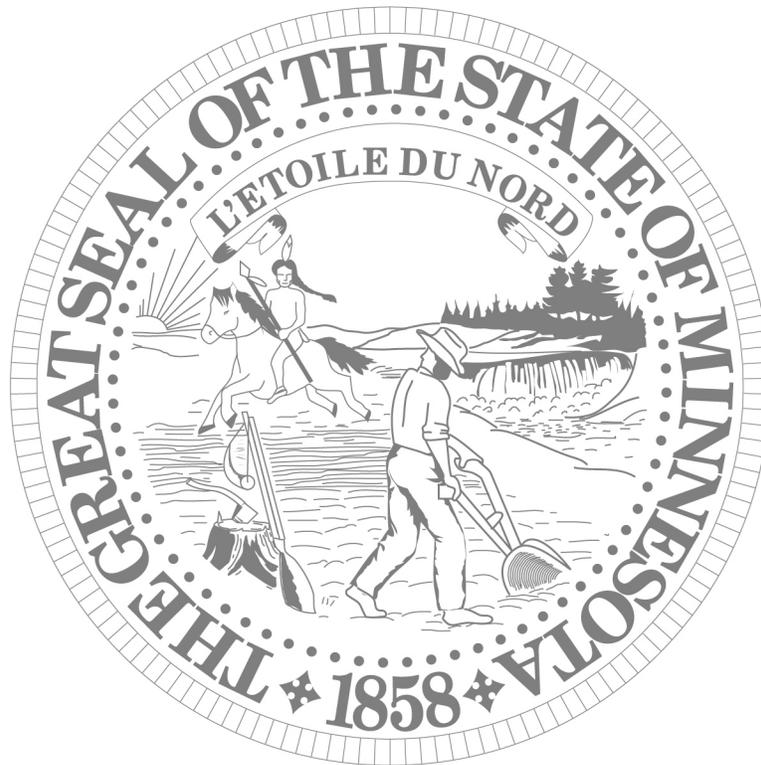


MINNESOTA BIENNIAL BUDGET

2020 - 2021



Departmental Earnings

February 2019

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

Accountancy, Board of

Accountancy Professional Licensing and Fees

Administration

Capitol Events

Historic Tax Credit Grant/Fee

Administrative Hearings, Office of

Campaign Complaints and Municipal Board

Office of Administrative Hearings

Worker's Compensation Transcript

Agriculture

Agricultural Chemical Response and Reimbursement Surcharge

Agricultural Liming Fees

Apiary Export Certification Fees

Beverage Inspection Fees

Commercial Canneries Inspection Fees

Commercial Feed Inspection Fees

Commodity Councils Service Charges

Consolidated Food License Fees

Cottage Foods Registration Fees

Dairy Services Fees

Dairy, Milk, and Cream License Fees

Egg Law Inspection Fees

Fertilizer Inspection Fees

Food Handler Plan Review Fees

Food Handler Reinspection Fees

Fruit and Vegetable Inspection Fees

Grain Buyer and Storage Fees

Industrial Hemp Fees

Laboratory Services Charges

Livestock License Fees

Livestock Weighting Charges

MDA Coop Agreements

MDA Corporate Farm Fees

MDA Miscellaneous

MDA Remediation Reimbursements

MDA Trade Activities

Minnesota Grown Fees

Nursery and Phytosanitary Fees

Pesticide Regulation Fees

RFA Aggie Bond Fees

Rural Finance Authority Fees

Seed Inspection Fees

Seed Potato Inspection Fee

Wholesale Produce Dealers Fees

Animal Health, Board of

Dog and Cat Breeder Fees

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

Farmed Cervidae Annual Inspection Fee
Miscellaneous Fees Animal Health Board

Architecture, Engineering Board

Architecture, Engineering Board Examinations and Licensing Fees

Attorney General

Charities and Club Registration Fees

Barber Examiners, Board of

Barber Examiners Board Licensing Fees

Behavioral Health and Therapy, Board of

Behavioral Health and Therapy Board Licensing Fees

Chiropractic Examiners, Board of

Chiropractic Examiners Licensing Fees

Commerce

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

Corrections

Aid to Victims of Crime
Charges to Counties - Per Diem Charges for MCF-Red Wing Juveniles
Community Supervision Fees from Offenders
Corrections Staff Rent/Utilities Fees
County Probation Reimbursement
Dedicated Receipts Miscellaneous
Health Care Co-Payment - Offender Assessment
Housing Adult Inmates
Inmate Confinement Surcharge Summary
Lino-Anoka Service Agreement

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

- Out of State Juvenile Jail Certification Fee
- Staff and Visitors Meals
- Vocational Work Program Fees

Cosmetologist Examiners, Board of

- Cosmetologist Examiners Board Licensing Fees

Dentistry, Board of*

- Dentistry Board Licensing Fees*

