - 2001**



**Railroad Highway Grade Crossing Crashes
 1988 - 1997**



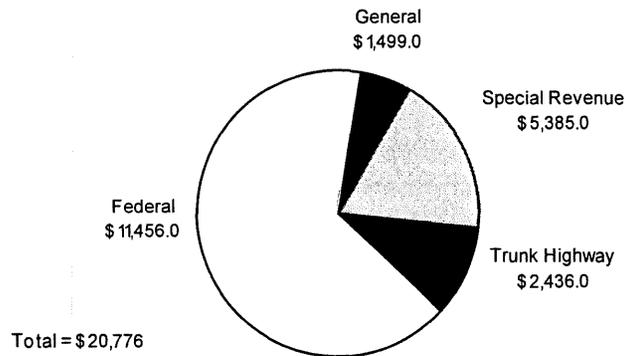
2000-01 Biennial Budget

PROGRAM: Railroads and Waterways
AGENCY: Transportation, Department of (DOT)
(Continuation)

FINANCING INFORMATION:

This pie chart presents the financing of the Railroads and Waterways program by fund.

F.Y. 1998 - 99 Program Financing By Fund
(Dollars in Thousands)



A General Fund obligation bond authorization funds the MRSI program. The program has sold \$22.5 million of the \$25.5 million in bonds authorized for rail acquisition, rail rehabilitation and capital improvement purposes since 1982. These bond proceeds, combined with federal grants and funding from railroads, shippers, and local units of government, have driven project investments totaling \$93 million. These investments are usually loans. Revenue from the repayment of these loans is placed in the Minnesota Rail Service Improvement account in the Special Revenue Fund for future project investments.

General Fund obligation bonds also finance the Port Development Assistance program. The Port Development Assistance program received bond authorizations

of \$3.0 million in 1996 and \$4.5 million in 1998. Investments in this program go to public port authorities who provide 20% of the total project cost. The balance comes from bond authorizations.

A combination of federal, state, local road authority, and railroad company funds finances grade crossing safety improvements. Federal funds are projected to average \$4 - \$5 million dollars annually.

The 1997 Legislature appropriated \$1 million to study existing freight rail lines for commuter rail service. This study was done in 2 phases. The 1st phase identified 7 corridors for more detailed study. The 2nd phase, to be reported to the legislature in February 1999, will suggest an implementation strategy.

The Railroads and Waterways program will need additional funding that provides administrative support for several passenger rail initiatives currently under study (Commuter Rail Project).

BUDGET ISSUES:

The base level funding request continues funding for MRSI, Port Development Assistance, Grade Crossing Safety Improvement programs and administrative costs. Railroad and Waterway planning activities are funded at current levels.

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency's base budget.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: RAILROADS & WATERWAYS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
RAIL & WATERWAYS IMPROVEMENT	4,333	4,121	12,269	6,375	6,375	6,275	6,275	(3,740)	-22.8%
RAILROADS & WATERWAYS ADMIN	1,542	2,554	1,832	1,663	1,663	1,705	1,705	(1,018)	-23.2%
Total Expenditures	5,875	6,675	14,101	8,038	8,038	7,980	7,980	(4,758)	-22.9%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	271	1,150	349	259	259	266	266		
TRUNK HIGHWAY	1,213	1,193	1,243	1,264	1,264	1,299	1,299		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	3,373	1,807	3,578	2,415	2,415	2,315	2,315		
FEDERAL	1,018	2,525	8,931	4,100	4,100	4,100	4,100		
Total Financing	5,875	6,675	14,101	8,038	8,038	7,980	7,980		

FTE BY EMPLOYMENT TYPE:									
FULL TIME	22.6	23.2	24.0	23.0	23.0	23.0	23.0		
PART-TIME, SEASONAL, LABOR SER	0.0	0.2	1.1	1.1	1.1	1.1	1.1		
Total Full-Time Equivalent	22.6	23.4	25.1	24.1	24.1	24.1	24.1		

2000-01 Biennial Budget

BUDGET ACTIVITY: Railroads and Waterways Improvement
PROGRAM: Railroads and Waterways
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

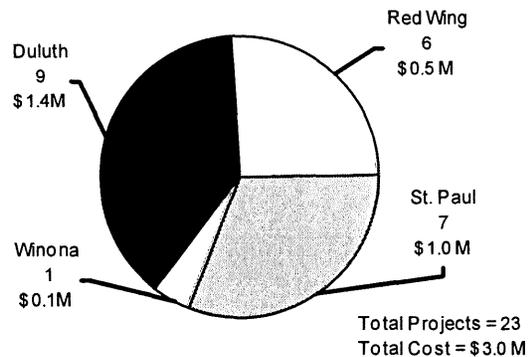
This activity retains and improves rail lines that might be lost to abandonment and improves the public port facilities in Minnesota. State investment in rail lines, shipper facilities and public ports ensures that Minnesota shippers and receivers have competitive mode choices to meet their current and future transportation needs, preserves abandoned rail corridors for future transportation purposes, and provides economic alternatives to truck transportation that prevent additional wear and tear on our highway infrastructure.

STRATEGIES AND PERFORMANCE:

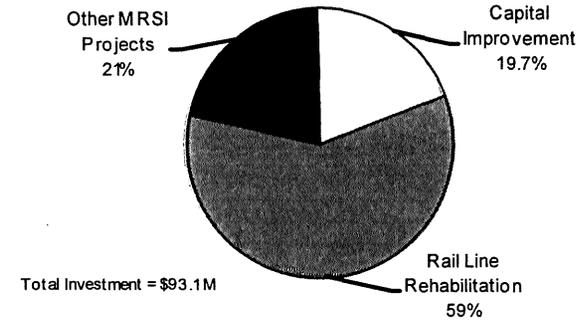
Investment strategies for these programs are based on the willingness of program recipients to participate in the costs of the project(s), the financial benefits of the project, and how the specific project will improve rail and port use.

The pie charts presented below indicate the number of Minnesota Rail Service Improvement and Port Development Assistance projects that have been funded.

**Port Development Assistance Projects
(F.Y. 1997 - 1998)**



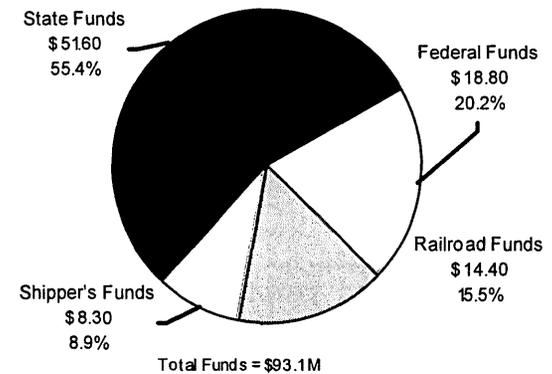
**Minnesota Rail Service Improvement Program
1978-1998
Total Dollars Invested (in Millions)**



FINANCING INFORMATION:

A breakdown of the funding partnership for the MRSI program is depicted below:

**Minnesota Rail Service Improvement Program
1978-1998
Investment by Funding Source (in Millions of Dollars)**



State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: RAILROADS & WATERWAYS
Activity: RAIL & WATERWAYS IMPROVEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OTHER EXPENSES	3,314	1,655	3,730	2,300	2,300	2,200	2,200	(885)	-16.4%
SUBTOTAL STATE OPERATIONS	3,314	1,655	3,730	2,300	2,300	2,200	2,200	(885)	-16.4%
CAPITAL OUTLAY	1,019	1,502	8,058	4,075	4,075	4,075	4,075	(1,410)	-14.7%
LOCAL ASSISTANCE	0	964	481	0	0	0	0	(1,445)	-100.0%
Total Expenditures	4,333	4,121	12,269	6,375	6,375	6,275	6,275	(3,740)	-22.8%
FINANCING BY FUND:									
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	3,315	1,686	3,488	2,375	2,375	2,275	2,275		
FEDERAL	1,018	2,435	8,781	4,000	4,000	4,000	4,000		
Total Financing	4,333	4,121	12,269	6,375	6,375	6,275	6,275		
REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	2,660	2,584	2,010	2,375	2,375	2,275	2,275		
FEDERAL	947	2,405	8,781	4,000	4,000	4,000	4,000		
Total Revenues Collected	3,607	4,989	10,791	6,375	6,375	6,275	6,275		

2000-01 Biennial Budget

BUDGET ACTIVITY: Railroads and Waterways Administration
PROGRAM: Railroads and Waterways
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The Railroads and Waterways administrative activity provides funding necessary to support the following:

- promote the safe interaction of rail transportation with highway and pedestrian movements through administration of Federal Grade Crossing Safety Improvement program agreements among the state, railroads, and local units of government.
- develop and maintain comprehensive rail and water transportation plans that identify the major needs and issues of shippers, receivers, rail and water transportation providers and provides the basis for prioritizing those needs.
- expedite the relocation and restoration of railroad facilities and acquisition of railroad rights-of-way where affected by trunk highway construction projects.
- provide information and technical assistance to rail users who face the potential loss of rail service through rail abandonments.
- administer the Minnesota Rail Service Improvement program and the Port Development Assistance program.
- conduct and manage passenger rail planning studies, and
- provide a focus for freight logistics strategies that can demonstrate improved productivity and efficiencies of freight movements.

STRATEGIES AND PERFORMANCE:

- identify, negotiate, and manage all approved grade crossing safety projects for signs, signals and surfaces.
- provide railroad expertise to trunk highway construction projects where they affect railroad operations.
- guide investments for the Minnesota Rail Service Improvement program and the Port Development program.
- support 3 passenger rail studies that, when completed, will guide the potential success of investing public funds in these transportation alternatives. These studies will capture total costs, benefit-cost ratios, operating costs and revenues, ridership, operating subsidies, and identify potential funding sources, if implemented.

FINANCING INFORMATION:

The Railroads and Waterways Administrative budget consists of general, trunk highway, and federal funds. General funds support administration of the Minnesota Rail Service Improvement (MRSI) program and the Twin Cities Commuter Rail project. Trunk highway funds finance the administration of the grade crossing safety program, rail/highway construction projects, rail and waterways planning activities, and freight logistics. Federal funds support the Tri-State High Speed Rail Study in partnership with the State of Wisconsin.

Federal planning funds in F.Y. 1997 and F.Y. 1998 financed the completion of the Tri-State High Speed Rail Study - Phase II, totaling \$300,000. Contributions of \$150,000 from both the States of Wisconsin and Minnesota matched this amount. Mn/DOT is the lead agency responsible for receiving the funds and managing the study.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: RAILROADS & WATERWAYS
Activity: RAILROADS & WATERWAYS ADMIN

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,261	1,303	1,383	1,367	1,367	1,409	1,409	90	3.4%
OPERATING EXPENSES	281	1,251	449	296	296	296	296	(1,108)	-65.2%
SUBTOTAL STATE OPERATIONS	1,542	2,554	1,832	1,663	1,663	1,705	1,705	(1,018)	-23.2%
Total Expenditures	1,542	2,554	1,832	1,663	1,663	1,705	1,705	(1,018)	-23.2%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	271	1,150	349	259	259	266	266		
TRUNK HIGHWAY	1,213	1,193	1,243	1,264	1,264	1,299	1,299		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	58	121	90	40	40	40	40		
FEDERAL	0	90	150	100	100	100	100		
Total Financing	1,542	2,554	1,832	1,663	1,663	1,705	1,705		
REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	0	150	60	40	40	40	40		
FEDERAL	0	90	150	100	100	100	100		
Total Revenues Collected	0	240	210	140	140	140	140		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	22.6	23.2	24.0	23.0	23.0	23.0	23.0		
PART-TIME, SEASONAL, LABOR SER	0.0	0.2	1.1	1.1	1.1	1.1	1.1		
Total Full-Time Equivalent	22.6	23.4	25.1	24.1	24.1	24.1	24.1		

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2000-01 Biennial Budget

PROGRAM: Motor Carriers
AGENCY: Transportation, Department of (DOT)

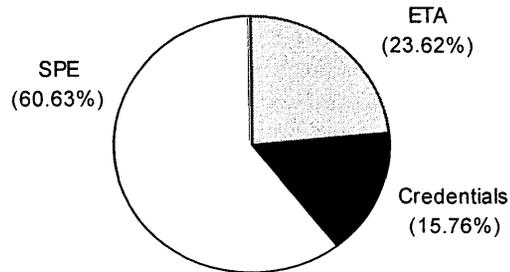
PROGRAM PROFILE:

This program is responsible for implementing Minnesota laws and federal safety regulations governing segments of the for-hire and private motor carrier industry in Minnesota. The Office of Motor Carrier Services works with providers of commercial transportation to achieve Minnesota's need for a safe, efficient and economically viable transportation system.

This program does not include any roadside enforcement activities. It cooperates with enforcement agencies who detect violations on the road and administer penalties accordingly. Both components are necessary to achieve a comprehensive commercial transportation safety program in Minnesota.

STRATEGIES AND PERFORMANCE:

**F.Y. 1998 Resource Allocation
By Core Business Area**



Legend
ETA = Education and Technical Assistance
SPE = Safety Performance Evaluation

The program relies on 3 core business areas for achieving its goals. The chart shows the resources allocated to each core business.

Credentials

The program issues credentials to for-hire providers of commercial transportation allowing them to operate in and through Minnesota. It also issues waivers and variances that grant regulatory relief to carriers and drivers under certain conditions. Among the credentials issued in F.Y. 1998 were:

- 36,213 interstate carrier single state registrations
- 3,569 intrastate property registrations
- 142 special transportation service certificates of compliance
- 902 hazardous material transporter registrations
- 445 limousine vehicle decals
- 67 building mover permits

Safety Performance Evaluation

The program works with carrier management to prevent crashes, hazardous material incidents, breakdowns, and violations before they occur through the Federal Compliance Review (CR), the Minnesota Carrier Review (MCR), and other similar programs. These programs examine the transportation safety practices of interstate and intrastate motor carriers. The FHWA relies on Minnesota to conduct complex reviews on large carriers. In F.Y. 1998, the program conducted:

- 294 reviews (i.e., carrier, shipper)
- 844 audits (i.e., inspection, limousine, special transportation service, dock)
- 1,802 vehicle inspections (i.e., limousine, STS)
- 213 complaint investigations

The program places a vehicle out-of-service when the vehicle is mechanically so hazardous that it is likely to break down or cause an accident. The program places a driver out-of-service when the driver is physically unable or unwilling to comply with safety regulations.

In 1995, the program hired the University of Minnesota to study the effectiveness of the CR program. The findings showed a significant decrease (between 12% and 37%) in out-of-service rates for a majority of carriers following a CR.

2000-01 Biennial Budget

PROGRAM: Motor Carriers
AGENCY: Transportation, Department of (DOT)
(Continuation)

In addition, researchers at the Volpe Center and the University of Maryland, and the Federal Highway Administration, assessed the effectiveness of carrier reviews in preventing crashes involving motor carriers. The study found carriers experienced a 12% reduction in crash rates in the year following a CR.

Education and Technical Assistance

The program provides information, education, and "one-stop" technical assistance to help customers understand the regulations. In F.Y. 1998, the program:

- published and distributed 6,000 comprehensive truck regulations handbooks, 8,500 technical fact sheets, and 26,000 newsletters;
- presented programs or displays at 18 conferences; and
- prepared and presented 196 training classes.

A customer satisfaction survey showed these results:

- 92% said the information was very important or extremely important to their transportation safety program.
- 84% reported they were extremely or very satisfied with the information.

Performance Strategies

The challenge for the F.Y. 2000-2001 biennium is to find ways to leverage existing resources to provide a greater level of service to more commercial transportation providers. To accomplish this goal, the program will:

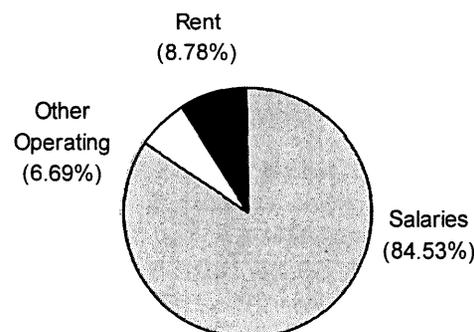
- rely on safety ratings to perform safety reviews at carriers with the poorest safety records;
- use technologies (such as the Internet, fax-on-demand, and video conferencing) to provide technical assistance and training;
- deploy commercial vehicle information systems and network (CVISN) technologies that: 1) allow carriers to apply, pay for, and receive credentials electronically; and 2) provide real-time, on-line credential and safety information to State Patrol commercial vehicle inspectors at weigh scales.

- work with other agencies, carriers, and shippers to: 1) streamline government functions to make complying with regulations easier and more efficient; 2) develop and deploy onboard safety monitoring systems; and 3) encourage and reward shippers who value safety when selecting carriers.

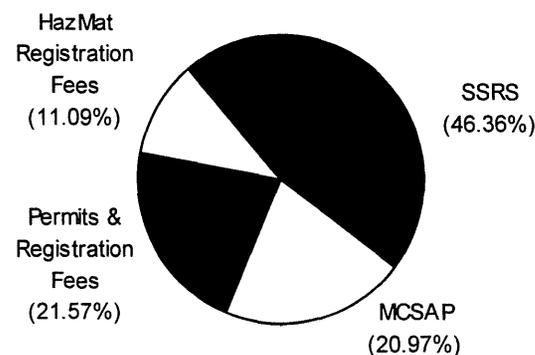
FINANCING INFORMATION

The following charts show the program's expenditures and revenue.

F.Y. 1998 Expenditures by Cost Type



F.Y. 1998 Revenue Summary



Legend:
MCSAP - Motor Carrier Safety Assistance Program Grant
SSRS - Single State Registration System Fees (Interstate)

GOVERNOR'S RECOMMENDATION:

The Governor recommends the agency's base budget.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: MOTOR CARRIER REGULATION
Activity: MOTOR CARRIER ADMINISTRATION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	2,432	2,486	2,468	2,618	2,618	2,693	2,693	357	7.2%
OPERATING EXPENSES	825	449	897	602	602	694	694	(50)	-3.7%
SUBTOTAL STATE OPERATIONS	3,257	2,935	3,365	3,220	3,220	3,387	3,387	307	4.9%
Total Expenditures	3,257	2,935	3,365	3,220	3,220	3,387	3,387	307	4.9%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	147	105	118	116	116	119	119		
TRUNK HIGHWAY	2,644	2,331	2,468	2,434	2,434	2,497	2,497		
STATUTORY APPROPRIATIONS:									
TRUNK HIGHWAY	15	8	0	0	0	0	0		
FEDERAL	451	491	779	670	670	771	771		
Total Financing	3,257	2,935	3,365	3,220	3,220	3,387	3,387		

REVENUE COLLECTED:									
DEDICATED									
TRUNK HIGHWAY	3	0	0	0	0	0	0		
FEDERAL	442	602	505	670	670	771	771		
NONDEDICATED									
GENERAL	40	0	0	0	0	0	0		
CAMBRIDGE DEPOSIT FUND	146	177	115	150	150	150	150		
TRUNK HIGHWAY	1,782	1,839	1,438	2,071	2,071	2,071	2,071		
Total Revenues Collected	2,413	2,618	2,058	2,891	2,891	2,992	2,992		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: MOTOR CARRIER REGULATION
 Activity: MOTOR CARRIER ADMINISTRATION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	50.5	49.1	48.4	48.4	48.4	48.4	48.4
PART-TIME, SEASONAL, LABOR SER	3.0	2.0	2.0	2.0	2.0	2.0	2.0
OVERTIME PAY	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	53.6	51.1	50.4	50.4	50.4	50.4	50.4

2000-01 Biennial Budget

PROGRAM: Local Roads

AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

The Commissioner of Transportation promulgates the rules under which the state aid systems are operated. The cities and counties implement the program according to the goals of the statewide transportation system. The State Aid for Local Transportation Division assures compliance by providing overall policy direction, assuring training and educational opportunities, measuring performance, and approving construction plans and project funding requests. The Local Roads program provides technical assistance and leadership in the development and maintenance of the County State Aid Highway (CSAH) system and the Municipal State Aid Street (MSAS) system. These systems provide an integrated and coordinated network of state aid routes for the movement of people and goods.

STRATEGIES AND PERFORMANCE:

The local roads program provides direction and assistance to counties and cities in the use of state and federal monies for the construction of local roads and bridges on the transportation network.

- The State Aid for Local Transportation Division acts as agent for the local authority in the administration of federal construction contracts. The federal transportation funds are allocated according to the new federal Transportation Equity Act (TEA 21) that requires state aid to focus on planning the total transportation network. This new act provides approximately 30% additional federal funding to Minnesota overall, and identifies funding for specific projects as high priority projects (formerly known as demonstration projects).
- Additional municipalities qualify for participation in the distribution of the Highway Users Tax Distribution Fund (HUTDF) when their populations rise above 5,000. The State Aid for Local Transportation Division provides these cities with guidance to establish a state aid street system that moves people and goods so that the communities are economically viable.
- The project development process is increasingly complex. The agency is spending more time than it has the resources with local agencies helping them to fulfill requirements for public involvement and environmental and historical documentation. The enhancement category of federal funding, begun with ISTEA, brings many first time users of federal transportation funds into the process.

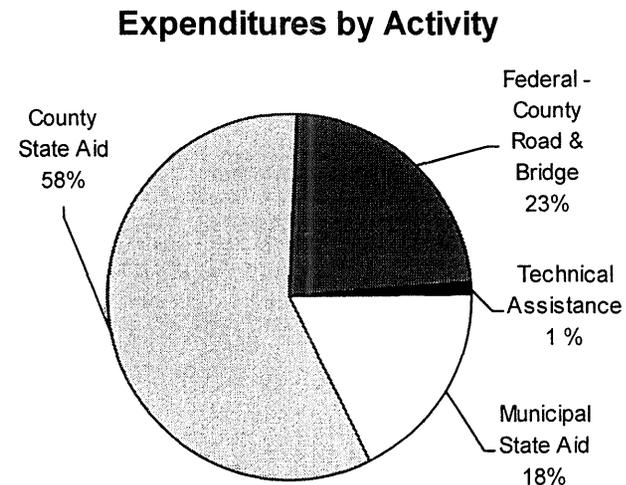
The agency budget plan will help accomplish the following performance objectives.

- By the end of C.Y. 2001, 28% of the outstate district CSAH systems and 65% of the Metro Division CSAH systems will carry legal loads year-round.
- There are currently 2,802 deficient bridges (19% of the total) on the county, city and township systems. The 1998 legislature authorized \$34 million in bridge bonding to replace more than 500 bridges and lower the percent of deficient bridges to 17 by the end of C.Y. 2000. Continued funding at this level will lower the percentage to 15% by 2002.
- By the end of C.Y. 2001, total accidents per million vehicle miles will be 5.2 on the MSAS system compared with 5.25 in 1997. Total accidents will remain at 2.5 per million vehicle miles on the CSAH system.

FINANCING INFORMATION:

Revenues for the Local Roads program come from the HUTDF (77%) and Federal TEA 21 Funds (23%).

The chart below shows the local road expenditures by activity.



2000-01 Biennial Budget

PROGRAM: Local Roads

AGENCY: Transportation, Department of (DOT)
(Continuation)

Counties and cities want to take over jurisdiction of lower priority trunk highways. The 1998 legislature combined the trunk highway, the county, and the municipal turn back accounts - from the top 5% of the HUTDF - into a flexible account. This new account manages the turn backs. The commissioner of transportation consults with committees representing statewide, county, and municipal associations. The commissioner then determines the percentage of the flexible account that will be used for county, municipal, and trunk highway turn backs. The following table describes the proposed use of the Flexible Highway Account for F.Y. 2000-2001.

FLEXIBLE HIGHWAY ACCOUNT

(\$ in Millions)

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Total</u>
County Turn back Account	\$20.1	\$20.6	\$40.7
Municipal Turn back Account	4.4	4.5	8.9
Trunk Highway Fund	<u>5.0</u>	<u>5.0</u>	<u>10.0</u>
TOTAL	\$29.5	\$30.1	\$59.6

GOVERNOR'S RECOMMENDATION:

Funds in the County State Aid Fund and the Municipal State Aid Street Fund will be distributed and utilized as provided for in the Minnesota constitution and statutes. Beginning in F.Y. 2000 funds available for use will include monies appropriated from the General Fund and transferred to the state aid funds as replacement of revenues lost due to the Governors' motor vehicle re-registration proposal.

The Governor makes no recommendation regarding the LCMR projects put forward by the Department of Transportation.

State Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: LOCAL ROADS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
COUNTY STATE AIDS	347,404	291,153	329,266	371,066	371,066	377,756	377,756	128,403	20.7%
MUNICIPAL STATE AIDS	105,582	108,339	99,770	101,665	101,665	103,419	103,419	(3,025)	-1.5%
FEDERAL-COUNTY ROAD & BRIDG	107,993	89,536	105,000	130,000	130,000	130,000	130,000	65,464	33.7%
STATE AID TECHNICAL ASSIST	5,041	6,100	6,533	6,358	6,458	6,471	6,471	296	2.3%
Total Expenditures	566,020	495,128	540,569	609,089	609,189	617,646	617,646	191,138	18.5%

CHANGE ITEMS:	FUND		
(B) MINNESOTA RIVER VALLEY SCENIC BYWAY	MNR		100
Total Change Items			100

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
MINNESOTA RESOURCES	0	0	0	0	100	0	0
STATE GOVERNMENT SPECIAL REVENUE	0	217	83	0	0	0	0
MUNICIPAL STATE AID STREET	105,248	107,928	99,264	101,149	101,149	102,894	102,894
COUNTY STATE AID HIGHWAY	346,484	290,159	327,512	369,463	369,463	376,124	376,124
STATUTORY APPROPRIATIONS:							
MUNICIPAL STATE AID STREET	1,732	2,938	2,026	2,064	2,064	2,100	2,100
COUNTY STATE AID HIGHWAY	4,563	4,350	6,684	6,413	6,413	6,528	6,528
FEDERAL	107,993	89,536	105,000	130,000	130,000	130,000	130,000
Total Financing	566,020	495,128	540,569	609,089	609,189	617,646	617,646

FTE BY EMPLOYMENT TYPE:							
FULL TIME	62.3	65.0	65.2	65.2	65.2	65.2	65.2
PART-TIME, SEASONAL, LABOR SER	2.9	1.1	0.9	0.9	0.9	0.9	0.9
OVERTIME PAY	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Total Full-Time Equivalent	65.5	66.3	66.3	66.3	66.3	66.3	66.3

2000-01 Biennial Budget

BUDGET ACTIVITY: County State Aids
PROGRAM: Local Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The County State Aid activity represents the 29% of the Highway User Tax Distribution Fund (HUTDF) that is allocated to counties. These funds are apportioned to individual counties, according to a formula prescribed in law, by the Commissioner of Transportation with the advice of a screening board consisting of county engineers. These dollars are apportioned to the counties for both maintenance and construction activities on the 30,300 miles of county state aid highways. Dollars spent in rural areas generally improve the structural capacity of the roads to move goods, while the dollars spent in the metro area are often capacity or safety improvements. Counties select construction projects and maintenance activities within their jurisdictions. SALT reviews and approves individual construction plans for compliance with standards and rules.

STRATEGIES AND PERFORMANCE:

The agency must assist the counties in using these dollars wisely on the priority projects in their areas. The counties are attempting to upgrade the entire system to 9-ton standards to provide year around access to markets. The limited, available dollars are increasingly spent on preservation-type projects, such as overlays, instead of system upgrades because of the competing need to preserve what is in place.

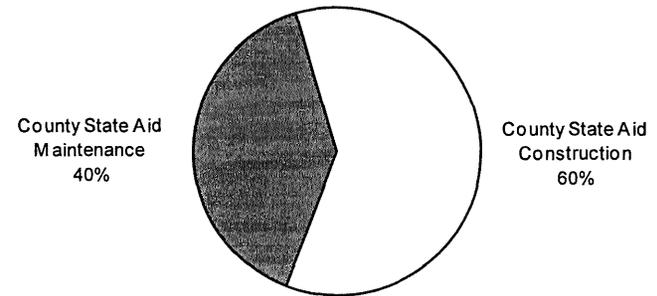
FINANCING INFORMATION:

Beginning in F.Y. 2000, the Flexible Account funds are included in the CSAH totals. The Flexible Account is discussed in the local roads program narrative.

Revenues collected are from investment income.

The following chart gives a breakdown of the County State Aid Highway allocation between construction and maintenance for C.Y. 1998.

County State Aid Highway Allocation



State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: LOCAL ROADS

Activity: COUNTY STATE AIDS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	357	279	163	171	171	176	176	(95)	-21.5%
OPERATING EXPENSES	687	565	1,508	1,432	1,432	1,456	1,456	815	39.3%
SUBTOTAL STATE OPERATIONS	1,044	844	1,671	1,603	1,603	1,632	1,632	720	28.6%
LOCAL ASSISTANCE	346,360	290,309	327,595	369,463	369,463	376,124	376,124	127,683	20.7%
Total Expenditures	347,404	291,153	329,266	371,066	371,066	377,756	377,756	128,403	20.7%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
STATE GOVERNMENT SPECIAL REVENUE	0	150	83	0	0	0	0		
COUNTY STATE AID HIGHWAY	346,484	290,159	327,512	369,463	369,463	376,124	376,124		
STATUTORY APPROPRIATIONS:									
COUNTY STATE AID HIGHWAY	920	844	1,671	1,603	1,603	1,632	1,632		
Total Financing	347,404	291,153	329,266	371,066	371,066	377,756	377,756		

REVENUE COLLECTED:									
NONDEDICATED									
COUNTY STATE AID HIGHWAY	13,753	13,569	16,250	16,250	16,250	16,250	16,250		
Total Revenues Collected	13,753	13,569	16,250	16,250	16,250	16,250	16,250		

FTE BY EMPLOYMENT TYPE:									
FULL TIME	6.5	5.3	3.5	3.5	3.5	3.5	3.5		
PART-TIME, SEASONAL, LABOR SER	0.8	0.3	0.6	0.6	0.6	0.6	0.6		
Total Full-Time Equivalent	7.3	5.6	4.1	4.1	4.1	4.1	4.1		

2000-01 Biennial Budget

BUDGET ACTIVITY: Municipal State Aids
PROGRAM: Local Roads
AGENCY: Transportation, Department of (DOT)

The following chart gives a breakdown of the Municipal State Aid Street allocation between construction and maintenance for C.Y. 1998.

ACTIVITY PROFILE:

The Municipal State Aid activity represents the 9% of the Highway User Tax Distribution Fund (HUTDF), which is allocated to cities over 5,000 population. These funds are apportioned to individual cities, according to a formula prescribed in law, by the Commissioner of Transportation with the advice of a screening board consisting of city engineers. These dollars are apportioned to cities for both maintenance and construction on the 2,840 miles of state aid streets. In the Twin Cities' metro area, many projects are designed to relieve congestion, while in outstate Minnesota, they often provide for the movement of goods. The cities select the construction projects and maintenance activities on which to spend these dollars. SALT reviews and approves individual construction plans for compliance with standards and rules.

STRATEGIES AND PERFORMANCE:

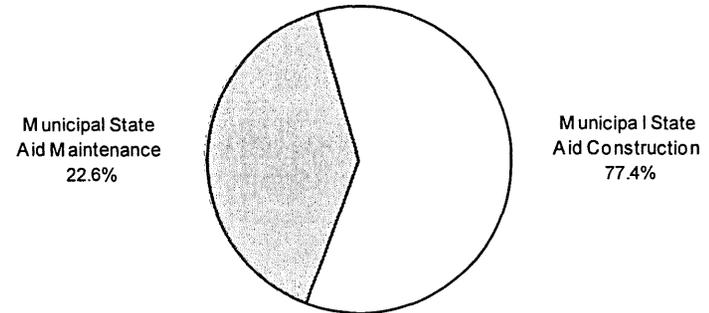
The number of cities sharing in the 9% municipal state aid fund has increased from 112 in 1990 to 126 in 1998. The agency assists the cities in using these dollars on the highest priority projects in their areas. The limited available dollars are increasingly spent on preservation-type projects rather than long-term system improvements.

FINANCING INFORMATION:

Beginning in F.Y. 2000, the Flexible Account funds are included in the CSAH totals. The Flexible Account is discussed in the local roads program narrative.

Revenues collected are from investment income.

Municipal State Aid Street Allocation



State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: LOCAL ROADS

Activity: MUNICIPAL STATE AIDS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	196	158	60	62	62	63	63	(93)	-42.7%
OPERATING EXPENSES	345	186	446	454	454	462	462	284	44.9%
SUBTOTAL STATE OPERATIONS	541	344	506	516	516	525	525	191	22.5%
LOCAL ASSISTANCE	105,041	107,995	99,264	101,149	101,149	102,894	102,894	(3,216)	-1.6%
Total Expenditures	105,582	108,339	99,770	101,665	101,665	103,419	103,419	(3,025)	-1.5%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
STATE GOVERNMENT SPECIAL REVENUE	0	67	0	0	0	0	0		
MUNICIPAL STATE AID STREET	105,248	107,928	99,264	101,149	101,149	102,894	102,894		
STATUTORY APPROPRIATIONS:									
MUNICIPAL STATE AID STREET	334	344	506	516	516	525	525		
Total Financing	105,582	108,339	99,770	101,665	101,665	103,419	103,419		
REVENUE COLLECTED:									
NONDEDICATED									
MUNICIPAL STATE AID STREET	6,374	6,154	8,750	8,750	8,750	8,750	8,750		
Total Revenues Collected	6,374	6,154	8,750	8,750	8,750	8,750	8,750		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	3.7	2.8	2.4	2.4	2.4	2.4	2.4		
PART-TIME, SEASONAL, LABOR SER	0.4	0.3	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	4.1	3.1	2.4	2.4	2.4	2.4	2.4		

2000-01 Biennial Budget

BUDGET ACTIVITY: Federal-County Road and Bridge
PROGRAM: Local Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The Federal County Road and Bridge activity represents the federal Transportation Equity Act (TEA-21) portion of funds distributed to cities, counties and other agencies for road and bridge construction and transportation enhancement projects. At a minimum, eligible roads must be major collectors in rural areas and arterials in urban areas. Bridges must be at least 20 feet in length. Federal guidelines and Area Transportation Partnership (ATP) criteria emphasize the importance of preservation projects rather than new capacity. Cities, counties and other agencies must select and submit projects to ATP's that meet these guidelines and criteria in order to successfully compete for project funding. The project development process and plans, for projects included in the STIP, are reviewed and approved by SALT.

STRATEGIES AND PERFORMANCE:

The new federal TEA-21, enacted in 1998, identified several projects nationwide as high priority projects (formerly called demonstration projects) and provided funding as part of the legislation. Nearly half of the high priority highway funding authorized for Minnesota in TEA-21 is for local projects.

This activity reflects the increased high priority and regular federal funds anticipated for local governments in Minnesota. The activity also takes into account the increased workload that this division assumes in educating and assisting non-traditional project proposers with the project development process.

FINANCING INFORMATION:

Passage of TEA-21, including the high priority projects it contains, will result in additional federal revenue available to the counties and cities.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: LOCAL ROADS
Activity: FEDERAL-COUNTY ROAD & BRIDG

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OPERATING EXPENSES	866	810	1,000	1,000	1,000	1,000	1,000	190	10.5%
SUBTOTAL STATE OPERATIONS	866	810	1,000	1,000	1,000	1,000	1,000	190	10.5%
CAPITAL OUTLAY	96,561	82,147	80,500	100,500	100,500	100,500	100,500	38,353	23.6%
LOCAL ASSISTANCE	10,566	6,579	23,500	28,500	28,500	28,500	28,500	26,921	89.5%
Total Expenditures	107,993	89,536	105,000	130,000	130,000	130,000	130,000	65,464	33.7%
FINANCING BY FUND:									
STATUTORY APPROPRIATIONS:									
FEDERAL	107,993	89,536	105,000	130,000	130,000	130,000	130,000		
Total Financing	107,993	89,536	105,000	130,000	130,000	130,000	130,000		
REVENUE COLLECTED:									
DEDICATED									
FEDERAL	107,993	89,536	105,000	130,000	130,000	130,000	130,000		
Total Revenues Collected	107,993	89,536	105,000	130,000	130,000	130,000	130,000		

2000-01 Biennial Budget

The Legislative Commission on Minnesota Resources has provided \$100,000 in F.Y. 2000 as the state share to design and construct interpretive kiosks and entrance signs along the Minnesota River Valley Scenic Byway.

BUDGET ACTIVITY: State Aid Technical Assistance
PROGRAM: Local Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The State Aid Technical Assistance activity represents the operating expenditures for the State Aid for Local Transportation (SALT) Division of Mn/DOT. Minnesota Statutes 162.06 and 162.12 apportion 1.5% of the total state aid dollars for administration.

The division acts as agent for the local authorities in the administration of federal construction contracts. It assists agencies to fulfill the requirements for public involvement, as well as environmental and historical documentation.

The division also provides cities and counties with guidance to establish or modify a state aid system that moves people and goods. SALT helps them with technical issues in design, construction techniques, and materials, so that they reap the maximum benefit from their investments in a project. SALT approves construction plans and project funding requests to ensure consistency with the Rules for State Aid Operation.

STRATEGIES AND PERFORMANCE:

In the last few years, SALT has streamlined and simplified the plan review and approval process for state-aid and federal-aid projects. SALT delegated the authority to the districts and local agencies, subject to audit. While the time frames are shorter for local agencies to receive approvals, 4 districts and the land management office have had to add staff during the previous biennium. The division is trying to simplify other parts of the federal-aid project development process and increase the training and education programs, particularly for first time, inexperienced users of federal-aid funds.

FINANCING INFORMATION:

State Aid Technical Assistance activity is funded from the 1.5% of the total state aid apportionment allowed for administration. Personal services represent 78% of the operating budget. These services are delivered by personnel in the central office and all district offices.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: LOCAL ROADS
Activity: STATE AID TECHNICAL ASSIST

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	3,095	3,785	3,708	3,899	3,899	4,027	4,027	433	5.8%
OPERATING EXPENSES	1,922	2,237	2,825	2,431	2,531	2,389	2,389	(142)	-2.8%
SUBTOTAL STATE OPERATIONS	5,017	6,022	6,533	6,330	6,430	6,416	6,416	291	2.3%
LOCAL ASSISTANCE	24	78	0	28	28	55	55	5	6.4%
Total Expenditures	5,041	6,100	6,533	6,358	6,458	6,471	6,471	296	2.3%
CHANGE ITEMS:									
(B) MINNESOTA RIVER VALLEY SCENIC BYWAY					100				
Total Change Items					100				
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
MINNESOTA RESOURCES	0	0	0	0	100	0	0		
STATUTORY APPROPRIATIONS:									
MUNICIPAL STATE AID STREET	1,398	2,594	1,520	1,548	1,548	1,575	1,575		
COUNTY STATE AID HIGHWAY	3,643	3,506	5,013	4,810	4,810	4,896	4,896		
Total Financing	5,041	6,100	6,533	6,358	6,458	6,471	6,471		
REVENUE COLLECTED:									
NONDEDICATED									
MUNICIPAL STATE AID STREET	0	1	0	0	0	0	0		
COUNTY STATE AID HIGHWAY	0	4	0	0	0	0	0		
Total Revenues Collected	0	5	0	0	0	0	0		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: LOCAL ROADS
 Activity: STATE AID TECHNICAL ASSIST

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	52.1	56.9	59.3	59.3	59.3	59.3	59.3
PART-TIME, SEASONAL, LABOR SER	1.7	0.5	0.3	0.3	0.3	0.3	0.3
OVERTIME PAY	0.3	0.2	0.2	0.2	0.2	0.2	0.2
Total Full-Time Equivalent	54.1	57.6	59.8	59.8	59.8	59.8	59.8

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2000-01 Biennial Budget

PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

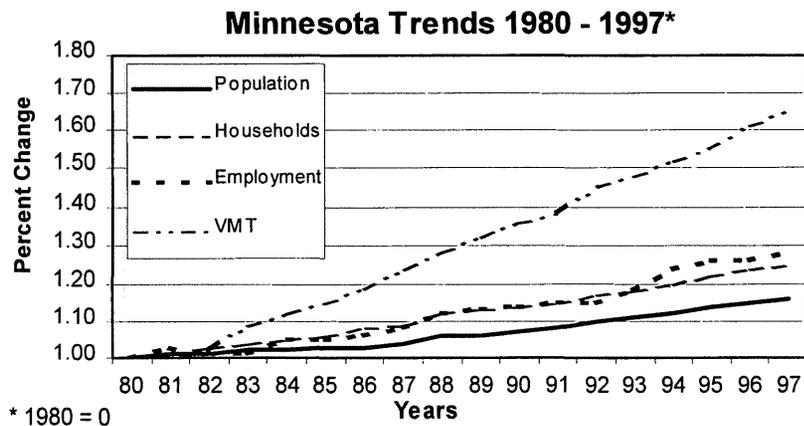
PROGRAM PROFILE:

The state roads program designs, constructs, maintains and operates the state's highway infrastructure.

Trends that continue to influence the program are:

- Population - Minnesota's population is growing faster than any state in the Midwest.
- Employment - Minnesota's employment rate grew at twice the national average (1990-1994).

Both trends contribute to increases in the number of system users, vehicles, trips generated and vehicle miles of travel.



The investment priorities for this program are to safeguard what exists and to make the network operate better.