Dietetics and Nutrition Practice, Board of

- Dietetics and Nutrition Practice Licensing Fees

District Courts

- District Court Credit Card Convenience Fee
- Miscellaneous Court Fees - Specialty Court Participation Fees

Education*

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

Emergency Medical Services Regulatory Board

- Emergency Medical Svcs Reg Data Practices / Cost of Copies
- Emergency Medical Svcs Regulatory Board Licensing Fees

Employment and Economic Development*

- Job Skills Partnerships Program
- MN Trade Office
- Services for the Blind-Operations and Communication
- Small Business Application Fee
- Small Business Investment Tax Credit (Angel)*

Explore Minnesota Tourism

- Tourism Program Revenue

Gambling Control Board

- Gambling License and Regulatory Fees

Health*

- Adoption Registry Filing and Administrative Fees
- Adverse Event Reporting
- Asbestos Abatement Fees
- Body Art Establishment and Technician Licensure Fees
- Certified Copies of Vital Records and Related Services Fees
- Doula Registry Fees
- Drinking Water Service Connection Fee*
- Electronic Health Records Service Provider Application and Certification Fees
- Food Manager Certification Fee
- Food Pools Lodging Services Licensing
- Funeral Establishments and Funeral Director Licensure Fees
- Health Care Facility License Fees
- Health Maintenance Organizations Application and Renewal Fee
- Hearing Instrument Dispensers Certification and Examination Fee
- Home Care Licenses Summary*
- Interpreter Roster Application Fee

Departmental Earnings

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

- Laboratory Accreditation Fee
- Lead Program and Certification Fees
- Medical Cannabis Program Fees
- Newborn Screening Fee
- Plan Review and Inspection Fees for Water Treatment
- Radioactive Materials Registration and License Fees
- Radon Licensing
- Speech Language Pathologist and Audiologist Registration Fee
- Statewide Hospitality Facility License Fee Summary
- Trauma Centers
- Well Management Program Fees
- X-Ray Machines Registration and Inspection Fees

Higher Education, Office of

- Private Postsecondary Licensure and Registration Fees

Human Rights

- Compliance Certificates
- Pay Equity Certificates

Human Services*

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

Iron Range Resources and Rehabilitation

- IRRR Departmental Earnings

Labor and Industry*

- Combative Sports Fees*
- Construction Codes Fees*
- Labor and Industry Data Practices - Cost of Copies
- Logger Assessment
- Qualified Rehabilitation Consultant Services Billed to Insurers
- Rehabilitation Provider Registration and Managed Care Organization Fees
- Residential Contractor Recovery Fund
- Workers Compensation and Construction Codes Penalties