This program consists of 7 budget activities and their related policy objectives:

- *State Road Construction*
 - Increase roadway safety through operational improvements.
 - Increase rail crossing safety through construction of signals and other improvements.
 - Rehabilitate and reconstruct roads and bridges to preserve and improve state highways.
 - Acquire property necessary for state highway construction.
 - Pay for the relocation of public utilities and cooperative work with local governments and railroad companies related to state highway construction and improvement.
 - Comply with environmental regulations and perform wetland, historical site and other mitigation activities.
- *Highway Debt Service*
 - Repay the principal and interest on state bonds, principal on loans and advances from other governmental entities and service fees.
- *Research and Investment Management*
 - Manage the statewide planning process and prepare the annual Statewide Transportation Improvement Program (STIP); provide traffic data through the Transportation Information System (TIS); and develop and implement a comprehensive research program.
- *Central Engineering Services*
 - Provide engineering and technical leadership and support to all Mn/DOT districts, the metropolitan division, and local road authorities. These services require high-level technical expertise and consistent program quality throughout the state.
- *Design and Construction Engineering*
 - Provide design project management service and road and bridge construction project management on the trunk highway system.
- *State Road Operations*
 - Preserve and maintain the quality of travel on the state's trunk highway system, ensure traveler assistance through traffic signs, markers and communications, and support the management and maintenance of transportation facilities.
- *Electronic Communications*
 - Design and maintain several state agencies' communications networks, statewide radio towers, mobile and portable radios, computer and other electronic systems.

2000-01 Biennial Budget

PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)
(Continuation)

STRATEGIES AND PERFORMANCE:

System Performance Outcomes:

- Time/Directness
 - A predictable travel time for length of trip is maintained so that customer expectations are met.
- Safety
 - Incidents and crash rates are minimized (within our ability) to influence infrastructure, partnerships/education, full range of solutions and driver behavior.
- Condition of Infrastructure
 - An infrastructure that meets customer expectations is maintained.
- Access/Basic Levels of Service
 - Services are provided to meet personal travel and shipping needs.

Performance measures for the outcomes follow:

- Number of Twin Cities Metro Area freeway miles congested in a.m. and p.m. peaks by direction daily
- Percentage of Minnesotans satisfied with trip time
- Percentage of Minnesotans feeling safe while driving or riding through highway work zones
- Percentage of Minnesotans satisfied with the safety of Minnesota's roadways.
- Trunk highway pavement quality index (PQI)
- National Bridge Inventory structural condition rating
- Miles of trunk highway spring weight restrictions
- Percentage of Minnesotans satisfied with travel information (winter driving, construction, congestion)

Data collection for these measures has begun. As data collection continues, the need for more or different measures may arise.

The University of Minnesota's Center for Survey Research conducts an annual survey about a variety of topics for state agencies. The transportation questions asked in the survey focused on those public satisfaction issues.

- How satisfied have you been when driving or riding through highway construction areas this past summer in Minnesota?

Percentage very or somewhat satisfied with driving or riding through highway construction:

<u>1988</u>	<u>1989</u>	<u>1994</u>	<u>1996</u>	<u>1997</u>
59%	63%	76%	72%	78%

- How satisfied are you with the condition of Minnesota's major highway routes?

Percent very or somewhat satisfied with the condition of Minnesota's major highway routes:

<u>1988</u>	<u>1990</u>	<u>1993</u>	<u>1994</u>	<u>1997</u>
79%	82%	68%	84%	78%

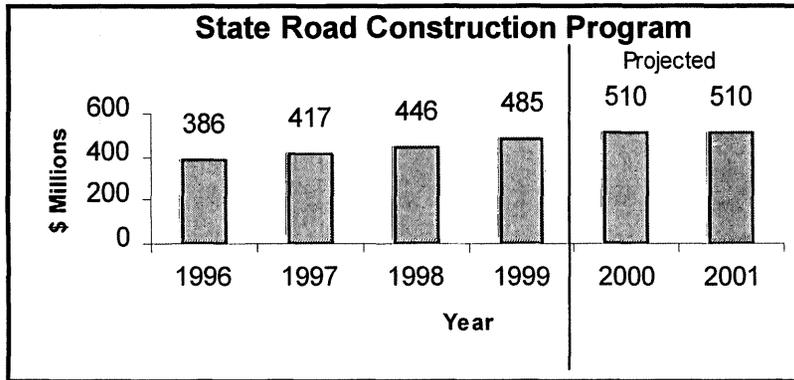
As data gathered from the survey questions change, related performance measures may be modified.

FINANCING INFORMATION:

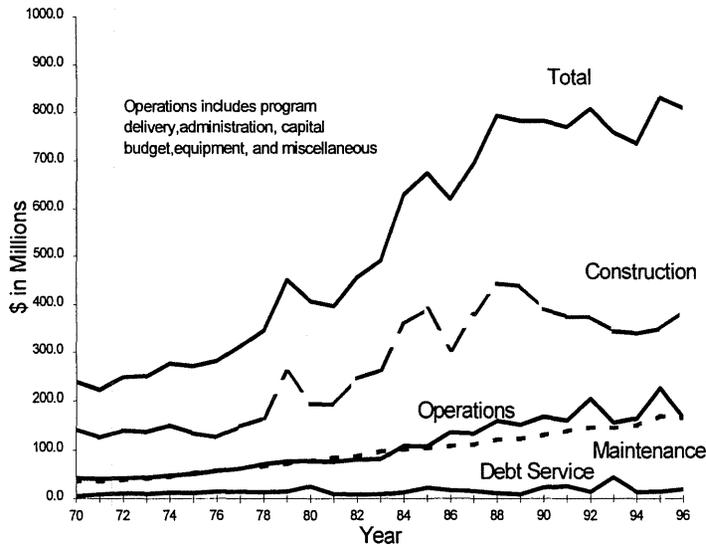
Revenues have increased over the past few years due to revenue growth in state highway user funds and increased federal funding.

2000-01 Biennial Budget

PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)
 (Continuation)



Trunk Highway Fund Expenditures by Type, 1970 to 1996



BUDGET ISSUES:

Increases to the state road construction program place escalating demands on the department's program delivery resources. In the current market place, the department is experiencing difficulties in attracting the appropriate personnel to staff this increased program. Program delivery services are provided through the Central Engineering Services and Design and Construction Engineering budget activities.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$300,000 for Asset Preservation, \$1,600,000 for transportation planning in conjunction with the 2000 Census, \$62,750,000 for an expanded highway construction program and related program delivery costs, \$1,622,000 to complete the 800 MHz Radio Backbone System, \$2,787,000 for freeway operation enhancements, \$2,000,000 for increased highway maintenance costs, \$6,000,000 for increased highway safety resulting from brighter and longer lasting pavement striping, \$1,900,000 for various highway safety technology applications, and \$1,500,000 for implementation of the transportation worker concept. Also recommended is \$1,622,000 as the General Fund share of the 800 MHz Radio Backbone System.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: STATE ROADS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
STATE ROAD CONSTRUCTION	418,453	455,722	502,556	502,087	527,087	502,110	527,110	95,919	10.0%
HIGHWAY DEBT SERVICE	10,072	9,535	13,539	13,949	13,949	13,175	13,175	4,050	17.6%
RESEARCH & INVESTMENT MGMT	21,103	15,504	19,248	17,249	17,324	17,350	17,375	(53)	-2.2%
CENTRAL ENGINEERING SERVICES	70,377	58,968	73,249	66,594	69,144	67,197	71,022	7,949	6.0%
DESIGN & CONSTRUCTION ENGINEER	62,762	63,710	78,718	77,991	81,541	79,773	84,098	23,211	16.3%
STATE ROAD OPERATIONS	223,914	187,140	211,544	206,286	212,493	210,144	218,424	32,233	8.1%
ELECTRONIC COMMUNICATIONS	5,002	4,343	15,040	5,579	8,823	5,688	5,688	(4,872)	-25.1%
Total Expenditures	811,683	794,922	913,894	889,735	930,361	895,437	936,892	158,437	9.3%

CHANGE ITEMS:	FUND				
(P) 2000 CENSUS TRANSPORTATION PLANNING	THI			1,075	525
(P) INCREASE IN CONSTRUCTION PROGRAM	THI			30,100	32,650
(B) 800 MHZ SYSTEM CHANGE	GEN			1,622	
(B) 800 MHZ SYSTEM CHANGE	THI			1,622	
(B) FREEWAY OPERATIONS ENHANCEMENTS	THI			1,357	1,430
(B) MAINTENANCE	THI			1,000	1,000
(B) PAVEMENT STRIPING	THI			2,000	4,000
(B) SAFETY TECHNOLOGY APPLICATIONS	THI			950	950
(B) STATEWIDE ASSET PRESERVATION	THI			150	150
(B) TRANSPORTATION WORKER IMPLEMENTATION	THI			750	750
Total Change Items				40,626	41,455

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
ENVIRONMENT & NATURAL RESOURCE	50	0	0	0	0	0	0
GENERAL	101	101	117	109	1,731	109	109
STATE GOVERNMENT SPECIAL REVENUE	60	0	0	0	0	0	0
TRUNK HIGHWAY	796,860	779,798	885,885	864,770	903,774	871,166	912,621
Total Financing	811,683	794,922	913,894	889,735	930,361	895,437	936,892

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: STATE ROADS

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	592	1,189	4,667	2,307	2,307	2,209	2,209
TRUNK HIGHWAY	10,646	11,471	17,640	17,518	17,518	17,518	17,518
FEDERAL	3,374	2,222	5,557	5,006	5,006	4,410	4,410
AGENCY	0	141	28	25	25	25	25
Total Financing	811,683	794,922	913,894	889,735	924,511	895,437	931,042
FTE BY EMPLOYMENT TYPE:							
FULL TIME	4,203.8	4,294.4	4,461.3	4,551.3	4,611.3	4,551.3	4,639.3
PART-TIME, SEASONAL, LABOR SER	250.1	232.1	228.8	228.8	228.8	228.8	228.8
OVERTIME PAY	222.9	167.8	126.5	126.5	126.5	126.5	126.5
Total Full-Time Equivalent	4,676.8	4,694.3	4,816.6	4,906.6	4,966.6	4,906.6	4,994.6

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY:

ITEM TITLE: 2000 Census Transportation Planning

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$1,075	\$525	\$-0-	\$-0-
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No _

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1.075 million in F.Y. 2000 and \$0.525 million in F.Y. 2001 so Mn/DOT can conduct the 2000 Travel Behavior Inventory (2000 TBI) seven-county metropolitan area with the Metropolitan Council (Met Council). The 2000 TBI will collect accurate and reliable travel data and update the metro travel model (a set of complex computer travel simulation programs).

RATIONALE:

The Met Council is the designated federal metropolitan planning organization for the 7-county metropolitan area. It serves as the area-wide transportation planning agency in cooperation with Mn/DOT and local units of government. The Met Council is charged with developing a regional transportation policy plan. The Met Council must also monitor and adopt periodic updates of the plan, as required by

state and federal regulations. Mn/DOT must construct, improve and maintain a system of highways. Agencies and local units of government require up-to-date and accurate information on how and why travel occurs in the metropolitan area to provide cost-efficient transportation facilities and services and monitor progress toward regional and state transportation goals.

The Met Council and Mn/DOT work together to provide the necessary data, evaluation, summaries and updated travel forecasts to support transportation planning and project development decision-making. Funding for the 2000 TBI will help the Met Council and Mn/DOT meet these obligations and qualify for federal funds on projects.

The CTPP is designed to analyze transportation plans and provide detailed population, housing, worker, and commuter characteristics. Mn/DOT will use the CTPP for the 2000 TBI (e.g., statistical analysis, data validation) and to update and calibrate the metro model used to forecast travel demand.

FINANCING:

Mn/DOT will use \$1,500,000 to fund its share of the 2000 TBI expenses. The Met Council will contribute \$250,000 to fully fund 2000 TBI.

Mn/DOT will use \$100,000 in funding to purchase CTPP software, hire staff to analyze CTPP data, and train staff to use the software.

OUTCOMES:

Funding for 2000 census transportation planning will accomplish the following outcomes:

- Update the metro travel model (a set of complex computer travel simulation programs). Mn/DOT, the Met Council, local government and private consultants use the model to plan and design every major transportation improvement in the twin cities area. The model is used to develop and test policy alternatives for various transportation proposals.
- Develop an extensive set of travel and socio-economic data that:
 - identifies travel needs of citizens and businesses;
 - enhances the credibility of regional transportation plans;
 - evaluates the effects of transportation policy;
 - assists local land use decisions, and
 - assists in the evaluation of future transportation scenarios.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY:

ITEM TITLE: Increase in Construction Program

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$30,100	\$32,650	\$47,650*	\$47,650*
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity <input checked="" type="checkbox"/> Supplemental Funding <input type="checkbox"/> Reallocation				

GOVERNOR'S RECOMMENDATION:

The Governor recommends an increase of \$30.10 million in F.Y. 2000 and \$32.65 million in F.Y. 2001 for state road construction to fund additional construction projects. In F.Y. 2000, \$25 million will pay for construction contracts and \$5.10 million will pay for costs necessary to deliver the additional construction contracts. In F.Y. 2001, \$2.55 million of the \$32.65 million will cover program delivery costs associated with the anticipated increase in program levels in F.Y. 2002 to \$525.8 million.

RATIONALE:

Several issues influence the need to increase the state's road construction program. These issues include increased use demands on the state's roadways; diminished useable life of existing roads and bridges; increased federal funding for construction; and increased federal funding for program delivery. The new federal transportation bill (TEA-21), passed in 1998, increased the level of federal funding available for road construction. Also, Congress identified additional projects (called "high priority" projects) in TEA-21 that must be developed and added to the road construction program. In addition, the creation of the Flexible Highway

Account by the Minnesota Legislature in 1998 results in some of the money going to the trunk highway fund specifically for road construction. All state road construction increases above prior year levels will continue to emphasize safety, preservation, and operational priorities with limited expansion of the system. By focusing resources on maintaining acceptable and safe levels of service, the needs of Minnesota's citizens can be met.

FINANCING:

The appropriation of \$30.10million in F.Y. 2000 and \$32.65 million in F.Y. 2001 will raise the state road construction program level to \$510.859 million in F.Y. 2000 and \$510.882 million in F.Y. 2001. In addition, Mn/DOT expects to receive \$5 million each year from the flexible highway account created from the top 5% of the highway user tax distribution fund. Program delivery funds for F.Y. 2000 are based on 17% of the \$25 million program increase for an amount of \$4.25 million each year, plus 17% of the \$5 million from the flexible highway account each year for an additional \$850 thousand. The program is projected to increase by \$15 million in F.Y. 2002 and F.Y. 2003. Mn/DOT will prepare plans for a \$525.8 million program* and require an additional \$2.55 million in program delivery funds in F.Y. 2001. The increase in funding allows the traveling public and the state economy to benefit from the earlier completion of state road and bridge projects.

**subject to availability of funds.*

OUTCOMES:

This increase in funds will assist Mn/DOT to reach the desired outcomes for overall performance of the transportation system. These performance outcomes include:

- *Time/Directness.* A predictable travel time for length of trip is maintained so that customers expectations are met.
- *Safety.* Incidents and crash rates are minimized to influence infrastructure, partnerships/education, full range of solutions and driver behavior.
- *Condition of Infrastructure.* An infrastructure that meets customer expectations is maintained.
- *Access/Basic Levels of Service.* Services are provided to meet personal travel and shipping needs.

2000-01 Biennial Budget

BUDGET ACTIVITY: State Road Construction
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The state's highway system provides essential access to family, friends, jobs, health care, government services, schools, entertainment and recreational opportunities. In addition, it provides a life line that carries food, clothing, and emergency services. The department's principles for determining transportation investment priorities emphasize preservation and management of existing systems over capital improvements. Safety is a key consideration when evaluating project alternatives.

	Percent of Road Miles	Percent of Traffic
State Trunk Highways	9%	61%
County State-Aid Streets	23%	21%
Municipal State-Aid Streets	2%	7%
City Streets	11%	7%
County Roads	11%	2%
Township Roads	42%	2%
Other	2%	0%

	Share of Roadway Miles	Share of Vehicle Miles of Traffic
Twin Cities Metro Area	11%	47%
Greater Mn	89%	53%
Urban Areas	13%	48%
Rural Areas	87%	52%
Interstate Highways	12%	37%
Principal Arterials	42%	42%
Minor Arterials	38%	19%
Collector and Local Highways	8%	2%

To plan and prioritize program investments, the department continues to develop and use:

- *market research* (asking our customers what they need and if we're doing the right things);
- *investment analysis* (benefit/cost analysis) for major improvement project alternatives;
- *transportation management systems* (e.g., bridges, pavement);
- *Mn/DOT's "Family of Measures"* (to measure, track, and evaluate whether customer needs are being met); and
- *district plans* based on specific performance measures.

The federal Transportation Equity Act for the 21st Century (TEA-21) continues the flexibility provided for making transportation investments initiated under ISTEA. Both M.S. 174.03 and TEA-21 require Mn/DOT to perform transportation planning. Planning (statewide, intermodal, research, strategic, business, regional, district and metropolitan planning) provides the analytical base to operate, manage and invest in the state's transportation system.

STRATEGIES AND PERFORMANCE:

All state road construction increases above prior year levels will continue to emphasize the safety, preservation, and operational priorities, with limited expansion of the system. Mn/DOT will focus resources on maintaining acceptable and safe levels of service. Specific investment guidelines include:

<u>Priorities</u>	<u>Investment Guidance</u>
1. Preservation	30% to 40%
2. Management and Operations	5% to 15%
3. Replacement	25% to 35%
4. Expansion	15% to 25%

Mn/DOT is developing a long-range transportation plan for the trunk highway system. This plan will identify the most beneficial improvements to the transportation system by using investment principles that focus on results or outcomes rather than inputs like spending. The first principle focuses on system performance with measures and targets for pavement, bridge and safety. It is intended to preserve essential elements of the transportation system by safeguarding what exists. The second principle uses benefit-cost analysis to enhance important interregional corridors and economic development to make the network operate better. The last

2000-01 Biennial Budget

BUDGET ACTIVITY: State Road Construction
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)
(Continuation)

investment principle is to respond to the values of Minnesota’s citizens by recognizing societal needs.

Mn/DOT also seeks guidance from the Twin Cities Metropolitan Planning Organization (Met Council), the 6 Greater Minnesota Metropolitan Planning Organizations and the 9 Regional Development Commissions when preparing Mn/DOT district plans and programs.

FINANCING INFORMATION:

- The new federal transportation bill (TEA-21) brings additional funding to Minnesota’s infrastructure programs (highways and transit).

	<u>6 Year Average</u>
ISTEA (1991 - 1997)	\$282 million/year
TEA-21 (1998 - 2003)	\$393 million/year

- Additional projects identified by Congress and listed in TEA-21 as “high priority” projects (previously called “demonstration projects”) have to be developed and added to the program.

Congressional “high priority” Projects listed in TEA-21:

Local	\$84 million
State	<u>\$93 million</u>
Total	\$177 million

BUDGET ISSUES:

Several issues influence the agency’s road construction budget plan.

- Increased use of the state’s roadways
- Increased demands on the road system due to increased freight needs related to tonnage and access to markets
- Diminished useable life of existing roads and bridges due to the aging of the state’s roads and bridges and increases in traffic
- Increased federal funding for construction
- Increased federal funding for program delivery
- The need for an appropriate mix of agency staff and professional consultants.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: STATE ROAD CONSTRUCTION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	908	696	541	562	562	585	585	(90)	-7.3%
OPERATING EXPENSES	14,782	20,300	7,773	7,234	7,234	7,234	7,234	(13,605)	-48.5%
SUBTOTAL STATE OPERATIONS	15,690	20,996	8,314	7,796	7,796	7,819	7,819	(13,695)	-46.7%
CAPITAL OUTLAY	401,205	432,027	494,242	494,291	519,291	494,291	519,291	112,313	12.1%
LOCAL ASSISTANCE	1,558	2,699	0	0	0	0	0	(2,699)	-100.0%
Total Expenditures	418,453	455,722	502,556	502,087	527,087	502,110	527,110	95,919	10.0%

CHANGE ITEMS:	FUND				
(P) INCREASE IN CONSTRUCTION PROGRAM	THI			25,000	25,000
Total Change Items				25,000	25,000

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
ENVIRONMENT & NATURAL RESOURCE	50	0	0	0	0	0	0
TRUNK HIGHWAY	408,693	445,792	485,918	485,859	510,859	485,882	510,882
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	46	1	105	3	3	3	3
TRUNK HIGHWAY	9,650	9,905	16,269	16,200	16,200	16,200	16,200
FEDERAL	14	24	236	0	0	0	0
AGENCY	0	0	28	25	25	25	25
Total Financing	418,453	455,722	502,556	502,087	527,087	502,110	527,110

REVENUE COLLECTED:					

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: STATE ROAD CONSTRUCTION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
DEDICATED							
SPECIAL REVENUE	115	27	3	3	3	3	3
TRUNK HIGHWAY	9,650	9,905	16,200	16,200	16,200	16,200	16,200
AGENCY	0	0	25	25	25	25	25
NONDEDICATED							
TRUNK HIGHWAY	265,150	272,050	307,580	337,866	337,866	338,907	338,907
HIGHWAY USERS TAX DISTRIBUTION	1,083	1,227	1,392	1,390	1,390	1,390	1,390
Total Revenues Collected	275,998	283,209	325,200	355,484	355,484	356,525	356,525
FTE BY EMPLOYMENT TYPE:							
FULL TIME	17.2	12.6	9.0	9.0	9.0	9.0	9.0
PART-TIME, SEASONAL, LABOR SER	2.1	1.7	0.2	0.2	0.2	0.2	0.2
OVERTIME PAY	0.5	0.1	0.5	0.5	0.5	0.5	0.5
Total Full-Time Equivalent	19.8	14.4	9.7	9.7	9.7	9.7	9.7

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2000-01 Biennial Budget

BUDGET ACTIVITY: Highway Debt Service
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The highway debt service activity repays trunk highway debt funding used for highway construction, while ensuring Mn/DOT stays within the debt limit established by the debt management policy. Debt service expenses include principal and interest on state trunk highway bonds, principal on loans and advances from other government entities, and service fees to the state's debt service fund.

The debt management policy dictates that bonds are sold only after Mn/DOT conducts an analysis of a 10-year revenue and expenditure forecast. This forecast must demonstrate that for the first 6 years of the 10-year period, debt cost for both existing and proposed bonds will not exceed 25% of estimated available capital funds for any of the 6 years analyzed.

The proceeds from trunk highway bonds are used solely for long term capital investment purposes that have an expected useful life greater than the normal 20-year term of the bonds. The budgeted principal and interest costs reflect the current outstanding debt repayment requirements for the F.Y. 2000-2001 biennium. The last trunk highway bond authority occurred in F.Y. 1985.

Some state road projects are constructed with monies advanced by local governments or by local governments using their own money with the state promising to pay them back at a future date. Upon completion of the projects, the advances are repaid to the local governments in the years Mn/DOT would have completed the projects.

The outstanding financial obligations shown below for F.Y. 2000-2001 are amounts Mn/DOT owes to debt holders.

STRATEGIES AND PERFORMANCE:

The creation of Minnesota's Transportation Revolving Loan Fund (TRLF) in May of 1997 may significantly reduce the need for advancing projects under the

highway debt service activity. The TRLF will provide loans or credit enhancements to eligible borrowers while creating a permanent, flexible-use fund for transit and highways. By providing loans at rates lower than market rates of interest, significant savings can be realized by the taxpayers of Minnesota.

FINANCING INFORMATION:

The key issues associated with this activity are the payments made each year and the outstanding balances summarized below. There will be no change to the agency's debt management policy over the next biennium.

PAYMENTS: (\$ in 000's)	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>
Bonded debt outstanding at the end of the fiscal year	\$26,091	\$20,141	\$14,739	\$10,790
Principal and interest payments on bonded debt	\$5,626	\$5,402	\$3,949	\$3,175
Payments on intergovernmental loans and advances	\$9,535	\$8,137	\$10,000	\$10,000
Total Debt Service	\$15,161	\$13,539	\$13,949	\$13,175
Percent of capital funds available for additional debt retirement up to the 25% limit	19.0%	17.8%	18.2%	18.8%

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: HIGHWAY DEBT SERVICE

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OTHER EXPENSES	7,508	5,241	10,643	9,190	9,190	8,416	8,416	1,722	10.8%
SUBTOTAL STATE OPERATIONS	7,508	5,241	10,643	9,190	9,190	8,416	8,416	1,722	10.8%
CAPITAL OUTLAY	2,564	4,294	2,896	4,759	4,759	4,759	4,759	2,328	32.4%
Total Expenditures	10,072	9,535	13,539	13,949	13,949	13,175	13,175	4,050	17.6%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
TRUNK HIGHWAY	10,072	9,535	13,539	13,949	13,949	13,175	13,175		
Total Financing	10,072	9,535	13,539	13,949	13,949	13,175	13,175		

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2000-01 Biennial Budget

BUDGET ACTIVITY: Research and Investment Management
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The research and investment management activity provides expert analytical support to its customers (the districts, governor, legislature, local and regional governmental entities) in establishing statewide program priorities, evaluating transportation problems, proposing and evaluating new technologies, and making transportation investments. Major actions include:

- developing the statewide transportation plan as required by state and federal law;
- developing investment policies and analytic tools to maximize efficiency of transportation investment programs;
- supporting transportation planning activities with regional development commissions and metropolitan planning organizations (MPOs), including the Metropolitan Council and the 6 MPOs in Greater Minnesota, which make informed decisions on transportation programs and projects;
- developing and manage the State Transportation Improvement Program (STIP) as required by federal law;
- managing the state construction budget and ensure full use of available federal highway funding;
- working with other state agencies and local governments to develop transportation networks that integrate bicycling, walking and telework with other modes (Sustainable Transportation Initiatives);
- exploring innovative financing techniques and develop public-private partnerships;
- managing the Transportation Information System for physical and operational characteristics;
- providing traffic data, including vehicle volumes, classifications and weights, so Mn/DOT, counties, cities and consultants can design construction, reconstruction and resurfacing projects;
- promoting, support and implement Intelligent Transportation System (ITS) and Intelligent Vehicle Initiative (IVI) research, operational testing, standards, and outreach to achieve state and national ITS/IVI goals and objectives;
- developing and implement a research program that meets the needs of Mn/DOT specialists, management, industry partners, and citizens;

- developing, implement and analyze performance measures to improve processes and provide better services.

STRATEGIES AND PERFORMANCE:

Mn/DOT uses new technology to improve the efficiency, accessibility, and accuracy of data collection, analysis and reporting activities. The information needed to design highway projects include the existing roadway conditions, traffic volume, the classifications of vehicles, and heavy commercial weight data. Mn/DOT analyzes and reports the statewide travel trends to the Federal Highway Administration (FHWA). FHWA monitors the performance and conditions of the nation's highways.

The Transportation Information System (TIS) generates data, on traffic volumes, crashes, and system conditions, like pavement quality. Mn/DOT and FHWA use the data to plan and make investment decisions. This year's objective is to increase the accessibility, accuracy and integrity of data, while expanding capabilities for mapping (GIS) and systems data analysis.

Intelligent Transportation System (ITS) and Intelligent Vehicle Initiative (IVI) research improve safety, efficiency, and traveler satisfaction on Minnesota's highways. New construction, while able to solve some transportation problems, has increasingly become less viable as a transportation solution due to high construction costs and environmental impacts. ISTEA recognized this trend by creating incentives to research and test ITS technologies at the national level. TEA-21 reinforces the trend by increasing funding for ITS research, testing and deployment. Mn/DOT is committed to these efforts.

State law requires Mn/DOT to update the statewide transportation plan every 6 years. TEA-21 requires Mn/DOT to prepare a 20-year long-range transportation plan for all areas of the state. The next update is due 1-1-2000. This plan will integrate the district plans and the Metro Division's supplement to the Transportation System Plan, due 10-30-1998. TEA-21 requires public involvement beyond what ISTEA required.

Sustainable Transportation Initiatives (STI) promotes the awareness of and creates the infrastructures for bicycling, walking and telework as viable transportation alternatives. STI follows the trend that ISTEA established. TEA-21 reinforces this trend by funding these alternative modes.

2000-01 Biennial Budget

BUDGET ACTIVITY: Research and Investment Management
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)
(Continuation)

Selected Performance Measures

- Ratio of benefits (including financial, environmental and social) of implemented research over total costs of the research program
- Number of projects using innovative financing techniques
- Percentage and number of major investments that have conducted benefit/cost analysis
- Number of advanced transportation systems projects deployed

FINANCING INFORMATION:

Grants:

M.S. 174.03, Subdivision 4 provides that federal highway funds can be allocated to urban areas over 50,000 in population (6 Greater Minnesota MPOs and the Twin Cities Metropolitan Council) to pay 80% of the cost to continue cooperative and comprehensive transportation planning.

Mn/DOT will match the federal aid with state funds to MPOs in Greater Minnesota. Beginning in F.Y. 1998 the MPOs in Greater Minnesota received a total of \$216,000 per year.

RDCs receive state funds to support planning activities. In areas without RDCs, either Mn/DOT districts provide these functions or an area consortium is formed to provide these functions. Beginning in F.Y. 1998, the RDCs (or equivalent) received a total of \$600,000 per year.

BUDGET ISSUES:

Mn/DOT's planning requirements will increase with the 2000 census. The 2000 Travel Behavior Inventory (2000 TBI) conducted with the Metropolitan Council will collect accurate and reliable travel data, update the metro travel model, and provide updated travel forecast data for the 7 county metropolitan area.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: RESEARCH & INVESTMENT MGMT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	7,910	8,335	7,402	7,672	7,697	7,878	7,903	(137)	-.9%
OPERATING EXPENSES	7,997	4,124	6,823	5,154	5,204	5,049	5,049	(694)	-6.3%
SUBTOTAL STATE OPERATIONS	15,907	12,459	14,225	12,826	12,901	12,927	12,952	(831)	-3.1%
CAPITAL OUTLAY	0	40	0	0	0	0	0	(40)	-100.0%
LOCAL ASSISTANCE	5,196	3,005	5,023	4,423	4,423	4,423	4,423	818	10.2%
Total Expenditures	21,103	15,504	19,248	17,249	17,324	17,350	17,375	(53)	-.2%

CHANGE ITEMS:	FUND				
(P) 2000 CENSUS TRANSPORTATION PLANNING	THI			75	25
Total Change Items				75	25

FINANCING BY FUND:					
DIRECT APPROPRIATIONS:					
STATE GOVERNMENT SPECIAL REVENUE	60	0	0	0	0
TRUNK HIGHWAY	17,230	12,842	13,817	12,375	12,450
STATUTORY APPROPRIATIONS:					
SPECIAL REVENUE	132	52	308	155	155
TRUNK HIGHWAY	321	412	257	213	213
FEDERAL	3,360	2,198	4,866	4,506	4,506
Total Financing	21,103	15,504	19,248	17,249	17,324

REVENUE COLLECTED:					
DEDICATED					
SPECIAL REVENUE	22	15	95	95	95
TRUNK HIGHWAY	27	0	213	213	213
FEDERAL	3,365	2,183	4,835	4,506	4,506

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: STATE ROADS
 Activity: RESEARCH & INVESTMENT MGMT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
Total Revenues Collected	3,414	2,198	5,143	4,814	4,814	4,718	4,718
FTE BY EMPLOYMENT TYPE:							
FULL TIME	137.9	142.2	128.2	128.2	128.2	128.2	128.2
PART-TIME, SEASONAL, LABOR SER	13.6	13.9	4.8	4.8	4.8	4.8	4.8
OVERTIME PAY	1.1	0.9	0.5	0.5	0.5	0.5	0.5
Total Full-Time Equivalent	152.6	157.0	133.5	133.5	133.5	133.5	133.5

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2000-01 Biennial Budget

BUDGET ACTIVITY: Central Engineering Services
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

Central Engineering Services provides engineering and technical leadership and support services to all districts, Metro Division, and local road authorities. These services require high-level technical expertise to ensure consistent program quality throughout the state. The services of this activity follow:

- Project development and engineering support
- Unique statewide programs (e.g., entryway markers, rest areas)
- Specialized services and expertise (GIS, surveys)
- Consultant program management
- Development of specifications, standards, guidelines, and policies
- Technical education programs
- Specialized technical and pavement research
- Performance feedback to operating units
- Maintenance of management systems
- Environmental compliance programs and investigations.

STRATEGIES AND PERFORMANCE:

This activity uses these strategies:

- Deploy new automation technology (GIS and CAD)
- Design and inspect bridges
- Provide high resolution mapping
- Provide environmental historical and archeological expertise
- Acquire and dispose of land needed for projects
- Administer consultant agreements
- Award construction contracts
- Coordinate with the Federal Highway Administration
- Technical training for project personnel.

Mn/DOT's ability to attract and retain sufficient technical staff to replace employees is being challenged in the current economy. The agency is focusing its efforts on recruitment, technical training and process improvements to address these issues.

FINANCING INFORMATION:

This activity is primarily financed with direct appropriations from the Trunk Highway Fund. This activity funds all the centralized aspects of highway construction program delivery, including the purchase of consultant services and scientific equipment. The expenditures in the central engineering services activity are 60% for personal services and 40% for other operating expenses.

BUDGET ISSUES:

The larger highway construction program, as depicted in the program narrative, creates increasing demands for these central engineering services. In addition, the difficulty in attracting and retaining enough technical staff and the resultant training implications require new and creative solutions for this activity.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: CENTRAL ENGINEERING SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	34,107	35,954	36,643	39,123	39,123	40,396	40,396	6,922	9.5%
OPERATING EXPENSES	36,170	22,461	35,938	26,828	29,378	26,158	29,983	962	1.6%
SUBTOTAL STATE OPERATIONS	70,277	58,415	72,581	65,951	68,501	66,554	70,379	7,884	6.0%
LOCAL ASSISTANCE	100	553	668	643	643	643	643	65	5.3%
Total Expenditures	70,377	58,968	73,249	66,594	69,144	67,197	71,022	7,949	6.0%

CHANGE ITEMS:	FUND				
(P) INCREASE IN CONSTRUCTION PROGRAM	THI			2,550	3,825
Total Change Items				2,550	3,825

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	100	100	100	100	100	100	100
TRUNK HIGHWAY	70,262	58,121	71,814	65,415	67,965	66,518	70,343
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	15	747	935	579	579	579	579
FEDERAL	0	0	400	500	500	0	0
Total Financing	70,377	58,968	73,249	66,594	69,144	67,197	71,022

REVENUE COLLECTED:							
DEDICATED							
SPECIAL REVENUE	115	371	61	36	36	36	36
Total Revenues Collected	115	371	61	36	36	36	36

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: STATE ROADS
 Activity: CENTRAL ENGINEERING SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	632.3	650.3	643.7	673.7	716.7	673.7	741.7
PART-TIME, SEASONAL, LABOR SER	29.9	25.2	10.7	10.7	10.7	10.7	10.7
OVERTIME PAY	9.0	10.9	5.0	5.0	5.0	5.0	5.0
Total Full-Time Equivalent	671.2	686.4	659.4	689.4	732.4	689.4	757.4

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2000-01 Biennial Budget

BUDGET ACTIVITY: Design and Construction Engineering
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The Design and Construction Engineering activity provides transportation planning and design, administers construction contracts, and monitors construction work. The primary customers are the users of the state highway system and the general public.

STRATEGIES AND PERFORMANCE:

The activity prepares all the pre-construction plans and documents necessary to process a project from conception to contract bid-letting. Pre-letting activity includes these decentralized functions:

- Transportation corridor studies
- Planning and program development
- Project management scheduling system
- Project scoping activities
- Surveying and mapping
- Preliminary design, including layout development
- Environmental impact and design documentation
- Public involvement activities, including meetings and hearings
- Detail design, including plan preparation
- Right of way land acquisition and relocations
- Consultant contract administration

The 7 districts (Duluth, Bemidji, Brainerd, Detroit Lakes, Rochester, Mankato, Willmar) and Metro Division (Twin Cities metropolitan area) provide construction contract management through these activities:

- Construction surveys and staking
- Grading, base bituminous, concrete, and culvert inspection
- Bituminous and concrete plant inspections
- Bridge inspection and documentation
- Measurement and certification of quantities

- Preparation of final (as-built) plans
- Contract closeout documentation and payments
- Consultant contract administration
- Bituminous quality management program administration, including the design and monitoring of bituminous mixtures
- Construction contract administration
- Contract award recommendations
- Reviewing and approving of supplemental agreements
- Recommendation for approval of partial and final payment vouchers

This activity provides engineering and other technical constituent services to maximize Mn/DOT's contribution to the state of Minnesota as both a major landowner and a partner with local units of government in the following areas:

- *Local and regional coordination and technical assistance*, including construction staging of other governmental units' projects; traffic control; cooperative agreements for funding; approval of environmental documents; and joint planning with Regional Development Commissions and Area Transportation Partnerships.
- *Land management*, including reconveyance of land; turnbacks of land and roads; plat review; entrance permitting; monumenting right-of-way, utility permitting; and ditch and stream (hydraulic) management.
- *Traveler information* about construction projects and response to public inquiries.

FINANCING INFORMATION:

This activity is funded almost entirely by direct appropriation from the Trunk Highway Fund. Funds are also received from special revenue sources attributable to partnership agreements. The expenditures in this activity are 90% for personal services and 10% for other operating expenses.

BUDGET ISSUES:

The ability to ensure highest quality standards in attracting and keeping the technical expertise necessary to deliver the identified increased construction program is challenged by current market conditions. This shortage of technical expertise has long term implications on future construction programs due to the length of time from conception to completion of construction project.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: DESIGN & CONSTRUCTION ENGINEER

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	56,209	59,175	62,803	68,386	70,936	70,266	74,091	23,049	18.9%
OPERATING EXPENSES	6,080	4,482	13,702	8,491	9,491	8,491	8,991	298	1.6%
OTHER EXPENSES	200	0	0	0	0	0	0	0	
SUBTOTAL STATE OPERATIONS	62,489	63,657	76,505	76,877	80,427	78,757	83,082	23,347	16.7%
CAPITAL OUTLAY	273	53	2,213	1,114	1,114	1,016	1,016	(136)	-6.0%
Total Expenditures	62,762	63,710	78,718	77,991	81,541	79,773	84,098	23,211	16.3%
CHANGE ITEMS:									
	FUND								
(P) 2000 CENSUS TRANSPORTATION PLANNING	THI				1,000		500		
(P) INCREASE IN CONSTRUCTION PROGRAM	THI				2,550		3,825		
Total Change Items					3,550		4,325		
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
TRUNK HIGHWAY	62,484	63,337	75,654	76,444	79,994	78,324	82,649		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	278	373	3,064	1,547	1,547	1,449	1,449		
Total Financing	62,762	63,710	78,718	77,991	81,541	79,773	84,098		
REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	242	847	1,479	1,540	1,540	1,442	1,442		
Total Revenues Collected	242	847	1,479	1,540	1,540	1,442	1,442		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: STATE ROADS
 Activity: DESIGN & CONSTRUCTION ENGINEER

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	1,024.4	1,069.8	1,148.6	1,208.6	1,208.6	1,208.6	1,208.6
PART-TIME, SEASONAL, LABOR SER	44.0	41.4	60.1	60.1	60.1	60.1	60.1
OVERTIME PAY	72.4	73.4	34.5	34.5	34.5	34.5	34.5
Total Full-Time Equivalent	1,140.8	1,184.6	1,243.2	1,303.2	1,303.2	1,303.2	1,303.2

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2000-01 Biennial Budget

BUDGET ACTIVITY: State Road Operations
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The state road operations activity preserves and maintains the quality of travel on Minnesota's highway system by keeping the system safe, structurally sound, convenient to use and protected from deterioration.

Specific work in this activity includes the following:

- Preservation and maintenance of the trunk highway system
- Removal of obstructions or impediments on the highways
- Maintenance of a system of traffic signs and markings
- Maintenance and improvement of roadsides
- Engineering, technical and administrative efforts that directly support the management and maintenance of transportation facilities

STRATEGIES AND PERFORMANCE:

This activity addresses these priorities:

- Safety (accidents, work zones)
- Deteriorating infrastructure, such as roadways and bridges
- Barriers to mobility (bottlenecks, system disruption, weight restrictions)
- Accessibility (changing demographics)
- Stewardship, awareness and sensitivity to the environment
- Fiscally sound decision making - extend the value of our existing investments and obtain the highest value for each new investment dollar

The aging transportation system, increasing concerns for the environment and changing demographics highlight the need to preserve and maintain the existing system. The growing proportion of older drivers requires system components adapt to longer reaction times and signs and markings with higher levels of visibility.

This preservation strategy reflects the need to provide the highest level of service on the greatest portion of the system at the lowest cost.

Mn/DOT restructured its budget programs and activities in the 1998-1999 biennium to reduce distinctions between construction and maintenance. The focus is now to provide smooth roads and a comfortable ride to highway users who want less wear on their vehicles' and better travel times. Highway users want more visible signs and pavement markings. In addition, people want Mn/DOT to use fewer chemicals for de-icing and keep roads free from litter and hazardous debris.

FINANCING INFORMATION:

This activity is funded primarily by direct appropriation from the Trunk Highway Fund. The expenditures for this activity include 63.9% for personal services and 36.1% for operating expense (material, supplies, utilities, etc.).

BUDGET ISSUES:

With increasing operating costs and the aging transportation system, in order to meet the needs of the highway users and to provide the transportation products and services they need and want, Mn/DOT is continuing to conduct market research and adapting other tools to manage the state road operations. The "Business Planning" process is assisting us in defining our products and services along with cause and effect performance indicators. These processes and the implementation of the new Transportation Specialist series will provide greater flexibility to manage the state road operations. These efforts help contain costs while meeting the customers' transportation needs.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: STATE ROAD OPERATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	116,586	118,108	127,869	132,014	133,214	135,769	137,042	24,279	9.9%
OPERATING EXPENSES	102,068	67,673	83,664	74,269	79,276	74,372	81,379	9,318	6.2%
OTHER EXPENSES	206	0	0	0	0	0	0	0	
SUBTOTAL STATE OPERATIONS	218,860	185,781	211,533	206,283	212,490	210,141	218,421	33,597	8.5%
CAPITAL OUTLAY	5,054	1,359	11	3	3	3	3	(1,364)	-99.6%
Total Expenditures	223,914	187,140	211,544	206,286	212,493	210,144	218,424	32,233	8.1%

CHANGE ITEMS:	FUND				
(B) FREEWAY OPERATIONS ENHANCEMENTS	THI			1,357	1,430
(B) MAINTENANCE	THI			1,000	1,000
(B) PAVEMENT STRIPING	THI			2,000	4,000
(B) SAFETY TECHNOLOGY APPLICATIONS	THI			950	950
(B) STATEWIDE ASSET PRESERVATION	THI			150	150
(B) TRANSPORTATION WORKER IMPLEMENTATION	THI			750	750
Total Change Items				6,207	8,280

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
TRUNK HIGHWAY	223,124	185,837	210,288	205,303	211,510	209,161	217,441
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	115	8	234	3	3	3	3
TRUNK HIGHWAY	675	1,154	967	980	980	980	980
FEDERAL	0	0	55	0	0	0	0
AGENCY	0	141	0	0	0	0	0
Total Financing	223,914	187,140	211,544	206,286	212,493	210,144	218,424

REVENUE COLLECTED:

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: STATE ROAD OPERATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
DEDICATED							
SPECIAL REVENUE	169	99	36	10	10	10	10
TRUNK HIGHWAY	679	1,233	884	980	980	980	980
FEDERAL	0	0	400	500	500	0	0
AGENCY	0	144	0	0	0	0	0
NONDEDICATED							
TRUNK HIGHWAY	1,947	2,034	1,500	2,000	2,000	2,060	2,060
Total Revenues Collected	2,795	3,510	2,820	3,490	3,490	3,050	3,050
FTE BY EMPLOYMENT TYPE:							
FULL TIME	2,329.2	2,357.0	2,466.3	2,466.3	2,483.3	2,466.3	2,486.3
PART-TIME, SEASONAL, LABOR SER	158.4	147.2	150.9	150.9	150.9	150.9	150.9
OVERTIME PAY	139.1	82.0	85.0	85.0	85.0	85.0	85.0
Total Full-Time Equivalent	2,626.7	2,586.2	2,702.2	2,702.2	2,719.2	2,702.2	2,722.2

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Freeway Operations Enhancements

	<u>2000-91 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$1,357	\$1,430	\$1,430	\$1,430
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity	<input checked="" type="checkbox"/> Supplemental Funding	<input type="checkbox"/> Reallocation		

GOVERNOR'S RECOMMENDATION:

The Governor recommends that the existing freeway operations program be enhanced to mitigate the congestion and accident problem on metro area freeway corridors. Incidents cause 60% of the congestion on metro area freeways and the funds recommended will provide significant road user benefits that are in the public interest.

RATIONALE:

Funding is needed to complete the installation of traffic management systems to integrate traffic management systems operated by different agencies, quickly detect and remove lane blocking incidents, to expand the Highway Helper program, and expand the hours of operation of the Traffic Management Center in relation to volumes and incidents.

FINANCING:

The traffic management program has been highly effective in reducing crashes and congestion. The current annual budget for the freeway operations program is \$4.2 million. Traffic management systems currently cover about 80% of the metro area freeway network. These traffic management systems represent a significant investment of \$60 million and have been highly effective in mitigating congestion and crashes. The recommended change will result in the ability to complete the installation of the metro area traffic management system on schedule, and with installation costs that are significantly lower than those currently experienced. It will also result in increased efficiency in the operation of the in place traffic management system and provide for migration to the ultimate system that will cover the entire metro area freeway systems.

<u>INITIATIVE</u>	<u>F.Y. 2000</u>		<u>F.Y. 2001</u>	
	<u>FTE</u>	<u>Total</u>	<u>FTE</u>	<u>Total</u>
Integrated Corridor Traffic Management	3	\$175	3	\$160
Highway Helper	2	165	2	85
Incident Management & Operations	6	225	7	400
Technology Deployment	<u>5</u>	<u>792</u>	<u>7</u>	<u>785</u>
TOTAL	16	\$1,357	19	\$1,430

OUTCOMES:

Outcomes will be measured in terms of the reduction in crashes, reduction in incident response and removal times, reduction in congestion, and via market research. The technology deployment initiative will be measured by the mitigation of freeway congestion and crashes. The improvements to system operations will be accomplished via enhanced coordination of traffic signals between agencies as well as integration of traffic signal and ramp meter operations. Incident management will be improved via implementation of a joint training and educational program, expanded Highway Helper service, and expanded hours of operations of the Traffic Management Center.

The outcomes will be measured by the number of crashes and accident rates by highway segments, hours and length of congestion on freeways, freeway volume, response and removal time for freeway incidents, and customer satisfaction with traffic congestion and traffic management tools such as ramp metering, variable message signs and traveler information.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Maintenance

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$1,000	\$1,000	\$1,000	\$1,000
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,000,000 for each fiscal year to fund increases for established services. Such services include Greenview contract (maintaining rest areas), vehicle insurance costs, ditch assessments and tort claims.

RATIONALE:

This recommendation represents several activities that are centrally funded.

The Greenview, Inc. contract provides maintenance and custodial services to rest areas. There are over 60 rest areas which require these services in order to meet the needs of the traveling public.

Vehicle insurance costs covers liability insurance for all of Mn/DOT's fleet including unique and specialized equipment. Insurance rates have substantially increased over the past several years.

Ditch assessments are charges by the counties for services and repair to county ditches which cross trunk highways. Costs for repair has increased in the past several years.

Tort claims are payments made to individuals who have incurred damages as a result of maintenance activities. Repair costs for damages has increased.

FINANCING:

The increase in funding for all of these centrally funded services is needed in order to continue to provide these services and to safely meet the demands of the traveling public. The Greenview contract has increased by 22%, the vehicle insurance costs have increased by 13%, and the ditch assessments and tort claims have increased by approximately 8%. No additional funding has been granted to these activities since 1994. The total cost for all of these activities annually is approximately \$4,500,000.

OUTCOMES:

This funding will allow Mn/DOT to continue to provide these activities without a reduction in services to the traveling public. Without this funding, service levels, including the hours of operation at rest areas, will be reduced in order to stay within current funding levels. The insurance assessments and claims are items that must be paid. If no funding is received, other services would need to be reduced to free up funds.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Pavement Striping

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$2,000	\$4,000	\$4,000	\$4,000
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$2,000,000 in F.Y. 2000 and \$4,000,000 in F.Y. 2001 to fund a newly adopted federal and state policy that will provide bright pavement stripes year round.

RATIONALE:

Heavy traffic volume and weather limit the visibility of pavement stripes. Market research conducted in 1994 and 1996 indicated that safe travel is the top priority for Minnesota motorists. The research also indicated that motorists expect bright pavement markings (center line and edge stripes) at all times. As a result, Mn/DOT has committed to a federal guideline of providing pavement stripes "365 days/year". In order to accomplish this outcome, more frequent striping applications, use of more durable paint materials, and additional equipment are needed.

FINANCING:

Mn/DOT presently spends approximately \$6 million per year to provide pavement stripes: mostly using traditional (latex) paints. An additional \$6 million for the biennium is needed to increase the frequency of painting stripes or installing more durable marking materials. Funds would be used to purchase painting materials (greater quantity and more durable materials) and equipment to support a higher level of service.

OUTCOMES:

This funding will increase the level of service through a pavement striping plan that provides a bright pavement stripe at all times resulting in safer travel. Implementation of the pavement striping action plan using a combination of durable (epoxy) and traditional (latex) materials will make the operation more efficient.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Safety Technology Applications

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$950	\$950	\$950	\$950
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$950,000 for each fiscal year to fund the operation and maintenance of safety features on greater Minnesota and the metropolitan area roadways.

RATIONALE:

Significant improvements in safety related technology have increased the safety of travel; however, at an increased cost. Improvements have been the result of changes in standards and the utilization of new technologies in guardrail systems, attenuators and end treatment. The cost to repair or replace each new system is significantly higher than the previous systems (approximately \$600,000 more per year).

Motorists need (and expect) more and better information to help them make better decisions resulting in safer travel. Over the past 5 years, the department has deployed new information systems such as changeable message signs and road

weather information systems. As these systems become operational, new technology needs to be supported and maintained communication costs also increase.

FINANCING:

Since the information systems are new, the operation and maintenance costs were not included in previous budgets. There costs are estimated to be over \$1 million per year. The cost to maintain guardrail safety features has increased by over \$600,000.

OUTCOMES:

The increase in funding will allow Mn/DOT to continue to provide information to motorists resulting in safer, more comfortable, and more efficient travel. Safety will also be increased through timely repair of safety features such as guard rail and treatments.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Statewide Asset Preservation and Repair

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$150	\$150	\$150	\$150
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity <input checked="" type="checkbox"/> Supplemental Funding <input type="checkbox"/> Reallocation				

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial increase of \$300,000 to the agency's base budget for repair and replacement of state assets and facilities. This recommendation is part of a statewide, multi-agency initiative to reduce facility repair and replacement needs by at least 5% in each agency.

RATIONALE:

The commissioner of finance, the commissioner of administration, and the Legislature have been dealing with the "Capital Iceberg" of projects due to deferred maintenance in state buildings. To address this trend, the Legislature in 1996 amended M.S. 16A.11, Sect 1, subd. 6, by requiring "---unless otherwise provided by the commissioner of finance, the amount to be budgeted each year for building maintenance is 2% of the cost of the building, adjusted up or down depending on the age and condition of the building."

The Office of Legislative Auditor released a report in February 1998 titled "State Building Maintenance" wherein they support the 1992 Capital Budget Reform Steering Committee's recommendation that capital financing be reserved for "new construction, substantial adaptive remodeling, expansions, or improvements that are long term and not predictable or recurring." The operating budget is the appropriate place to fund routine and preventative maintenance and recurring repair and replacement projects.

The report detail refers to national standards from the Building Research Board of the National Research Council which recommends that public agencies should spend between 2% - 4% of their building's replacement value on building maintenance, including routine maintenance, repairs, and replacement.

FINANCING:

Mn/DOT presently owns 4.7 million square feet of buildings at an estimated replacement cost of \$305 million, thus the 2% maintenance expense is \$6 million per year. There is approximately \$3 million in the base budget for this purpose each year. The additional requested amount will be appropriated from the trunk highway fund to State Road Operations. These funds will be used to purchase materials, repair services or replacements for Mn/DOT buildings statewide.

OUTCOMES:

Mn/DOT's buildings will be repaired, maintained and renewed to fit current use standards as funding permits. Buildings will be maintained through an effective preventative maintenance program and a facilities maintenance program that reviews building project needs each year together with user staff to prioritize contract repairs and component replacements.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: State Road Operations

ITEM TITLE: Transportation Worker Implementation

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$750	\$750	\$750	\$750
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$750,000 for F.Y. 2000 and \$750,000 for F.Y. 2001 for the implementation of the transportation worker concept within Mn/DOT.

RATIONALE:

In F.Y. 1997 the Transportation Worker concept began as a pilot in Mn/DOT. Based on these positive results, Mn/DOT decided to create and implement a new permanent class series called the Transportation Worker. The new classification combines 3 classification series - the highway maintenance worker, bridge worker and highway technician into one flexible multi-skilled classification. The Transportation Worker series is designed to help Mn/DOT remain competitive through flexible, multi-skilled workers and to reward skill development and experience that enhances work transferability. This funding request will facilitate the implementation of the Transportation Worker concept in the Operations Division with the goal of expanding the concept throughout Mn/DOT.

FINANCING:

Mn/DOT will use funding to complete projects and studies identified during the pilot that are essential to the implementation of the Transportation Worker concept. Projects include skill assessments for each district, development of specific technical courses identified in the skill assessment, training related to work planning, and business planning. Other funding needs will be related to the implementation team to address barriers and issues related to communications, supervisors/employee development, measurement and evaluation and to develop an implementation plan for transition of the Transportation Worker classification throughout Mn/DOT.

OUTCOMES:

The continued use of the Transportation Worker classification helps address seasonal workloads by creating an environment in which flexible, multi-skilled employees are used to their fullest capacity while maintaining the required level of technical expertise that Mn/DOT has enjoyed over the years.

2000-01 Biennial Budget

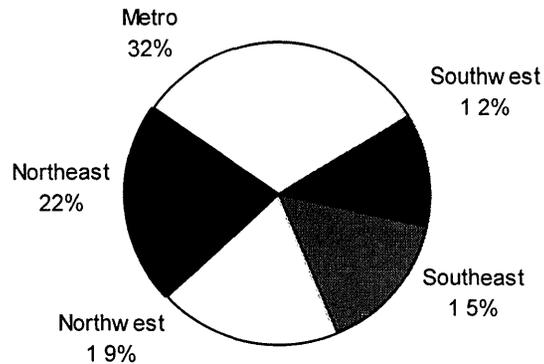
BUDGET ACTIVITY: Electronic Communications
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The electronic communications activity provides expertise in electronic communications technologies by addressing the wireless communications needs of state agencies:

- provide policy development, planning, engineering, budget preparation, project management, equipment installation, system maintenance and equipment tracking. The following chart represents regional distribution of equipment and services this activity provides.

Regional Distribution of Electronic Communication Products & Services in Minnesota



- supply telecommunications services and electronic systems to customers by designing and maintaining regional and statewide communications networks, mobile fleet radios, base station equipment and other voice and data systems.

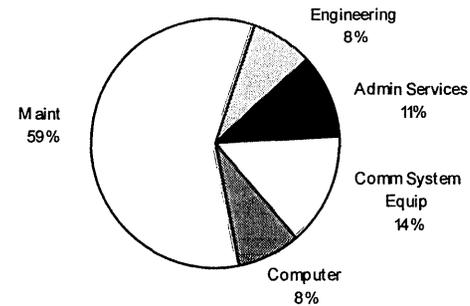
- oversee the development, procurement, installation, acceptance and ongoing operation and maintenance of the twin cities metropolitan area region-wide digital 800 MHZ public radio system.
- support agencies through service contracts which reimburse the trunk highway fund.

STRATEGIES AND PERFORMANCE:

- participate in the development of communications system and wireless service industry policy standards on national, state and local levels.
- consult with customers on communications technology for planning, training, research, engineering, FCC frequency coordination and licensing.
- develop partnerships with state agencies, local units of government and the private sector to share the communications infrastructure and deliver service.
- deploy and maintain statewide radio and mobile data communications systems.
- performance indicators include: Maintain and upgrade the current fleet of mobile radio equipment. Support infrastructure to continue to meet customer needs.
- implement new systems to meet customer demands for wider area and portable coverage, wireless data applications and interagency communications.

FINANCING INFORMATION:

F.Y. 1998-99 Expenditures by Function

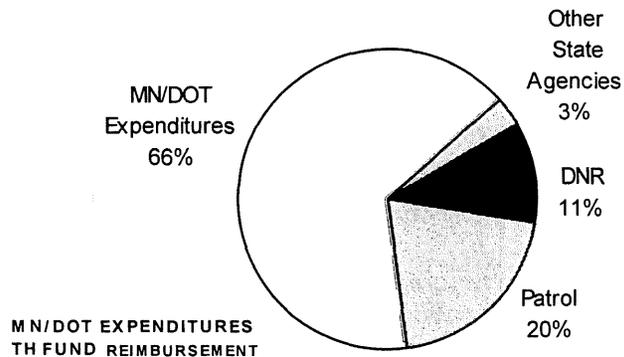


2000-01 Biennial Budget

BUDGET ACTIVITY: Electronic Communications
PROGRAM: State Roads
AGENCY: Transportation, Department of (DOT)
 (Continuation)

Approximately one-third of OEC expenditures (non-Mn/DOT) result in reimbursement to the trunk highway fund, as depicted in the following chart.

**F.Y. 1998-99
 Revenue Deposited Back to Trunk
 Highway Fund**



BUDGET ISSUES:

To maximize funding resources, Mn/DOT shares and exchanges tower facilities to minimize the cost of new construction.

The impacts on major activity objectives follow.

- **800 MHZ Metro Radio System:** Mn/DOT requests funding to support equipment and critical backups and expand the 800 MHZ region wide radio system. Without funding increases, the system could experience outages and prevent future users from joining the network.

- **Equipment Replacement Schedule:** This activity attempts to maintain recommended equipment replacement cycles. However, it needs more funding to replace the state's current microwave infrastructure.
- **Equipment Maintenance:** Mn/DOT will continue to maintain the equipment at its current level. Over the long run, this activity will decline because of obsolete parts and retired equipment, unless it receives funding to replace equipment.
- **Engineering Services:** This activity spends more time planning and developing systems and coordinating frequencies because of the increasing number and design of communications systems.
- **Computer Technology Support:** This activity supports networks and video conference systems.
- **Technology Development Support:** This activity supports new technologies, such as Intelligent Transportation Systems, and Road Weather Information Systems, and department initiatives at current levels. The need to support these systems increases as they become more complex. Without the resources to improve the current infrastructure, the capability to support them will likely decrease.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
Program: STATE ROADS
Activity: ELECTRONIC COMMUNICATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	3,243	3,399	3,756	3,868	3,868	3,982	3,982	695	9.7%
OPERATING EXPENSES	1,759	944	11,284	1,711	4,955	1,706	1,706	(5,567)	-45.5%
SUBTOTAL STATE OPERATIONS	5,002	4,343	15,040	5,579	8,823	5,688	5,688	(4,872)	-25.1%
Total Expenditures	5,002	4,343	15,040	5,579	8,823	5,688	5,688	(4,872)	-25.1%

CHANGE ITEMS:	FUND								
(B) 800 MHZ SYSTEM CHANGE	GEN				1,622				
(B) 800 MHZ SYSTEM CHANGE	THI				1,622				
Total Change Items					3,244				

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	1	1	17	9	1,631	9	9		
TRUNK HIGHWAY	4,995	4,334	14,855	5,425	7,047	5,534	5,534		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	6	8	21	20	20	20	20		
TRUNK HIGHWAY	0	0	147	125	125	125	125		
Total Financing	5,002	4,343	15,040	5,579	8,823	5,688	5,688		

REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	10	5	20	20	20	20	20		
TRUNK HIGHWAY	98	190	150	125	125	125	125		
Total Revenues Collected	108	195	170	145	145	145	145		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT
 Program: STATE ROADS
 Activity: ELECTRONIC COMMUNICATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
<u>FTE BY EMPLOYMENT TYPE:</u>							
FULL TIME	62.8	62.5	65.5	65.5	65.5	65.5	65.5
PART-TIME, SEASONAL, LABOR SER	2.1	2.7	2.1	2.1	2.1	2.1	2.1
OVERTIME PAY	0.8	0.5	1.0	1.0	1.0	1.0	1.0
Total Full-Time Equivalent	65.7	65.7	68.6	68.6	68.6	68.6	68.6

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: State Roads
ACTIVITY: Electronic Communications

ITEM TITLE: 800 MHz Regional Backbone System Supplement

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$1,622	\$-0-	\$-0-	\$-0-
Trunk Highway				
- State Operations	\$1,622	\$-0-	\$-0-	\$-0-
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-
- Trunk Highway	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$3,244,000 for a second zone controller, construction cost radio site development, capitol complex radiating cable and 3 additional repeater sites in order to complete Phase 1 of the 800 MHz public safety radio system in the metropolitan region. In addition, the Governor recommends the Metropolitan Radio Board bond authority be increased to cover its share of costs to complete the 800 MHz backbone system.

RATIONALE:

The 1996 legislature provided funding to design and implement a 9 county region wide public safety radio system infrastructure. The Metropolitan Council has administered the consultant contract to complete the design and letting of the radio system contract. The legislation assigned Mn/DOT the responsibility for owning, operating and maintaining the regional backbone system. This system is intended

to improve communications coverage and performance for public safety and local government agencies in the 9 county metro area. A contract for the regional radio system has been completed with an equipment provider. With the completion of the system contract, system redundancy, system growth limitations, radio area coverage concerns and site development cost increases have been identified. This initiative will provide the funding to add a second zone controller, 3 new sites, radiating cable to the Capitol complex and fund increased site development costs.

FINANCING:

The system infrastructure costs of the regional 800 MHz radio system are being shared between the State and the Metropolitan Radio Board in the amount of \$6.55 million. The state's share is \$3,244,000, \$1,622,000 from the Trunk Highway Fund and \$1,622,000 from the General Fund.

	<u>State Responsibility</u>
Second Zone Controller	\$1,984,000
Radio Site Development	\$ 428,000
Capital Complex Radiating Cable	\$ 350,000
Additional Regional Repeater Sites	<u>\$ 482,000</u>
TOTAL	\$3,244,000

OUTCOMES:

Public Safety communication for Mn/DOT, the State Patrol, Hennepin County, Metropolitan Transit and emergency medical services will be made more reliable by adding a second zone controller to provide system redundancy and to meet the metropolitan area full system growth needs.

Communication will also be improved by providing radio coverage to the Capitol complex tunnel system and adding additional sites to improve radio coverage in areas where initial system radio coverage is inadequate.

Additional funding will allow completion of initial site development for a regional public safety radio system.

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2000-01 Biennial Budget

PROGRAM: General Support

AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

The general support program provides strategic leadership, policy direction, central services, and structure to the operating divisions of Mn/DOT. The goal of the program is to effectively and efficiently guide and support the delivery of Mn/DOT services to the public. This program is made up of 2 budget activities:

- General Management
- General Services

General Management, which includes the Commissioner's Office and the Offices of Financial Management, Audit, Human Resources, Administrative Services, Workforce Equity and Diversity, Information Resource Management, Communications and Strategic Initiatives, exists to provide leadership and strategic management and administrative support to Mn/DOT. The General Services budget activity is composed primarily of appropriations used to pay for services or activities of a general benefit to the entire department.

STRATEGIES AND PERFORMANCE:

Leadership and Strategic Management

Provide leadership for state transportation policy, planning, and programming through customer and stakeholder input and determine priorities and funding availability needs.

Develop a strategic planning framework and process for the department, including the continued implementation of supporting business plans in selected offices and districts with the objective of more effectively targeting our investments.

Financial Management

Develop and implement activity-based costing (ABC) and activity-based management (ABM) methodologies in the department with the objective of better use of department resources and ability to measure competitiveness with other governmental and private entities.

In partnership with the Department of Administration, reform the procurement process with the objective of improving efficiency and effectiveness of the process.

Human Resource Management

Implement the Transportation Worker class series, which combines the classes of Highway Maintenance Worker, Highway Maintenance Worker Senior, Bridge Worker, Highway Technician, Highway Technician Intermediate, and Highway Technician Senior, and develop necessary training courses with the goal of creating a more flexible, multi-skilled workforce within the agency.

Implement the formal re-engineering of the performance management, recruitment and selection, position description and succession planning/workforce planning/career planning systems with the goal of improving the effectiveness and efficiency of these human resource activities based on a "best practices" approach.

Promote diversity and employment of protected class members through training, specialized recruitment strategies, partnerships with schools, colleges and universities, and provide work opportunities for students with the objectives of making the workforce more aware of diversity and more diverse.

Develop action plans stressing prevention of violence in the workplace, sexual harassment, general harassment and discrimination with the objective of providing our employees with safe and respectful working conditions.

Develop and implement shared work teams with the objective of enhancing our responsiveness to customers by giving our employees interpersonal skills and tools necessary to make timely, informed, and ongoing decisions.

Information Management

Accommodate year 2000 data processing requirements to assure minimum or no disruption to Mn/DOT or its clientele.

Implement information resource projects with the objective of supporting transportation investment decision-making; providing access to and integration of information on transportation facilities; providing improved design, workflow and document management technologies; and reliability and assuring security of the network infrastructure.

2000-01 Biennial Budget

PROGRAM: General Support
AGENCY: Transportation, Department of (DOT)
(Continuation)

Use market research to actively seek customer input.

Expand the delivery of information to the public including the use of Internet with the objective of meeting customer needs for information.

Continue improvement of Mn/DOT's wide area network infrastructure with the goal of improving the reliability and security of information access.

Increase the shareability of information and reduction of duplication of data creation and maintenance with the goal of improved efficiency.

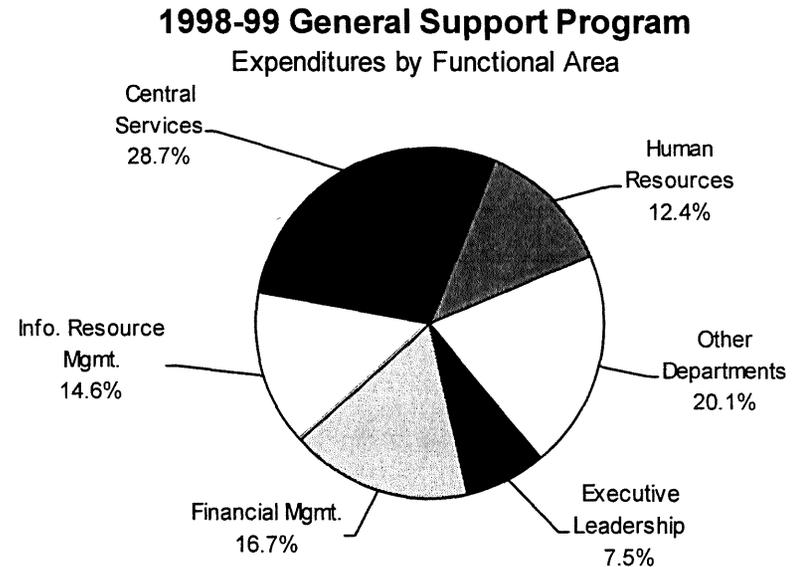
Centralized Support Services Management

Complete in year 2000 a multi-year life safety renovation and remodeling of the Transportation Building, which will result in a safer and more efficient working environment for employees.

Design and install a security system involving closed circuit cameras, access readers, panic buttons, employee and visitor badges with the objective of controlling access to the Transportation Building and making the building more secure for employees.

FINANCING INFORMATION:

The following graph illustrates the resource allocations among functional areas within the general support program:



GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$5,000,000 for information technology development needed to deliver the expanded construction program and other enhancements, and \$130,000 for an additional pilot for the Air Transportation activity.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: GENERAL SUPPORT

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
GENERAL MANAGEMENT	25,369	26,275	31,294	28,768	28,768	29,426	29,426	625	1.1%
GENERAL SERVICES	21,789	23,575	21,614	19,448	22,013	19,505	22,070	(1,106)	-2.4%
Total Expenditures	47,158	49,850	52,908	48,216	50,781	48,931	51,496	(481)	-5%

CHANGE ITEMS:	FUND:				
(B) INFORMATION TECHNOLOGY NEW FUNDING	THI			2,500	2,500
(B) SALARY FOR ADDITIONAL PILOT	THI			65	65
Total Change Items				2,565	2,565

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	41	41	41	49	49	49	49
STATE AIRPORTS	79	66	70	70	70	70	70
TRUNK HIGHWAY	39,072	35,763	43,746	39,112	41,677	39,827	42,392
OPEN APPROPRIATIONS:							
STATE AIRPORTS	80	160	112	112	112	112	112
TRUNK HIGHWAY	5,637	11,367	8,195	8,195	8,195	8,195	8,195
HIGHWAY USERS TAX DISTRIBUTION	441	406	433	433	433	433	433
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	138	196	311	245	245	245	245
AGENCY	1,670	1,851	0	0	0	0	0
Total Financing	47,158	49,850	52,908	48,216	50,781	48,931	51,496

FTE BY EMPLOYMENT TYPE:							
FULL TIME	314.8	317.9	340.7	340.7	341.7	340.7	341.7
PART-TIME, SEASONAL, LABOR SER	23.7	29.2	24.5	24.5	24.5	24.5	24.5
OVERTIME PAY	1.4	2.6	1.8	1.8	1.8	1.8	1.8
Total Full-Time Equivalent	339.9	349.7	367.0	367.0	368.0	367.0	368.0

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2000-01 Biennial Budget

BUDGET ACTIVITY: General Management
PROGRAM: General Support
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The General Management budget activity sets policy and provides the leadership, executive management, and strategic direction necessary for the department to accomplish its mission. The activity also provides internal and external support services to department managers and staff in the areas of financial management, human resource management, information management, and provision of centralized support services.

Leadership and Strategic Management

- Direction, leadership, and management of the department
- Business planning, environmental scanning, scenario analysis
- Policy-setting, decision-making, and priority determination
- Agency core competency determination
- Strategic initiatives overview
- Representation of the department to the public and other government agencies
- Integration of the transportation modes

Financial Management

- Fund planning and forecasting
- Budget development and control
- Inventory and procurement management
- Federal aid and local state aid accounting and billing
- Financial reporting (internal and external)
- Internal audits of Mn/DOT operations
- External audits of department contracts with the private sector
- Management consulting services
- Accounts payable and receivable functions

Human Resource Management

- Individual competency-based recruitment, selection, job classification, and performance management

- Workforce planning, career management, and succession planning based on individual competencies
- Employee development and training
- Employee safety and well-being
- Management of Worker's Compensation
- Organizational development activities
- Equal opportunity, affirmative action, and workforce diversity
- SEEDS (employment of minority and disadvantage students) and TRAC (introduction of civil engineering careers in high schools)

Information Management

- Information resource planning and project support
- GIS (Geographic Information System) coordination
- Data resource management and application development
- Network operations management
- Development of information resource policies and standards
- Media Relations
- Video and graphic services
- Public information
- Market research

Centralized Support Services Management

- Mail and supply distribution, photo services, purchasing, desktop publishing, records management and storage, and photocopying of plans, maps, reports, and manuals
- Business recovery planning and facilities management
- Public sale of maps and construction specification books
- Provision and design of office space and security for central office staff

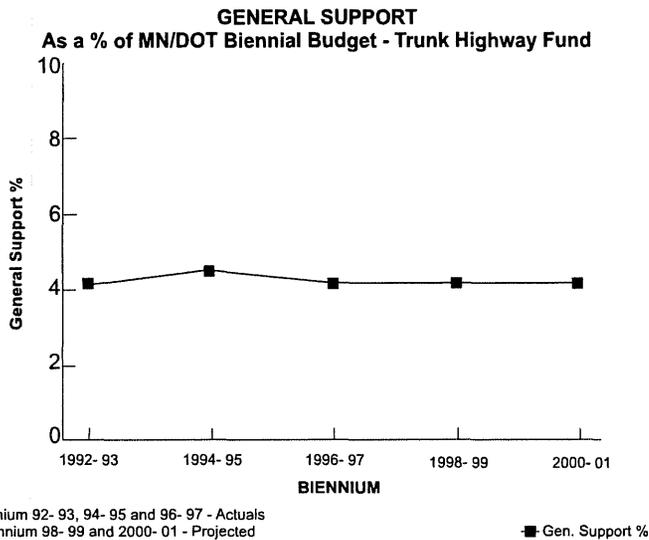
STRATEGIES AND PERFORMANCE:

General Support program expenditures as a percentage of the department's total trunk highway fund expenditures have remained relatively constant over the past 8 years. For the F.Y. 1998-1999 biennium, this percentage is approximately 4%, as shown below.

2000-01 Biennial Budget

BUDGET ACTIVITY: General Management
PROGRAM: General Support
AGENCY: Transportation, Department of (DOT)
 (Continuation)

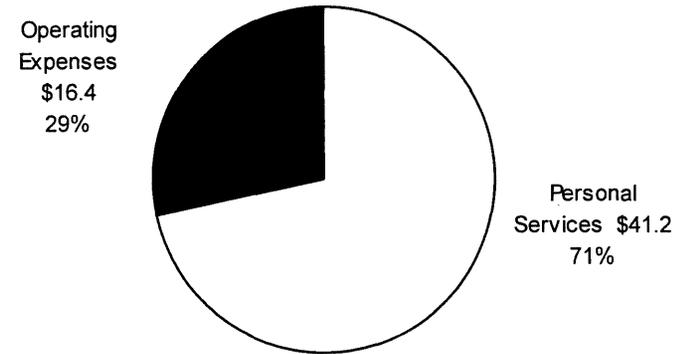
The general support program has only an indirect effect on state transportation services. As such, performance data for this program is only contributory to the department's other program outcomes.



FINANCING INFORMATION:

The principal areas of expenditure for this activity are salaries and supplies/equipment as shown below.

General Management Expenditures
\$57.6 Million



F.Y. 1998-1999 Budget Initiatives Accomplishments

Employee Development and Training

- Completion of Transportation Worker pilot in one district
- Developed from pilot the framework for Transportation Worker that can be transferred to the Operations Division
- Skills assessment completed for Transportation Worker classifications with development plans and training identified
- Shared work teams and framework identified in pilot districts
- Planned, developed, and trained work team strategies in 39 work areas throughout agency

Information Resource Management

- Improved access to existing transportation planning and investment data, new capabilities to analyze information graphically
- Replacement of the transportation program and the project management system
- Development of information on hydraulics facilities
- Replacement of agency's electronic mail and calendaring system
- Provision of remote, secure, dial-in capabilities to Mn/DOT's network

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: GENERAL SUPPORT

Activity: GENERAL MANAGEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	18,225	20,517	20,599	21,329	21,329	21,987	21,987	2,200	5.4%
OPERATING EXPENSES	7,144	5,758	10,695	7,439	7,439	7,439	7,439	(1,575)	-9.6%
SUBTOTAL STATE OPERATIONS	25,369	26,275	31,294	28,768	28,768	29,426	29,426	625	1.1%
Total Expenditures	25,369	26,275	31,294	28,768	28,768	29,426	29,426	625	1.1%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
TRUNK HIGHWAY	23,561	24,228	30,983	28,523	28,523	29,181	29,181		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	138	196	311	245	245	245	245		
AGENCY	1,670	1,851	0	0	0	0	0		
Total Financing	25,369	26,275	31,294	28,768	28,768	29,426	29,426		

REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	90	295	313	255	255	255	255		
AGENCY	1,703	1,816	0	0	0	0	0		
NONDEDICATED									
GENERAL	93	293	52	50	50	50	50		
TRUNK HIGHWAY	0	44	45	50	50	50	50		
Total Revenues Collected	1,886	2,448	410	355	355	355	355		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: GENERAL SUPPORT

Activity: GENERAL MANAGEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	310.8	305.6	325.7	328.7	328.7	328.7	328.7
PART-TIME, SEASONAL, LABOR SER	23.7	29.2	24.5	24.5	24.5	24.5	24.5
OVERTIME PAY	1.4	2.6	1.8	1.8	1.8	1.8	1.8
Total Full-Time Equivalent	335.9	337.4	352.0	355.0	355.0	355.0	355.0

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2000-01 Biennial Budget

BUDGET ACTIVITY: General Services
PROGRAM: General Support
AGENCY: Transportation, Department of (DOT)

ACTIVITY PROFILE:

The general services budget activity funds the central payment for the following services or activities, which benefit the entire department:

- leased work space and attendant housekeeping services for Mn/DOT central office space (Transportation Building) and elsewhere in metro rental facilities.
- office supplies and printing services for Mn/DOT employees.
- office equipment, equipment leases and service agreements.
- costs associated with the official Minnesota highway map.
- development of projects outlined in Mn/DOT's plan for shared information resources.
- services rendered by the Office of Attorney General.
- air transportation service charges associated with use of the Mn/DOT aircraft, or charter services in lieu of Mn/DOT aircraft.
- statewide administration systems which include state accounting, payroll, human resources, procurement and related access system.

BUDGET ISSUES:

Current funding levels are adequate to meet the department's centrally-paid services or activities.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: GENERAL SUPPORT

Activity: GENERAL SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	213	717	1,353	939	1,004	965	1,030	(36)	-1.7%
OPERATING EXPENSES	21,576	22,858	20,261	18,509	21,009	18,540	21,040	(1,070)	-2.5%
SUBTOTAL STATE OPERATIONS	21,789	23,575	21,614	19,448	22,013	19,505	22,070	(1,106)	-2.4%
Total Expenditures	21,789	23,575	21,614	19,448	22,013	19,505	22,070	(1,106)	-2.4%

CHANGE ITEMS:	FUND								
(B) INFORMATION TECHNOLOGY NEW FUNDING	THI				2,500		2,500		
(B) SALARY FOR ADDITONAL PILOT	THI				65		65		
Total Change Items					2,565		2,565		

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	41	41	41	49	49	49	49		
STATE AIRPORTS	79	66	70	70	70	70	70		
TRUNK HIGHWAY	15,511	11,535	12,763	10,589	13,154	10,646	13,211		
OPEN APPROPRIATIONS:									
STATE AIRPORTS	80	160	112	112	112	112	112		
TRUNK HIGHWAY	5,637	11,367	8,195	8,195	8,195	8,195	8,195		
HIGHWAY USERS TAX DISTRIBUTION	441	406	433	433	433	433	433		
Total Financing	21,789	23,575	21,614	19,448	22,013	19,505	22,070		

REVENUE COLLECTED:									
NONDEDICATED									
TRUNK HIGHWAY	6	7	6	6	6	6	6		
Total Revenues Collected	6	7	6	6	6	6	6		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: GENERAL SUPPORT

Activity: GENERAL SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	4.0	12.3	15.0	12.0	13.0	12.0	13.0
Total Full-Time Equivalent	4.0	12.3	15.0	12.0	13.0	12.0	13.0

F.Y. 2000-2001 Information Technology New Funding

AGENCY: TRANSPORTATION DEPT

PROGRAM: GENERAL SUPPORT

ACTIVITY: GENERAL SERVICES

IT Change Item: INFORMATION TECHNOLOGY NEW FUNDING

ITEM DESCRIPTION AND PURPOSE:

Funding for ongoing implementation of Mn/DOTS "Implementation Plan for Shared Information Resources"

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Hardware	200	200	67	67	67	67
Personnel	300	300	100	100	100	100
Services	0	0	0	0	0	0
Software	1,882	1,882	376	376	376	376
Supplies	100	100	0	0	0	0
Training	18	18	0	0	0	0
Total	2,500	2,500	543	543	543	543

Mn/DOT maintains a long-term plan for investments in information resources. The plan identifies a comprehensive program of projects that will develop data bases, applications and technology components that will be shared across the department's entire enterprise. Because the plan is comprehensive, it will eventually result in the replacement of each of today's information systems. Each biennium Mn/DOT requests an appropriation to fund the on-going implementation of projects in the plan. Projects are selected for inclusion in the schedule by executive management based on their importance (that is, their connection to the departments strategic plan) and their urgency (obsolescence in the legacy systems to be replaced).

RATIONALE:

The projects included in the FY 2000-2001 information technology program will provide better and more integrated data to transportation planning and investment decision-making processes so that the department and its partners select transportation investments that provide citizens with a better coordinated transportation network providing safer and more user-friendly access and movement.

Projects in the FY 2000-2001 program will support a more effective and efficient process for designing and constructing transportation facilities. Recent increases in the size of the transportation investment program will challenge the department's ability to deliver more projects while maintaining high design quality. This can be accomplished by making investments in information technology that will improve design productivity and reduce design cycle times.

Other projects in the FY 2000-2001 program will support the department's continuing efforts to improve its management processes by knowing its customers and their needs, by defining the processes that produce products to meet those needs, and by measuring customer satisfaction, product quality, and production efficiency. These data and applications will enable the department to improve service to the public and make informed decisions about which of its activities are best performed internally and which might be best performed by others.

Finally, by insisting on the development of shareable databases, applications, and technology, the projects in Mn/DOT's information technology plan will slow the rate of growth in the amount of resources that must be devoted to information management. This will be accomplished by reducing the number of redundant data entry and reconciliation processes, the numbers of systems interfaces, and the level of heterogeneity in the software that makes up the department's portfolio of information resources.

F.Y. 2000-2001 Information Technology New Funding

AGENCY: TRANSPORTATION DEPARTMENT
 IT Change Item: INFORMATION TECHNOLOGY NEW FUNDING
 (Continuation)

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X	X				
Operations		X	X	X	X	X
Modification			X	X	X	X
Retirement						X

Over time, Mn/DOT has acquired information technology to support almost every aspect of its business. It has a portfolio of data bases, applications, and technology and each component in that portfolio is at a different stage in its lifecycle. Most of the projects in the plan involve design and implementation of new components that replace obsolete ones and make the business processes that use them even more effective or efficient. Projects in the plan could be said to be at the end of the predesign phase of the lifecycle. As each project is undertaken, it performs planning, design, acquisition, and implementation for new components and retires existing ones. Each project also identifies resources and accountability for operations and maintenance. Because the department has a mature portfolio of information resources supporting the entire agency, it manages growth in the costs of maintaining, operating, and replacing the entire thing rather than managing the lifecycle costs of individual applications. (This is akin to managing the costs of maintaining, operating, and replacing the trunk highway system rather than managing the lifecycle costs of individual highway segments.)

The components developed in 2000 and 2001 with this appropriation will be in the operations and maintenance phases of the lifecycle through 2005. Some of them may become obsolete beginning in 2005.

OFFICE OF TECHNOLOGY ANALYSIS:

The Agency is a recognized leader in the implementation of information resource management and is in the fourth year of a ten year plan to implement agency-wide data, applications and technology. The agency has developed an enterprise data model which has guided the implementation plan.

OT Master Plan: Goal 2-Efficient and effective government. This initiative contains several projects and continues to implement projects within its implementation plan for shared information resources. Recommendation: Proceed with implementation plan. OT supports these projects

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial appropriation of \$5 million for the information technology program.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: General Support
ACTIVITY: General Services

ITEM TITLE: Salary for Additional Pilot

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$65	\$65	\$65	\$65
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$65,000 each fiscal year for an additional pilot for the state's expanded air transportation services.

RATIONALE:

In December 1997, the agency put a jet into service, which was acquired through the federal surplus property program. The amount of time that state planes are used warrants the hiring of another pilot. The 1998 Legislature changed the statute so that pilot salaries are paid from operating budgets, rather than from the air transportation revolving account.

To accommodate the current activity levels, the agency contracts with qualified pilots on an hourly basis and uses Aviation Representatives as copilots. Contract pilots are not always available when needed. Using Aviation Representatives as copilots takes them away from their normal work assignments.