Legal Professions Boards

- Certifying Accrediting Agencies and Annual Renewal Fees

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

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

MNsure

- Premium Withhold

Management and Budget

- Combined Charities Operating Revenue

Marriage and Family Therapy, Board of

- Marriage and Family Therapy Board Licensing Fees

Mediation Services, Bureau of

- Mediation Services Bureau Fees

Medical Practice, Board of

- Medical Practice Board Licensing Fees

Natural Resources*

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

Nursing Home Administrators, Board of*

- Nursing Home Administrators Licensing Fees*

Nursing, Board of

- Nursing Board Licensing Fees

Occupational Therapy Practice Board*

- Occupational Therapy Practice Board*

Optometry, Board of*

- Optometry Board Licensing Fees*

Peace Officer Standards and Training Board

- Peace Officers Standards and Training Board Licensing Fees

Perpich Center for Arts Education

- Perpich Center for Arts Education Fees

Pharmacy, Board of*

- Pharmacy Board Licensing Fees*

Physical Therapy, Board of

- Physical Therapy Board Licensing Fees

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

Podiatric Medicine, Board of

Podiatric Medicine Licensing Fees

Pollution Control*

Air Quality Fee*

DVS Motor Vehicle Transfer Fee

Dry Cleaner Fee

E-Waste

Hazardous Waste Fee

Low Level Radioactive Waste Generator Fee

PCA Income Agreements

Paint Stewardship Admin Fees

Petroleum Brownfields Program Fee

Pollution Prevention Fee

Subsurface Sewage Treatment Systems (SSTS) Licensing

Subsurface Sewage Treatment Systems (SSTS) Tank Fee

Underground Storage Tank Certification Program

Waste Disposal Facility Operators and Inspector Certification Program

Wastewater Operator Certification Program

Water Quality Fee*

Private Detectives Board

Private Detectives Board Licenses and Fees

Prof Educator Licensing Std Bd

Teacher Licensing

Psychology, Board of*

Psychology Board Licensing Fees*

Public Facilities Authority

PFA Application and Loan Servicing Fees

Public Safety*

AGED Gambling Enforcement Fees

AGED Liquor License Fees

BCA Crime Alert Network Fee

BCA Criminal Justice Data Network

BCA Non-Criminal Information Requests

BCA Personal Protection Pistol Permit Fee

DVS Data Security

DVS Driver License and Related Fees*

DVS Licensing DWI Reinstatement Fees

DVS Licensing Motorcycle Endorsement Fees

DVS MNLARS Technology Account*

DVS Motor Vehicle Miscellaneous - Admin and Advertising

DVS Motor Vehicle Reg and Related Services*

DVS Public Safety Motor Vehicle Account Fee

ECN 9-1-1 Fees

Fire Fighters Licensing Fees

Fire Insurance Policy Surcharge

Fire Safety Inspection and Certification Permit Fee

Departmental Earnings
List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

- HSEM Hazardous Fees
- HSEM Interstate Compact
- HSEM Railroad and Pipeline Assessment*
- Patrol Commercial MV Inspection Fee
- Patrol Contracted Service Fees
- Pipeline Safety Inspection Fees

Public Utilities Commission

- Administrative Hearings Cost Recovery
- Energy Cost Assessments
- Telephone Assistance Program
- Telephone Regulation Cost Assessment

Racing Commission

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

Revenue

- Assessor's Education and Licensing
- Revenue Department Filing Fees
- Revenue Recapture Fee

Secretary of State

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

Social Work, Board of*

- Social Work Board Licensing Fees*

State Academies

- Minnesota State Academies Fees

State Auditor

- Audit Charges

Supreme Court

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

Tax Aids, Credits and Refunds

- Cigarette and Tobacco Licensure
- Conditional Use Fees
- Motor Fuels License Fee

Transportation*

- Advertising Permits
- Air Transportation Revolving Account*
- Airports, Commercial Operations, and Aircraft Dealer License
- DOT: Miscellaneous
- Highway Toll Revenue

Departmental Earnings

List of Departmental Earnings Groups by Agency

Items marked with an '*' indicate that the Governor recommends a fee change in DE Group.