FINANCING:

The agency currently employs 5 pilots, 4 paid from the Trunk Highway Fund and 1 paid from the State Airport Fund through this budget activity. This request proposes to add an additional pilot, paid from the Trunk Highway Fund.

OUTCOMES:

This funding will permit the agency to hire an experienced pilot who can fly as a captain on any of the aircraft. This increases the flexibility for scheduling crews and responds to requests for aviation services.

2000-01 Biennial Budget

PROGRAM: Buildings

AGENCY: Transportation, Department of (DOT)

PROGRAM PROFILE:

Mn/DOT owns 134 truck station sites, 17 regional and maintenance headquarter sites, 5 special services sites, 54 Class I rest area sites, 22 Class II rest area sites, truck weigh stations, approximately 70 radio communications sites, and 70 salt/sand loading sites -- a total of 372 sites. Mn/DOT operates 947 buildings at these locations, totaling over 4.8 million square feet, with an estimated total replacement cost of \$306 million.

The headquarter buildings provide space for the engineering, operations, technical and constituent services efforts that directly support the management and maintenance of Minnesota's transportation infrastructure. These facilities contain: office space, vehicle repair shops, parts and inventory storage rooms, vehicle storage space, materials laboratories, radio repair and installation shops, sign and bridge crew shops. In many cases they also contain District State Patrol offices.

The 1996 Governor's recommendations for the Capital Building Budget (Executive Summary) included the following: "In future biennia, the Governor will propose a more streamlined and efficient budget process by including the smaller ongoing building projects in the operating budget and concentrating in the capital budget on larger projects. Therefore, future capital budgets will include only major projects such as headquarter building replacements, additions or renovations. Other projects will be presented in the operating budget which represent ongoing operational needs such as truck station replacements or additions, chemical and other storage buildings, associated design fees and land acquisitions, rest areas, and related items."

Mn/DOT developed the Biennial Budget Buildings program to conform with this recommendation. The program's main requirement is that a project cost less than \$1 million.

STRATEGIES AND PERFORMANCE:

Every other year, Mn/DOT uses the building budget process to review with building users and division staff the deficiencies and needs for building space and renewals. This process generally results in an 8 to 10 year plan for projects. Presently, the plan lists 152 smaller ongoing projects, totaling \$34 million, awaiting funding over the next 4 biennia. The plan also identifies major projects, totaling

\$82 million, for which Mn/DOT will request funding through the capital budget process over the next 4 biennia.

Mn/DOT facilities need to be routinely upgraded to provide the required space, at the correct locations for operations, so that the agency can efficiently and promptly respond to the highway users needs. Some upgrades are program-related and some are code-required.

Mn/DOT facilities will be built and maintained to meet transportation system user needs and respond to environmental and safety concerns.

- Mn/DOT builds environmentally sound salt and chemical storage facilities, constructed on an ongoing basis. All raw salt is covered to prevent runoff today; however, only 50% of mixed sand/salt in inventory is covered today. The dollars identified in this buildings program should increase the coverage to 65%.
- HVAC health environment upgrades provide adequate exhaust of diesel fumes from truck storage and repair shops, and proper ventilation per code for office areas. While most Mn/DOT buildings meet state building code ventilation requirements, only 50% meet Mn/DOT's diesel exhaust standards of 2.0 cubic feet of air per minute for each square foot of building area.
- Adequate space in buildings to store and service equipment addresses some safety concerns. Adequate space can result in fewer injuries and workers' compensation insurance cases and a more productive workforce.

FINANCING INFORMATION:

Mn/DOT received appropriations of \$12.27 million for the 1998-1999 biennium from the trunk highway fund. No funds were appropriated for capital building budget projects in 1998. Furthermore, Mn/DOT does not need to issue bonds to fund these projects.

BUDGET ISSUES:

As the program needs funding to replace, remodel and construct new buildings, the projects are requested as zero based budget requests. Large projects over \$1 million are requested in the even numbered years in the capital budget. Smaller requests are made in the odd numbered years in the biennial operating budget.

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$8,251,000 for the biennium for ongoing operational building projects.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: TRANSPORTATION DEPT

Program: BUILDINGS

Activity: BUILDINGS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
OPERATING EXPENSES	0	991	158	0	0	0	0	(1,149)	-100.0%
SUBTOTAL STATE OPERATIONS	0	991	158	0	0	0	0	(1,149)	-100.0%
CAPITAL OUTLAY	0	5,454	5,668	0	4,126	0	4,125	(2,871)	-25.8%
Total Expenditures	0	6,445	5,826	0	4,126	0	4,125	(4,020)	-32.8%
CHANGE ITEMS:									
	<u>FUND</u>								
(B) OPERATIONS BUILDINGS PROJECTS	THI				4,126		4,125		
Total Change Items					4,126		4,125		
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
TRUNK HIGHWAY	0	6,445	5,826	0	4,126	0	4,125		
Total Financing	0	6,445	5,826	0	4,126	0	4,125		

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Transportation, Department of (DOT)
PROGRAM: Buildings

ITEM TITLE: Operations Building Projects

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$4,126	\$4,125	\$-0-	\$-0-
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$8,251,000 for the biennium for operations type building projects, including land purchase, design, building materials, and construction costs for buildings needed close to the transportation infrastructure.

RATIONALE:

In 1996, the Governor recommended that Mn/DOT request smaller ongoing building projects in the biennial operating budget. This allows the legislature to concentrate on larger projects (over \$1 million each) in the capital budget. These projects include chemical storage buildings, unheated storage buildings, design consultants, land acquisition, asbestos removal and site surveys.

St. Cloud HQ Site Development	\$800,000
Albert Lea Truck Station Remodeling	200,000
Madelia Truck Station Replacement	600,000
Hutchinson Truck Station Addition	375,000

Waters Edge Office Renovation	689,000
Oakdale Office Renovation	800,000
Oakdale Staging Costs	250,000
Waters Edge Parking Lot Construction	700,000
Central Services Office Renovation	562,000
Arden Hills Drivers Exam Station Addition	400,000
Thompson Hill State Patrol Office	250,000
Land Purchase (Moorhead & Mankato)	330,000
Design Fees	760,000
Pole Type Storage Buildings	395,000
Salt Storage Buildings	890,000
Asbestos Abatement	<u>50,000</u>
Subtotal	\$8,051,000
Regional Traffic Management Center Design	<u>200,000</u>
	\$8,251,000

FINANCING:

This change item should be funded by a direct appropriation from the Trunk Highway Fund. There is no base for these projects since they are treated like the capital budget requests, on an every other year basis.

The larger projects will be done by contract. In some cases the request will cover the purchase of materials. Department forces will construct salt sheds and pole-type storage buildings.

OUTCOMES:

These funds will allow Mn/DOT to build, remodel and renovate buildings necessary to support the construction and maintenance of the state's transportation infrastructure. Buildings will be constructed to meet the needs of Mn/DOT and, in some instances, the State Patrol. Modifications will meet space needs, environmental needs, code required updates, and technology upgrades at these locations.

2000-01 Biennial Budget

AGENCY: Metropolitan Council Transit

AGENCY DESCRIPTION:

The Metropolitan Council Transit is responsible for transit management, transit planning, policy making, administration and coordination of various transit services throughout the metropolitan area. Metro Transit, the largest transit operator in the state, is an operating unit of the council. The major transit responsibilities of the council include:

- Deliver cost-effective, efficient and safe Metro Transit, Metro Mobility, Small Urban/Rural and other Regular Route services.
- Implement transit service improvements and transit redesign initiatives.
- Develop and implement coordinated transit capital plans, including major transit capital investments.
- Administer state and metropolitan area transit subsidies.
- Coordinate with the Federal Transit Administration.
- Work cooperatively with transit providers, opt-out systems, regional rail authorities, transit users, local governments, businesses, transportation management organizations, developers and others to coordinate and integrate all transit modes and services.
- Evaluate performance of the regional transit system.

PERFORMANCE SUMMARY:

In the 1997 session, the legislature established a transit ridership goal of 131 million transit riders for the 1998-1999 biennium which represents an increase of 2 million riders over the 1996-1997 biennium. As of July 1998, cumulative ridership was about 3% above the legislative goal. These transit riders eliminate over 60,000 cars on a daily basis from already congested metropolitan highways and reduces the need for an additional 35,000 parking spaces. Another measure of effectiveness is the number of passengers carried per revenue hour. Metro Transit carries about 40 passengers per revenue hour (the average of one bus per hour) which is the second highest value in a peer group of 11 comparable transit systems. The Metro Mobility system, one of the largest of its kind in the country, carries over 1 million passengers per year.

REVENUES:

Total funding for services, assuming the same state appropriation level for F.Y. 2000-01 as for F.Y. 1998-99 are:

	Dollars in Thousands				
	<u>F.Y. 1997</u>	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>
State Appropriation	\$47,058	\$49,351	\$49,351	\$49,351	\$49,351
Property Taxes*	59,573	62,148	65,942	70,011	74,204
Fares	49,479	50,487	52,133	52,946	52,962
Federal	3,600	6,836	7,465	8,506	10,169
Other	<u>6,670</u>	<u>6,719</u>	<u>8,125</u>	<u>8,832</u>	<u>9,093</u>
TOTAL	\$166,380	\$175,541	\$183,016	\$189,646	\$195,779

*Excludes Opt-out systems

EXPLANATION OF AGENCY'S BUDGET PLAN:

In the 2000-2001 biennium, the Metropolitan Council Transit is faced with the challenge of continuing the transit ridership growth that has been initiated in the current biennium, reversing a 4 year trend of declining transit ridership. Preserving the ridership gains that are being achieved in the current biennium will require funding increases.

Regional sources that support regional transit operations include the regional property tax levy, farebox revenues, state assistance and federal grants. Key factors impacting transit funding requirements include:

- The number of revenue miles of service provided by Metro Transit is being increased by 6.7% from 7-1-97 to 6-30-99 to restore service eliminated earlier this decade and to meet the legislatively mandated goal of 131 million riders. Comparable service level increases are being implemented in Metro Mobility and other components of the regional transit system during the current biennium.
- Just to preserve the service levels, quality and ridership gains achieved during the current biennium in response to the legislative mandate will result in transit operating cost increases of about 3.5% over the current biennium.
- In addition, inflation will increase the cost of the transit services in place at the end of the biennium by about 3% per year or a total of about 6% for the biennium.

2000-01 Biennial Budget

AGENCY: Metropolitan Council Transit
(Continuation)

- The operating property tax levy, excluding the opt-out systems, will increase about 6% per year during the 2000-2001 biennium.
- No fare increase is planned during the 2000-2001 biennium to help comparatively reduce a relatively high fare structure and avoid reversing the ridership gains achieved during the current biennium.
- Federal operating assistance will remain a very small percentage of total operating costs.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget and a biennial increase of \$9,900,000 to preserve the existing service and ridership for the metropolitan system including regular route services, the Metro Mobility Program, and community based small rural urban programs. In addition, the Governor recommends \$5,000,000 which is expected to increase service by 3.5%, increase ridership by 5 million passenger trips for the biennium, and increase on street reliability.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: METROPOLITAN COUNCIL/TRANSPORT

Program: MET COUNCIL TRANSIT

Activity: MET COUNCIL TRANSIT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
LOCAL ASSISTANCE	47,058	49,351	51,351	49,351	56,801	49,351	56,801	12,900	12.8%
Total Expenditures	47,058	49,351	51,351	49,351	56,801	49,351	56,801	12,900	12.8%
CHANGE ITEMS:									
	<u>FUND</u>								
(B) TRANSIT PRESERVATION AND EXPANSION	GEN				7,450		7,450		
Total Change Items					7,450		7,450		
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	47,058	49,351	51,351	49,351	56,801	49,351	56,801		
Total Financing	47,058	49,351	51,351	49,351	56,801	49,351	56,801		

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Metropolitan Council Transit
PROGRAM: Metropolitan Council Transit
ACTIVITY: Metropolitan Council Transit

ITEM TITLE: Transit Preservation and Expansion

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$7,450	\$7,450	\$7,450	\$7,450
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends a biennial increase of \$14,900,000. Of this amount, \$9,900,000 is to preserve the existing service and ridership levels for the metropolitan transit system, including regular route services, the Metro Mobility program, and community-based small urban/rural programs. \$5,000,000 is provided to increase service levels and continue improvement in service quality.

RATIONALE:

Metropolitan Council Transit receives state appropriations as a grant and is therefore not eligible for inflationary adjustments to base levels under budget policy. The Governor recognizes that the impact of future wage and cost increases would likely result in severe service reductions without additional funding. This funding will assure the maintenance of service increases implemented during the current biennium and will continue the improvement in on street reliability and customer service.

The additional funding is expected to increase service by 3.5%, increase ridership by 5 million passenger trips for the biennium, and continue to improve on street reliability.

OUTCOMES:

The proposed initiatives are expected to increase daily revenue miles and daily revenue hours provided by Metro Transit. These improvements will result in enhanced on street reliability, safety and customer satisfaction. Fleet maintenance initiatives include improved equipment reliability and an enhanced fleet anti-graffiti program. Initiatives to improve on-time performance and improved courtesy will be continued. The increased reliability and frequency will improve access to jobs and other key destinations.

Improved transit services help decrease traffic congestion, reduce wear on the regions roads, reduce overall pollution, decrease reliance on foreign oil and provide better mobility opportunities for individuals who do not have access to a car.

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2000-01 Biennial Budget
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**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Public Safety, Department of (DPS)

AGENCY MISSION AND VISION:

The mission of the Department of Public Safety (DPS) is to protect people and property in Minnesota through prevention, regulation, enforcement, information and service.

The achievement of this mission is fulfilled through programs which:

- Enforce liquor and gambling laws.
- Provide criminal investigation, forensic science, criminal justice and fingerprint records, and criminal justice training.
- License drivers and register and title automobiles.
- Provide mitigation, preparedness, response and recovery to disasters.
- Promote fire safety.
- Ensure safety of natural gas and hazardous liquid pipeline systems.
- Ensure safety on roadways, reduce fatalities, and enforce traffic laws.
- Administer grant programs that strive to reduce crime in Minnesota.

The programs of DPS affect federal, state and local criminal justice, fire safety, emergency management and licensing and inspection agencies; other governmental agencies; private and nonprofit organizations that engage in public safety activities; and the general public.

KEY SERVICE STRATEGIES:

- Establish processes and plans to prevent needless loss of lives and property.
- Provide information and training on public safety issues.
- Identify opportunities to ensure compliance with laws and regulations.
- Provide support, information and resources to citizens who have suffered loss.
- Provide superior customer service. For strategies to be successful it is critical that all divisions support a unified department mission, divisions take responsibility for superior customer service, and optimal solutions are continually pursued.

OPERATING ENVIRONMENT:

- **A Violent Society.** An increased number of requests for investigations, violent gang related crime, drug trafficking, and forensic laboratory services have demanded more resources than are available. This has a severe impact on the administration of criminal justice and if not addressed will lead to a deterioration of public safety in the state of Minnesota.
- **Advancements and Demands in Technology.** Many federal and state initiatives require department systems enhancements for compliance and to utilize potential efficiencies. Outdated technology is costly to maintain and negatively impacts the department's ability to meet service demands. Advancements in technology provide the opportunity for efficient and high quality improvements to meet the needs of customers.
- **Increase in Licensed Drivers, Motor Vehicles and Traffic.** The number of motor vehicles and licensed drivers continues to increase, as does the number of non-English speaking driver's license applicants. Traffic fatalities are up, speed-related fatalities and injuries are prevalent and seat belt use continues to present a traffic safety challenge. Proactive efforts in these areas are essential.
- **Increase in Disaster Declarations.** Disaster declarations in the last 10 years have increased and service demands are beyond the level and activity typically demanded from the department.

ORGANIZATION/PROGRAM STRUCTURE:

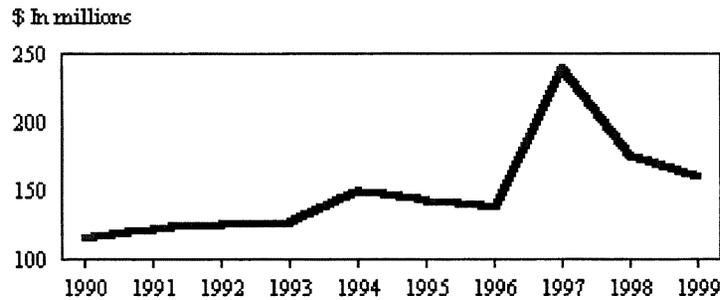
COMMISSIONER AND EXECUTIVE MANAGEMENT	
Administration and Related Services	104.7 fte
Emergency Management	48.8 fte
Criminal Apprehension	223.8 fte
Fire Marshal	57.1 fte
State Patrol	797.7 fte
Driver and Vehicle Services	565.0 fte
Alcohol and Gambling Enforcement	26.2 fte
Traffic Safety	15.9 fte
Pipeline Safety	19.0 fte
Law Enforcement and Community Grants	0.6 fte
6/30/98 TOTAL FTEs 1,858.8	

**2000-01 Biennial Budget
Agency Executive Summary**

AGENCY: Public Safety, Department of (DPS)
(Continuation)

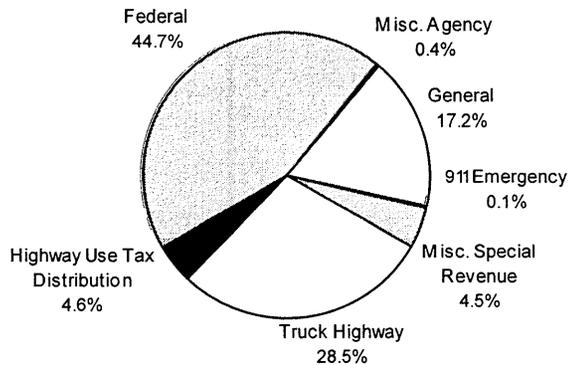
TRENDS AND PERSPECTIVE:

Total Budget - All Funds

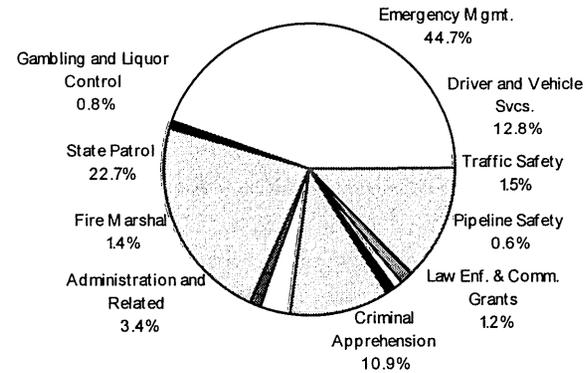


NOTE: 1997 included extraordinary expenditures for disaster related assistance

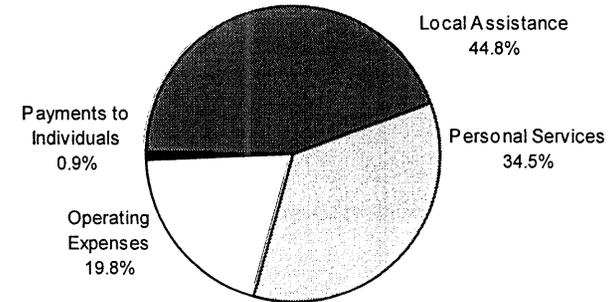
**1998-99 Expenditures by Fund Total:
\$561 million**



**1998-99 Expenditures by Program
Total: \$561 million**



**1998-99 Expenditures by Category
Total: \$561 million**



**2000-01 Biennial Budget
Agency Executive Summary**

The Governor's overall budget proposals include a tax proposal related to the Motor Vehicle Registration tax. See the Agency Revenue Summary for a further description.

AGENCY: Public Safety, Department of (DPS)
(Continuation)

GOVERNOR'S RECOMMENDATION:

The Governor recommends the following changes to the agency base level. These change items are outlined on the following budget brief pages as well as detailed on individual change item pages within the agency's budget.

<u>Change Item/Fund</u>	<u>Biennial Total</u>
General Fund	
800 Megahertz Radio System	\$1,360,000
Bullet Proof Vest Reimbursement Program	400,000
Enhanced Response/Arson Investigations	73,000
Lab Information Management System	673,000
Criminal Justice Data Network Upgrade	11,600,000
Disaster Risk Reduction and Recovery	280,000
BCA MNET Connections	313,000
Executive Protection	1,122,000
Eliminate Bicycle Safety Grant Program	(122,000)
Office of Drug Policy-Transfer from ECF	<u>5,653,000</u>
General Fund Total	\$ 21,352,000
Trunk Highway Fund	
Attorney General Costs - DWI	5,935,000
Driver License Card Production	100,000
Patrol Communication Infrastructure	1,388,000
Patrol Helicopter Replacement	1,169,000
Trooper Recruit Training Academy	1,578,000
Improve Driver Testing Services	1,895,000
Executive Protection	<u>(356,000)</u>
Trunk Highway Fund Total	\$11,709,000
Highway Users Tax Distribution	
Motor Vehicle License Plate Costs	963,000
Replacement of Optical Scanner	55,000
Electronic Government Services-Vehicle Registration	<u>580,000</u>
Highway User Tax Distribution Total	\$1,598,000

The Governor also recommends the increase of 50 cents in the fee charged for license plates to offset production costs and an increase in the driving while intoxicated reinstatement fee of \$16 to offset related laboratory costs of the Bureau of Criminal Apprehension.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Agency Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY PROGRAM:									
ADMIN & RELATED SERVICES	7,392	7,473	11,760	13,668	14,095	13,916	14,360	9,222	47.9%
EMERGENCY MANAGEMENT	100,852	202,602	50,473	7,323	7,323	7,366	7,678	(238,074)	-94.1%
CRIMINAL APPREHENSION	25,222	27,547	33,718	25,437	33,687	25,766	31,718	4,140	6.8%
FIRE MARSHAL	3,373	3,697	4,321	3,920	3,989	4,005	4,105	76	.9%
STATE PATROL	57,996	59,284	68,335	64,374	67,994	66,110	68,172	8,547	6.7%
DRIVER & VEHICLE SERVICES	33,409	34,838	39,728	37,046	41,327	37,757	42,356	9,117	12.2%
ALCOHOL & GAMBLING ENFORCEMENT	2,012	1,890	2,345	2,358	2,358	2,214	2,350	473	11.2%
TRAFFIC SAFETY	3,428	3,223	5,443	5,014	4,953	5,017	4,956	1,243	14.3%
PIPELINE SAFETY	1,237	1,338	1,767	1,665	1,665	1,678	1,678	238	7.7%
LAW ENFORC.& COMMUNITY GRANTS	4,661	3,119	3,541	0	12,937	0	12,771	19,048	286.0%
Total Expenditures	239,582	345,011	221,431	160,805	190,328	163,829	190,144	(185,970)	-32.8%

FINANCING BY FUND:									
CARRY FORWARD:									
GENERAL	0	0	0	33	33	34	34		
DIRECT APPROPRIATIONS:									
GENERAL	52,447	44,920	49,894	36,893	48,492	37,637	47,390		
STATE GOVERNMENT SPECIAL REVENUE	12	1	13	7	7	7	7		
SPECIAL REVENUE	1,202	1,186	1,498	1,467	1,867	1,497	1,897		
TRUNK HIGHWAY	70,816	72,349	85,980	80,931	87,022	83,156	88,774		
HIGHWAY USERS TAX DISTRIBUTION	10,773	12,522	13,728	14,616	15,523	14,684	15,375		
ENVIRONMENTAL	43	42	43	44	44	46	46		
OPEN APPROPRIATIONS:									
TRUNK HIGHWAY	1,171	0	0	0	0	0	0		
HIGHWAY USERS TAX DISTRIBUTION	21	0	0	0	0	0	0		
STATUTORY APPROPRIATIONS:									
GENERAL	1,275	1,541	2,274	1,682	1,682	1,622	1,622		
STATE GOVERNMENT SPECIAL REVENUE	126	245	324	298	298	345	345		
SPECIAL REVENUE	9,195	9,861	12,633	10,820	10,732	11,095	11,007		
TRUNK HIGHWAY	1,426	2,403	1,899	1,145	1,645	995	995		
FEDERAL	89,764	197,736	53,105	12,829	22,943	12,671	22,612		
AGENCY	1,185	2,000	0	0	0	0	0		
GIFT	126	205	40	40	40	40	40		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Agency Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
Total Financing	239,582	345,011	221,431	160,805	190,328	163,829	190,144

FTE BY EMPLOYMENT TYPE:							
FULL TIME	1,677.6	1,685.7	1,939.7	1,927.3	1,974.1	1,925.5	1,972.3
PART-TIME, SEASONAL, LABOR SER	68.6	79.4	13.0	3.6	3.6	3.1	3.1
OVERTIME PAY	89.8	86.7	65.5	60.1	60.1	60.1	60.1
Total Full-Time Equivalent	1,836.0	1,851.8	2,018.2	1,991.0	2,037.8	1,988.7	2,035.5

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Public Safety, Department of (DPS)

Fund: General

	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (FY 1999)</u>				
Appropriations (F.Y. 1999)		\$44,376	\$44,376	\$88,752
<u>BASE ADJUSTMENT</u>				
New Programs to Agency Base		69	139	208
Capital Project Operating Costs		240	252	492
One-Time Appropriations		(7,031)	(7,031)	(14,062)
Documented Space Rental/Lease		120	152	272
Statewide Administration Systems		73	73	146
2000-01 Salary & Benefit Base		610	1,240	1,850
System Development Cost		(95)	(95)	(190)
Transfers Between Agencies		(1,350)	(1,350)	(2,700)
Uniform Pension Bill Reduction		<u>(119)</u>	<u>(119)</u>	<u>(238)</u>
<u>BASE LEVEL (for 2000 and 2001)</u>		\$36,893	\$37,637	\$74,530
<u>CHANGE ITEMS</u>				
800 Megahertz Radio System		-0-	1,360	1,360
Bullet Proof Vest Reimbursement Program		200	200	400
Enhanced Response/Arson Investigations		69	4	73
Lab Information Management System		610	63	673
Criminal Justice Network Upgrade		7,041	4,559	11,600
Disaster Risk Reduction and Recovery		142	138	280
Disaster Assistance Payments-State Match	2,074	-0-	-0-	-0-
BCA M-NET Connections		199	114	313
Executive Protection	200	576	546	1,122
Eliminate Bicycle Safety Grants		(61)	(61)	(122)
Office of Drug Policy (Transfer from ECF)	—	<u>2,823</u>	<u>2,830</u>	<u>5,653</u>
GOVERNOR'S RECOMMENDATION	\$2,274	\$48,492	\$47,390	\$95,882

Brief Explanation of Budget Decisions:

New Programs to Agency Base: A base increase to reimburse local units of government for the employer paid portion of the health insurance premium for disabled peace officers and their dependents as provided under M.S. 299A.465.

Capital Project Operating Costs: A base adjustment to cover the rent and square footage differential for the Emergency Management program. The Division of Emergency Management (DEM) moved to new offices in St. Paul.

One-Time Appropriations: Removal of a one-time appropriation of \$3,336,000 for the Criminal Gang Strike Force; \$3,545,000 for law enforcement and community grant appropriations; and \$150,000 for State Patrol trooper candidate recruiting.

Space Rental/Lease, Statewide Administration System, and Salary and Benefit increases: Allows the agency to maintain the same level of staffing, office space and system costs, necessary for continued support of agency basic functions.

System Development Costs: A base reduction for the development of the arson data system will be completed in F.Y. 1999.

Transfers Between Agencies: Transfer to the Supreme Court as authorized in the Laws of 1997, Chapter 239, Article 1, Section 7, subdivision 3 for the judicial branch criminal justice network.

Uniform Pension Bill: A base adjustment for the reduction in employer paid pension costs.

GOVERNOR'S RECOMMENDATION(S):

The Governor recommends the agency's base level funding and the following change items:

- **800 Megahertz Radio System:** Replaces the current mobile and portable radio systems of the Division of Emergency Management, Bureau of Criminal Apprehension, Fire Marshal, and Alcohol & Gambling Enforcement program with a 800 Megahertz radio system.

**2000-01 Biennial Budget
Agency Budget Brief**

Agency: Public Safety, Department of (DPS)
(Continuation)

Fund: General

- **Bullet Proof Vest Reimbursement Program:** This request is to fully fund the bullet proof vest reimbursement program. The current base level of funding for this program is \$308,000.
- **Enhanced Response/Arson Investigations:** Brings the state fire marshal, fire/arson investigation unit in compliance with OSHA requirements for certain equipment at fire scenes.
- **Lab Information Management Systems:** Development and support of a laboratory information management system to be used to track evidence and cases at the Bureau of Criminal Apprehension Forensic Science Laboratory.
- **Criminal Justice Network Upgrade:** Development, implementation, and support of a statewide routed network for the support of the Criminal Justice Information System.
- **Disaster Risk Reduction and Recovery:** On-going maintenance of the department's disaster recovery plan to ensure that the services provided to stakeholders will continue in the event of a disaster and that a finding documented in a legislative audit is addressed.
- **Disaster Assistance Payments-State Match:** Supplemental appropriation request for state match for federal disaster assistance payments in FY 1999.
- **BCA M-NET Connections:** Connects investigation field offices, through M-Net connections, to the BCA Headquarters in St. Paul. This will allow Investigative field office personnel to more readily interact with systems and applications. Also provides for on-going technical support of those installations.
- **Executive Protection:** Adds 6 security guards, 1 new trooper, and changes the funding of 3 existing trooper positions from Trunk Highway to the General Fund. Includes a supplemental appropriation for this purpose in F.Y. 1999.

- **Eliminate Bicycle Safety Grants:** Reduce from the base budget grant funds for bicycle safety.
- **Office of Drug Policy-Transfer From ECF:** Move the Office of Drug Policy and its responsibilities from ECF to DPS and authorize the commissioner to spend the funding for activities related to the Criminal Gang Strikeforce.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Public Safety, Department of (DPS) **Fund:** Special Revenue

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (FY 1999)</u>			
Appropriations (F.Y. 1999)	\$1,435	\$1,435	\$2,870
<u>BASE ADJUSTMENT</u>			
Documented Space Rental/Lease	4	6	10
2000-01 Salary & Benefit Base	<u>28</u>	<u>56</u>	<u>84</u>
<u>BASE LEVEL (for 2000 and 2001)</u>	\$1,467	\$1,497	\$2,964
<u>CHANGE ITEMS</u>			
DWI Reinstatement Fee-Increase for BCA	<u>400</u>	<u>400</u>	<u>800</u>
GOVERNOR'S RECOMMENDATION	\$1,867	\$1,897	\$3,764

Brief Explanation of Budget Decisions:

Documented Space Rental/lease increases: Base adjustments for changes in rental rates for state owned and non-state owned buildings.

2000-01 Salary & Benefit Base: Base adjustments for compensation increases of 3.0% per year.

GOVERNOR'S RECOMMENDATION(S):

The Governor recommends the agency's base level funding and the following change item:

- DWI Reinstatement Fee Increase: an additional \$16 surcharge on DWI reinstatement fees is recommended to fund a portion of the BCA laboratory cost of blood and urine analysis for DWI cases.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Public Safety, Department of (DPS)

Fund: Trunk Highway

	<u>F.Y.1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>				
Appropriations (F.Y. 1999)		\$80,780	\$80,780	\$161,560
<u>BASE ADJUSTMENT</u>				
Attorney General Costs		36	74	110
New Programs to Agency Base		(335)	(146)	(481)
One-Time Appropriations		(1,118)	(1,118)	(2,236)
Documented Space Rental/Lease		99	146	245
Statewide Administration Systems		100	100	200
2000-01 Salary & Benefit Base		1,889	3,840	5,729
Uniform Pension Bill Reduction		(520)	(520)	(1,040)
<u>BASE LEVEL (for 2000 and 2001)</u>		\$80,931	\$83,156	\$164,087
<u>CHANGE ITEMS</u>				
Attorney General Costs	\$2,559	2,524	3,411	5,935
Driver License Card Production		50	50	100
Patrol Communication Infrastructure		694	694	1,388
Patrol Helicopter Replacement		1,169	-0-	1,169
Trooper Recruit Training Academy		735	843	1,578
Improve Driver Testing Services		1,095	800	1,895
Executive Protection		(176)	(180)	(356)
GOVERNOR'S RECOMMENDATION	\$2,559	\$87,022	\$88,774	\$175,796

Brief Explanation of Budget Decisions:

Attorney General Costs: A base adjustment to cover a portion of the cost for legal services provided to the agency by the Attorney General's Office.

New Programs to Agency Base: This includes a base reduction of \$406,000 in F.Y. 2000 and \$313,000 in F.Y. 2001 to annualize the costs of the 29 new State Patrol Trooper positions, a base increase of \$23,000 in F.Y. 2000 and \$119,000 in F.Y. 2001 for Driver License and ID Card production, and a base increase of \$48,000 in each year to annualize the costs for the new graduated driver license program.

One-Time Appropriations: The removal of \$694,000 for the State Patrol Communication Infrastructure and \$424,000 for State Patrol computer systems automation projects.

Space Rental/Lease, Statewide Administration Systems, and Salary and Benefit increases: Allow the agency to maintain the same level of staffing and office space as in the previous biennium, necessary for continued support of agency basic functions.

Uniform Pension Bill: A \$520,000 annual reduction for employer paid pension costs.

GOVERNOR'S RECOMMENDATION(S):

The Governor recommends the agency's base level funding and the following change items:

- **Attorney General Costs:** Covers increased costs for legal services provided by the Attorney General's Office for Driver License Implied Consent cases and other legal services. Includes funding for actual and anticipated outstanding payables in F.Y. 1999 of \$2,559,000.
- **Driver License Card Production:** Increase funding for driver license card production.
- **Patrol Communication Infrastructure:** Continues the replacement and maintenance of the statewide communications system infrastructure of the State Patrol.
- **Trooper Recruit Training Academy:** Funding to conduct a Trooper training academy each year.
- **Improve Driver Testing Services:** Funds for driver license examinations, automated testing machines, software for foreign language testing and a computerized scheduling system.
- **Executive Protection:** Eliminates the funding of 3 trooper positions that are requested to be funded in the General Fund appropriation.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Public Safety, Department of (DPS) **Fund:** Highway Users Tax Distribution

	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (F.Y. 1999)</u>				
Appropriations (F.Y. 1999)		\$14,194	\$14,194	\$28,388
<u>BASE ADJUSTMENT</u>				
Attorney General Costs		1	2	3
New Programs to Agency Base		236	116	352
One-Time Appropriations		(50)	(50)	(100)
Statewide Administration Systems		40	40	80
Documented Space Rent/Lease		34	55	89
2000-01 Salary & Benefit Base		<u>161</u>	<u>327</u>	<u>488</u>
<u>BASE LEVEL (for 2000 and 2001)</u>		\$14,616	\$14,684	\$29,300
<u>CHANGE ITEMS</u>				
Motor Vehicle License Plate Costs	\$629	548	415	963
Replacement of Optical Scanner		50	<u>5</u>	55
Electronic Government Services-Veh.Reg.	<u> </u>	<u>309</u>	<u>271</u>	<u>580</u>
GOVERNOR'S RECOMMENDATION	\$629	\$15,523	\$15,375	\$30,898

GOVERNOR'S RECOMMENDATION(S):

The Governor recommends the agency's base level funding and the following change items:

- **Motor Vehicle License Plate Costs:** Reflects an increase in the cost of purchasing motor vehicle license plates and registration stickers from the Dept. of Corrections, as well as covering an increase in the volume of plates and stickers sales.
- **Replacement of Optical Scanner:** Replacement of an existing optical character recognition scanner that Driver Vehicle Services uses to scan motor vehicle registration documents and ongoing maintenance of the new equipment.
- **Electronic Government Services Vehicle Registration:** Information technology project that enables citizens to renew their motor vehicle registrations through the internet with bank credit cards. This is an Information Policy Council (IPC) sponsored collaborative project.

Brief Explanation of Budget Decisions:

Attorney General Costs: A base adjustment to cover the cost increases for legal services provided to the agency by the Attorney General's Office.

New Programs to Agency Base: A base increase to annualize the cost of purchasing motor vehicle license plates from the Department of Corrections.

One-Time Appropriations: Removal of a one-time appropriation for the State Patrol to conduct a motor vehicle registration and uninsured motorist study.

Space Rent/Lease Statewide Administration System and Salary and Benefit Base: adjustments that allow the agency to maintain the same level of staffing and office space as in the previous biennium, necessary for continued support of the agency's function.

**2000-01 Biennial Budget
Agency Budget Brief
(\$ in thousands)**

Agency: Public Safety, Department of (DPS)

Fund: Environmental

	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>Biennium</u>
<u>BASE-YEAR (FY 1999)</u>			
Appropriations (F.Y. 1999)	\$43	\$43	\$86
<u>BASE ADJUSTMENT</u>			
2000-01 Salary & Benefit Base	1	3	4
<u>BASE LEVEL (for 2000 and 2001)</u>	\$44	\$46	\$90
GOVERNOR'S RECOMMENDATION	\$44	\$46	\$90

Brief Explanation of Budget Decisions:

2000-01 Salary & Benefit Base: Base adjustments of \$1,000 in F.Y. 2000 and \$3,000 in F.Y. 2001 were made for compensation budgets increases of 3.0% per year.

GOVERNOR'S RECOMMENDATION(S):

The Governor recommends the agency's base budget.

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**2000-01 Biennial Budget
Agency Level Revenue Summary**

AGENCY: Public Safety, Department of (DPS)

REVENUE SOURCES:

The Department of Public Safety receives non-dedicated revenues, dedicated revenues and federal funds. The non-dedicated revenues are collected from individuals, businesses and local governmental agencies as taxes or assessments, business and industrial regulatory charges, service/user fees and occupational licensure charges. Non-dedicated revenues represents 82% of the department's total resources.

Dedicated revenues are collected from individuals, businesses and local governmental agencies as service/user fees, business and industrial regulatory charges and taxes or assessments. Dedicated receipts represents 2% of the department's total resources.

Federal funds represent 16% of the department's total resources. The amount awarded for F.Y. 1998 is \$198 million.

FEE STRUCTURE:

State statutes require DPS to regulate occupational groups, individuals and businesses; and require registration, license, business, industrial regulatory, certification, and service fees. Federal grants account for 16% of revenues, other revenues account for 1%, 78% of the revenues collected are taxes and departmental earnings accounts for 5% of the fees collected.

The following types of activities are supported by fees:

- Drivers of motor vehicles are licensed.
- License plates are issued to all motor vehicles.
- Interstate registration and reciprocity are collected.
- Vehicle emissions fees are collected and transferred to the Pollution Control Agency.
- Hazardous chemical reports are collected and entered into a data base.
- Training for law enforcement is provided.
- A criminal justice data network is provided to law enforcement agencies.
- Permits are required for sprinkler systems and fireworks.
- Patrol fines are collected and deposited into the Trunk Highway Fund.

- Gas pipelines are inspected.
- Manufacturers of gambling devices are licensed.
- Background checks are conducted on individuals participating in legal gambling.

RECENT CHANGES:

DPS will begin charging a fee to the members of the Criminal Alert Network to cover part of the costs of this service. Members of this network receive electronic transmission of information regarding crime, including missing children and crime prevention information.

FORECAST BASIS:

The motor vehicle excise tax is expected to grow at the rate of 3% per year. Revenue is forecasted by the Department of Finance and is based on the United States forecast for consumption of motor vehicles and parts. Minnesota's share is based on level of employment. The excise tax is deposited into the General Fund.

CHANGE ITEMS:

The Bureau of Criminal Apprehension (BCA) currently receives 8% of the \$250 Driving While Intoxicated (DWI) reinstatement fee. The department is requesting \$16 surcharge on The DWI reinstatement fees to fund the BCA laboratory for a portion of the cost of blood and urine analyst for DWI court cases. The request would require an amendment to M.S. 171.29, subd. 2.

Driver and Vehicles Services proposes to increase the \$2.50 license plate fee to \$3.00 to cover increased costs of plate production.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a tax proposal to cap passenger vehicle re-registration taxes at \$75 annually effective 1-1-2000. The Governor's proposal also recommends that the resulting revenue loss in F.Y. 2000 and F.Y. 2001 be replaced with a standing appropriation from the General Fund.

The standing appropriation from the General Fund for the 6-months of F.Y. 2000 is \$95.7 million and will be annualized at \$191.4 million for F.Y. 2001 and subsequent years.