- Motor Carrier Permits and Fees
- Motor Vehicle Miscellaneous Fee
- Tower Leases Rental Income
- Transportation Permits

Veterans Affairs

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

Veterinary Medicine, Board of

- Veterinary Medicine Licensing Fees

Water and Soil Resources, Board of

- Water and Soil Resources Board Departmental Earnings

Table of Contents
2020-21 Biennial Budget - Departmental Earnings

Accountancy, Board of

Accountancy Professional Licensing and Fees

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

2020-21 Departmental Earnings

Purpose: To recover costs of regulation of the industry.

Legal Citation: MS 326A and MN Rules 1105

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

Fund: General (1000)

Appropriation: Non Dedicated Receipts (B7P9000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 1,326 | 2,432 | 3,432 | 3,432 | 4,481 | 4,388 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,956 | 1,743 | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,956 | 1,743 | 1,740 | 1,740 | 1,740 | 1,740 | 1,740 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 589 | 595 | 700 | 651 | 744 | 651 | 675 |
| Indirect Expenditures | 41 | 42 | 40 | 40 | 40 | 40 | 40 |
| Total Expenditures | 630 | 637 | 740 | 691 | 784 | 691 | 715 |
| Current Difference | 1,326 | 1,106 | 1,000 | 1,049 | 956 | 1,049 | 1,025 |
| Accumulated Ending Balance | 1,326 | 2,432 | 3,432 | 4,481 | 4,388 | 5,530 | 5,413 |

Agency: Accountancy, Board of

2020-21 Departmental Earnings

Earnings Group: Accountancy Professional Licensing and Fees

Background Information:

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

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Table of Contents
2020-21 Biennial Budget - Departmental Earnings

Administration

Capitol Events

Historic Tax Credit Grant/Fee

Agency: Administration

2020-21 Departmental Earnings

Earnings Group: Capitol Events

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

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Capitol Event Fees (G021257)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | | 16 | 16 | 16 | 16 | 16 |
| Resources: | | | | | | | |
| Departmental Earnings | | 16 | 14 | 14 | 14 | 14 | 14 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | 16 | 14 | 14 | 14 | 14 | 14 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 14 | 14 | 14 | 14 | 14 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 14 | 14 | 14 | 14 | 14 |
| Current Difference | | 16 | | | | | |
| Accumulated Ending Balance | | 16 | 16 | 16 | 16 | 16 | 16 |

Agency: Administration

2020-21 Departmental Earnings

Earnings Group: Capitol Events

Background Information:

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

Forecast Basis:

Revenue for FY19-21 is anticipated to remain stable and relatively consistent with FY18. However, with the short amount of time since implementing this fee, there is little historical information on which to base future estimates.

Recent Changes:

None. Fees were first implemented in FY 2018.

Agency Analysis/Comments:

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

Agency: Administration

2020-21 Departmental Earnings

Earnings Group: Historic Tax Credit Grant/Fee

Purpose: To offset costs associated with administering the tax grant/credit program

Legal Citation: M.S. 290.0681, subd. 3

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Grant/Credit Admin Revenue (E402HAD); SHPO Tax Credit/Grant Fees (G021256)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 227 | 406 | 534 | 353 | 353 | 428 | 428 |
| Resources: | | | | | | | |
| Departmental Earnings | 281 | 686 | 187 | 280 | 280 | 243 | 243 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 449 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 281 | 237 | 187 | 280 | 280 | 243 | 243 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 102 | 109 | 368 | 205 | 205 | 209 | 209 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 102 | 109 | 368 | 205 | 205 | 209 | 209 |
| Current Difference | 179 | 128 | (181) | 75 | 75 | 34 | 34 |
| Accumulated Ending Balance | 406 | 534 | 353 | 428 | 428 | 462 | 462 |

Background Information:

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

Forecast Basis:

Estimates for these fees are based on construction completion dates and cost estimates provided by the projects themselves. Projects are asked to update their estimates each year through a Progress Report.

Recent Changes:

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

Agency Analysis/Comments:

Construction project schedules can be unpredictable and some projects may or may not make their estimated completion date, therefore delaying a fee payment. Given applicants are in charge of their schedule, SHPO estimates can only be taken from their estimates, and if they inform us of delays in the Progress Reports.

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

The Earnings Transferred Out amount in FY 2018 is unspent tax credit revenue paid by the Minnesota Historical Society (MNHS) to the Department of Administration (Admin) when the State Historic Preservation Office transferred from MNHS to Admin. Since this amount is also included in Departmental Earnings revenue, it is subtracted out as an Earnings Transferred Out to avoid double-counting.

Table of Contents
2020-21 Biennial Budget - Departmental Earnings

Administrative Hearings, Office of

Campaign Complaints and Municipal Board

Office of Administrative Hearings

Worker's Compensation Transcript

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Campaign Complaints and Municipal Board

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

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

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

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G9K1NDR)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | (260) | (460) | (716) | (716) | (936) | (936) |
| Resources: | | | | | | | |
| Departmental Earnings | 21 | 26 | 43 | 43 | 43 | 43 | 43 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 21 | 26 | 43 | 43 | 43 | 43 | 43 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 280 | 225 | 298 | 262 | 262 | 262 | 262 |
| Indirect Expenditures | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 281 | 226 | 299 | 263 | 263 | 263 | 263 |
| Current Difference | (260) | (200) | (256) | (220) | (220) | (220) | (220) |
| Accumulated Ending Balance | (260) | (460) | (716) | (936) | (936) | (1,156) | (1,156) |

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Campaign Complaints and Municipal Board

Background Information:

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

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Office of Administrative Hearings

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

Legal Citation: MN Statute § 14.51

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

Fund: Administrative Hearings (5201)

Appropriation: Campaign Violations Hearings (G9K1CVH); Office Of Administrative Heari (G9K1OAH)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 443 | 753 | 812 | 558 | 558 | 490 | 490 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,864 | 2,786 | 2,786 | 2,875 | 2,875 | 2,875 | 2,875 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,864 | 2,786 | 2,786 | 2,875 | 2,875 | 2,875 | 2,875 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,525 | 2,708 | 3,025 | 2,924 | 2,924 | 2,924 | 2,924 |
| Indirect Expenditures | 29 | 19 | 15 | 19 | 19 | 19 | 19 |
| Total Expenditures | 2,554 | 2,727 | 3,040 | 2,943 | 2,943 | 2,943 | 2,943 |
| Current Difference | 310 | 59 | (254) | (68) | (68) | (68) | (68) |
| Accumulated Ending Balance | 753 | 812 | 558 | 490 | 490 | 422 | 422 |

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Office of Administrative Hearings

Background Information:

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

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Worker's Compensation Transcript

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

Legal Citation: M.S. 176.421 Subd. 4

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

Fund: Workers Compensation (2830); Workers Comp Transcript (5202)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 51 | 49 | 47 | 46 | 46 | 49 | 49 |
| Resources: | | | | | | | |
| Departmental Earnings | 7 | 4 | 8 | 8 | 8 | 8 | 8 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7 | 4 | 8 | 8 | 8 | 8 | 8 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 8 | 6 | 8 | 4 | 4 | 4 | 4 |
| Indirect Expenditures | 1 | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 9 | 6 | 9 | 5 | 5 | 5 | 5 |
| Current Difference | (2) | (2) | (1) | 3 | 3 | 3 | 3 |
| Accumulated Ending Balance | 49 | 47 | 46 | 49 | 49 | 52 | 52 |

Agency: Administrative Hearings, Office of

2020-21 Departmental Earnings

Earnings Group: Worker's Compensation Transcript

Background Information:

Fees associated with customer request for transcripts.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

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

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Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Agricultural Chemical Response and Reimbursement Surcharge

Purpose: Agricultural Chemical Response and Reimbursement surcharge

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

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

Fund: Agriculture (2018)