Additionally, the Governor recommends ending the requirement for the annual vehicle emission-testing program in the Twin Cities contingent on EPA approval of the carbon monoxide redesignation request.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Summary of Agency Revenues	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Forecast	Governor Recomm.	Forecast	Governor Recomm.	Dollars	Percent
NON-DEDICATED REVENUE:									
DEPARTMENTAL EARNINGS:									
CAMBRIDGE DEPOSIT FUND	13,018	13,350	13,662	13,657	13,657	13,657	13,657	302	1.1%
TRUNK HIGHWAY	21,841	21,237	21,335	21,335	21,335	21,335	21,335	98	.2%
HIGHWAY USERS TAX DISTRIBUTION	5,539	5,162	5,396	5,636	6,111	5,396	5,871	1,424	13.5%
ENVIRONMENTAL	4,131	4,304	4,300	4,300	4,300	4,300	4,300	(4)	.0%
OTHER REVENUES:									
GENERAL	47	110	93	53	53	53	53	(97)	-47.8%
TRUNK HIGHWAY	5,871	6,009	6,014	6,014	6,014	6,014	6,014	5	.0%
HIGHWAY USERS TAX DISTRIBUTION	790	782	854	854	854	854	854	72	4.4%
TAXES:									
GENERAL	401,928	445,148	436,531	434,850	434,850	449,900	449,900	3,071	.3%
HIGHWAY USERS TAX DISTRIBUTION	489,983	515,166	537,087	559,967	464,267	583,803	379,666	(208,320)	-19.8%
Total Non-Dedicated Receipts	943,148	1,011,268	1,025,272	1,046,666	951,441	1,085,312	881,650	(203,449)	-10.0%
DEDICATED RECEIPTS:									
DEPARTMENTAL EARNINGS (INTER-AGENCY):									
GENERAL	4	71	140	150	150	150	150	89	42.2%
DEPARTMENTAL EARNINGS:									
GENERAL	1,160	951	919	981	981	921	921	32	1.7%
SPECIAL REVENUE	17,201	18,021	18,859	19,097	12,104	19,220	11,620	(13,156)	-35.7%
TRUNK HIGHWAY	968	1,476	860	945	945	945	945	(446)	-19.1%
GRANTS:									
GENERAL	327	796	476	476	476	476	476	(320)	-25.2%
SPECIAL REVENUE	0	107	34	0	0	0	0	(141)	-100.0%
FEDERAL	90,295	197,650	52,196	12,829	22,943	12,671	22,612	(204,291)	-81.8%
OTHER REVENUES:									
GENERAL	84	74	76	80	80	80	80	10	6.7%
SPECIAL REVENUE	2,356	2,523	2,808	2,914	2,914	3,058	3,058	641	12.0%
TRUNK HIGHWAY	588	588	350	200	700	50	50	(188)	-20.0%
FEDERAL	1	8	0	0	0	0	0	(8)	-100.0%
GIFT	123	186	40	40	40	40	40	(146)	-64.6%

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Summary of Agency Revenues	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Forecast	Governor Recomm.	Forecast	Governor Recomm.	Dollars	Percent
DEDICATED RECEIPTS:									
OTHER SOURCES:									
AGENCY	1,185	2,000	0	0	0	0	0	(2,000)	-100.0%
Total Dedicated Receipts	114,292	224,451	76,758	37,712	41,333	37,611	39,952	(219,924)	-73.0%
Agency Total Revenues	1,057,440	1,235,719	1,102,030	1,084,378	992,774	1,122,923	921,602	(423,373)	-18.1%

**2000-2001 Biennial Budget
Federal Funds Summary
(\$ in Thousands)**

Agency: Public Safety, Department of (DPS)

PROGRAM: Administration and Related Services

PROGRAM DESCRIPTION:

The program receives small amounts of certain grant money to pay for a portion of the financial services provided to the Traffic Safety program. There is also money provided to the Communications activity for an Information and Public Education Alcohol Awareness campaign.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

No changes are anticipated.

FUNDS AT RISK:

None.

PROGRAM: Emergency Management

PROGRAM DESCRIPTION:

Federal Emergency Management Agency Grant: Supports state and local emergency planning, training and exercise programs, mitigation, flood plane management, and specialized activities such as arson prevention and terrorism training.

Superfund Amendments and Re-authorization Act Grant: Supports training of public personnel on hazardous materials response issues.

Hazardous Materials Emergency Planning Grant: Supports regional studies on transportation of hazardous materials, training (exercises) involving hazardous materials, and the formation of local public safety support groups.

Federal Disaster Assistance: Provided to the state as the result of a Presidential Disaster Declaration, for local governments and state agencies to cover response and infrastructure rebuilding costs to individual citizens for direct assistance, to local units of government for mitigation (prevention) activities, and for specialized programs such as crisis counseling and temporary housing. The federal contribution to these programs is generally 75%; the state and local governments are obligated to pay the remaining 25% share.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

FEMA has provided written notice to the Governor which indicates this grant will be completely 50/50 cost shared beginning 10-1-99.

FUNDS AT RISK:

With the changes in cost sharing announced for 10-1-99, there may be a loss of federal funds. Minnesota has no information on the anticipated level of federal funding after that time. If the programs currently funded 100% by FEMA are cut to 50% funding without any increase in the current 50% funded programs, then there will be a net loss of federal funding.

PROGRAM: Criminal Apprehension

PROGRAM DESCRIPTION:

Marijuana Eradication: Used in locating and eradicating illicit cannabis plants and in the investigation and prosecution of cases before the courts of the United States and the courts of the state of Minnesota involving controlled substances.

Forensic DNA Validation: A system for forensic DNA analysis using Short Tandem Repeat (STR) methodologies.

Drug/Firearms: Provides the hardware and software to place "Drugfire" software and hardware at the Bureau of Criminal Apprehension, Minneapolis Police

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Public Safety, Department of (DPS)

Department and Hennepin County Sheriff's Office. Drugfire is an automated database for comparing bullets and cartridge cases to link related firearms cases.

National Criminal History Improvement Program: Enables states to provide accurate and useful criminal records and improve the nation's public safety by facilitating accurate and timely identification of persons who are ineligible to purchase firearms or work in positions of trust with children and vulnerable adults; and enhance the quality, completeness and accessibility of the nations's criminal history record systems.

Drug Policy, Criminal History Improvement: Enables Minnesota to comply with the National Instant Check provision of the federal Brady law, mental health and chemical dependency/abuse commitment data, orders for protection/restraining orders data, and the investigation into the existence of data regarding persons currently under indictment for an offense punishable by imprisonment for more than 1 year.

Drug Policy, 5% Computerize Criminal History Improvement: The Crime Control Act of 1990 amended Part E of the Omnibus Crime Control and Safe Streets Act to require that each state which receives Edward Byrne Memorial State and Local Law Enforcement Formula Grant funds allocate at least 5% of its total award for the improvement of criminal justice records.

Drug Policy, Forensic Lab: Allows for the procurement of mass spectrometer data systems, and provides drug identification from blood and urine samples to law enforcement agencies in a more timely manner.

Criminal Assessment Program: Provides liaison with the Federal Bureau of Investigation Behavioral Science Unit in Quantico, Virginia through the Violent Criminal Apprehension Program, to provide statewide coordinated assessment of major violent crimes against persons. The information is disseminated to local, state and federal law enforcement agencies. It provides them with investigative leads, it assesses patterns or trends, and it facilitates case closures.

Narcotic Training Reimbursement Grant Program: Provides narcotic officer training. In 1998, funding was provided to conduct training related to crimes involving computers and other technology.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

No changes are anticipated.

FUNDS AT RISK:

None.

PROGRAM: Fire Marshal

PROGRAM DESCRIPTION:

Fire Life Safety Federal Survey Grant: Affords inspection of specified health care facilities to determine compliance with state and federal fire standards.

National Fire Incident Reporting: Makes money available to standardize reporting for fire incidents.

Public Education Grants: Available only in those states where the National Fire Incident Reporting system is up and running.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

Funding and/or guidelines have not changed.

FUNDS AT RISK:

It is anticipated that only the Fire Life Safety Federal Survey Grant of \$460,000 will continue into the next biennium. The amount should remain the same as in F.Y. 2000.

2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)

Agency: Public Safety, Department of (DPS)

PROGRAM: State Patrol

PROGRAM DESCRIPTION:

Motor Carrier Safety Assistance programs (MCSAP): An assistance program for state commercial vehicle enforcement activities, including roadside inspections, traffic enforcement, carrier review audits, public safety data management, and training. FHWA may have high priority projects that they would like to see addressed and allow states to compete for the Special Research and Development projects. The grants are requested for and approved throughout the year.

National Highway Safety Administration: This grant, through the Office of Traffic Safety, provides money for various programs such as Safe and Sober, Youth and Alcohol (Arrive Alive), Drug Recognition.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

The MCSAP program is authorized from 1998 through 2003. Each year the FHWA requests Congress to allocate the funds that were authorized. Requests are usually approved for an amount lower than requested. Congress also earmarks certain monies to be dedicated to certain areas of truck and bus safety. Special projects and earmarked funds have been combined into the basic grant allocations. MCSAP funds have been authorized to increase 5% each year from 1998 through 2003.

FUNDS AT RISK:

None.

PROGRAM: Driver and Vehicle Services

PROGRAM DESCRIPTION:

Accident Records Imaging System: An inter-agency grant provided by the Office of Traffic Safety in F.Y. 1999.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

None.

FUNDS AT RISK:

None.

PROGRAM: Alcohol and Gambling Enforcement

PROGRAM DESCRIPTION:

Youth and Alcohol Prevention: This grant provided through the Office of Traffic Safety, hires student on an intermittent basis to visit bars and saloons to determine if the establishment is serving alcohol to minors.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

Funding of this program may end May, 2000.

FUNDS AT RISK:

Funding of this program may end May, 2000.

PROGRAM: Traffic Safety

PROGRAM DESCRIPTION:

National Highway Safety Administration (NHTSA): Assists state and community efforts to reduce the number and severity of traffic crashes, injuries, and fatalities. The Transportation Equity Act for the 21st Century (TEA-21) provides the framework for funding these programs through 2003. Under TEA-21, Minnesota may receive federal funds under 3 separate section numbers and the federal funds are used exclusively for programs designed to improve traffic safety in Minnesota.

2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)

Agency: Public Safety, Department of (DPS)

- Section 402 funds are received annually through a formula grant.
- Section 403 funds cover the Fatality Analysis Reporting System (FARS) program and NHTSA's competitive grant program. FARS funding comes through a negotiated contract and covers Minnesota's costs of participating in the FARS. The availability of the competitive grants varies each year, as Minnesota's success in obtaining funding through this source.
- Section 410 funds are available to states that enact certain impaired driving laws and programs.

Federal Office of Juvenile Justice and Delinquency Prevention: The purpose of this grant is to combat underage drinking. The current grant amount is \$360,000; Minnesota has also applied for an additional \$400,000 under this program.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

None.

FUNDS AT RISK:

None.

PROGRAM: Pipeline Safety

PROGRAM DESCRIPTION:

Federal Office of Pipeline Safety: Funds the program up to 50% to inspect intrastate and interstate pipelines and to investigate pipeline failures, incidents and accidents. The Federal Office of Pipeline Safety is authorized to fund up to a maximum of 50% of the operation, however, due to federal budget restrictions this level has never been reached.

CHANGES TO PROGRAM FUNDING OR GUIDELINES:

None.

FUNDS AT RISK:

Recent changes in United States Department of Transportation inspection policy are under consideration to change the role of state inspectors on federal interstate pipelines. Minnesota has inspected these pipelines as a federal interstate agent since 1991. This change could affect 20% of the state's federal funding.

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Public Safety, Department of (DPS)

Federal Program	Related State Spending	Primary Purpose	S.F.Y. 1998 Revenues	S.F.Y. 1999 Revenues	Estimated S.F.Y. 2000 Revenues	Estimated S.F.Y. 2001 Revenues
Planning and Administration	No	SO	\$11	\$18	\$18	\$18
Alcohol Safety	No	SO	61	152	152	152
Occupant Protection	No	SO	0	100	100	100
Administration Total			72	270	270	270
Federal Emergency Management Agency - Administration.	Yes	SO	1,085	1,233	1,260	1,264
Federal Emergency Management Agency - Grants	No	GPS	969	952	912	908
Disaster Grants	Yes	SO/GPS	187,430	38,752	122	122
Hazardous Materials Response	Yes	SO/GPS	147	135	133	133
Weather Radio	No	SO	34	40	40	40
Emergency Management Total			189,665	41,112	2,467	2,467
United States Justice, Drug Enforcement Administration	No	SO/GPS	170	34	170	170
United States Justice, Drug Abuse Act	Yes	SO	438	882	737	737
United States Justice, Office of Justice Program	No	SO	327	1,512	1,000	1,000

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Public Safety, Department of (DPS)

Federal Program	Related State Spending	Primary Purpose	S.F.Y. 1998 Revenues	S.F.Y. 1999 Revenues	Estimated S.F.Y. 2000 Revenues	Estimated S.F.Y. 2001 Revenues
United States Justice, Office of Justice Program	No	GPS	140	150	49	0
Criminal Apprehension Total			1,075	2,578	1,956	1,907
Fire and Life Safety Inspections	Yes	SO	398	449	460	470
Fire Marshal Total			398	449	460	470
Motor Carrier Safety Assistance Program	Yes	SO	994	886	1,218	1,223
Motor Carrier Safety Assistance Program - Enhanced Effort	Yes	SO	644	233	600	612
Motor Carrier Safety Assistant Program - Supplemental Grants	No	SO	436	53	0	0
National Highway Traffic Safety Administration	Yes	SO	950	1,141	900	897
Federal Emergency Management Agency - Flood 1997	Yes	SO	48	0	0	0
State Patrol Total			3,072	2,313	2,718	2,732
Accident Records Imaging System	No	SO	249	83	0	0

2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)

Agency: Public Safety, Department of (DPS)

Federal Program	Related State Spending	Primary Purpose	S.F.Y. 1998 Revenues	S.F.Y. 1999 Revenues	Estimated S.F.Y. 2000 Revenues	Estimated S.F.Y. 2001 Revenues
Inter Modal Service Transportation Efficiency Act	No	SO	46	34	0	0
Commercial Vehicle Information System	No	SO	106	0	0	0
Driver and Vehicle Services Total			401	117	0	0
Youth and Alcohol Prevention	No	SO	6	125	125	0
Alcohol and Gambling Enforcement Total			6	125	125	0
Fatal Accident Reports System	No	SO	59	73	73	73
National Highway Traffic Safety Administration-402	Yes	SO/GPS	1,669	2,809	2,483	2,480
Transfer Money - Department of Transportation	No	SO	0	817	817	817
National Highway Traffic Safety Administration - 410 Alcohol	No	SO-GPS	295	660	660	660
Bureau Justice Anti-Drug-Combating Under Age Driving	No	GPS	0	101	101	101
403 Grants	No	GPS	185	0	0	0
Traffic Safety Total			2,208	4,460	4,134	4,131

**2000-2001 Biennial Budget
Federal Funds Summary (Cont.)
(\$ in Thousands)**

Agency: Public Safety, Department of (DPS)

Federal Program	Related State Spending	Primary Purpose	S.F.Y. 1998 Revenues	S.F.Y. 1999 Revenues	Estimated S.F.Y. 2000 Revenues	Estimated S.F.Y. 2001 Revenues
Pipeline Safety			761	772	689	694
Pipeline Safety Total			761	772	689	694
Agency Total			\$197,658	\$52,196	\$12,819	\$12,671

KEY:

- SO - State Operations
- GPS - Grants to Political Subdivisions
- GI - Grants to Individuals

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM:
ACTIVITY:

ITEM TITLE: Attorney General Costs

	<u>2000-01 Biennium</u>			<u>2002-03 Biennium</u>	
	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)					
Trunk Highway Fund					
- State Operations	\$2,559	\$2,524	\$3,411	\$3,411	\$3,411
Revenues: (\$000s)					
Trunk Highway Fund		\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$2,524,000 in F.Y. 2000, and \$3,411,000 in F.Y. 2001, in Trunk Highway Fund monies for increased Attorney General (AG) costs. The Governor also recommends a supplemental appropriation of \$2,559,000 in F.Y. 1999 to cover actual and anticipated outstanding payables.

RATIONALE:

There has been a dramatic increase in challenges to driver license revocations, and an increased number of cases from M.S. 171.19 petitions. Driver and Vehicle Services uses the services of the AG to resolve, through litigation if necessary, disputes involving the reinstatement of an individual's driving privileges, driver license implied consent cases, the defense of employment law cases, and other legal services. The time spent on each case has substantially increased over the years and the number of hearings has increased approximately 50% since the implementation of recent changes in the state's driving under the influence laws. Also, the AG has increased its billing rates. The appropriation to pay for these services

needs to be increased to cover the estimated number of legal hours and to cover the increase in billing rates.

FINANCING:

The request includes funding for outstanding payables in F.Y. 1999 of \$2,559,000

OUTCOMES:

- Adequate funding will assist in safeguarding Minnesota residents from DWI offenders who should not be driving.
- Individuals with legitimate disputes or who may meet criteria for reinstatement will not be delayed in the prompt and proper resolution of their situation.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM:
ACTIVITY:

ITEM TITLE: 800 Megahertz Radio System

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$-0-	\$1,360	\$-0-	\$-0-
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity <input checked="" type="checkbox"/> Supplemental Funding <input type="checkbox"/> Reallocation				

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,360,000 in F.Y. 2001, in General Fund monies to replace the current mobile and portable radio systems of the divisions of Emergency Management, Bureau of Criminal Apprehension, Fire Marshal, and Alcohol Gambling and Enforcement programs, with an 800 Megahertz Regional Radio System.

RATIONALE:

A new regional radio system is being established in the Twin Cities Metropolitan area. This system is commonly referred to as the 800 Megahertz Regional Radio System. Users of the system will include public safety agencies throughout the region. Participation in this system requires the member agencies to purchase new radio equipment compatible with the new technologies incorporated in this system. Department of Public Safety (DPS) has been identified as a participant in the system and needs to purchase new radio console equipment and mobile and portable radios.

The Minnesota Department of Transportation (MnDOT) is the lead agency involved in the engineering and implementation of the 800 Megahertz Radio System. MnDOT engineers have reviewed the radio needs of DPS and prepared a cost estimate for equipment needed by the agency. This estimate is the basis for the funding level requested herein.

FINANCING:

The replacement cost of the systems is \$1,360,000. This request is for a one-time appropriation in F.Y. 2001 for the equipment.

OUTCOMES:

Coordinated metro-wide communications with all participating public safety agencies will be possible for the first time. The system will permit dynamic regrouping of DPS radios during cooperative investigations and emergency situations. Sensitive communications will be possible using state of the art encryption technology which cannot be monitored by the criminal element.

Radio programming, maintenance and repairs will be simplified because many other state users, including MnDOT and the State Patrol, will be using the same type of radio equipment. Service equipment and technician training will be standardized, and spare parts will be common to all of the system radios.

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2000-01 Biennial Budget

PROGRAM: Administration and Related Services

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Provide support to all Public Safety programs through the use of computer technology, data communications, human resources and fiscal services. These education, awareness, prevention, and investigative programs are dependent on the services of the administration program to enable them to carry out their missions and goals.

STRATEGIES AND PERFORMANCE:

- Decision-making is made at the lowest service level.
- The agency welcomes, values and respects people of all cultures, races and ethnic backgrounds.
- The agency maintains a high level of compliance with affirmative action goals.
- Requests for systems development and enhancements far exceed the resources of this program. Personal computer usage has grown significantly and most department employees are now linked through networking.
- This program continues to be more responsive to electronic media inquiries.

BUDGET ISSUES:

Budget issues are detailed in the individual activity narrative.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase of \$191,000 for Attorney General litigation costs, \$400,000 for the bullet proof vest reimbursement program and \$280,000 for systems disaster risk reduction and recovery; a deficiency request of \$122,000 for F.Y. 1999 for Attorney General litigation cost is also recommended.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: ADMIN & RELATED SERVICES

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
OFFICE OF COMMUNICATIONS	607	585	913	836	836	844	844	182	12.1%
PUBLIC SAFETY - SUPPORT	4,344	4,276	5,411	8,119	8,404	8,289	8,595	7,312	75.5%
TECHNICAL SUPPORT SERVICES	2,441	2,612	5,436	4,713	4,855	4,783	4,921	1,728	21.5%
Total Expenditures	7,392	7,473	11,760	13,668	14,095	13,916	14,360	9,222	47.9%

CHANGE ITEMS:	FUND				
(A) ATTORNEY GENERAL COSTS	THI		122	85	106
(B) BULLET PROOF VEST REIMBURSEMENT PROG	GEN			200	200
(B) DISASTER RISK REDUCTION AND RECOVERY	GEN			142	138
Total Change Items			122	427	444

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	876	811	2,721	4,278	4,620	4,355	4,693
TRUNK HIGHWAY	5,498	5,698	7,530	6,877	6,962	7,036	7,142
HIGHWAY USERS TAX DISTRIBUTION	15	58	30	1,385	1,385	1,385	1,385
OPEN APPROPRIATIONS:							
TRUNK HIGHWAY	61	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	761	804	1,122	858	858	870	870
TRUNK HIGHWAY	0	23	77	0	0	0	0
FEDERAL	181	79	280	270	270	270	270
Total Financing	7,392	7,473	11,760	13,668	14,095	13,916	14,360

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: ADMIN & RELATED SERVICES

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	86.8	93.1	118.7	114.7	115.7	114.7	115.7
PART-TIME, SEASONAL, LABOR SER	0.6	3.8	0.5	0.5	0.5	0.5	0.5
OVERTIME PAY	0.1	0.1	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	87.5	97.0	119.2	115.2	116.2	115.2	116.2

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2000-01 Biennial Budget

BUDGET ACTIVITY: Office of Communications
PROGRAM: Administration and Related Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide strategic direction, leadership, and communications support to the Department of Public Safety's divisions and offices including efforts associated with the department's legislative activities. Develop and implement public information and education programs. Serve as a resource to educate and inform citizens of Minnesota on public safety issues. Develop, implement and administer specific federal and state public education programs on impaired driving and motorcycle safety. Respond in an accurate and timely fashion to news media inquiries concerning department activities and programs. Implement agency-wide communications planning strategies and crisis communications plans. Facilitate and ensure compliance of agency-wide graphic design standards.

STRATEGIES AND PERFORMANCE:

Establish the department as a leader and effective public policy maker on issues that affect public safety.

- Develop unified departmental messages on public safety issues.
- Promote the agency as responsible, effective and efficient to stakeholders and the public.
- Use the latest technology to promote agency programs and activities.
- Promote innovative programs through media relations.
- Communicate department planning process to all employees.

Serve as a focal point of communications for divisional public safety messages.

- Analyze divisional communications needs.
- Develop specific communications strategies to meet those needs.

- Provide divisional support as internal communications consultants.
- Implement communications planning as part of all agency programs and projects.

Serve as a liaison between the department and the public.

- Identify processes that ensure all external customers receive superior service.
- Access existing communication programs and materials to ensure that program goals and objectives are customer driven.
- Instill a customer service orientation throughout the agency.

Ensure that all agency spokespersons are prepared and feel confident for news media interviews.

- Assess department's media relations capabilities and training needs.

FINANCING INFORMATION:

This activity generates dedicated revenues. The revenues collected are federal funds claimed and receipted for National Highway Safety Administration goals.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: ADMIN & RELATED SERVICES
Activity: OFFICE OF COMMUNICATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	240	249	385	382	382	391	391	139	21.9%
OPERATING EXPENSES	347	316	508	434	434	433	433	43	5.2%
SUBTOTAL STATE OPERATIONS	587	565	893	816	816	824	824	182	12.5%
LOCAL ASSISTANCE	20	20	20	20	20	20	20	0	.0%
Total Expenditures	607	585	913	836	836	844	844	182	12.1%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	20	20	20	20	20	20	20		
TRUNK HIGHWAY	340	298	390	354	354	362	362		
HIGHWAY USERS TAX DISTRIBUTION	0	41	9	0	0	0	0		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	197	160	232	210	210	210	210		
FEDERAL	50	66	262	252	252	252	252		
Total Financing	607	585	913	836	836	844	844		

REVENUE COLLECTED:									
DEDICATED									
FEDERAL	50	61	252	252	252	252	252		
Total Revenues Collected	50	61	252	252	252	252	252		

FTE BY EMPLOYMENT TYPE:									
FULL TIME	5.0	4.5	7.0	7.0	7.0	7.0	7.0		
PART-TIME, SEASONAL, LABOR SER	0.1	0.7	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	5.1	5.2	7.0	7.0	7.0	7.0	7.0		

2000-01 Biennial Budget

BUDGET ACTIVITY: Public Safety Support
PROGRAM: Administration and Related Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide executive management and centralized support services to the divisions and offices of the department. This involves strategic planning, long range policy decision making and administrative support to enable the operating programs to carry-out their missions and goals.

Promote financial responsibility, efficient resource management and adherence to regulations through training, guidance, coordination, innovation and oversight, and by furnishing quality centralized support services. This is done through the provision of budgeting, general accounting, financial reporting, payroll, purchasing, accounts payable, contract and lease management, and administrative support services.

Assist the department's programs in efficient methods of human resource management through training, guidance, technical assistance and maintenance of employee data. This includes employee selection, job classification and salary determination services, training opportunities, employee safety coordination and labor contract administration for the department.

Develop and implement programs and policies to ensure compliance with all applicable equal employment laws. This is done through employee training, recruitment strategies, and investigation and mediation of complaints.

FINANCING INFORMATION:

Indirect costs under federal programs are recovered based on the approved indirect cost rates. Payments are made quarterly to the Department of Finance based on the indirect cost collections.

A General Fund appropriation provides reimbursements to state and local full-time peace officers for bulletproof vests. Reimbursement is made in an amount equal to the lesser of 1/2 of the vest's purchase price or \$308.55.

A General Fund appropriation provides a death benefit payment to the surviving dependents of peace officers killed in the line of duty and reimbursement to local law enforcement agencies as provided under M.S. 299A.465, for continued health insurance coverage to disabled peace officers and firefighters.

BUDGET ISSUES:

- The soft body armor reimbursement program has depleted its base funding for 2 years and is estimated to exhaust its F.Y. 1999 appropriation by December of 1998. An additional appropriation is required to provide timely reimbursement to peace officers as required by law.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: ADMIN & RELATED SERVICES
Activity: PUBLIC SAFETY - SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	2,553	2,721	3,074	3,119	3,119	3,200	3,200	524	9.0%
OPERATING EXPENSES	1,257	1,239	1,768	1,424	1,509	1,443	1,549	51	1.7%
TRANSFERS	0	0	0	3,024	3,024	3,024	3,024	6,048	
SUBTOTAL STATE OPERATIONS	3,810	3,960	4,842	7,567	7,652	7,667	7,773	6,623	75.2%
PAYMENTS TO INDIVIDUALS	192	299	559	542	742	612	812	696	81.1%
LOCAL ASSISTANCE	342	17	10	10	10	10	10	(7)	-25.9%
Total Expenditures	4,344	4,276	5,411	8,119	8,404	8,289	8,595	7,312	75.5%

CHANGE ITEMS:	FUND				
(A) ATTORNEY GENERAL COSTS	THI		122	85	106
(B) BULLET PROOF VEST REIMBURSEMENT PROG	GEN			200	200
Total Change Items			122	285	306

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	761	604	1,168	2,814	3,014	2,885	3,085
TRUNK HIGHWAY	2,930	2,992	3,258	3,273	3,358	3,360	3,466
HIGHWAY USERS TAX DISTRIBUTION	0	0	0	1,366	1,366	1,366	1,366
OPEN APPROPRIATIONS:							
TRUNK HIGHWAY	61	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	564	644	890	648	648	660	660
TRUNK HIGHWAY	0	23	77	0	0	0	0
FEDERAL	28	13	18	18	18	18	18
Total Financing	4,344	4,276	5,411	8,119	8,404	8,289	8,595

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: ADMIN & RELATED SERVICES
Activity: PUBLIC SAFETY - SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
REVENUE COLLECTED:							
DEDICATED							
SPECIAL REVENUE	629	693	683	683	683	683	683
TRUNK HIGHWAY	0	50	50	0	0	0	0
FEDERAL	34	11	18	18	18	18	18
Total Revenues Collected	663	754	751	701	701	701	701
FTE BY EMPLOYMENT TYPE:							
FULL TIME	53.6	53.0	57.7	58.7	58.7	58.7	58.7
PART-TIME, SEASONAL, LABOR SER	0.5	2.2	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	54.2	55.2	57.7	58.7	58.7	58.7	58.7

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Administration and Related Services
ACTIVITY: Public Safety Support

ITEM TITLE: Bullet Proof Vest Reimbursement Program

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$200	\$200	\$200	\$200
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$200,000 in F.Y. 2000, and \$200,000 in F.Y. 2001, in General Fund monies to fully fund the bullet proof vest reimbursement program.

RATIONALE:

Full-time peace officers and heads of local law enforcement agencies who buy vests for peace officer employees may apply to DPS for reimbursement of funds spent to buy vests under M.S. 299A.38.

Before 7-1-95 the reimbursement from the state and political subdivision employing the peace officer was 1/3 of the vest purchase price or \$165, and the peace officer was responsible for the balance. Current law requires the state and the political subdivision employing the peace office to each pay the lessor of 1/2 of the vest's purchase price or \$308.55. This cap amount of \$308.55 is adjusted yearly to reflect the annual percentage change in the consumer price index. These changes increased the state's liability and resulted in the program not being fully

funded to meet the demand. The increased state liability and the tremendous increase in the number of peace officers on the street have put a strain on this program causing a backlog of reimbursements for the last 2 years.

FINANCING:

By December of 1996 all monies were depleted for the program for F.Y. 1997 and by December of 1997 all monies were depleted for F.Y. 1998. In 1997, the legislature appropriated an additional \$100,000 to the program to be added to the base, which was immediately used to eliminate the backlogs. Again, for F.Y. 1999, after eliminating the previous years backlog and fulfilling new applications, there is approximately \$50,000 remaining for reimbursement that will need to carry through to 7-1-99. It is estimated that the appropriation will be exhausted by the end of December 1998 with an estimated \$200,000 backlog by 6-30-99.

OUTCOMES:

This request will allow the state to provide timely reimbursement to all peace officers as required by law.

2000-01 Biennial Budget

BUDGET ACTIVITY: Technical Support Services
PROGRAM: Administration and Related Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

- Provide information technology leadership through services and support to all Department of Public Safety's (DPS) divisions and staff offices in the management and utilization of their information resources.
- Provide project coordination and technical assistance to DPS and other state agencies in the area of data communication and information exchange.
- Coordinate all technical issues between the DPS and the inter-technologies group of the Department of Administration.
- Develop and leads the implementation of Information Resource Management (IRM) policies and plans including disaster recovery planning, systems development methodology, computer systems security and other statewide policy requirements.
- Provide technical coordination between Minnesota's criminal justice systems and the systems of other states and federal systems and programs.

STRATEGIES AND PERFORMANCE:

- Implement information systems "best practices" including department-wide standardized systems development methodology, information systems standards, information resource management principles, and appropriate tools.
- Provide technical support services that meet customer needs including business analysis, direct client support, and infrastructure support.
- Provide software applications that meet departmental requirements including timely delivery of high quality products.
- Secure and maintain a high quality skill base including professional development for OTSS staff and implementation of an IT recruiting strategy.

FINANCING INFORMATION:

The base budget for F.Y. 2000 and F.Y. 2001 includes a transfer of \$490,000 to the Supreme Court.

BUDGET ISSUES:

The demand for systems and network services, growth in the use of computers, and expanding internet use by the department's programs continues to exceed this activity's resources and backlogs continue. This activity is instrumental in reducing the overall costs of technology to DPS.

The criminal justice networks are growing at an accelerated rate. The expectation in the criminal justice community is that information should be provided through integrated access rather than multiple systems. Federal Bureau of Investigation initiatives, such as the National Crime Information Center 2000 project and the Identification Revitalization project, establish requirements that will need to be incorporated into Minnesota's criminal justice systems over the next 2 years.

DPS has recently completed Phase I of its disaster recovery planning, for St. Paul metropolitan locations. It is essential to continue planning for DPS locations in greater Minnesota and keep the disaster recovery plan up to date, to reduce the risk of losing critical services for long periods of time.

DPS will be participating in a collaborative Electronic Government Services project to accept credit card payments for vehicle registration renewals if resources are available. DPS is anticipating a demand to provide criminal histories, training courses, and other services over the internet.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: ADMIN & RELATED SERVICES
Activity: TECHNICAL SUPPORT SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,446	1,965	3,721	3,219	3,283	3,281	3,346	943	16.6%
OPERATING EXPENSES	995	647	1,715	1,004	1,082	1,012	1,085	(195)	-8.3%
TRANSFERS	0	0	0	490	490	490	490	980	
SUBTOTAL STATE OPERATIONS	2,441	2,612	5,436	4,713	4,855	4,783	4,921	1,728	21.5%
Total Expenditures	2,441	2,612	5,436	4,713	4,855	4,783	4,921	1,728	21.5%

CHANGE ITEMS:	FUND				
(B) DISASTER RISK REDUCTION AND RECOVERY	GEN			142	138
Total Change Items				142	138

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	95	187	1,533	1,444	1,586	1,450	1,588
TRUNK HIGHWAY	2,228	2,408	3,882	3,250	3,250	3,314	3,314
HIGHWAY USERS TAX DISTRIBUTION	15	17	21	19	19	19	19
STATUTORY APPROPRIATIONS:							
FEDERAL	103	0	0	0	0	0	0
Total Financing	2,441	2,612	5,436	4,713	4,855	4,783	4,921

REVENUE COLLECTED:							
DEDICATED							
FEDERAL	103	0	0	0	0	0	0
Total Revenues Collected	103	0	0	0	0	0	0

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: ADMIN & RELATED SERVICES

Activity: TECHNICAL SUPPORT SERVICES

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
<u>FTE BY EMPLOYMENT TYPE:</u>							
FULL TIME	28.2	35.6	54.0	49.0	50.0	49.0	50.0
PART-TIME, SEASONAL, LABOR SER	0.0	0.9	0.5	0.5	0.5	0.5	0.5
OVERTIME PAY	0.0	0.1	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	28.2	36.6	54.5	49.5	50.5	49.5	50.5

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: ADMIN & RELATED SERVICES

ACTIVITY: TECHNICAL SUPPORT SERVICES

IT Change Item: DISASTER RISK REDUCTION AND RECOVERY

ITEM DESCRIPTION AND PURPOSE:

This funding request is for the on-going maintenance of the department's disaster recovery plan to ensure that the services provided to stakeholders will continue in the event of a disaster and that a finding documented in a legislative audit is addressed.

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	3	3	3	3	3	3
Grants	0	0	0	0	0	0
Hardware	3	0	0	4	0	0
Personnel	64	65	65	65	65	65
Services	60	60	60	60	60	60
Software	2	0	0	0	0	0
Supplies	5	5	5	5	5	5
Training	5	5	5	5	5	5
Total	142	138	138	142	138	138

On-going maintenance of the department's disaster recovery plan is crucial to ensuring that services provided to stakeholders will continue in the event of a disaster. Primary stakeholders in this initiative are the citizens, law enforcement community, business community, local units of government, judiciary and federal agencies.

RATIONALE:

The intention of this initiative is to obtain resources to manage, maintain and revise our disaster recovery plan, expand the plan to include State Patrol Oakdale District and Flight Section, and secure a "hot-site" for CJIS systems housed in the Centennial Building. (NOTE: "Hot-site" is an alternate facility containing equipment and resources to recover the business functions affected by the occurrence of a disaster).

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X	X				
Operations		X	X	X		
Modification					X	X
Retirement						

Development will be the first 2 years. Modifications will most likely occur in the 5th and 6th years. There are no plans for retirement as this will become an ongoing function.

OFFICE OF TECHNOLOGY ANALYSIS:

The agency has made significant progress in information resource management but much remains to be done. The department is participating in collaborative projects such as Electronic Government Services and the Criminal Justice Community.

OT Master Plan: Goal 2-Efficient and effective government. This project results from a finding documented in a legislative audit. Recommendation: Continue to address all OT agency requirements. OT supports funding.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

2000-01 Biennial Budget

PROGRAM: Emergency Management
AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

- Reduce or eliminate the effects of natural or technological disasters by providing prevention (mitigation) programs and support.
- Administer mitigation grants for projects such as relocation of homes in floodplains and conversion of overhead wire systems to underground systems.
- Participate in the Minnesota Recovery Task Force, which manages all sources of recovery and mitigation funding after disasters to maximize recovery and prevention efforts across state and federal agencies.
- Provide emergency planning, training, and exercise programs and support.
- Advocate with an all-hazard emergency management approach and an incident management system.
- Provide a common, coordinated response and recovery framework.
- Offer training and guidance designed to promote local public safety efforts.
- Test emergency preparations.
- Promote public/private partnerships within communities.
- Coordinate and participate in state agency response to emergency/disaster situations.
- Provide the Minnesota duty officer 24-hour communications center as a link between parties notifying state agencies and the receiving agencies.
- Provide access to response resources such as specialized staff and information, response coordinators, and hazardous materials incident response teams.
- Provide timely disaster assistance to citizens and communities.

- Administer direct recovery public assistance and individual assistance grants.
- Utilize federal and state funding to provide direct assistance to local governments and individuals to rebuild infrastructure.
- Assists individual property owners with clean up and recovery.

STRATEGIES AND PERFORMANCE:

Because of the large number of federally declared disasters over the past few years (5 since January 1997), the division's activity level is unprecedented. The division is frequently asked to provide local on-scene support, and non-traditional activities have ranged from support to local sheriffs for local civil disturbances to monitoring Year 2000 computer issues.

BUDGET ISSUES:

Budget issues are detailed in the individual activity narratives.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a one-time appropriation of \$312,000 in F.Y. 2001 for the purchase of an 800 megahertz radio system and a deficiency request in F.Y. 1999 of \$2,074,000 is recommended for state match funding for disaster assistance payments.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: EMERGENCY MANAGEMENT

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
EMERGENCY MGMT. ASSISTANCE	99,541	201,441	49,023	5,886	5,886	5,913	6,225	(238,353)	-95.2%
NUCLEAR PLANT PREPAREDNESS	885	789	974	905	905	905	905	47	2.7%
EMERGENCY RESPONSE COMMISSION	426	372	476	532	532	548	548	232	27.4%
Total Expenditures	100,852	202,602	50,473	7,323	7,323	7,366	7,678	(238,074)	-94.1%

CHANGE ITEMS:	FUND				
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN				312
(B) DISASTER ASSISTANCE PAYMENTS-STATE MATCH	GEN		2,074		
Total Change Items			2,074		312

FINANCING BY FUND:							
CARRY FORWARD:							
GENERAL	0	0	0	33	33	34	34
DIRECT APPROPRIATIONS:							
GENERAL	21,304	11,974	8,265	3,810	3,810	3,850	4,162
ENVIRONMENTAL	43	42	43	44	44	46	46
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	971	893	1,046	969	969	969	969
FEDERAL	78,534	189,693	41,119	2,467	2,467	2,467	2,467
Total Financing	100,852	202,602	50,473	7,323	7,323	7,366	7,678

FTE BY EMPLOYMENT TYPE:							
FULL TIME	40.2	39.2	52.3	48.8	48.8	48.8	48.8
PART-TIME, SEASONAL, LABOR SER	5.0	9.9	0.6	0.0	0.0	0.0	0.0
OVERTIME PAY	3.1	1.7	0.1	0.1	0.1	0.1	0.1
Total Full-Time Equivalent	48.3	50.8	53.0	48.9	48.9	48.9	48.9

2000-01 Biennial Budget

BUDGET ACTIVITY: Emergency Management Assistance
PROGRAM: Emergency Management
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

- Administer prevention projects to reduce the probability of future damage.
- Train state and local emergency planners and responders.
- Administer grant assistance to counties for developing local emergency management capabilities and monitor emergency plans developed by local jurisdictions.
- Develop emergency exercises through grants and technical support.
- Coordinate other state agencies in times of disaster and interface with local units of government, federal agencies, and the private sector.
- Provide a 24-hour duty officer service that acts as a central point of contact for emergency notification and requests for assistance.
- Coordinate the damage assessment process, requests for federal and state disaster assistance and the administration of disaster relief program funds.

STRATEGIES AND PERFORMANCE:

- Within 2 years of a disaster, 90% of funding available for mitigation will be approved and obligated for distribution to local parties.
- 137 local emergency plans will be reviewed by Year 2000, to provide technical assistance and promote progressive emergency management efforts.
- Immediately respond with staff, resources, and/or information to 100% of the incidents which are reported to the Minnesota duty officer.
- All state disaster applications will be compiled and submitted within 30 days in order to trigger disaster relief assistance in a timely manner.
- Individual payments will be made within 72 hours of receiving an acceptable individual assistance application.

FINANCING INFORMATION:

M.S. 12.01 - 12.46 authorizes this activity to administer grants for the Federal Emergency Management Agency (FEMA) to eligible counties in support of their emergency management program development.

Superfund Amendments and Re-authorization Act (SARA) Section 305 grant is used for training of public personnel on hazardous materials emergency processes.

Hazardous Materials Emergency Planning (HMEP) grants under the Hazardous Materials Transportation Uniform Safety Act are used for regional studies of hazardous materials transportation and to provide grants to local interests for exercising plans, training, and promoting local public safety groups. The local interest must show multi-disciplinary participation, a hazardous materials component, and other dedicated resources. The amount of the grants is capped (\$1,500 in F.Y. 1999), depending on the amount of the federal HMEP grant to the state and the anticipated demand for grant funds.