Appropriation: Ag Chem Response & Reimb Acct (B041A15)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 3,151 | 4,373 | 6,065 | 5,410 | 5,410 | 4,714 | 4,714 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,519 | 3,416 | 1,650 | 1,650 | 1,650 | 1,650 | 1,650 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 40 | 83 | 19 | 19 | 19 | 19 | 19 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,559 | 3,499 | 1,669 | 1,669 | 1,669 | 1,669 | 1,669 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,997 | 1,586 | 2,054 | 2,057 | 2,057 | 2,056 | 2,056 |
| Indirect Expenditures | 340 | 221 | 270 | 308 | 308 | 309 | 309 |
| Total Expenditures | 2,337 | 1,807 | 2,324 | 2,365 | 2,365 | 2,365 | 2,365 |
| Current Difference | 1,222 | 1,692 | (655) | (696) | (696) | (696) | (696) |
| Accumulated Ending Balance | 4,373 | 6,065 | 5,410 | 4,714 | 4,714 | 4,018 | 4,018 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Agricultural Chemical Response and Reimbursement Surcharge

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

None

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Agricultural Liming Fees

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

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 5 | (9) | (24) | (24) | (40) | (40) |
| Resources: | | | | | | | |
| Departmental Earnings | 46 | 39 | 41 | 41 | 41 | 41 | 41 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 46 | 39 | 41 | 41 | 41 | 41 | 41 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 41 | 53 | 56 | 57 | 57 | 57 | 57 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 41 | 53 | 56 | 57 | 57 | 57 | 57 |
| Current Difference | 5 | (14) | (15) | (16) | (16) | (16) | (16) |
| Accumulated Ending Balance | 5 | (9) | (24) | (40) | (40) | (56) | (56) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Agricultural Liming Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Apiary Export Certification Fees

Purpose: Fees for certificates of health of honey bees

Legal Citation: M.S. 17.445

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

Fund: Agriculture (2018)

Appropriation: Apiary (B042A27)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 8 | 7 | 7 | 7 | 7 | 7 | 7 |
| Resources: | | | | | | | |
| Departmental Earnings | | | 1 | 1 | 1 | 1 | 1 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | | 1 | 1 | 1 | 1 | 1 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1 | | 1 | 1 | 1 | 1 | 1 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1 | | 1 | 1 | 1 | 1 | 1 |
| Current Difference | (1) | | | | | | |
| Accumulated Ending Balance | 7 | 7 | 7 | 7 | 7 | 7 | 7 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Apiary Export Certification Fees

Forecast Basis:

Review of activity

Recent Changes:

None

Agency Analysis/Comments:

This account has had limited activity in recent years.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Beverage Inspection Fees

Purpose: Feed paid by beverage manufacturing plant licensees

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

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

Fund: Agriculture (2018)

Appropriation: Beverage Inspection (B044A34)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 55 | 68 | 60 | 46 | 46 | 30 | 30 |
| Resources: | | | | | | | |
| Departmental Earnings | 31 | 23 | 24 | 24 | 24 | 24 | 24 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 1 | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 31 | 24 | 25 | 25 | 25 | 25 | 25 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 17 | 28 | 34 | 36 | 36 | 37 | 37 |
| Indirect Expenditures | 1 | 4 | 5 | 5 | 5 | 5 | 5 |
| Total Expenditures | 18 | 32 | 39 | 41 | 41 | 42 | 42 |
| Current Difference | 13 | (8) | (14) | (16) | (16) | (17) | (17) |
| Accumulated Ending Balance | 68 | 60 | 46 | 30 | 30 | 13 | 13 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Beverage Inspection Fees

Background Information:

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

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

Activity in this account has been relatively steady.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Commercial Canneries Inspection Fees

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

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

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

Fund: Agriculture (2018)

Appropriation: Commercial Canneries Inspect (B044A35)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 139 | 160 | 99 | 10 | 10 | (88) | (88) |
| Resources: | | | | | | | |
| Departmental Earnings | 116 | 124 | 120 | 120 | 120 | 120 | 120 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 2 | 4 | 3 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 118 | 128 | 123 | 123 | 123 | 123 | 123 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 92 | 174 | 196 | 201 | 201 | 204 | 204 |
| Indirect Expenditures | 5 | 15 | 16 | 20 | 20 | 20 | 20 |
| Total Expenditures | 97 | 189 | 212 | 221 | 221 | 224 | 224 |
| Current Difference | 21 | (61) | (89) | (98) | (98) | (101) | (101) |
| Accumulated Ending Balance | 160 | 99 | 10 | (88) | (88) | (189) | (189) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Commercial Canneries Inspection Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Commercial Feed Inspection Fees

Purpose: Fees related to commercial feed regulation

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

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

Fund: General (1000); Agriculture (2018)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 2,611 | 3,354 | 3,418 | 3,330 | 3,330 | 3,253 | 3,253 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,297 | 2,901 | 2,792 | 3,000 | 3,000 | 3,000 | 3,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 26 | 47 | 47 | 48 | 48 | 49 | 49 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 330 | 330 | 330 | 330 | 330 | 330 | 330 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,993 | 2,618 | 2,509 | 2,718 | 2,718 | 2,719 | 2,719 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,981 | 2,242 | 2,304 | 2,430 | 2,430 | 2,512 | 2,512 |
| Indirect Expenditures | 269 | 312 | 293 | 365 | 365 | 377 | 377 |
| Total Expenditures | 2,250 | 2,554 | 2,597 | 2,795 | 2,795 | 2,889 | 2,889 |
| Current Difference | 743 | 64 | (88) | (77) | (77) | (170) | (170) |
| Accumulated Ending Balance | 3,354 | 3,418 | 3,330 | 3,253 | 3,253 | 3,083 | 3,083 |

Background Information:

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

Forecast Basis:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Commodity Councils Service Charges

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

Legal Citation: M.S. 17.59

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

Fund: Agriculture (2018)

Appropriation: Commodities Councils (B046A51)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 25 | 48 | 58 | 74 | 74 | 70 | 70 |
| Resources: | | | | | | | |
| Departmental Earnings | 129 | 134 | 130 | 127 | 127 | 125 | 125 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 1 | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 129 | 135 | 131 | 128 | 128 | 126 | 126 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 91 | 109 | 100 | 115 | 115 | 116 | 116 |
| Indirect Expenditures | 15 | 16 | 15 | 17 | 17 | 17 | 17 |
| Total Expenditures | 106 | 125 | 115 | 132 | 132 | 133 | 133 |
| Current Difference | 23 | 10 | 16 | (4) | (4) | (7) | (7) |
| Accumulated Ending Balance | 48 | 58 | 74 | 70 | 70 | 63 | 63 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Commodity Councils Service Charges

Background Information:

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

Forecast Basis:

This activity has been relatively stable.

Recent Changes:

None

Agency: Agriculture
Earnings Group: Consolidated Food License Fees

2020-21 Departmental Earnings

Purpose: Various fees for food handlers

Legal Citation: M.S. 28A

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

Fund: General (1000); Agriculture (2018)

Appropriation: Commercial Feed (B044A30); Food Certification FFSD (B044A39); Food&Feed Non-Dedicated Rcpts (B044G00); Food Certification -DMID (B045A39); Dairy&Meat Non-Dedicated Rcpts (B045G00)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | (506) | (1,210) | (2,426) | (2,426) | (3,755) | (3,755) |
| Resources: | | | | | | | |
| Departmental Earnings | 3,837 | 3,739 | 3,808 | 3,808 | 3,808 | 3,808 | 3,808 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 15 | 20 | 20 | 20 | 20 | 20 | 20 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,852 | 3,759 | 3,828 | 3,828 | 3,828 | 3,828 | 3,828 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,358 | 4,451 | 5,032 | 5,135 | 5,135 | 5,134 | 5,134 |
| Indirect Expenditures | | 12 | 12 | 22 | 22 | 22 | 22 |
| Total Expenditures | 4,358 | 4,463 | 5,044 | 5,157 | 5,157 | 5,156 | 5,156 |
| Current Difference | (506) | (704) | (1,216) | (1,329) | (1,329) | (1,328) | (1,328) |
| Accumulated Ending Balance | (506) | (1,210) | (2,426) | (3,755) | (3,755) | (5,083) | (5,083) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Consolidated Food License Fees