BUDGET ISSUES:

- A supplemental budget request is needed in F.Y. 1999 to reimburse local governments for disaster recovery costs.
- An estimated \$50,000 per year will be collected from parties responsible for hazardous materials incidents. The collections are used to reimburse the hazardous materials response and chemical assessment teams.
- The level of federal support for local programs has been reduced and local governments find it difficult to maintain programs.
- A portion of the activity is 100% federally funded while another portion is 50% federally funded. After a number of years of discussion about changing the ratio, FEMA has indicated that all federal funding will be 50% beginning in F. F. Y. 2000. This change would require the state to provide additional 50% matching funds or reduce the number of staff involved with planning, drills, exercises and disaster recovery.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: EMERGENCY MANAGEMENT
Activity: EMERGENCY MGMT. ASSISTANCE

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,646	1,729	2,229	1,830	1,830	1,859	1,859	(269)	-6.8%
OPERATING EXPENSES	1,888	1,597	4,249	1,643	1,643	1,645	1,957	(2,246)	-38.4%
SUBTOTAL STATE OPERATIONS	3,534	3,326	6,478	3,473	3,473	3,504	3,816	(2,515)	-25.7%
PAYMENTS TO INDIVIDUALS	5,488	2,828	1,236	10	10	10	10	(4,044)	-99.5%
LOCAL ASSISTANCE	90,519	195,287	41,309	2,403	2,403	2,399	2,399	(231,794)	-98.0%
Total Expenditures	99,541	201,441	49,023	5,886	5,886	5,913	6,225	(238,353)	-95.2%

CHANGE ITEMS:	FUND			
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN			312
(B) DISASTER ASSISTANCE PAYMENTS-STATE MATCH	GEN		2,074	
Total Change Items			2,074	312

FINANCING BY FUND:							
CARRY FORWARD:							
GENERAL	0	0	0	33	33	34	34
DIRECT APPROPRIATIONS:							
GENERAL	20,921	11,644	7,832	3,322	3,322	3,348	3,660
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	86	104	72	64	64	64	64
FEDERAL	78,534	189,693	41,119	2,467	2,467	2,467	2,467
Total Financing	99,541	201,441	49,023	5,886	5,886	5,913	6,225

REVENUE COLLECTED:							
DEDICATED							
SPECIAL REVENUE	96	93	64	64	64	64	64
FEDERAL	78,533	189,665	41,112	2,467	2,467	2,467	2,467

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
 Program: EMERGENCY MANAGEMENT
 Activity: EMERGENCY MGMT. ASSISTANCE

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
Total Revenues Collected	78,629	189,758	41,176	2,531	2,531	2,531	2,531
FTE BY EMPLOYMENT TYPE:							
FULL TIME	31.2	29.6	40.8	37.3	37.3	37.3	37.3
PART-TIME, SEASONAL, LABOR SER	3.9	8.4	0.6	0.0	0.0	0.0	0.0
OVERTIME PAY	3.1	1.7	0.1	0.1	0.1	0.1	0.1
Total Full-Time Equivalent	38.2	39.7	41.5	37.4	37.4	37.4	37.4

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Emergency Management
ACTIVITY: Emergency Management Assistance

ITEM TITLE: Disaster Assistance Payments - State Match

	<u>1998-99 Biennium</u>		<u>2001-02 Biennium</u>	
	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$-0-	\$2,074	\$-0-	\$-0-
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends an additional \$2,074,000 in General Fund monies in F.Y. 1999 for a state match to federal disaster assistance.

RATIONALE:

This funding increase is needed to match federal disaster assistance provided to the state of Minnesota. The state is required to provide a 25% match for federal assistance.

FINANCING:

This change item requests \$2,074,000 in F.Y. 1999 to serve as match for federal disaster assistance. It is anticipated that additional matching funds may be required at a later date.

OUTCOMES:

Prior to receiving federal disaster assistance, states must agree to provide the necessary matching monies. Consequently, Minnesota has previously committed to making these matching monies available. The requested funding will allow Minnesota to remain eligible to receive federal assistance for the multiple disasters that have occurred in recent years.

2000-01 Biennial Budget

BUDGET ACTIVITY: Nuclear Plant Preparedness
PROGRAM: Emergency Management
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Plan, coordinate, and exercise state and federal agencies, local units of government and service utilities in the event of an incident at one of the nuclear power plants.

- Increase the public's awareness of protective actions that should be taken.
- Improve the capabilities of the state and local personnel in planning, response, recovery and mitigation efforts.
- Improve the ability of state and local governments to deliver emergency public information in a timely fashion.
- Receive and disseminate timely emergency notification to affected units of government and the private sector.
- Provide prompt assistance to local governments and the public.

STRATEGIES AND PERFORMANCE:

This activity uses regulation, technical and financial assistance, and direct training to prepare for potential nuclear power plant emergencies.

- On an annual basis, review and test (through drills and exercises) plans related to nuclear power plant response, involving multiple local and state agencies and Wisconsin.
- On a daily basis, ensure that the state emergency operations center is in a state of readiness which would allow a state response to any power plant incident.

FINANCING INFORMATION:

This activity generates dedicated revenue. Funds are collected from the utility company that operates 2 nuclear power plants in Minnesota, to cover the costs

associated with nuclear power plant preparedness. The agency plan reflects no increase in the amount collected for this activity.

Pursuant to M.S. 12.14, this program administers grants to other state agencies (inter-agency agreements), cities and counties which support and carry out nuclear power plant preparedness and response activities at the local level.

BUDGET ISSUES:

The requirements placed on utility companies by state and federal mandates continue to escalate, placing greater strains on this activity.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: EMERGENCY MANAGEMENT
Activity: NUCLEAR PLANT PREPAREDNESS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	200	263	280	280	280	280	280	17	3.1%
OPERATING EXPENSES	145	127	118	117	117	117	117	(11)	-4.5%
SUBTOTAL STATE OPERATIONS	345	390	398	397	397	397	397	6	.8%
LOCAL ASSISTANCE	540	399	576	508	508	508	508	41	4.2%
Total Expenditures	885	789	974	905	905	905	905	47	2.7%
FINANCING BY FUND:									
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	885	789	974	905	905	905	905		
Total Financing	885	789	974	905	905	905	905		
REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	850	811	905	905	905	905	905		
Total Revenues Collected	850	811	905	905	905	905	905		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	4.1	5.5	5.8	5.8	5.8	5.8	5.8		
Total Full-Time Equivalent	4.1	5.5	5.8	5.8	5.8	5.8	5.8		

2000-01 Biennial Budget

BUDGET ACTIVITY: Emergency Response Commission
PROGRAM: Emergency Management
AGENCY: Public Safety, Department of (DPS)

Non-dedicated revenue is collected for the hazardous chemical report fee. This fee covers the costs of data management, including administration fees by the commission and regional review committees and a portion of the costs of operation of the emergency management center.

ACTIVITY PROFILE:

Implement the federal Emergency Planning and Community Right-to-Know Act. Participate in emergency planning by reviewing county hazardous materials emergency response plans. Carry out this review through the 7 regional review committees. Implement community right-to-know by collecting, organizing, and distributing information on hazardous materials which are stored at facilities or released into the environment. Provide information to first responders and emergency planners for emergency planning, to the public for informational purposes, and to public and private interests to promote reduction of toxic chemical releases.

STRATEGIES AND PERFORMANCE:

Regulation, technical assistance and training programs promote emergency planning and support community right-to-know.

- On an annual basis, the regional review committees participate in the statewide 4 year plan review cycle to ensure hazardous materials are addressed in county/city emergency plans.
- On an annual basis, the Emergency Response Commission (ERC) compiles reporting from facilities storing hazardous materials and provides the information to emergency planners and the public.
- On an annual basis, the ERC produces a report on toxic chemical releases and pollution prevention efforts at the largest manufacturing facilities in the state and makes this information publicly available.

FINANCING INFORMATION:

This activity generates non-dedicated revenue. A regulatory fee is collected to cover the costs of establishing and maintaining regional hazardous material incident response teams. The fee is based on the amount of hazardous chemicals released.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: EMERGENCY MANAGEMENT
Activity: EMERGENCY RESPONSE COMMISSION

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	296	263	344	298	298	307	307	(2)	-.3%
OPERATING EXPENSES	130	109	132	234	234	241	241	234	97.1%
SUBTOTAL STATE OPERATIONS	426	372	476	532	532	548	548	232	27.4%
Total Expenditures	426	372	476	532	532	548	548	232	27.4%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	383	330	433	488	488	502	502		
ENVIRONMENTAL	43	42	43	44	44	46	46		
Total Financing	426	372	476	532	532	548	548		
REVENUE COLLECTED:									
NONDEDICATED									
CAMBRIDGE DEPOSIT FUND	518	585	525	525	525	525	525		
Total Revenues Collected	518	585	525	525	525	525	525		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	4.9	4.1	5.7	5.7	5.7	5.7	5.7		
PART-TIME, SEASONAL, LABOR SER	1.1	1.5	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	6.0	5.6	5.7	5.7	5.7	5.7	5.7		

2000-01 Biennial Budget

PROGRAM: Criminal Apprehension

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Provide investigative assistance, forensic science services, statewide criminal justice information and fingerprint identification and training to the criminal justice community throughout Minnesota.

STRATEGIES AND PERFORMANCE:

Performance indicators are provided in detail in the individual activity narratives.

BUDGET ISSUES:

The budget issues are outlined in greater detail within the individual budget activities. They have all been directly affected by increased activities in death investigations, violent gang-related crime, felony-level conflict of interest cases, interstate and international methamphetamine drug trafficking and crimes involving computers; and all have demanded more BCA investigation and laboratory services.

These increased functions, related equipment and staff have strained the BCA's ability to continue to function in its current facility. During F.Y. 1999, the BCA, working through the Department of Administration, is designing a new facility and securing a site. A capital budget request for the construction of this facility will be forthcoming.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$313,000 for MNET connections to laboratories in greater Minnesota, \$11,600,000 for upgrades and expansion of the Criminal Justice Data Network, \$800,000 for increased lab costs related to DWI investigations, offset by an increase in the DWI reinstatement fee, \$673,000 for upgrades and expansion of the laboratory information management system; a one-time increase in funding of \$816,000 in F.Y. 2001 for the 800 megahertz radio system is also recommended.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
FORENSIC SCIENCE LABORATORY	7,652	5,915	7,145	6,952	7,962	7,095	7,558	2,460	18.8%
CRIMINAL JUSTICE INFORM. SYS.	9,400	9,492	12,692	9,327	16,368	9,372	13,931	8,115	36.6%
CRIMINAL INVESTIGATIONS	6,361	10,355	11,798	7,282	7,481	7,437	8,367	(6,305)	-28.5%
POLICE TRAINING & DEVELOPMENT	1,154	1,269	1,395	1,248	1,248	1,222	1,222	(194)	-7.3%
CRIMINAL APPREHENSION SUPPORT	655	516	688	628	628	640	640	64	5.3%
Total Expenditures	25,222	27,547	33,718	25,437	33,687	25,766	31,718	4,140	6.8%

CHANGE ITEMS:	FUND						
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN						816
(B) BCA MNET CONNECTIONS	GEN				199		114
(B) CRIMINAL JUSTICE DATA NETWORK UPGRADE	GEN				7,041		4,559
(B) DWI REINSTATEMENT FEE-INCREASE FOR BCA	SR				400		400
(B) LAB INFORMATION MANAGEMENT SYSTEM	GEN				610		63
Total Change Items					8,250		5,952

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	15,496	19,046	23,407	17,570	25,420	17,907	23,459
STATE GOVERNMENT SPECIAL REVENUE	12	1	13	7	7	7	7
SPECIAL REVENUE	549	430	571	520	920	532	932
TRUNK HIGHWAY	2,059	1,337	1,807	1,626	1,626	1,656	1,656
STATUTORY APPROPRIATIONS:							
GENERAL	832	978	1,597	1,046	1,046	1,046	1,046
SPECIAL REVENUE	2,394	2,690	3,605	2,712	2,712	2,711	2,711
FEDERAL	3,880	1,060	2,718	1,956	1,956	1,907	1,907
AGENCY	0	2,000	0	0	0	0	0
GIFT	0	5	0	0	0	0	0
Total Financing	25,222	27,547	33,718	25,437	33,687	25,766	31,718

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: CRIMINAL APPREHENSION

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	197.4	209.5	228.3	224.5	229.5	224.5	229.5
PART-TIME, SEASONAL, LABOR SER	7.6	8.9	9.3	0.5	0.5	0.0	0.0
OVERTIME PAY	12.1	10.9	10.9	5.5	5.5	5.5	5.5
Total Full-Time Equivalent	217.1	229.3	248.5	230.5	235.5	230.0	235.0

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2000-01 Biennial Budget

BUDGET ACTIVITY: Forensic Science Laboratory
PROGRAM: Criminal Apprehension
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide state of the art forensic science services to the criminal justice community to facilitate the administration of justice. Provide expert witness testimony to courts, assist local agencies in processing major crime scenes to recover evidence, and participate as instructors in law enforcement training schools. The laboratory is accredited by the American Society of Crime Laboratory Directors Laboratory Accreditation Board, and its Deoxyribonucleic Acid (DNA) program is recognized as a national model throughout the country.

STRATEGIES AND PERFORMANCE:

- Implement new DNA technique called Short Tandem Repeat (STR). STRs can be typed with a high degree of specificity and sensitivity in a relatively short time period, and should significantly reduce the turnaround time.
- Maintain DNA convicted offender database (as required by M.S. 609.3461) with about 9,000 samples gathered since 1990. This database has been used to identify multiple repeat offenders since its creation.
- Participate in the Federal Bureau of Investigation (FBI) Combined DNA Index System (CODIS) that links all states that have convicted offender DNA databases.
- Maintain the "DRUGFIRE" system, a computerized database of fired cartridge cases and bullets that links firearms-related cases with entry stations at the Bureau of Criminal Apprehension (BCA), Hennepin County Sheriff's Office and Minneapolis Police Department.
- Maintain all intoxilyzers (evidentiary breath alcohol testing devices) in the state; train and certify law enforcement officers in its operation.

	<u>1998 Actual</u>	<u>2000 Goal</u>
■ Reduce Turnaround Time		
Under 1 week	7%	10%
Within 2 weeks	9%	50%
Within 1 month	21%	40%
More than 1 month	63%	0%

FINANCING INFORMATION:

This activity generates dedicated revenue. Basic intoxilyzer schools and breath test recertification classes are conducted to train law enforcement officers. Fees are collected to cover the costs of these classes.

BUDGET ISSUES:

- Laboratory turnaround time is a critical issue in bringing criminal cases to court. Case loads in drug analysis have increased over 12% and in the driving while intoxicated area by over 36%, since 1996.
- Increased supply costs due to new technologies and infection control have strained the laboratory's ability to function. Most of the Laboratory's equipment budget is diverted each year to cover supply needs.
- Many of the laboratory's mission-critical instruments are reaching an age where they will no longer be able to be repaired.
- The recovery of physical evidence from violent crime scenes is a service that the BCA laboratory has provided. However, it is a specialized service that needs to be provided by highly trained scientists.
- With the increased use and sophistication of crimes involving computers, the laboratory needs to develop an expertise in forensic computer analysis.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: FORENSIC SCIENCE LABORATORY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	3,690	4,092	4,519	4,565	4,625	4,697	4,760	774	9.0%
OPERATING EXPENSES	3,962	1,671	2,626	2,387	3,337	2,398	2,798	1,838	42.8%
SUBTOTAL STATE OPERATIONS	7,652	5,763	7,145	6,952	7,962	7,095	7,558	2,612	20.2%
CAPITAL OUTLAY	0	2	0	0	0	0	0	(2)	-100.0%
LOCAL ASSISTANCE	0	150	0	0	0	0	0	(150)	-100.0%
Total Expenditures	7,652	5,915	7,145	6,952	7,962	7,095	7,558	2,460	18.8%

CHANGE ITEMS:	FUND				
(B) DWI REINSTATEMENT FEE-INCREASE FOR BCA	SR			400	400
(B) LAB INFORMATION MANAGEMENT SYSTEM	GEN			610	63
Total Change Items				1,010	463

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	4,206	4,018	4,406	4,367	4,977	4,468	4,531
SPECIAL REVENUE	410	387	409	421	821	433	833
TRUNK HIGHWAY	2,059	1,337	1,807	1,626	1,626	1,656	1,656
STATUTORY APPROPRIATIONS:							
GENERAL	0	14	17	10	10	10	10
SPECIAL REVENUE	33	73	83	83	83	83	83
FEDERAL	944	86	423	445	445	445	445
Total Financing	7,652	5,915	7,145	6,952	7,962	7,095	7,558

REVENUE COLLECTED:					

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: FORENSIC SCIENCE LABORATORY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
DEDICATED							
GENERAL	1	13	10	10	10	10	10
SPECIAL REVENUE	13	85	83	83	483	83	483
FEDERAL	944	86	423	445	445	445	445
Total Revenues Collected	958	184	516	538	938	538	938
FTE BY EMPLOYMENT TYPE:							
FULL TIME	64.2	68.0	75.0	75.0	76.0	75.0	76.0
PART-TIME, SEASONAL, LABOR SER	0.9	0.7	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	2.4	3.8	3.7	3.7	3.7	3.7	3.7
Total Full-Time Equivalent	67.5	72.5	78.7	78.7	79.7	78.7	79.7

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Criminal Apprehension
ACTIVITY: Forensic Science Laboratory

ITEM TITLE: DWI Reinstatement Fee Increase for BCA

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Special Revenue Fund				
- State Operations	\$400	\$400	\$400	\$400
Revenues: (\$000s)				
Special Revenue Fund	\$400	\$400	\$400	\$400

Statutory Change? Yes X No _____

If yes, statutes(s) affected: M.S. 171.29, Subd. 2

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$400,000 each year in Special Revenue Fund monies to provide laboratory supplies and equipment. Also recommended is the addition of a surcharge of \$16 on the DWI reinstatement fee.

RATIONALE:

The laboratory has diverted over \$100,000 of its equipment account to cover increased supply costs during the last fiscal year. Since this diversion has occurred over the last 2 bienniums, many of the laboratory's mission critical instruments are reaching an age where they will no longer be able to be repaired.

FINANCING:

The Bureau of Criminal Apprehension (BCA) currently receives 8% of the driving under the influence reinstatement fee. Of this amount, 80% is used for the BCA laboratory and 20% for the BCA buy-fund. This initiative seeks to add a \$16

surcharge on Driving While Intoxicated (DWI) reinstatement fees to fund the BCA laboratory for a portion of the cost of blood and urine analysis for DWI court cases.

OUTCOMES:

This increase to the BCA laboratory account in the Special Revenue Fund would provide the laboratory with the resources to continue its current level of service to Minnesota law enforcement agencies.

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: CRIMINAL APPREHENSION

ACTIVITY: FORENSIC SCIENCE LABORATORY

IT Change Item: LAB INFORMATION MANAGEMENT SYSTEM

ITEM DESCRIPTION AND PURPOSE:

This request is for the development and support of a laboratory information management system to be used to track evidence and cases at the Bureau of Criminal Apprehension (BCA) Forensic Science Laboratory.

The stakeholders are the BCA laboratory staff, other Minnesota agencies, all Minnesota law enforcement agencies and the Minnesota criminal justice community.

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Hardware	50	0	0	0	0	0
Personnel	60	63	63	63	63	63
Services	0	0	0	0	0	0
Software	500	0	0	0	0	0
Supplies	0	0	0	0	0	0
Training	0	0	0	0	0	0
Total	610	63	63	63	63	63

The scope includes all BCA laboratory case activity from the time the evidence is received by the laboratory, through analysis, eventual disposition of the evidence and court testimony. The project will consider connectivity to laboratory analytical instruments and Law Enforcement Message System (LEMS), support the laboratory's quality assurance program and enhance the level of service provided to laboratory clients. A new programmer will do maintenance and programming changes.

RATIONALE:

The intention of the project is to improve the laboratory by facilitating the flow of case information through current technologies such as bar coding evidence, and document imaging. The results of this project will improve the handling of evidence and the availability of case status information to laboratory management and client agencies. The project will reduce repetitive work processes through automation to increase laboratory productivity.

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X	X				
Operations		X	X	X	X	X
Modification			X	X	X	X
Retirement						

The pre-design phase will be completed in F.Y. 1999. Planning and testing will be completed in F.Y. 2000. Operations and maintenance will start in F.Y. 2001 and then continue for at least 5 more years. Upgrades and revisions to the system are likely to occur during that time. Retirement is possible after 10 years.

OFFICE OF TECHNOLOGY ANALYSIS:

The agency has made significant progress in information resource management but much remains to be done. The agency is participating in collaborative projects such as Electronic Government Services.

OT Master Plan: Goal 2-Efficient and effective government. This project would improve case management and improve the flow of evidence and related information through the forensic science laboratory. Recommendation: Continue to address all OT requirements. OT supports funding.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

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2000-01 Biennial Budget

BUDGET ACTIVITY: Criminal Justice Information System
PROGRAM: Criminal Apprehension
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Manage a series of computerized information systems, which index criminal justice information concerning crimes and criminals of state and national interest and the network communication capabilities that provide instantaneous access to that data.

STRATEGIES AND PERFORMANCE:

- Implement Gang File, Orders for Protection, Juvenile Criminal History and (soon) Statewide Probation and Jail Detention systems. The crime statistical system, written in 1972, needs to be replaced with a system that provides more detail on crime and meets Federal Bureau of Investigation (FBI)'s new national system standards, local law enforcement will also have to change their systems.
- Midwest Automated Fingerprint Identification Network (MAFIN) contains fingerprint images from arrestees in Minnesota, North Dakota and South Dakota; it was recently upgraded (federal funds) to allow for integration with the FBI system, to interface with the criminal history system, and to receive electronic submissions of fingerprints. The legislature appropriated \$2 million dollars to procure electronic fingerprint capture devices for local law enforcement. The deployment of those devices will be complete by F.Y. 2000.
- Ongoing training of criminal justice systems users is critical. Federal law requires this activity to certify every terminal operator in the state and audit terminal agencies every other year to assure that they are providing accurate and timely data and properly accessing and using the private data.
- Several hundred thousand background checks for licensing and employment are made against the criminal history file every year as mandated by state law and on request of companies with employee signed informed consent forms.
- Number of arrest fingerprint cards submitted continues to increase due to implementation of juvenile Computerized Criminal History.
- Continual growth in number of devices on criminal justice network because of the increased use of Mobile Display Terminals and Mobile Computer Terminals in squads and the need for additional devices in agencies.

FINANCING INFORMATION:

This activity generates dedicated and non-dedicated revenue.

- Expenses of the Midwest Automated Fingerprint Identification Network shared by state of Minnesota, cities of St. Paul and Minneapolis, counties of Ramsey, Hennepin and St. Louis, and the states of North and South Dakota.
- Connect charges and monthly access charges to the Criminal Justice Data Communications Network (CJDN), help finance the costs of providing this private, secure network.
- Fee is charged for non-criminal justice record requests.

BUDGET ISSUES:

- The FBI Automated Fingerprint Identification System and livescan fingerprint capture technology become operational in C. Y. 1999. The identification unit, currently staffed 7 days a week, 10 hours per day, needs 7 x 24 staffing to meet the instantaneous identification needs of law enforcement.
- CJDN, the communication backbone for criminal justice agencies needs to move to a routed network to accommodate the images and additional data that agencies are exchanging and to take advantage of the new features of National Crime Information Center 2000. This will occur in phases and will result in managing 2 networks during transition in local agencies. Funding dual networks will be an issue. Also, as agencies add additional devices to the network, their fees go up. The growth of access for these agencies is hampered by these fees.
- Congress is considering an interstate compact to facilitate the timely exchange of interstate criminal history information for licensing/employment background checks. If passed and adopted by the states, it will result in vast improvements for the agencies awaiting the information. The CJIS section will have to make several modifications to systems and processes to accommodate this new approach to non-criminal justice background checks.
- A base budget transfer of \$1,350,000 each year to the Supreme Court is included as part of the agency request.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: CRIMINAL APPREHENSION

Activity: CRIMINAL JUSTICE INFORM. SYS.

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,839	1,923	2,409	2,352	2,547	2,402	2,602	817	18.9%
OPERATING EXPENSES	7,282	7,530	9,937	6,975	13,021	6,970	10,529	6,083	34.8%
SUBTOTAL STATE OPERATIONS	9,121	9,453	12,346	9,327	15,568	9,372	13,131	6,900	31.7%
LOCAL ASSISTANCE	279	39	346	0	800	0	800	1,215	315.6%
Total Expenditures	9,400	9,492	12,692	9,327	16,368	9,372	13,931	8,115	36.6%

CHANGE ITEMS:	FUND				
(B) CRIMINAL JUSTICE DATA NETWORK UPGRADE	GEN			7,041	4,559
Total Change Items				7,041	4,559

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	4,354	4,863	7,455	5,332	12,373	5,378	9,937
STATUTORY APPROPRIATIONS:							
GENERAL	832	918	1,540	996	996	996	996
SPECIAL REVENUE	1,902	1,351	2,421	1,767	1,767	1,766	1,766
FEDERAL	2,312	360	1,276	1,232	1,232	1,232	1,232
AGENCY	0	2,000	0	0	0	0	0
Total Financing	9,400	9,492	12,692	9,327	16,368	9,372	13,931

REVENUE COLLECTED:							
DEDICATED							
GENERAL	1,112	1,115	996	996	996	996	996
SPECIAL REVENUE	1,771	1,721	1,757	1,767	1,767	1,766	1,766
FEDERAL	2,312	360	1,276	1,232	1,232	1,232	1,232
AGENCY	0	2,000	0	0	0	0	0

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: CRIMINAL JUSTICE INFORM. SYS.

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
CAMBRIDGE DEPOSIT FUND	250	168	190	190	190	190	190
Total Revenues Collected	5,445	5,364	4,219	4,185	4,185	4,184	4,184
FTE BY EMPLOYMENT TYPE:							
FULL TIME	45.1	44.0	48.0	52.5	55.5	52.5	55.5
PART-TIME, SEASONAL, LABOR SER	1.2	0.6	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.2	0.4	0.4	0.4	0.4	0.4	0.4
Total Full-Time Equivalent	46.5	45.0	48.4	52.9	55.9	52.9	55.9

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: CRIMINAL APPREHENSION

ACTIVITY: CRIMINAL JUSTICE INFORM. SYS.

IT Change Item: CRIMINAL JUSTICE DATA NETWORK UPGRADE

ITEM DESCRIPTION AND PURPOSE:

This funding request is for the development, implementation, and support of a statewide routed network for the support of the Criminal Justice Information System (CJIS).

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	6	6	6	6	6	6
Grants	800	800	1,600	0	0	0
Hardware	558	213	26	28	30	32
Personnel	195	200	200	200	200	200
Services	3,005	2,876	2,920	3,037	3,158	3,285
Software	2,207	212	225	234	247	258
Supplies	3	3	3	3	3	3
Training	267	249	24	24	24	24
Total	7,041	4,559	5,004	3,532	3,668	3,808

This project will develop and implement a statewide routed network for the support of CJIS utilizing the MNET backbone. It also provides the means by which local and state criminal justice agencies can upgrade to interface with CJIS and increase connectivity between local, state and federal justice systems.

This request identifies 3 positions to implement the network, provide support to local criminal justice agencies and manage the network.

RATIONALE:

The newer technology also provides for a more stable network with increased operational up time. This will provide improved system/network stability enhancing both officer and public safety.

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X	X	X	X		
Operations	X	X	X	X	X	X
Modification			X	X	X	X
Retirement						

OFFICE OF TECHNOLOGY ANALYSIS:

The agency has made significant progress in information resource management but much remains to be done to pull diverse divisions into a department-wide approach for all information resource management (IRM) planning and project implementation particularly in the area of its technology infrastructure. It is imperative to continue strong executive leadership in eliminating divisional fractionalization and moving toward department-wide efforts. The department is participating in collaborative projects such as Electronic Government Services and the Criminal Justice Community.

OT Master Plan: Goal 2-Efficient and effective government, Goal 5-Improved quality of life. This project would upgrade the criminal justice network infrastructure to prepare for the integration of all local, state and federal criminal justice systems in order to comply with the NCIC-2000 mandate. This upgrade is essential since the current infrastructure is incapable of supporting current and future criminal justice information sharing needs. Recommendation: The Criminal Justice Data Network is a critical statewide project that must be funded. OT supports this collaborative project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

2000-01 Biennial Budget

BUDGET ACTIVITY: Criminal Investigations
PROGRAM: Criminal Apprehension
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide coordination and investigative assistance to local law enforcement agencies in areas such as complex, multi-jurisdictional or long-term felony level investigations. Field offices: Bemidji, Brainerd, Center City, Duluth, Hastings, Mankato, Marshall, Moorhead, Rochester, St. Cloud and Thief River Falls.

STRATEGIES AND PERFORMANCE:

The level of requests for investigative assistance has steadily increased. The Bureau of Criminal Apprehension (BCA) generally responds only to death investigations, violent crimes against children, officer-involved shootings, violent sexual assaults, interstate and international drug trafficking, felony-level conflict of interest investigations and some computer-related crimes. Many of these requests involve the use of sophisticated equipment and related expertise not available to local departments.

The BCA has identified specific crime trends and general investigative needs of the Minnesota criminal justice community, and has implemented initiatives without legislative funding to address some of these major investigative concerns:

- Train and equip 2 full-time polygraph examiners in Mankato and Bemidji.
- Employ 3 full-time Special Agents and one Criminal Intelligence Analyst to reinvestigate old homicides, which has solved 6 such homicides in the past 5 years including the 20-year old slaying of the Lake City mayor and his wife and the 1975 murder of a 17-year old girl in Stillwater.
- Monitor the location of approximately 8,000 registered sex offenders.
- Provide computer-related criminal investigations and training to the criminal justice community, as crimes involving this technology are on the increase.

FINANCING INFORMATION:

This activity generates dedicated revenue. Revenue is generated by selling used equipment and by money awarded by the courts from forfeited property seizures.

A Drug Enforcement Administration statewide Marijuana Eradication Grant and the confidential fund are administered by this activity

BUDGET ISSUES:

- Sex offender registration increases approximately 10% per year.
- Investigative equipment such as visual and audio recording equipment, crime scene processing and computer-crime related forensic technology, and sophisticated surveillance equipment is badly antiquated in need of replacement.
- Investigative demands continually result in overtime excesses for special agents.
- City, county and federal law enforcement agencies and federal prosecutors are analyzing the statewide need for investigators and forensic technicians to respond to the exploding occurrences of computer crimes.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: CRIMINAL APPREHENSION

Activity: CRIMINAL INVESTIGATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	4,680	5,413	6,207	5,250	5,294	5,400	5,447	(879)	-7.6%
OPERATING EXPENSES	1,631	2,648	3,477	2,032	2,187	2,037	2,920	(1,018)	-16.6%
OTHER EXPENSES	0	5	0	0	0	0	0	(5)	-100.0%
SUBTOTAL STATE OPERATIONS	6,311	8,066	9,684	7,282	7,481	7,437	8,367	(1,902)	-10.7%
LOCAL ASSISTANCE	50	2,289	2,114	0	0	0	0	(4,403)	-100.0%
Total Expenditures	6,361	10,355	11,798	7,282	7,481	7,437	8,367	(6,305)	-28.5%

CHANGE ITEMS:	FUND						
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN						816
(B) BCA MNET CONNECTIONS	GEN				199		114
Total Change Items					199		930

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	5,461	8,778	10,020	6,382	6,581	6,537	7,467
STATUTORY APPROPRIATIONS:							
GENERAL	0	46	40	40	40	40	40
SPECIAL REVENUE	328	1,111	929	690	690	690	690
FEDERAL	572	420	809	170	170	170	170
Total Financing	6,361	10,355	11,798	7,282	7,481	7,437	8,367

REVENUE COLLECTED:							
DEDICATED							
GENERAL	10	43	40	40	40	40	40
SPECIAL REVENUE	305	463	504	470	470	470	470
FEDERAL	609	435	669	170	170	170	170

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: CRIMINAL INVESTIGATIONS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
GENERAL	5	24	5	5	5	5	5
Total Revenues Collected	929	965	1,218	685	685	685	685
FTE BY EMPLOYMENT TYPE:							
FULL TIME	70.5	80.2	87.8	79.5	80.5	79.5	80.5
PART-TIME, SEASONAL, LABOR SER	5.5	7.0	8.8	0.0	0.0	0.0	0.0
OVERTIME PAY	9.3	6.6	6.7	1.3	1.3	1.3	1.3
Total Full-Time Equivalent	85.3	93.8	103.3	80.8	81.8	80.8	81.8

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: CRIMINAL APPREHENSION

ACTIVITY: CRIMINAL INVESTIGATIONS

IT Change Item: BCA MNET CONNECTIONS

ITEM DESCRIPTION AND PURPOSE:

This request is to implement MNet connections to all Bureau of Criminal Apprehension (BCA) investigative field offices not currently connected to the BCA Headquarters in St. Paul. This access would allow Investigative field office personnel to more readily interact with systems and applications available to headquarter investigative personnel. This request also provides for the on-going technical support of those installations.

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	4	4	4	4	4	4
Grants	0	0	0	0	0	0
Hardware	85	17	17	85	17	17
Personnel	44	47	47	47	47	47
Services	43	36	38	39	40	41
Software	15	4	4	15	4	4
Supplies	2	2	2	2	2	2
Training	6	4	4	4	4	4
Total	199	114	116	196	118	119

RATIONALE:

The timely availability of information to all BCA personnel is essential. Currently, field office locations have access to limited resources through dial-in accounts.

The implementation of MNet connections to each field office would afford the field office personnel the same systems options as those who office at the BCA central office. This access would allow field office personnel to store, edit, and print case file documents. Currently delays are encountered when several draft copies of documents must be sent to and from BCA central office for editing. These delays would be minimized if field office personnel could review their documents on-line.

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X					
Operations	X	X	X	X	X	X
Modification	X	X	X	X	X	X
Retirement						

The Department of Public Safety has been an active participant in the MNet collaboration project.

OFFICE OF TECHNOLOGY ANALYSIS:

The agency has made significant progress in information resource management but much remains to be done. The agency is participating in collaborative projects such as Electronic Government Services.

OT Master Plan: Goal 2-Efficient and effective government. OT supports funding upon completion of an agency-wide network master plan.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

2000-01 Biennial Budget

BUDGET ACTIVITY: Police Training and Development
PROGRAM: Criminal Apprehension
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide training to local law enforcement pursuant to the Bureau of Criminal Apprehension's (BCA) enabling legislation. The BCA's statewide reputation in the criminal justice community for high quality and state-of-the-art training has significantly increased the demand for BCA-sponsored courses.

STRATEGIES AND PERFORMANCE:

Provide 3,000 law enforcement and criminal justice personnel with the professional knowledge and skills necessary to effectively serve their communities, through specialized and advanced Peace Officer Standards and Training Board approved training for law enforcement officers and criminal justice professionals throughout the state. Course subjects include major criminal investigative techniques, evidence and crime scene processing, stress management, arson, police management, technology crimes, diversity, and police ethics.

- Provide crime prevention programs including Minnesota Crime Watch, Drug Abuse Resistance Education (DARE), Gang Resistance Education and Training (GREAT), crime prevention practitioners' training.
- Provide investigative training focusing on economic crimes, rural crime, crimes against vulnerable adults and restorative justice; and community policing training focusing on school violence and dealing with senior citizens.
- Provide continuing education for narcotics officers around the state.
- Provide domestic violence and sexual assault training that focuses on greater Minnesota communities and deals with subjects' orders for protection and stalking. The domestic violence component of this project involves a before-and-after survey that is aimed at assessing improvements in the system's response as a result of this training.

FINANCING INFORMATION:

- This activity generates dedicated revenue. Fees are charged to recover most of the costs of providing classes.
- Narcotics training is provided through a grant. Law enforcement agencies may request reimbursement for up to 75% of the cost of outside narcotics training (including travel, books, meals, lodging, and tuition). Reimbursement cannot exceed \$500 per officer and each application must be approved by the BCA in writing, prior to attending the training.
- The domestic violence and sexual assault training is provided through a Violence Against Women Grant.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: POLICE TRAINING & DEVELOPMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	696	707	716	701	701	707	707	(15)	-1.1%
OPERATING EXPENSES	458	560	674	547	547	515	515	(172)	-13.9%
SUBTOTAL STATE OPERATIONS	1,154	1,267	1,390	1,248	1,248	1,222	1,222	(187)	-7.0%
LOCAL ASSISTANCE	0	2	5	0	0	0	0	(7)	-100.0%
Total Expenditures	1,154	1,269	1,395	1,248	1,248	1,222	1,222	(194)	-7.3%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	959	914	1,000	960	960	983	983		
STATE GOVERNMENT SPECIAL REVENUE	12	1	13	7	7	7	7		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	131	155	172	172	172	172	172		
FEDERAL	52	194	210	109	109	60	60		
GIFT	0	5	0	0	0	0	0		
Total Financing	1,154	1,269	1,395	1,248	1,248	1,222	1,222		
REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	149	160	172	172	172	172	172		
FEDERAL	52	194	210	109	109	60	60		
GIFT	0	5	0	0	0	0	0		
Total Revenues Collected	201	359	382	281	281	232	232		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
 Program: CRIMINAL APPREHENSION
 Activity: POLICE TRAINING & DEVELOPMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	11.6	11.3	11.0	11.0	11.0	11.0	11.0
PART-TIME, SEASONAL, LABOR SER	0.0	0.5	0.5	0.5	0.5	0.0	0.0
OVERTIME PAY	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Full-Time Equivalent	11.7	11.9	11.6	11.6	11.6	11.1	11.1

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2000-01 Biennial Budget

BUDGET ACTIVITY: Criminal Apprehension Support
PROGRAM: Criminal Apprehension
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide daily financial, administrative, human resources and managerial support as well as leadership to the Bureau of Criminal Apprehension (BCA) and its 230 employees.

STRATEGIES AND PERFORMANCE:

- Develop and implement policy and procedure, innovative management methods and long-range strategic and operational planning.
- Provide nationally recognized investigative assistance and forensic science services, criminal justice records and fingerprint information, and training to the criminal justice community throughout Minnesota.
- Provide membership to the Peace Officer Standards and Training Board, the Private Detective and Protective Agents' Services Board and numerous national, state and local criminal justice policy development and implementation organizations.
- Maintain contact with the Minnesota State Sheriffs Association, the Minnesota Chiefs of Police Association, Minnesota county attorneys, the United States Attorney's Office, the Minnesota Attorney General's Office, many federal agencies, other state and local public safety and law enforcement entities, and citizen groups such as Mothers Against Drunk Drivers (MADD) and Missing Children-Minnesota.
- Respond to crime committees in the House and the Senate, providing support, statistics and testimony as requested by the Department of Public Safety, the Governor's Office and the committees themselves.

FINANCING INFORMATION:

The confidential fund provides monies to local agencies under the provisions of M.S. 299C.065. These monies or grants are awarded based on several factors, and agencies receiving funds are required to maintain records suitable for state auditing purposes.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: CRIMINAL APPREHENSION
Activity: CRIMINAL APPREHENSION SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	339	360	386	396	396	407	407	57	7.6%
OPERATING EXPENSES	316	156	302	232	232	233	233	7	1.5%
SUBTOTAL STATE OPERATIONS	655	516	688	628	628	640	640	64	5.3%
Total Expenditures	655	516	688	628	628	640	640	64	5.3%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	516	473	526	529	529	541	541		
SPECIAL REVENUE	139	43	162	99	99	99	99		
Total Financing	655	516	688	628	628	640	640		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	6.0	6.0	6.5	6.5	6.5	6.5	6.5		
PART-TIME, SEASONAL, LABOR SER	0.0	0.1	0.0	0.0	0.0	0.0	0.0		
OVERTIME PAY	0.1	0.0	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	6.1	6.1	6.5	6.5	6.5	6.5	6.5		

2000-01 Biennial Budget

PROGRAM: Fire Marshal
AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Protect lives and property by fostering a fire safe environment through investigation, enforcement, regulation, hazardous materials response, data collection and public education.

STRATEGIES AND PERFORMANCE:

- Assist local fire departments with fatalities, injuries and suspicious and large loss fires.
- Inspect hotels, motels, resorts, schools, day care, hospitals, nursing homes, group homes, foster care facilities, correctional facilities, places of assembly, flammable combustible liquid, and liquefied petroleum gas (LPG) installations.
- Inspect public schools.
- Review plans and specifications for new/remodeled schools to ensure code compliance and appropriate use of state health and safety monies.
- License and/or certify contractors and installers of fire sprinkler systems.
- Review plans and inspect installations of fire sprinkler systems.
- Respond to hazardous materials emergencies statewide.
- Promote juvenile fire safety. (In F.Y. 1998, a Juvenile Firesetter Interventionist position was created to work with families and children, law enforcement, mental health associations and the juvenile justice system.)

FINANCING INFORMATION:

This program generates dedicated and non-dedicated revenue. Funds are received from interagency agreements with the Department of Education, Children, & Families, for the school inspection program and the Department of Human Services

for day care inspections. A contract with Department of Health provides federal funds for the health care inspection program. Non-dedicated revenue is collected for licensing fire protection system contractors. Permit fees and surcharges are collected for a percentage of the total cost of fire protection system work being done.

BUDGET ISSUES:

- Demand for services has increased as local resources have been reduced.
- The fire/arson investigation program is not in compliance with Occupational Safety Health Act requirements for safety equipment at fire scenes. Advanced technology is needed to improve program efficiency and effective services.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding as requested in the agency's base budget except for the following adjustments: a biennial increase of \$73,000 for enhanced response to arson investigations and a one-time increase in F.Y. 2001 of \$96,000 for an 800 megahertz radio system.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: FIRE MARSHAL

Activity: FIRE PREVENTION PROTECTION & I

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	2,641	2,806	3,353	3,197	3,197	3,278	3,278	316	5.1%
OPERATING EXPENSES	732	891	968	723	792	727	827	(240)	-12.9%
SUBTOTAL STATE OPERATIONS	3,373	3,697	4,321	3,920	3,989	4,005	4,105	76	.9%
Total Expenditures	3,373	3,697	4,321	3,920	3,989	4,005	4,105	76	.9%

CHANGE ITEMS:	FUND						
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN						96
(B) ENHANCED RESPONSE/ARSON INVESTIGATIONS	GEN				69		4
Total Change Items					69		100

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	2,592	2,709	3,402	3,122	3,191	3,197	3,297
STATUTORY APPROPRIATIONS:							
GENERAL	313	359	458	328	328	328	328
SPECIAL REVENUE	0	40	10	10	10	10	10
FEDERAL	468	529	451	460	460	470	470
GIFT	0	60	0	0	0	0	0
Total Financing	3,373	3,697	4,321	3,920	3,989	4,005	4,105

REVENUE COLLECTED:							
DEDICATED							
GENERAL	329	505	333	328	328	328	328
SPECIAL REVENUE	0	40	10	10	10	10	10
FEDERAL	433	398	449	460	460	470	470
GIFT	0	60	0	0	0	0	0

State of Minnesota
2000-2001 Biennial Budget
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Agency: PUBLIC SAFETY DEPT

Program: FIRE MARSHAL

Activity: FIRE PREVENTION PROTECTION & I

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
GENERAL	2	0	20	0	0	0	0
CAMBRIDGE DEPOSIT FUND	321	327	335	355	355	345	345
Total Revenues Collected	1,085	1,330	1,147	1,153	1,153	1,153	1,153
FTE BY EMPLOYMENT TYPE:							
FULL TIME	49.9	52.7	59.1	58.2	58.2	58.2	58.2
PART-TIME, SEASONAL, LABOR SER	0.9	0.3	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.8	0.6	0.2	0.2	0.2	0.2	0.2
Total Full-Time Equivalent	51.6	53.6	59.3	58.4	58.4	58.4	58.4

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Fire Marshal
ACTIVITY: Fire Marshal

ITEM TITLE: Enhanced Response/Arson Investigations

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$69	\$4	\$4	\$4
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$69,000 in F.Y. 2000, and \$4,000 in F.Y. 2001, in General Fund monies for fire safety, inspection and investigation capabilities.

RATIONALE:

The State Fire Marshal (SFM) is recognized as a leader in fire prevention, fire investigation and public fire safety education.

The division has had minimal equipment dollars in past years, and is not in compliance with the Occupations Safety Health Act, which requires specific equipment at fire scenes. Camera equipment is more than 12 years old and becoming obsolete. Photographs are a vital part of scene documentation; they are required by county attorneys for trials/convictions, and are a valuable training tool for the arson program.

FINANCING:

This request includes a one time appropriation for equipment and a base level adjustment for ongoing equipment replacement.

OUTCOMES:

The following are specific outcomes for the appropriation:

- Provide better scene security, scene documentation, and evidence preservation.
- Increase prosecution of perpetrators.
- Comply with OSHA safety requirements.
- Reduce future worker's compensation claims by providing appropriate safety equipment.
- Increase program efficiency, employee effectiveness.
- Enhance services provided in response to citizen and client responses.

2000-01 Biennial Budget

PROGRAM: State Patrol

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Provide police traffic services on state and federal highways. Provide for the safe and efficient movement of traffic. Protect citizens through enforcement, education, and assistance. Provide security for the legislature, governor, and governor's family and residence.

- Raise the incidence of seat belt use.
- Reduce the number of alcohol and drug related traffic accident deaths and injuries.
- Improve the traffic safety environment.
- Reduce the number and severity of commercial motor vehicle crashes.

STRATEGIES AND PERFORMANCE:

The program has concentrated emphasis and activities in the areas of traffic law enforcement with greatest potential for benefit:

- Alcohol-related fatal crashes decreased for C.Y. 1997 to the lowest level on record. Thirty percent, or 178, of the 600 fatalities in 1997 were alcohol-related.
- Speed limits were raised and vehicular speeds have increased accordingly. Speed is the most important factor in 22% of fatal crashes. Speed enforcement was enhanced with the assistance of a \$1 million grant from the department of transportation for overtime speed enforcement shifts.
- Seat belt use has remained constant at 65%.
- During the previous 10 years, commercial motor vehicle inspections and enforcement have increased while commercial motor vehicle crashes have decreased.

- The impact and performance of this program remains constant. The 1993 fatality rate of 1.27 deaths per 100 million miles traveled was the lowest rate in the nation and the lowest rate ever recorded in Minnesota; the 1997 fatality rate was 1.28.

BUDGET ISSUES:

The population growth trend continues within the extended urban area of Minneapolis-Saint Paul, including Rochester and St. Cloud, with greater demand for police traffic services on an expanding and increasingly congested highway system. The number of registered motor vehicles continued to increase in 1997 to an all-time high of 3,770,000. More agency resources will be committed to provide response to calls for service. As demographics continue to change, this program's ability to provide rapid response to highway emergencies statewide will be adversely affected.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for the following adjustments: a biennial increase in funding of \$766,000 for executive protection of the Governor, \$1,388,000 for maintaining communication infrastructure, \$1,578,000 for the costs to conduct the trooper recruit academy and \$281,000 for Attorney General litigation costs.

The Governor also recommends a one-time appropriation in F.Y. 2000 in the amounts of \$1,669,000 for the purchase of a helicopter; deficiency requests for F.Y. 1999 are also recommended for Attorney General costs (\$167,000) and executive protection (\$200,000).

State of Minnesota
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(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: STATE PATROL

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
PATROLLING HIGHWAYS	42,487	48,358	54,116	52,303	55,225	53,807	55,164	7,915	7.7%
COMMERCIAL VEHICLE ENFORCEMENT	11,829	7,263	7,478	7,831	7,831	7,952	7,952	1,042	7.1%
CAPITOL COMPLEX SECURITY	2,046	2,096	2,656	2,530	3,106	2,599	3,145	1,499	31.5%
STATE PATROL SUPPORT	1,634	1,567	4,085	1,710	1,832	1,752	1,911	(1,909)	-33.8%
Total Expenditures	57,996	59,284	68,335	64,374	67,994	66,110	68,172	8,547	6.7%

CHANGE ITEMS:	FUND				
(A) ATTORNEY GENERAL COSTS	THI		167	122	159
(P) EXECUTIVE PROTECTION	GEN		200	576	546
(P) EXECUTIVE PROTECTION	THI			(176)	(180)
(B) PATROL COMMUNICATION INFRASTRUCTURE	THI			694	694
(B) PATROL HELICOPTER REPLACEMENT	THI			1,669	
(B) TROOPER RECRUIT TRAINING ACADEMY	THI			735	843
Total Change Items			367	3,620	2,062

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	2,176	2,013	2,767	2,389	2,965	2,458	3,004
TRUNK HIGHWAY	46,341	46,880	54,363	52,359	54,903	53,850	55,366
HIGHWAY USERS TAX DISTRIBUTION	60	87	143	91	91	92	92
OPEN APPROPRIATIONS:							
TRUNK HIGHWAY	63	0	0	0	0	0	0
HIGHWAY USERS TAX DISTRIBUTION	21	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:							
GENERAL	43	108	169	178	178	178	178
STATE GOVERNMENT SPECIAL REVENUE	126	245	324	298	298	345	345
SPECIAL REVENUE	4,287	4,541	5,733	5,196	5,196	5,460	5,460
TRUNK HIGHWAY	1,426	2,380	1,822	1,145	1,645	995	995
FEDERAL	3,356	3,027	3,014	2,718	2,718	2,732	2,732
AGENCY	82	0	0	0	0	0	0
GIFT	15	3	0	0	0	0	0

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2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: STATE PATROL

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
Total Financing	57,996	59,284	68,335	64,374	67,994	66,110	68,172

FTE BY EMPLOYMENT TYPE:							
FULL TIME	751.1	744.9	850.7	850.7	857.7	850.7	857.7
PART-TIME, SEASONAL, LABOR SER	12.3	13.4	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	72.7	72.5	53.5	53.5	53.5	53.5	53.5
Total Full-Time Equivalent	836.1	830.8	904.2	904.2	911.2	904.2	911.2

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: State Patrol
ACTIVITY: Capitol Security
ITEM TITLE: Executive Protection

	<u>2000-01 Biennium</u>			<u>2002-03 Biennium</u>	
	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)					
General Fund					
- State Operations	\$200	\$576	\$546	\$546	\$546
Highway Trunk Fund					
- State Operations		(176)	(180)	(180)	(180)
Revenues: (\$000s)					
General Fund		\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$200,000 in F.Y. 1999, \$576,000 in F.Y. 2000 and \$546,000 in F.Y. 2001, from the General Fund for 1 trooper, 6 security guards and security equipment. The governor also recommends a reduction in the Trunk Highway Fund of \$176,000 in F.Y. 2000 and \$180,000 in F.Y. 2001. The governor recommends the transfer of 3 trooper positions from Patrolling the Highway to Capitol Security (Executive Protection).

RATIONALE:

The capitol complex security activity is responsible for the security and protection of the governor, the governor-elect, and both houses of the legislature. State troopers assigned to executive protection provide security and protection for the person of the governor, the governor's immediate family and the governor's residence. Current funding levels do not allow for sufficient full-time staff to provide an adequate level of protection without the use of substantial overtime expenditure.

During the transition period after an election, the number of staff required to provide protection for both the governor and governor-elect is increased. The increase in staffing is achieved through the use of overtime. The official governor's residence is available for use by the governor-elect after taking office, however, the governor-elect's personal home must also be protected with required installation of necessary security and communication equipment. If the governor chooses not to reside at the official residence, personnel must be moved from the official residence to the personal home. Security guards are required to staff and protect the official residence during such vacancies.

Incidents requiring law enforcement response have increased within the capitol complex. These incidents require the response and follow-up investigation of a sworn law enforcement officer. The capitol complex security activity is responsible for providing this response and follow-up.

OUTCOMES:

The governor must be able to engage in the business of the state and the office of the governor without concern for personal harm or disruptive interference from outside sources. This expectation includes while moving about in public and while in residence. Additional resources will allow the governor to safely conduct the business of the office and fulfill the duties as directed by the constitution.

As a result of this initiative, Executive Protection will provide:

- 4 trooper positions assigned to the governor, the governor's family and residence.
- 6 security guard positions for the security and protection of the official governor's residence

2000-01 Biennial Budget

BUDGET ACTIVITY: Patrolling Highways
PROGRAM: State Patrol
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

- Provide 469 uniformed troopers, dispatched from 11 district headquarters (Rochester, Mankato, Marshall, Oakdale, Golden Valley, St. Cloud, Duluth, Brainerd, Detroit Lakes, Eveleth, and Thief River Falls), to patrol over 12,000 miles of state and federal highways. Provide emergency response, traffic law enforcement, crash investigation, law enforcement assistance, and motorist assistance to highway users.
- Provide 11 trooper pilots utilizing 6 airplanes and 3 helicopters based at St. Paul, Cloquet, Mankato and Bemidji, for airborne assistance and support activities to augment road patrolling operations, including traffic enforcement, searches, and surveillance.
- Provide 11 trooper safety education specialists to make safety presentations through their assigned district areas, and 2 trooper safety education specialists to present youth and alcohol education programs statewide.
- Provide statewide radio communications for the State Patrol (SP), Department of Natural Resources (DNR), Department of Transportation (Mn/DOT), and other state and federal agencies.

STRATEGIES AND PERFORMANCE:

State troopers provide on-duty police traffic services on Minnesota highways 24-hours per day within the 7 county Metropolitan area, and 16-18 hours per day throughout the remainder of the state. In those areas, local law enforcement agencies respond to SP calls for service on state and federal highways. In greater Minnesota, state troopers also provide support and assistance to local police agencies, which are often limited to a single officer on-duty. This is not possible in areas without 24-hour coverage.

The expanding use and reliance on cellular telephones has increased the frequency of cellular 911 calls for service statewide. The SP communication centers are the direct answer points for most cellular 911 calls. The majority of fatal crashes occur in rural areas where there is less congestion, but higher vehicular speed. The increase in direct calls for service has caused the number of hours spent in preventative enforcement activities to decrease.

There are 2 basic categories of activity used to indicate the use of a troopers time, obligated and unobligated. Obligated time is spent performing activities which require the trooper to respond, such as calls for service, traffic crashes, crash-related activities and court activity. During unobligated time a trooper is able to perform proactive enforcement, motorist assistance, and is available for calls for service. More proactive enforcement and incident prevention results when troopers have more unobligated time to devote to patrolling of the highways.

The 1998 legislative session funded 29 additional trooper positions, which are in the process of being hired and trained. Four positions are assigned to a task force to investigate motor vehicle dealer fraud and registration violations. The remaining 25 positions will be distributed to the metropolitan area (14) and to locations in greater Minnesota (11) to mitigate call-load and provide increased coverage.

FINANCING INFORMATION:

This activity generates dedicated and non-dedicated revenues. Fees are collected for the sale of used equipment and to cover the costs of escort services. Non-dedicated revenue is collected for patrol fines. An interagency agreement with DNR recovers a portion of the cost for radio dispatch.

BUDGET ISSUES:

Historically, the SP has not had a specific line item in its budget for the costs of hiring troopers candidates or for operation of the entry-level recruit training academy. This has resulted in difficulty in maintaining the SP authorized complement, because the division kept vacant positions open in order to realize salary savings to provide the necessary funding to begin the hiring process. The requested appropriation will allow the SP to maintain its authorized complement and will shorten the time frame to replace a trooper vacancy.

Mn/DOT has recommended a required annual budget of \$994,000 for replacement of the SP's communication infrastructure. The current funding level provides \$300,000. A base level change request of \$694,000 each year will accomplish this critical replacement.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: STATE PATROL
Activity: PATROLLING HIGHWAYS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	35,390	37,188	38,542	40,530	40,789	41,787	42,149	7,208	9.5%
OPERATING EXPENSES	7,096	11,117	15,457	11,656	14,319	11,903	12,898	643	2.4%
SUBTOTAL STATE OPERATIONS	42,486	48,305	53,999	52,186	55,108	53,690	55,047	7,851	7.7%
PAYMENTS TO INDIVIDUALS	1	10	11	11	11	11	11	1	4.8%
LOCAL ASSISTANCE	0	43	106	106	106	106	106	63	42.3%
Total Expenditures	42,487	48,358	54,116	52,303	55,225	53,807	55,164	7,915	7.7%

CHANGE ITEMS:	FUND								
(P) EXECUTIVE PROTECTION	THI				(176)			(180)	
(B) PATROL COMMUNICATION INFRASTRUCTURE	THI				694			694	
(B) PATROL HELICOPTER REPLACEMENT	THI				1,669				
(B) TROOPER RECRUIT TRAINING ACADEMY	THI				735			843	
Total Change Items					2,922			1,357	

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	157	0	150	0	0	0	0	0	0
TRUNK HIGHWAY	39,644	40,188	44,882	44,764	47,186	46,110	47,467		
HIGHWAY USERS TAX DISTRIBUTION	0	0	50	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:									
GENERAL	0	13	0	0	0	0	0	0	0
STATE GOVERNMENT SPECIAL REVENUE	126	245	324	298	298	345	345		
SPECIAL REVENUE	96	4,541	5,733	5,196	5,196	5,460	5,460		
TRUNK HIGHWAY	1,426	2,380	1,822	1,145	1,645	995	995		
FEDERAL	1,025	988	1,155	900	900	897	897		
GIFT	13	3	0	0	0	0	0	0	0
Total Financing	42,487	48,358	54,116	52,303	55,225	53,807	55,164		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: STATE PATROL
Activity: PATROLLING HIGHWAYS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
REVENUE COLLECTED:							
DEDICATED							
GENERAL	0	15	0	0	0	0	0
SPECIAL REVENUE	4,824	4,966	5,060	5,160	5,160	5,410	5,410
TRUNK HIGHWAY	1,556	2,014	1,160	1,145	1,645	995	995
FEDERAL	977	741	1,141	900	900	897	897
GIFT	4	3	0	0	0	0	0
NONDEDICATED							
GENERAL	3	1	0	0	0	0	0
TRUNK HIGHWAY	5,870	6,009	6,014	6,014	6,014	6,014	6,014
HIGHWAY USERS TAX DISTRIBUTION	30	37	50	50	50	50	50
Total Revenues Collected	13,264	13,786	13,425	13,269	13,769	13,366	13,366
FTE BY EMPLOYMENT TYPE:							
FULL TIME	573.5	572.1	649.2	649.2	646.2	649.2	646.2
PART-TIME, SEASONAL, LABOR SER	9.6	10.7	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	64.5	63.9	46.4	46.4	46.4	46.4	46.4
Total Full-Time Equivalent	647.6	646.7	695.6	695.6	692.6	695.6	692.6

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: State Patrol
ACTIVITY: Patrolling Highways

ITEM TITLE: Patrol Communications Infrastructure

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$694	\$694	\$694	\$694
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$694,000 each year in Trunk Highway Fund monies to fund equipment replacement and maintenance of the statewide communications system infrastructure of the State Patrol (SP).

RATIONALE:

The SP operates and maintains a complex communications network providing a statewide system of operational and emergency communications on a 24-hour a day basis. The statewide system provides the day to day operational communication between district communications centers and mobile users, as well as, serving as the primary statewide emergency communications network for the coordination of services during crises and disasters. The communications system is regularly utilized by the Department of Public Safety, Department of Transportation and Department of Natural Resources. The system consists of 2 towers, antennas, mobile and base stations and district communications centers at various locations across the state.

The appropriation of \$694,000 in 1998 will be used to replace communications infrastructure within 1 of the 11 patrol districts. The current base level of \$300,000

is insufficient to continue replacement at the rate essential to the needs of the system.

Minnesota Department of Transportation (MnDOT), Office of Electronic Communications has estimated the value of the current communications network infrastructure at \$12.8 million. When the implementation of the 800 MHZ frequency is completed, the level of funding necessary to support the higher valuation of communications infrastructure will likely increase.

The average reliable useful life of any individual component of equipment comprising the system is 10 to 15 years. MnDOT has recommended an infrastructure replacement schedule with a required annual budget of \$993,791. Current funding is \$300,000. A critical system failure in 1995 to the Duluth district communications infrastructure is an example of the potential for an emergency to occur. This failure was a result of component deterioration due to age and obsolescence.

Many individual system components are 10 years beyond recommended replacement, and replacement parts are no longer available due to obsolescence of the technology. It is estimated that the annual cost to repair the current system will increase to more than the recommended annual cost to replace it within 3 years. An immediate and full investment in replacement of the communications infrastructure is required to avoid a potentially catastrophic communication system failure.

FINANCING:

The current permanent base level of funding for this activity is \$300,000. The base level change request of \$694,000 per year will be used for purchase of equipment and components to be used in the systematic replacement of the radio communications infrastructure over the 10-15 year useful life.

OUTCOMES:

- Provide continuous and reliable system performance and uninterrupted service.
- Ensure trooper safety.
- Increase the likelihood that a catastrophic system failure will not occur.
- Reduced maintenance costs.
- Maintain pace with technological advances.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: State Patrol
ACTIVITY: Patrolling Highways

ITEM TITLE: Patrol Helicopter Replacement

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$1,669	\$-0-	\$-0-	\$-0-
Revenues: (\$000s)				
Trunk Highway Fund	\$500	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,169,000 in F.Y. 2000 in Trunk Highway Fund monies to replace one State Patrol helicopter.

RATIONALE:

The State Patrol (SP) maintains a fleet of 3 helicopters (St. Paul, 2; Duluth, 1), which are used for search and rescue, surveillance, traffic observation, and law enforcement assistance to state, county and local police agencies. They are equipped with high-intensity search lights, forward looking infrared imaging, and basic rescue equipment. SP helicopters are available 24-hours a day, 365 days per year for a wide variety of public safety purposes. The SP is the only law enforcement agency in the state operating and using helicopters.

SP helicopters are used in emergencies to perform missions during night time hours, in locations where safe landing is not certain, and in situations in which minutes can make a great difference in outcome. Examples include rescues of

individuals from icy waters and rescues and damage surveys in the Red River flood and St. Peter tornado disasters.

A long range aircraft replacement schedule was developed in 1992: There are many critical components in a helicopter that must be replaced either on an hour-use basis or on a condition-status basis, therefore maintenance costs increase substantially for older helicopters. Due to the age of the current aircraft and condition of the parts, some of the higher cost components have been replaced in the past 2 years. This request is to replace one helicopter with over 5,500 hours of flight time in the next biennium.

FINANCING:

List replacement price is \$1,669,000 for 1 proposed to be purchased in F.Y. 2000. The resale value of the existing aircraft to be replaced is \$500,000.

OUTCOMES:

- Minimize cost of maintenance.
- Assure operational liability.
- Mitigate potential liability caused by component failure.
- Enhance safety of operators and passengers.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: State Patrol
ACTIVITY: Patrolling Highways

ITEM TITLE: Trooper Recruit Training Academy

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$735	\$843	\$843	\$843
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-
Statutory Change? Yes ___ No <u>X</u>				
If yes, statutes(s) affected:				
<input type="checkbox"/> New Activity <input checked="" type="checkbox"/> Supplemental Funding <input type="checkbox"/> Reallocation				

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$735,000 in F.Y. 2000, and \$843,000 in F.Y. 2001 in Trunk Highway Fund monies to fund annual hiring of trooper candidates and operation of the State Patrol (SP) entry-level recruit training academy.

RATIONALE:

During 1998 legislative session hearings, the SP testified in support of an increase in trooper staffing. Several legislators expressed concern at providing funding for additional troopers with the apparent inability of the SP to maintain a full complement staffing level. On average the staffing level is 30 to 35 troopers below full complement due to retirements and resignations. In approving an increase in staffing, Legislators required assurances that steps would be taken to improve the SP's ability to maintain a full trooper complement.

There has never been a base budget for the training of trooper recruits. The SP needs to hold trooper positions vacant for the first year of a biennium to realize

enough salary savings to begin a hiring process in the second year of a biennium. Consequently, staffing levels fluctuate and fall below the authorized complement on a regular basis. Vacancies which occur during or after the start of the recruit academy cannot be filled; several vacancies must exist before an academy class completes the training process. In reality, full complement is rarely if ever achieved.

The Department of Employee Relations has established criteria and directs the selection and hiring process for the SP. The training process, managed by the SP Training Academy, is designed to provide the level of training required to perform the mission-related responsibilities, meet state guidelines and mitigate potential liability issues. This process involves the staff resources of multiple state departments and takes nearly 18 months to complete.

FINANCING:

The cost of the hiring process for an average class of 30 candidates, from announcing vacancies through completion of field training, including salaries during training, is approximately \$1 million.

OUTCOMES:

This request will shorten the time frame to replace a trooper vacancy and enable the program to maintain full complement.

2000-01 Biennial Budget

BUDGET ACTIVITY: Commercial Vehicle Enforcement
PROGRAM: State Patrol
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Reduce roadway damage and motor vehicle collisions involving commercial vehicles due to unsafe equipment, unqualified drivers, or illegal size, weight or load.

- Eleven mobile weight enforcement teams.
- Eight permanently staffed fixed scale locations at Worthington (I-90, 2 miles east of the junction with Highway 60), Erskine (junction Highways 2 and 59), Moorhead (I-94 near Dilworth), and St. Croix (I-94 near Wisconsin line).
- Four fixed scale locations, operated on an irregular basis with no regular staff assigned.

This activity includes a partially federal-funded component, the Motor Carrier Safety Assistance Program (MCSAP), aimed at improving the performance of commercial vehicle drivers and the safe mechanical condition of commercial vehicles.

- Random roadside inspection of commercial vehicles.
- Random inspection of school buses.
- Mandatory annual inspection of commercial vehicles, school buses, and vehicles with wheel chair securement devices.
- Training and certification of commercial vehicle inspectors employed in the private sector.
- Civil weight investigations.

STRATEGIES AND PERFORMANCE:

The agency budget plan will allow this activity to maintain the number of commercial motor vehicle inspections, and enforce laws regulating the operation of commercial motor vehicles. The operation of fixed scale facilities and mobile weight/inspection units will improve the safety of commercial motor vehicles, ensure that proper highway user fees have been paid, and reduce the rate of deterioration of pavement caused by overweight vehicles.

FINANCING INFORMATION:

Activity generates dedicated and non-dedicated revenue. Non-dedicated revenue is collected for civil weight violations. A fee is charged for the certification of inspectors that perform annual inspections of commercial motor vehicles.

The State Patrol is reimbursed for 80% of the cost of commercial vehicle inspection and enforcement activities performed under the MCSAP up to a maximum of \$868,000. This revenue is dependent upon the number of commercial vehicle inspections performed.

The State Patrol has been designated as the lead state agency for MCSAP and administers a MCSAP grant to the Minnesota Department of Transportation.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: STATE PATROL

Activity: COMMERCIAL VEHICLE ENFORCEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	5,552	5,693	5,754	6,170	6,170	6,291	6,291	1,014	8.9%
OPERATING EXPENSES	5,620	970	1,062	999	999	999	999	(34)	-1.7%
SUBTOTAL STATE OPERATIONS	11,172	6,663	6,816	7,169	7,169	7,290	7,290	980	7.3%
LOCAL ASSISTANCE	657	600	662	662	662	662	662	62	4.9%
Total Expenditures	11,829	7,263	7,478	7,831	7,831	7,952	7,952	1,042	7.1%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	18	0	0	0	0	0	0		
TRUNK HIGHWAY	5,207	5,224	5,619	6,013	6,013	6,117	6,117		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	4,191	0	0	0	0	0	0		
FEDERAL	2,331	2,039	1,859	1,818	1,818	1,835	1,835		
AGENCY	82	0	0	0	0	0	0		
Total Financing	11,829	7,263	7,478	7,831	7,831	7,952	7,952		

REVENUE COLLECTED:									
DEDICATED									
FEDERAL	2,865	2,331	1,172	1,818	1,818	1,835	1,835		
AGENCY	82	0	0	0	0	0	0		
NONDEDICATED									
TRUNK HIGHWAY	35	32	30	30	30	30	30		
HIGHWAY USERS TAX DISTRIBUTION	677	617	700	700	700	700	700		
Total Revenues Collected	3,659	2,980	1,902	2,548	2,548	2,565	2,565		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: STATE PATROL

Activity: COMMERCIAL VEHICLE ENFORCEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	119.1	114.9	127.3	127.3	127.3	127.3	127.3
PART-TIME, SEASONAL, LABOR SER	1.2	1.6	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	2.4	2.5	2.2	2.2	2.2	2.2	2.2
Total Full-Time Equivalent	122.7	119.0	129.5	129.5	129.5	129.5	129.5

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2000-01 Biennial Budget

BUDGET ACTIVITY: Capitol Complex Security
PROGRAM: State Patrol
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide protection, investigate threats and prevent acts of violence against the governor and immediate family. Provide law enforcement services and protection to the legislature and state buildings, employees and property. Provide prevention and emergency response to 37 Capitol Complex buildings and 33 parking facilities.

STRATEGIES AND PERFORMANCE:

Over 200 special events per year take place on capitol property grounds and facilities. Political rallies, demonstrations and other such events, (e.g. Taste of Minnesota, Twin Cities Marathon), demand increased planning and greater utilization of Capitol Complex Security personnel and equipment. Workplace violence and other employee safety concerns challenge the staff and resources of Capitol Complex Security. The activity's ability to maintain facility and employee safety in an open public access environment is dependent upon high visibility and early detection of potential problems.

Capitol Security personnel provide:

- Immediate emergency and non-emergency response to incidents in the Capitol Complex.
- Response to criminal, civil and medical incidents.
- Assistance to employees and visitors by providing escort services, locking/unlocking facilities and enforcing parking regulations.
- Crime prevention, personal security, cardiopulmonary resuscitation (CPR) and first-aid training to state offices and employees.
- Communication with state employees and Capitol Complex users on issues of personal safety and Capitol Complex Security.
- Oversight of all building emergency planning, evacuation and testing.

Sworn law enforcement staff:

- Conduct criminal investigations, perform interviews, serve search warrants and make arrests and charges.
- Perform threat assessments and follow-up investigations of crimes against elected officials and members of the judiciary.
- Maintain order during the legislative sessions and coordinate liaison with outside agencies, such as the Federal Bureau of Investigation, Secret Service, Bureau of Criminal Apprehension and St. Paul Police Department.

Capitol Complex Security communications officers handle 8,000 telephone calls per month and 5,000 incident notifications per year, monitor 112 emergency intercoms and 120 closed circuit cameras, and regulate 15,000 security and environmental alarms and controls. Administrative support personnel maintain issuance and records on 15,000 photo and key cards which regulate access privileges to buildings and parking facilities.

High priority is placed on the personal safety and security of the governor, governor's family, members of the legislature and judiciary, and all state employees. The majority of activity resources provide direct services to prevent, respond and act upon issues affecting the safety and security of the Capitol Complex.

FINANCING INFORMATION:

This activity generates dedicated revenue. Fees are collected to recover costs associated with planned events that are held on the capitol grounds and for security services provided to state buildings located outside of the capital campus. Participant fees are collected for first-aid and CPR training.

BUDGET ISSUES:

Current funding levels do not allow for sufficient full-time staff to provide the required level of executive protection of the governor, his family, personal residence and the official residence. Included in this request is a proposal to distribute existing resources based on level of security and increase the security complement to meet current demands.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: STATE PATROL
Activity: CAPITOL COMPLEX SECURITY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,833	1,968	2,509	2,436	2,910	2,504	2,996	1,429	31.9%
OPERATING EXPENSES	213	128	147	94	196	95	149	70	25.5%
SUBTOTAL STATE OPERATIONS	2,046	2,096	2,656	2,530	3,106	2,599	3,145	1,499	31.5%
Total Expenditures	2,046	2,096	2,656	2,530	3,106	2,599	3,145	1,499	31.5%

CHANGE ITEMS:	FUND				
(P) EXECUTIVE PROTECTION	GEN		200		576
Total Change Items			200		576

FINANCING BY FUND:					
DIRECT APPROPRIATIONS:					
GENERAL	2,001	2,001	2,487	2,352	2,928
STATUTORY APPROPRIATIONS:					
GENERAL	43	95	169	178	178
GIFT	2	0	0	0	0
Total Financing	2,046	2,096	2,656	2,530	3,106

REVENUE COLLECTED:					
DEDICATED					
GENERAL	42	97	166	178	178
GIFT	2	0	0	0	0
Total Revenues Collected	44	97	166	178	178

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
 Program: STATE PATROL
 Activity: CAPITOL COMPLEX SECURITY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	42.8	42.8	55.3	55.3	65.3	55.3	65.3
PART-TIME, SEASONAL, LABOR SER	0.2	0.3	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	5.3	5.9	4.8	4.8	4.8	4.8	4.8
Total Full-Time Equivalent	48.3	49.0	60.1	60.1	70.1	60.1	70.1

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2000-01 Biennial Budget

BUDGET ACTIVITY: State Patrol Support
PROGRAM: State Patrol
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide necessary administrative and support services to enable the State Patrol (SP) program to achieve its mission and goals.

- Manage all activities of the SP.
- Provide fiscal and administrative support.
- Provide equipment and supplies.
- Maintain a comprehensive management activity system.
- Provide necessary training and workforce development.
- Develop and administer federal program which allow the agency to acquire and use federal funding.
- Maintain liaison with the legislature and other state agencies.
- Perform program research and planning.
- Provide an information desk to respond to public inquiries, by telecommunications or in person.
- Provide evidentiary photo processing and cataloging.

STRATEGIES AND PERFORMANCE:

Provide management, direction, information and administrative services to support the delivery of police traffic service. Provide a high-quality, progressive workforce that is directed by a well managed, unified organization to serve current and future roadway users, and provide assistance as requested by other law enforcement agencies.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: STATE PATROL
Activity: STATE PATROL SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,056	1,009	1,109	1,084	1,084	1,117	1,117	83	3.9%
OPERATING EXPENSES	578	558	2,976	626	748	635	794	(1,992)	-56.4%
SUBTOTAL STATE OPERATIONS	1,634	1,567	4,085	1,710	1,832	1,752	1,911	(1,909)	-33.8%
Total Expenditures	1,634	1,567	4,085	1,710	1,832	1,752	1,911	(1,909)	-33.8%
CHANGE ITEMS:									
	FUND								
(A) ATTORNEY GENERAL COSTS	THI		167		122		159		
Total Change Items			167		122		159		
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	0	12	130	37	37	37	37		
TRUNK HIGHWAY	1,490	1,468	3,862	1,582	1,704	1,623	1,782		
HIGHWAY USERS TAX DISTRIBUTION	60	87	93	91	91	92	92		
OPEN APPROPRIATIONS:									
TRUNK HIGHWAY	63	0	0	0	0	0	0		
HIGHWAY USERS TAX DISTRIBUTION	21	0	0	0	0	0	0		
Total Financing	1,634	1,567	4,085	1,710	1,832	1,752	1,911		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	15.7	15.1	18.9	18.9	18.9	18.9	18.9		
PART-TIME, SEASONAL, LABOR SER	1.3	0.8	0.0	0.0	0.0	0.0	0.0		
OVERTIME PAY	0.5	0.2	0.1	0.1	0.1	0.1	0.1		
Total Full-Time Equivalent	17.5	16.1	19.0	19.0	19.0	19.0	19.0		

2000-01 Biennial Budget

PROGRAM: Driver and Vehicle Services
AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

- Collect revenues from motor vehicle registration and excise taxes, issue certificates of title, regulate motor vehicle dealers, distribute license plates and tabs, and register bicycles.
- Administer 2 international agreements to register motor carriers.
- Examine, license and evaluate drivers; issue driver licenses, identification cards, and instructional permits; maintain driver history and traffic accident data; and license driver training instructors and schools.

STRATEGIES AND PERFORMANCE:

Detailed strategy and performance information is provided in each budget activity.

FINANCING INFORMATION:

The program collects approximately 1 billion dollars per year in tax and fee revenue which is deposited into the General, Special Revenue, Trunk Highway, Highway User Tax Distribution, Federal, Reinvest in Minnesota and Gift Funds, and it is used to support a variety of Minnesota state operations including Driver and Vehicle Services.

BUDGET ISSUES:

Driver and Vehicle Services has been able to continue operations and maintain a high level of productivity within the constraints of existing resources. There are some issues that will require additional resources during the next biennium. These budget issues are addressed in each budget activity page.

GOVERNOR'S RECOMMENDATION:

The Governor recommends a tax proposal to cap passenger vehicle re-registration taxes at \$75 annually effective 1-1-2000. The Governor's proposal also recommends that the resulting revenue loss in F.Y. 2000 and F.Y. 2001 be replaced with a standing appropriation from the General Fund.

The standing appropriation from the General Fund for the 6-months of F.Y. 2000 is \$95.7 million and will be annualized at \$191.4 million for F.Y. 2001 and subsequent years.

Additionally, the Governor recommends ending the requirement for the annual vehicle emission-testing program in the Twin Cities contingent on EPA approval of the carbon monoxide redesignation request.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: DRIVER & VEHICLE SERVICES

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY ACTIVITY:									
VEHICLE REGISTRATION & TITLE	12,447	13,944	15,026	14,685	15,504	14,805	15,408	1,942	6.7%
INTERSTATE REGIST/RECIPROCITY	2,410	1,534	1,636	1,584	1,584	1,613	1,613	27	.9%
LICENSING DRIVERS	18,004	18,784	22,408	20,129	23,591	20,677	24,673	7,072	17.2%
DRIVER & VEHICLE SUPPORT	548	576	658	648	648	662	662	76	6.2%
Total Expenditures	33,409	34,838	39,728	37,046	41,327	37,757	42,356	9,117	12.2%

CHANGE ITEMS:	FUND						
(A) ATTORNEY GENERAL COSTS	THI		2,270		2,317		3,146
(B) DRIVER LICENSE CARD PRODUCTION	THI				50		50
(B) ELECTRONIC GOVT SERVICES VEHICLE REGISTR	HUT				309		271
(B) ELIMINATE VEHICLE EMISSIONS INSPECTION	SR				(88)		(88)
(B) IMPROVE DRIVER TESTING SERVICES	THI				1,095		800
(B) MOTOR VEHICLE LICENSE PLATE COSTS	HUT		629		548		415
(B) REPLACEMENT OF OPTICAL SCANNER	HUT				50		5
Total Change Items			2,899		4,281		4,599

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	3,608	3,667	3,854	3,905	3,905	4,010	4,010
TRUNK HIGHWAY	16,714	18,160	21,968	19,765	23,227	20,304	24,300
HIGHWAY USERS TAX DISTRIBUTION	10,698	12,377	13,555	13,140	14,047	13,207	13,898
OPEN APPROPRIATIONS:							
TRUNK HIGHWAY	1,047	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	151	189	194	196	108	196	108
FEDERAL	38	401	117	0	0	0	0
AGENCY	1,103	0	0	0	0	0	0
GIFT	50	44	40	40	40	40	40
Total Financing	33,409	34,838	39,728	37,046	41,327	37,757	42,356

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: DRIVER & VEHICLE SERVICES

Program Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	497.4	491.1	567.5	567.5	590.5	567.5	590.5
PART-TIME, SEASONAL, LABOR SER	41.0	42.5	2.6	2.6	2.6	2.6	2.6
OVERTIME PAY	0.6	0.3	0.2	0.2	0.2	0.2	0.2
Total Full-Time Equivalent	539.0	533.9	570.3	570.3	593.3	570.3	593.3

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2000-01 Biennial Budget

BUDGET ACTIVITY: Vehicle Registration and Title
PROGRAM: Driver and Vehicle Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Maintain vehicle title and registration records, issue certificates of title as evidence of ownership, register bicycles, regulate motor vehicle dealers and monitor the production and distribution of license plates and tabs. Transactions can be initiated by the public at the Driver and Vehicle Service's (DVS) office in St. Paul, by mail, or 171 independent, public or private, deputy registrar offices located state-wide.

STRATEGIES AND PERFORMANCE:

- Provide complete, immediate service to all walk-in motor vehicle customers and dealers.
- Provide accurate and comprehensive information to all telephone callers.
- Reduce average issue time for new or revised certificates of title to 6 work days or less.
- Deposit or transfer all funds collected by DVS and the deputy registrars into state interest-bearing accounts within 24-hours of receipt.

	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>
New titles iss/trans processed	1,631,387	1,670,000	1,710,000	1,750,000
Renew notices mail reg veh	4,086,193	4,708,400	4,168,000	4,800,000
Renewal notices processed	3,467,349	4,050,300	3,617,400	4,245,000
Special license plates issued	29,522	30,000	30,000	30,000
Disability parking permits iss	48,458	50,900	53,300	55,000
Public info. calls received	574,153	662,100	750,000	850,000
Dealer licenses issued	3,753	3,940	4,090	4,245
Bicycles registered	15,306	15,430	15,550	15,650

FINANCING INFORMATION:

Dedicated revenues:

- Motor vehicle renewal registration fee for vehicles registered in the metro area to pay costs of the motor vehicle emissions inspection program administered by the Minnesota Pollution Control Agency.

- Donations with the issuance of Collegiate and Critical Habitat plates, distributed to Minnesota colleges and the Department of Natural Resources.
- Public Safety Motor Vehicle Account and the Environmental Fund.
- Bicycle registration fees, half for bicycle trail development and half for safety programs and administration

Non-dedicated revenues:

- Vehicle sales and registration taxes.
- Motor vehicle transfer penalties, filing fees, surcharge on motor vehicle fees, plate and sticker fees, tax-exempt administration fees, and lessor transfer fees.

BUDGET ISSUES:

The major expenses are data processing, telephone systems, postage and purchase of license plates and tabs. This activity has change items to address the following issues:

- Replace the outmoded optical scanner used for motor vehicle renewals. Parts and service are no longer available; any problem may render it unusable.
- Purchase more license plates and tabs during the next biennium than will be obtainable with the existing appropriation.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: DRIVER & VEHICLE SERVICES
Activity: VEHICLE REGISTRATION & TITLE

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	6,714	6,789	7,234	7,394	7,608	7,611	7,837	1,422	10.1%
OPERATING EXPENSES	5,660	7,111	7,752	7,251	7,856	7,154	7,531	524	3.5%
SUBTOTAL STATE OPERATIONS	12,374	13,900	14,986	14,645	15,464	14,765	15,368	1,946	6.7%
PAYMENTS TO INDIVIDUALS	73	44	40	40	40	40	40	(4)	-4.8%
Total Expenditures	12,447	13,944	15,026	14,685	15,504	14,805	15,408	1,942	6.7%

CHANGE ITEMS:	FUND								
(B) ELECTRONIC GOVT SERVICES VEHICLE REGISTR	HUT				309			271	
(B) ELIMINATE VEHICLE EMISSIONS INSPECTION	SR				(88)			(88)	
(B) MOTOR VEHICLE LICENSE PLATE COSTS	HUT		629		548			415	
(B) REPLACEMENT OF OPTICAL SCANNER	HUT				50			5	
Total Change Items			629		819			603	

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	2,988	3,030	3,209	3,258	3,258	3,346	3,346		
HIGHWAY USERS TAX DISTRIBUTION	9,288	10,730	11,631	11,239	12,146	11,271	11,962		
OPEN APPROPRIATIONS:									
TRUNK HIGHWAY	1	0	0	0	0	0	0		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	120	140	146	148	60	148	60		
GIFT	50	44	40	40	40	40	40		
Total Financing	12,447	13,944	15,026	14,685	15,504	14,805	15,408		

REVENUE COLLECTED:									

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: DRIVER & VEHICLE SERVICES
Activity: VEHICLE REGISTRATION & TITLE

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
DEDICATED							
SPECIAL REVENUE	7,885	7,861	7,906	8,120	727	8,120	120
GIFT	37	43	40	40	40	40	40
NONDEDICATED							
GENERAL	401,950	445,166	436,561	434,880	434,880	449,930	449,930
CAMBRIDGE DEPOSIT FUND	6,086	6,192	6,521	6,496	6,496	6,496	6,496
HIGHWAY USERS TAX DISTRIBUTION	491,649	516,393	538,432	561,472	466,247	585,032	381,370
ENVIRONMENTAL	4,131	4,304	4,300	4,300	4,300	4,300	4,300
Total Revenues Collected	911,738	979,959	993,760	1,015,308	912,690	1,053,918	842,256
FTE BY EMPLOYMENT TYPE:							
FULL TIME	169.8	168.9	189.3	189.3	193.3	189.3	193.3
PART-TIME, SEASONAL, LABOR SER	9.5	8.6	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.2	0.0	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	179.5	177.5	189.3	189.3	193.3	189.3	193.3

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: DRIVER & VEHICLE SERVICES

ACTIVITY: VEHICLE REGISTRATION & TITLE

IT Change Item: ELECTRONIC GOVT SERVICES VEHICLE REGISTR

ITEM DESCRIPTION AND PURPOSE:

This request is to fund an information technology project that will enable citizens to renew their motor vehicle registration through the internet with a bank credit card. This is an Information Policy Council (IPC) sponsored collaborative project.

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	13	13	13	13	13	13
Grants	0	0	0	0	0	0
Hardware	12	6	6	6	6	6
Personnel	214	226	226	226	226	226
Services	50	10	20	20	30	30
Software	8	4	4	4	4	4
Supplies	5	5	5	5	5	5
Training	7	7	8	8	9	9
Total	309	271	282	282	293	293

This project will enable a portion of the citizens of the state to renew vehicle registrations electronically using credit cards or by having their bank accounts debited. The project would require web page development, database modification and a contract with a card processing company.

RATIONALE:

This project is intended to provide citizens with a method to pay for registrations using credit cards. This method is available for almost every type of purchasing except government services. Without fully automating the process, the cost of providing this service is too high. Even with full automation of the process, the intention is not cost reduction but improved customer service.

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X	X				
Operations		X	X	X	X	X
Modification				X	X	X
Retirement						

This project has been in the planning phase during F.Y. 1999 by the IPC and individual departments. This funding will move the project into the detailed analysis phase in F.Y. 2000 followed by full implementation in F.Y. 2001.

OFFICE OF TECHNOLOGY ANALYSIS:



Minnesota Technology on Target

Electronic Government Services (EGS) - This initiative is part of a multi-agency collaboration to build a secure infrastructure for delivering government services electronically.

The agency has made significant progress in information resource management but much remains to be done to pull diverse divisions into a department-wide approach to all information resource management (IRM) planning and project implementation particularly in the area of its technology infrastructure. It is imperative to continue strong executive leadership in eliminating divisional fractionalization and moving toward department-wide IRM efforts. The agency is participating in collaborative projects such as Electronic Government Services and the Criminal Justice Community.

OT Master Plan: Goal 2-Efficient and effective government. This project is part of a larger collaborative project with MnDOT, DNR, the Treasurer's Office and Administration to improve citizen satisfaction with government by enabling citizens to use credit cards or bank debit options as payment methods for government services. This is one of several dependent projects which are necessary in order to implement electronic government services. Recommendation: Proceed with project. OT supports this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

F.Y.2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Driver and Vehicle Services
ACTIVITY: Vehicle Registration and Title

ITEM TITLE: Motor Vehicle License Plate Cost

	2000-01 Biennium			2002-03 Biennium	
	F.Y. 1999	F.Y. 2000	F.Y. 2001	F.Y. 2002	F.Y. 2003
Expenditures: (\$000s)					
Highway User Tax Distribution Fund - State Operations	\$629	\$548	\$415	\$528	\$617
Revenues: (\$000s)					
Highway User Tax Distribution Fund		\$475	\$475	\$475	\$475

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$548,000 in F.Y. 2000, and \$415,000 in F.Y. 2001, from the Highway User Tax Distribution Fund to increase the number of license plates and tabs manufactured. The Governor also recommends a supplemental appropriation of \$629,000 in F.Y. 1999 to cover projected volume increases. The Governor recommends a 50 cents increase on the fee charged for license plates to offset production costs.

RATIONALE:

In preparing its F.Y. 1998-99 biennial budget request, Driver and Vehicle Services (DVS) underestimated the number of passenger license plates that would be sold F.Y. 1997-99. As a result, it has been necessary to manufacture more plates than were anticipated and to deplete the statewide inventory of plates that deputy registrars have available for sale to a lower level than is desirable.

These estimates will cause the problems to carry forward into F.Y.2000-01. In addition, while the unit cost rates for F.Y. 1998-99 were accurate, the projected rates for F.Y. 2000-01 were lower than what Minnesota Department of Corrections, Correctional Industries (MinnCorr) has now indicated will be necessary to recover its anticipated production and distribution costs. As MinnCorr operates on a revolving fund, their costs need to be fully recovered. The F.Y. 2000-01 request will cover projected sales at MinnCorr's projected costs, and will build the working inventory up to about a 2.5 month supply.

A supplemental appropriation has been requested to purchase the additional plates projected to be needed by the end of F.Y. 1999, to include a minimal working inventory of about a 1 month supply. \$64,000 of the \$629,000 supplemental appropriation request is to purchase an additional 12,000 Critical Habitat license plates. Laws of 1997, Ch. 26, Sect. 50, restricted the number of such plates to 10,000 for the current biennium and those will have been manufactured and sold by December 1998. This precludes further promotion of the Critical Habitat program operated by the Minnesota Department of Natural Resources (DNR). As a contribution of \$30 is collected with each pair of license plates sold, the resulting loss to DNR for the program is \$360,000. The cost to the Highway User Tax Distribution Fund for the additional license plates will be recovered through a \$10 fee collected at the time of their sale.

FINANCING:

Taxes and fees collected when vehicles are registered in Minnesota are deposited into the Highway User Tax Distribution Fund and cover the costs of production to the state

OUTCOMES:

- Reduce the risk of customer frustration and violation of registration law when license plates and validation stickers are not available.
- Eliminate administrative problems to the department and the deputy registrars due to the unavailability of license plates and tabs.
- Less work for law enforcement when attempting to verify vehicle registration. Without license plates and tabs, law enforcement would have to stop each vehicle in order to check for proof of registration.

F.Y. 2000-2001 Information Technology New Funding

AGENCY: PUBLIC SAFETY DEPT

PROGRAM: DRIVER & VEHICLE SERVICES

ACTIVITY: VEHICLE REGISTRATION & TITLE

IT Change Item: REPLACEMENT OF OPTICAL SCANNER

ITEM DESCRIPTION AND PURPOSE:

This funding request will replace an existing optical character recognition (OCR) scanner that Driver Vehicle Services uses to scan motor vehicle registration documents, and to provide for on-going maintenance of new equipment.

FUNDING:

Funding Distribution	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Facilities	0	0	0	0	0	0
Grants	0	0	0	0	0	0
Hardware	50	0	0	0	0	0
Personnel	0	0	0	0	0	0
Services	0	5	5	5	5	5
Software	0	0	0	0	0	0
Supplies	0	0	0	0	0	0
Training	0	0	0	0	0	0
Total	50	5	5	5	5	5

The focus of this initiative is the registration renewal process from the receipt of renewal information from various offices to the update of mainframe records.

Stakeholders are the citizens of Minnesota, law enforcement offices, and employees of the Department of Public Safety.

RATIONALE:

A new optical scanner is necessary to continue the automated entry and updating of approximately 3 million renewal transactions per year. Without this equipment, these transactions would have to be manually entered thus increasing staffing needs and delaying the processing of transactions.

Due to the age of the existing scanner, parts are becoming harder to locate and as a result it soon may be impossible to repair.

LIFE CYCLE ANALYSIS:

Life Cycle Status	2000-01 Biennium		2002-03 Biennium		2004-05 Biennium	
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
Development	X					
Operations		X	X	X	X	X
Modification						
Retirement						

The need for this project was determined in F.Y.1999. Funding will allow the purchase and installation of the equipment in F.Y. 2000.

OFFICE OF TECHNOLOGY ANALYSIS:

The agency has made significant progress in information resource management but much remains to be done. The agency is participating in collaborative projects such as Electronic Government Services.

OT Master Plan: Goal 2-Efficient and effective government. This project would provide a new scanner to automate entry and updating of approximately 3 million motor vehicle registration transactions per year. Recommendation: OT supports this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends funding for this initiative at requested levels.

2000-01 Biennial Budget

BUDGET ACTIVITY: Interstate Registration and Reciprocity
PROGRAM: Driver and Vehicle Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Administer the International Registration Plan (IRP) and the International Fuel Tax Agreement (IFTA) which provides for uniform collection of registration and fuel taxes throughout the United States and Canada. Through registration in Minnesota, as their base state, carriers can establish and maintain 1 license and report on the interstate operation of their vehicles only to Minnesota.

This reduces the administrative burden on carriers, allows vehicles to operate interstate more easily, and ensures that each member jurisdiction receives its appropriate share of registration and fuel taxes revenues. The activity is also involved in many federal and state Commercial Vehicle Operations (CVO) projects to bring new advanced technologies to the trucking programs for the good of motor carriers and Minnesota.

STRATEGIES AND PERFORMANCE:

- Collaborate and participate in Minnesota's Commercial Vehicle Information System Network pilot program.
- Participate in the international clearinghouse, established at a central site, which contains required information from all member jurisdictions. This will improve the availability of information by allowing for the electronic transmission and receipt of data and reduce the cost of printing and mailing monthly reports to each jurisdiction.
- Maintain computer system enhancements to improve business functions, reduce processing time and facilitate the collection of tax revenue.
- CVO and other possible pilot projects will bring new technology to bear on motor carrier licensing and road enforcement by shortening the time a carrier is without proper credentials.
- Explore new advanced technologies to enhance system efficiency in the collection and processing of data for Minnesota and its motor carriers.

FINANCING INFORMATION:

Activity generates non-dedicated revenues. Non-dedicated revenues are collected for applicants paying fees under the IFTA. The fees collected are gas tax, fuel tax license fee, fuel tax filing fee and fleet registration fee. This activity collects motor vehicle registration and sales tax from Minnesota base interstate carriers and collects registration taxes from other states on a prorated base under the international registration plan.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: DRIVER & VEHICLE SERVICES

Activity: INTERSTATE REGIST/RECIPROCITY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	881	918	1,095	1,103	1,103	1,132	1,132	222	11.0%
OPERATING EXPENSES	1,528	510	541	481	481	481	481	(89)	-8.5%
OTHER EXPENSES	1	0	0	0	0	0	0	0	
SUBTOTAL STATE OPERATIONS	2,410	1,428	1,636	1,584	1,584	1,613	1,613	133	4.3%
LOCAL ASSISTANCE	0	106	0	0	0	0	0	(106)	-100.0%
Total Expenditures	2,410	1,534	1,636	1,584	1,584	1,613	1,613	27	.9%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
HIGHWAY USERS TAX DISTRIBUTION	1,273	1,382	1,602	1,584	1,584	1,613	1,613		
STATUTORY APPROPRIATIONS:									
FEDERAL	34	152	34	0	0	0	0		
AGENCY	1,103	0	0	0	0	0	0		
Total Financing	2,410	1,534	1,636	1,584	1,584	1,613	1,613		

REVENUE COLLECTED:									
DEDICATED									
FEDERAL	43	152	34	0	0	0	0		
AGENCY	1,103	0	0	0	0	0	0		
NONDEDICATED									
HIGHWAY USERS TAX DISTRIBUTION	3,956	4,063	4,155	4,235	4,235	4,271	4,271		
Total Revenues Collected	5,102	4,215	4,189	4,235	4,235	4,271	4,271		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
 Program: DRIVER & VEHICLE SERVICES
 Activity: INTERSTATE REGIST/RECIPROCITY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	21.3	21.9	26.8	26.8	26.8	26.8	26.8
PART-TIME, SEASONAL, LABOR SER	1.2	1.3	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	22.6	23.2	26.8	26.8	26.8	26.8	26.8

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2000-01 Biennial Budget

BUDGET ACTIVITY: Licensing Drivers
PROGRAM: Driver and Vehicle Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

- Driver Examination. Administer written and oral driver knowledge tests, conduct driving skills road tests and regulate licensed driver training schools. Driver examining is provided at 93 full-time and part-time locations statewide.
- Driver License Issuing and Records. Issue driver licenses, instruction permits, and non-driver identification cards, and maintain driver history and traffic accident records. Services are provided at the central office in St. Paul and throughout the state at 14 Driver and Vehicle Services (DVS) field offices and 125 independent, public and private driver license agent offices.
- Driver Evaluation. Evaluate medical and vision reports, conduct hearings on drivers who violate traffic laws or are involved in accidents, issue limited licenses, and conduct reviews and hearings on compliance with re-licensing requirements.

STRATEGIES AND PERFORMANCE:

Objectives from F.Y. 1999 Strategic Plan:

- Improve service to DVS customers.
- Ensure DVS records are accurate and accessible.
- Improve the quality of DVS programs.

	Actual	Estimated	Estimated	Estimated
	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>
License cards issued	1,254,466	1,290,000	1,330,000	1,370,000
Accident records	106,771	119,000	123,000	120,000
No-fault revocations	11,725	11,815	11,900	12,100
No-fault incidents	22,262	22,485	22,935	23,165
Public calls received	382,768	441,384	500,000	560,000
Written driver tests	443,780	448,200	452,700	457,300
Oral driver tests	4,258	4,685	5,150	5,400
Driver skills road tests	165,478	158,800	172,200	174,000
Driving school licensed	99	100	105	110

	Actual	Estimated	Estimated	Estimated
(cont'd)	<u>F.Y. 1998</u>	<u>F.Y. 1999</u>	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>
Instructors licensed	534	540	545	550
Accident clinics licensed	501	505	510	515
Privileges withdrawn	175,360	189,400	204,500	220,900
Evaluation hearings	35,191	36,165	36,190	37,700
Medical/visual reports	36,165	36,990	37,725	38,500
Implied consent reports	30,784	31,400	32,080	32,800
Limited licenses issued	15,827	16,145	16,470	16,800
Telephone inquiries	195,687	199,715	203,710	207,750

FINANCING INFORMATION:

Dedicated revenue:

- Driving while intoxicated reinstatement fees are collected and distributed according to M.S. 171.29.

Non-dedicated revenue:

- Driver license and accident record fees and revocation and suspension fees
- Examining and reinstatement fees.

BUDGET ISSUES:

- The state's population of individuals with little or no English speaking skills has increased and resulted in a more complicated examining processes. Additional examining staff, automated testing machines and systems enhancements are needed to handle the multiple languages spoken by Minnesota residents.
- The number and cost of the driver license and identification cards needed during the next biennium is increasing.
- The number of hearings where the state is represented by the Attorney General has increased because of stricter Driving While Under the Influence provisions recently enacted.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: DRIVER & VEHICLE SERVICES
Activity: LICENSING DRIVERS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	12,285	12,607	13,394	13,668	14,326	14,069	14,742	3,067	11.8%
OPERATING EXPENSES	5,718	6,175	9,014	6,461	9,265	6,608	9,931	4,007	26.4%
OTHER EXPENSES	1	2	0	0	0	0	0	(2)	-100.0%
SUBTOTAL STATE OPERATIONS	18,004	18,784	22,408	20,129	23,591	20,677	24,673	7,072	17.2%
Total Expenditures	18,004	18,784	22,408	20,129	23,591	20,677	24,673	7,072	17.2%

CHANGE ITEMS:	FUND						
(A) ATTORNEY GENERAL COSTS	THI		2,270		2,317		3,146
(B) DRIVER LICENSE CARD PRODUCTION	THI				50		50
(B) IMPROVE DRIVER TESTING SERVICES	THI				1,095		800
Total Change Items			2,270		3,462		3,996

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	620	623	631	635	635	652	652
TRUNK HIGHWAY	16,303	17,810	21,570	19,369	22,831	19,899	23,895
HIGHWAY USERS TAX DISTRIBUTION	0	53	76	77	77	78	78
OPEN APPROPRIATIONS:							
TRUNK HIGHWAY	1,046	0	0	0	0	0	0
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	31	49	48	48	48	48	48
FEDERAL	4	249	83	0	0	0	0
Total Financing	18,004	18,784	22,408	20,129	23,591	20,677	24,673

REVENUE COLLECTED:							

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: DRIVER & VEHICLE SERVICES
Activity: LICENSING DRIVERS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
DEDICATED							
SPECIAL REVENUE	1,769	1,889	2,563	2,563	2,563	2,563	2,563
FEDERAL	4	249	83	0	0	0	0
NONDEDICATED							
CAMBRIDGE DEPOSIT FUND	4,770	4,975	5,001	5,001	5,001	5,001	5,001
TRUNK HIGHWAY	21,807	21,205	21,305	21,305	21,305	21,305	21,305
Total Revenues Collected	28,350	28,318	28,952	28,869	28,869	28,869	28,869
FTE BY EMPLOYMENT TYPE:							
FULL TIME	300.8	293.1	344.3	344.3	363.3	344.3	363.3
PART-TIME, SEASONAL, LABOR SER	28.7	32.6	2.6	2.6	2.6	2.6	2.6
OVERTIME PAY	0.3	0.3	0.2	0.2	0.2	0.2	0.2
Total Full-Time Equivalent	329.8	326.0	347.1	347.1	366.1	347.1	366.1

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Driver and Vehicle Services
ACTIVITY: Licensing Drivers

ITEM TITLE: Driver License Card Production

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$50	\$50	\$50	\$50
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$50,000 in F.Y. 2000, and \$50,000 in F.Y. 2001, in Trunk Highway Fund monies for increased drivers license card production.

RATIONALE:

The number of driver license and identification cards needed is expected to increase at a small but steady rate each year.

Driver and Vehicle Services (DVS) purchases licenses and identification cards under a contract with a private vendor. This contract is based on a fixed rate per card. The other costs of this activity, sales tax and postage, are also calculated per card, so the total cost of this activity will rise proportionately to the number of cards produced.

In addition, the current contract expires in April 1999. DVS requested proposals for a new 5-year contract and received 6 proposals from 4 vendors. After extensive

review of the proposals as well as demonstration and testing of the system and system products of the highest ranked proposal(s), a new contract was awarded.

Minnesota residents pay a fee for the cards that are issued, therefore the state recovers the costs involved. DVS, however, requires an appropriation to cover its costs of having cards produced.

OUTCOMES:

Customers will continue to receive the driver's license identification cards in a complete and timely manner.

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of (DPS)
PROGRAM: Driver and Vehicle Services
ACTIVITY: Licensing Drivers

ITEM TITLE: Improve Driver Testing Services

	<u>2000-01 Biennium</u>		<u>2001-02 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
Trunk Highway Fund				
- State Operations	\$1,095	\$800	\$800	\$800
Revenues: (\$000s)				
Trunk Highway Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends \$1,095,000 in F.Y. 2000, and \$800,000 in F.Y. 2001, in Trunk Highway Fund monies to expand and improve driver testing services.

RATIONALE:

This request is for 18 driver license examining specialists, 16 automated testing machines, software to allow automated testing in several foreign languages, a computerized interactive appointment scheduling system, and maintenance costs.

Recent experience has shown:

- Thirty-eight percent increase in driver license written examinations and a 77% increase in oral tests; 10% increase in time per passenger vehicle test; 44% increase in time per commercial vehicle road test due to increased federal requirements.

- Inability to meet increased demands for driver license written and oral examinations and road tests due to the increase in number of young drivers and the rapid growth in the number of adult novice drivers with little or no previous experience in driving.
- Currently, in order to find the quickest appointment for a driver's road test in the Metropolitan area, individuals call all 3 locations, make numerous appointments, and are "no-shows" at several locations.

FINANCING:

This request includes a base level increase for salary and expense costs for 18 driver examiners and one time costs in F.Y. 2000 for the automated testing hardware and software.

OUTCOMES:

- Additional examiners and automated testing equipment will allow Driver and Vehicle Services to give driver knowledge and skill tests with fewer delays and communication problems thereby reducing customer and staff discontent.
- A telephone appointment system in the Metro area will preclude multiple scheduling of appointments by a single applicant, provide optimal convenience for the public, and reduce the volume of calls to the multiple locations. This system could ultimately be expanded to provide customers with vehicle registration, titling and examination information.
- The addition of 5 more foreign languages on all machines will accommodate the increased language diversity in Minnesota.

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2000-01 Biennial Budget

BUDGET ACTIVITY: Driver and Vehicle Services Support
PROGRAM: Driver and Vehicle Services
AGENCY: Public Safety, Department of (DPS)

ACTIVITY PROFILE:

Provide management and support services for the division including development and promulgation of administrative rules, research and analysis, purchasing, payroll and personnel transaction processing, mail services, and maintenance of the driver and motor vehicle data base.

STRATEGIES AND PERFORMANCE:

Improve service to Driver and Vehicle Services (DVS) customers.

- Provide continuous, comprehensive customer service training to employees.
- Review and improve public information services.
- Improve the DVS worldwide website.

Ensure DVS records are accurate and accessible.

- Investigate electronic data transfer with business partners.
- Explore alternative service delivery methods.

Improve the quality of DVS programs.

- Maintain a technologically current reengineering plan.
- Take an active role on the state and national levels in studying and setting driver and vehicle policies.
- Explore alternative services delivery methods.

Provide the resources for a skilled, creative, and healthy workforce.

- Recognize and respond to the effects of change on employees.
- Expand telecommuting.
- Continue and expand ergonomic practices.
- Provide ongoing technical training to employees.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: DRIVER & VEHICLE SERVICES
Activity: DRIVER & VEHICLE SUPPORT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	399	455	488	490	490	503	503	50	5.3%
OPERATING EXPENSES	149	121	170	158	158	159	159	26	8.9%
SUBTOTAL STATE OPERATIONS	548	576	658	648	648	662	662	76	6.2%
Total Expenditures	548	576	658	648	648	662	662	76	6.2%
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	0	14	14	12	12	12	12		
TRUNK HIGHWAY	411	350	398	396	396	405	405		
HIGHWAY USERS TAX DISTRIBUTION	137	212	246	240	240	245	245		
Total Financing	548	576	658	648	648	662	662		
FTE BY EMPLOYMENT TYPE:									
FULL TIME	5.5	7.2	7.1	7.1	7.1	7.1	7.1		
PART-TIME, SEASONAL, LABOR SER	1.6	0.0	0.0	0.0	0.0	0.0	0.0		
Total Full-Time Equivalent	7.1	7.2	7.1	7.1	7.1	7.1	7.1		

2000-01 Biennial Budget

PROGRAM: Alcohol and Gambling Enforcement

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

The Alcohol and Gambling Enforcement program enforces laws and regulations relating to liquor licensing and legal and illegal gambling activities.

STRATEGIES AND PERFORMANCE:

Approve and issue retail, wholesale and import liquor licenses and brand label registrations:

- Authorize liquor shipments to establishments holding valid licenses.
- Maintain dram shop and workers compensation records.
- Verify accuracy of applications.
- Verify tax eligibility.
- Inspect premises prior to licensure.

Implement Office of Juvenile Justice Delinquency Program to Combat Underage Drinking:

- Provide monetary resources and training and conduct compliance reviews at liquor licensed establishments.
- Assist local law enforcement with penalty options.
- Assess youth access to alcohol from the Internet, the use of fraudulent ID's, home delivery sources and adult providers.

Enforce gambling and liquor laws.

- Conduct routine compliance visits at liquor and gambling establishments.

- Conduct criminal investigations of liquor and gambling law violations.
- License and regulate manufacturers and distributors of gambling devices conducting sales in Minnesota

Provide law enforcement services relating to the gambling industry in Minnesota:

- Assist local law enforcement agencies in investigating gambling related crimes.
- Monitor compliance of Tribal-State Compact.
- Conduct security audit of Minnesota State Lottery.
- Provide enforcement and regulatory support to Minnesota State Lottery, Lawful Gambling Board and Pari-Mutual Racing Commission.

FINANCING INFORMATION:

This program generates dedicated and non-dedicated revenues. Fees are collected from manufacturers of gambling devices. Indian Tribal governments pay fees for investigations and background checks under tribal compacts. Fees are also collected to recover the costs of conducting background check investigation on individuals in the legal gambling profession.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
Program: ALCOHOL & GAMBLING ENFORCEMENT
Activity: ALCOHOL & GAMBLING ENFORCEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	1,449	1,425	1,666	1,686	1,686	1,599	1,599	194	6.3%
OPERATING EXPENSES	543	465	679	672	672	615	751	279	24.4%
SUBTOTAL STATE OPERATIONS	1,992	1,890	2,345	2,358	2,358	2,214	2,350	473	11.2%
LOCAL ASSISTANCE	20	0	0	0	0	0	0	0	
Total Expenditures	2,012	1,890	2,345	2,358	2,358	2,214	2,350	473	11.2%

CHANGE ITEMS:	FUND				
(A) 800 MEGAHERTZ RADIO SYSTEM	GEN				136
Total Change Items					136

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	1,673	1,520	1,876	1,758	1,758	1,799	1,935
STATUTORY APPROPRIATIONS:							
GENERAL	87	96	50	130	130	70	70
SPECIAL REVENUE	194	268	294	345	345	345	345
FEDERAL	58	6	125	125	125	0	0
Total Financing	2,012	1,890	2,345	2,358	2,358	2,214	2,350

REVENUE COLLECTED:							
DEDICATED							
GENERAL	81	104	66	135	135	75	75
SPECIAL REVENUE	261	273	303	303	303	303	303
FEDERAL	61	6	125	125	125	0	0

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: ALCOHOL & GAMBLING ENFORCEMENT

Activity: ALCOHOL & GAMBLING ENFORCEMENT

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
NONDEDICATED							
GENERAL	15	27	18	18	18	18	18
CAMBRIDGE DEPOSIT FUND	1,073	1,103	1,090	1,090	1,090	1,100	1,100
Total Revenues Collected	1,491	1,513	1,602	1,671	1,671	1,496	1,496
FTE BY EMPLOYMENT TYPE:							
FULL TIME	26.8	24.8	27.6	28.0	28.0	26.2	26.2
PART-TIME, SEASONAL, LABOR SER	0.0	0.1	0.0	0.0	0.0	0.0	0.0
OVERTIME PAY	0.3	0.5	0.3	0.3	0.3	0.3	0.3
Total Full-Time Equivalent	27.1	25.4	27.9	28.3	28.3	26.5	26.5

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2000-01 Biennial Budget

PROGRAM: Traffic Safety

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Reduce the number of traffic crashes, injuries and fatalities; manage state and federal traffic safety efforts; provide statistical information on motor vehicle crashes; and adapt federal priorities to state and local needs.

- Fund approximately 125 traffic safety projects yearly; conducted by state and local units of government, non-profit groups and private organizations.
- Monitor and evaluate results of projects to determine efficiency and effectiveness in reducing traffic crashes, injuries, and fatalities.
- Gather and analyze statistical information about traffic crashes, and publish annually in Minnesota Motor Vehicle Crash Facts.
- Conduct research and serve as a traffic safety information clearinghouse, for legislators, professionals, and private citizens.

STRATEGIES AND PERFORMANCE:

Traffic crashes are the leading cause of death for people age 1 to 34; in an average year, 600 people are killed and 40,000 are injured. During the first 7 months of 1998, fatalities were up 12% over 1997. In 1997:

- The fatality rate was 1.28.
- 30% of fatalities were alcohol related.
- Severe injuries were down almost 10%.
- Less than 27% of people killed in crashes age 11 to 39 were wearing seat belts.
- 24% fatalities and 18% of injuries occurred in speed related crashes.
- Car seat use: 87% infants under a year old; 56% toddlers; majority are used incorrectly; and under 5% of children 4 to 11 years old ride in belt-positioning booster seats.
- Since 1990, 8,920 people have been ejected from a vehicle in a crash.

The budget plan will allow the agency to meet its performance measures, including:

- Reduce statewide motor vehicle fatality rate per 100 million vehicle miles traveled to 1.20 by C.Y. 2000.

- Keep traffic deaths that are alcohol related to 30% or less through C.Y. 2000.
- Increase driver and front seat occupant seat belt use to 70% by C.Y. 2000.

FINANCING INFORMATION:

Federal funding received for the following programs:

- General traffic safety projects (402 funds) received through Title 23 of the National Highway Safety Act, Public Law 89-564 (M.S. 4.075 designates Department of Public Safety as the recipient).
- Special traffic safety funds received under TEA-21 (PL 105-178) for programs in impaired driving, traffic records and safety belts.
- Office of Juvenile Justice & Delinquency Prevention programs to combat underage drinking.

The program generates dedicated state revenue:

- Motorcycle endorsements on drivers' licenses for a motorcycle safety education program.
- Violations of the child passenger protection act for child car seats to needy families.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget except for a decrease of \$122,000 for the biennium to reflect the elimination of the Bicycle Safety Grant Program.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: TRAFFIC SAFETY

Activity: TRAFFIC SAFETY & RESEARCH

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	628	693	1,005	943	943	949	949	194	11.4%
OPERATING EXPENSES	1,264	1,438	2,391	2,026	2,026	2,023	2,023	220	5.7%
SUBTOTAL STATE OPERATIONS	1,892	2,131	3,396	2,969	2,969	2,972	2,972	414	7.5%
LOCAL ASSISTANCE	1,536	1,092	2,047	2,045	1,984	2,045	1,984	829	26.4%
Total Expenditures	3,428	3,223	5,443	5,014	4,953	5,017	4,956	1,243	14.3%

CHANGE ITEMS:	FUND				
(B) ELIMINATE BICYCLE SAFETY GRANTS	GEN			(61)	(61)
Total Change Items				(61)	(61)

FINANCING BY FUND:							
DIRECT APPROPRIATIONS:							
GENERAL	61	61	61	61	0	61	0
TRUNK HIGHWAY	204	274	312	304	304	310	310
STATUTORY APPROPRIATIONS:							
SPECIAL REVENUE	426	417	610	515	515	515	515
FEDERAL	2,676	2,378	4,460	4,134	4,134	4,131	4,131
GIFT	61	93	0	0	0	0	0
Total Financing	3,428	3,223	5,443	5,014	4,953	5,017	4,956

REVENUE COLLECTED:							
DEDICATED							
SPECIAL REVENUE	562	674	690	690	690	690	690
FEDERAL	2,717	2,208	4,460	4,134	4,134	4,131	4,131
GIFT	80	75	0	0	0	0	0

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: TRAFFIC SAFETY

Activity: TRAFFIC SAFETY & RESEARCH

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
Total Revenues Collected	3,359	2,957	5,150	4,824	4,824	4,821	4,821
FTE BY EMPLOYMENT TYPE:							
FULL TIME	12.7	13.4	15.9	15.9	15.9	15.9	15.9
PART-TIME, SEASONAL, LABOR SER	0.4	0.2	0.0	0.0	0.0	0.0	0.0
Total Full-Time Equivalent	13.1	13.6	15.9	15.9	15.9	15.9	15.9

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of
PROGRAM: Traffic Safety
ACTIVITY: Traffic Safety

ITEM TITLE: Eliminate Bicycle Safety Grant Program

OUTCOMES:

This action will result in the savings of an amount that may be used for other purposes.

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$-0-	\$-0-	\$-0-	\$-0-
- Grants	\$(61)	\$(61)	\$(61)	\$(61)
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes ___ No X

If yes, statutes(s) affected:

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends the elimination of General Fund funding for the bicycle safety grant in the amount of \$61,000 in each year of the biennium.

RATIONALE:

A contract with the University of Minnesota supports the position of Project Coordinator of the Minnesota Community Bicycle Safety Project, an effort to provide information and educational materials to communities on bicycle safety. The contract is due to expire on 6/30/99. This function is deemed to be performed in a more expeditious manner through regularly funded state services.

FINANCING:

The base General Fund budget of the Traffic Safety program is to be reduced accordingly.

2000-01 Biennial Budget

PROGRAM: Pipeline Safety

AGENCY: Public Safety, Department of (DPS)

PROGRAM PROFILE:

Protect Minnesota lives and property through the implementation of a quality assurance program of gas and hazardous liquid pipeline inspection, accident/incident investigations and education. Conduct safety inspections of all pipeline facilities as authorized by state law and the United States Department of Transportation (USDOT). Promote damage prevention, enforce the Gopher State One Call (GSOC) system law, support an emergency notification center, and maintain technical data and maps on pipelines. Provide education through participation in utility coordinating committees, the GSOC, public speaking opportunities, the Minnesota State Fair exhibit, pipeline operator training and damage prevention seminars. Field offices are located in Mankato, Grand Rapids, and Detroit Lakes.

STRATEGIES AND PERFORMANCE:

Focus inspection resources on areas of highest risk by computer mapping pipeline locations in population and environmental sensitive areas:

- Over 50,000 miles of pipelines installed.
- Over 8,000 probable violations of state/federal safety standards cited.
- Over 500 pipeline related emergency notifications investigated. Violations decreased from 4,655 in 1990 to under 400 in 1997.
- Four leading causes of distribution line failures: third-party damage, corrosion, material failures and human error.

Public education on damage prevention has increased significantly over the last 4 years. In 1998 through August, 78 training sessions were presented to 5,000 excavators, operators, and homeowners.

- Annual call volumes to the one call notification center have increased from 498,860 incoming calls in 1994 to 525,271 in 1997. As a result 3,672,012

outgoing notices were sent to underground facility operators to mark their utilities before digging.

Increase inspection responsibilities:

- Required by federal code changes, specifically the addition of jurisdiction over pipelines operating less than 20% of standard minimum yield strength, drug and alcohol inspections and other federal programs.
- Inspect more new construction activities in the field.
- Provide technical support to local communities in the area of emergency planning and response.

FINANCING INFORMATION:

Over 1/3 of revenue of the program is derived from federal grants issued by the USDOT. A federal annual audit is used to determine the funding level for the following year. Minnesota has scored at the top allowing the maximum available federal funds. The office also assesses the pipeline operators in Minnesota for the remainder of its revenue. No dollars are received from the General Fund.

Dedicated revenue. Fees are collected to recover the state share of costs related to the program as provided in M.S. 299F.631, and 299J.12, and 216D.08. This funding has a cap of \$927,000 in F.Y. 1999

Through the Federal Research and Special Programs Administration, Minnesota Office of Pipeline Safety (MnOPS) has developed a Risk Management/System Integrity Inspection Plan in which interstate natural gas transmission and hazardous liquid pipeline companies can participate in pilot projects. Minnesota is a potential participant, and involvement will be contingent upon the federal office selecting an interstate pipeline operator within Minnesota. MnOPS will apply for additional federal funds to participate in this project.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base funding levels as requested in the agency's budget.

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT

Program: PIPELINE SAFETY

Activity: PIPELINE SAFETY

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
STATE OPERATIONS									
PERSONAL SERVICES	845	939	1,316	1,249	1,249	1,265	1,265	259	11.5%
OPERATING EXPENSES	382	399	451	416	416	413	413	(21)	-2.5%
SUBTOTAL STATE OPERATIONS	1,227	1,338	1,767	1,665	1,665	1,678	1,678	238	7.7%
LOCAL ASSISTANCE	10	0	0	0	0	0	0	0	
Total Expenditures	1,237	1,338	1,767	1,665	1,665	1,678	1,678	238	7.7%

FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
SPECIAL REVENUE	653	756	927	947	947	965	965		
STATUTORY APPROPRIATIONS:									
SPECIAL REVENUE	11	19	19	19	19	19	19		
FEDERAL	573	563	821	699	699	694	694		
Total Financing	1,237	1,338	1,767	1,665	1,665	1,678	1,678		

REVENUE COLLECTED:									
DEDICATED									
SPECIAL REVENUE	443	922	1,001	1,021	1,021	1,039	1,039		
FEDERAL	559	761	772	689	689	694	694		
Total Revenues Collected	1,002	1,683	1,773	1,710	1,710	1,733	1,733		

FTE BY EMPLOYMENT TYPE:									
FULL TIME	15.3	16.5	19.0	19.0	19.0	19.0	19.0		
PART-TIME, SEASONAL, LABOR SER	0.8	0.3	0.0	0.0	0.0	0.0	0.0		
OVERTIME PAY	0.1	0.1	0.3	0.3	0.3	0.3	0.3		
Total Full-Time Equivalent	16.2	16.9	19.3	19.3	19.3	19.3	19.3		

State of Minnesota
2000-2001 Biennial Budget
(Dollars in Thousands)

Agency: PUBLIC SAFETY DEPT
 Program: LAW ENFORC.& COMMUNITY GRANTS
 Activity: LAW ENFORC. & COMMUNITY GRANTS

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001	
				Base	Governor Recomm.	Base	Governor Recomm.
FTE BY EMPLOYMENT TYPE:							
FULL TIME	0.0	0.5	0.6	0.0	10.8	0.0	10.8
Total Full-Time Equivalent	0.0	0.5	0.6	0.0	10.8	0.0	10.8

F.Y. 2000-01 BUDGET CHANGE ITEM

AGENCY: Public Safety, Department of
PROGRAM: Law Enforcement and Community Grants
ACTIVITY: Law Enforcement and Community Grants

ITEM TITLE: Transfer of Office of Drug Policy from ECF

	<u>2000-01 Biennium</u>		<u>2002-03 Biennium</u>	
	<u>F.Y. 2000</u>	<u>F.Y. 2001</u>	<u>F.Y. 2002</u>	<u>F.Y. 2003</u>
Expenditures: (\$000s)				
General Fund				
- State Operations	\$2,823	\$2,830	\$2,830	\$2,830
Revenues: (\$000s)				
General Fund	\$-0-	\$-0-	\$-0-	\$-0-

Statutory Change? Yes X No _____

If yes, statutes(s) affected: M.S. 119A.26 through 119A.34

New Activity Supplemental Funding Reallocation

GOVERNOR'S RECOMMENDATION:

The Governor recommends the transfer of functions and funding currently appropriated to the Department of Education, Children and Families to the Department of Public Safety for the purpose of crime prevention and gang strike force.

RATIONALE:

This function will be performed by an agency with a more specific infrastructure and the network to deal with the issues of crime and crime prevention.

FINANCING:

This transfer involves both State and Federal grant and administration money.

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2000-01 Biennial Budget

AGENCY: Safety Council

AGENCY DESCRIPTION:

The Minnesota Safety Council's (MSC) mission is to make Minnesota a safer place to live by providing information, education and training, and to influence safety and health in communities throughout the region. MSC was organized in 1928 by the state of Minnesota and leaders of Minnesota's business community, who recognized that preventing unintentional injury is a responsibility of government and the private sector.

Unintentional injury is the primary health risk to our children, the primary cause of death to Minnesotans to about age 40, and the 5th leading cause of death to all Minnesotans. Traffic crashes are the primary cause of death to workers on the job, and the primary cause of preventable death and injury to all Minnesotans. More years of life are lost from unintentional injury than heart disease, cancer, stroke and lung disease. Experts estimate at least 100 disabling injuries for each death recorded. Reducing unintentional injury significantly increases Minnesotans' chance to lead productive, healthy lives.

The economic loss is also significant. In 1996, unintentional injuries were estimated to cost Minnesota more than \$7.9 billion in hard costs. Lost quality of life from those injures was valued at another \$18.3 billion. About 2/3 of hard costs were borne by Minnesota's employers (including government employers). Employers with strong workplace safety and health programs see increased productivity with reduced absenteeism, less downtime and a more motivated workforce. Reducing workplace injuries increases Minnesota's ability to compete globally.

PERFORMANCE SUMMARY:

Traffic crashes and injuries:

- Trained over 32,000 licensed drivers last year in crash avoidance skills, including drivers age 55 and over, who qualify for insurance rate reductions for completing the course.

- Our Youth in the Workplace traffic safety program (with Minnesota Department of Public Safety and the National Highway Traffic Safety Administration) has won state and national awards.
- Operation Lifesaver volunteers spoke with more than 100,000 people last year about railroad grade crossing safety.

Unintentional injury to children:

- Coordinate the Minnesota SAFE KIDS coalition, which works to reduce unintentional injury and death to kids. It involves more than 140 agencies and organizations which help plan and implement programs for children, parents and other care givers (teachers, health care professionals, pre-school staff and others).
- In partnership with public and private-sector organizations, we distributed over 1,600 child safety seats and booster seats last year.
- We reach more than 12,000 safety advocates and parents to teach them how to install and use child safety seats correctly.
- We distributed over 2,200 low-cost bike helmets, and more than 2,700 smoke detectors in homes in low income-high risk neighborhoods.
- Introduced in 1997 the Safety Safari, a free telephone information service which uses jungle characters, music and humor to deliver pre-recorded injury prevention tips to children and people who care for children. In under a year, we have received more than 6,000 calls, providing more than 2,000 hours of safety information.

Workplace injury reduction:

- Employers and workers in the public and private sector access our consultants through our toll-free telephone line, in person and via our website to get help to develop and implement programs to reduce work-related incidents.
- We assist in policy development, regulatory compliance, and employee and management skills-building to support workplace safety and health programs.
- Last year, we trained over 8,000 managers, supervisors and employees.

Statewide Programming:

- In 1997, we conducted training in over 150 different communities.
- Our toll-free telephone line provided access from anywhere in the state to program consultants and services.
- We organize and provide program support to a network of volunteer safety councils which bring safety and health programming to communities.

2000-01 Biennial Budget

AGENCY: Safety Council
(Continuation)

EXPLANATION OF AGENCY'S BUDGET PLAN:

State funds provide dollars for new-program development, programs for children and families, and service to Greater Minnesota. Since 1967 when we first received statutory funding, we have increased our gross budget, from \$75,000 to approximately \$4.6 million in F.Y. 1998-99. Each state dollar is matched with almost \$10 in private-sector contributions. We also fund activities through revenues from training and sale of training-related materials. Current funding sources: membership contributions 13%; training 52%; state appropriation 1%; program grants 11%; other earned income 23%.

GOVERNOR'S RECOMMENDATION:

The Governor recommends base level funding as requested in the agency's budget and also a biennial increase of \$25,000 to provide a portion of the costs for the Children's Information Line, a toll free interactive telephone safety information service, and \$30,000 to enhance safety programs for older Minnesotan's with primary emphasis on motor vehicle safety.

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Agency: SAFETY COUNCIL

Program: MINN SAFETY COUNCIL

Activity: MINN SAFETY COUNCIL

Budget Activity Summary	Actual F.Y. 1997	Actual F.Y. 1998	Budgeted F.Y. 1999	F.Y. 2000		F.Y. 2001		Biennial Change 2000-01 Gov / 1998-99	
				Base	Governor Recomm.	Base	Governor Recomm.	Dollars	Percent
EXPENDITURES BY CATEGORY:									
LOCAL ASSISTANCE	67	67	67	67	94	67	95	55	41.0%
Total Expenditures	67	67	67	67	94	67	95	55	41.0%
CHANGE ITEMS:									
	FUND								
(B) CHILDREN'S INFORMATION LINE	GEN				12		13		
(B) MATURE CITIZENS	THI				15		15		
Total Change Items					27		28		
FINANCING BY FUND:									
DIRECT APPROPRIATIONS:									
GENERAL	0	0	0	0	12	0	13		
TRUNK HIGHWAY	67	67	67	67	82	67	82		
Total Financing	67	67	67	67	94	67	95		

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