Background Information:

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

Forecast Basis:

Analysis of past revenues has been performed.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Cottage Foods Registration Fees

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

Legal Citation: M.S. 28A.152

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

Fund: Agriculture (2018)

Appropriation: Cottage Foods (B044A37)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 5 | (16) | (40) | (66) | (66) | (92) | (92) |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 6 | 5 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4 | 6 | 5 | 5 | 5 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 25 | 29 | 30 | 30 | 30 | 30 | 30 |
| Indirect Expenditures | | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 25 | 30 | 31 | 31 | 31 | 31 | 31 |
| Current Difference | (21) | (24) | (26) | (26) | (26) | (26) | (26) |
| Accumulated Ending Balance | (16) | (40) | (66) | (92) | (92) | (118) | (118) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Cottage Foods Registration Fees

Background Information:

This program began in FY 2016.

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Agriculture
Earnings Group: Dairy Services Fees

2020-21 Departmental Earnings

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

Legal Citation: M.S. 32.394

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

Fund: Agriculture (2018)

Appropriation: Dairy Services Lab (B043A31); Dairy Services (B045A31)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 637 | 13 | (798) | (1,778) | (1,778) | (2,821) | (2,821) |
| Resources: | | | | | | | |
| Departmental Earnings | 2,433 | 2,461 | 2,458 | 2,468 | 2,468 | 2,468 | 2,468 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 10 | 37 | 34 | 34 | 34 | 34 | 34 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,443 | 2,498 | 2,492 | 2,502 | 2,502 | 2,502 | 2,502 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,782 | 2,997 | 3,180 | 3,187 | 3,187 | 3,255 | 3,255 |
| Indirect Expenditures | 285 | 312 | 292 | 358 | 358 | 369 | 369 |
| Total Expenditures | 3,067 | 3,309 | 3,472 | 3,545 | 3,545 | 3,624 | 3,624 |
| Current Difference | (624) | (811) | (980) | (1,043) | (1,043) | (1,122) | (1,122) |
| Accumulated Ending Balance | 13 | (798) | (1,778) | (2,821) | (2,821) | (3,943) | (3,943) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Dairy Services Fees

Background Information:

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

Forecast Basis:

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

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Dairy, Milk, and Cream License Fees

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

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (129) | (241) | (336) | (336) | (431) | (431) |
| Resources: | | | | | | | |
| Departmental Earnings | 129 | 112 | 95 | 95 | 95 | 95 | 95 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 129 | 112 | 95 | 95 | 95 | 95 | 95 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 258 | 224 | 190 | 190 | 190 | 190 | 190 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 258 | 224 | 190 | 190 | 190 | 190 | 190 |
| Current Difference | (129) | (112) | (95) | (95) | (95) | (95) | (95) |
| Accumulated Ending Balance | (129) | (241) | (336) | (431) | (431) | (526) | (526) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Dairy, Milk, and Cream License Fees

Background Information:

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

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Egg Law Inspection Fees

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

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

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

Fund: Agriculture (2018)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 60 | 47 | 52 | 55 | 55 | 56 | 56 |
| Resources: | | | | | | | |
| Departmental Earnings | 35 | 27 | 30 | 30 | 30 | 30 | 30 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 1 | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 35 | 28 | 31 | 31 | 31 | 31 | 31 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 39 | 20 | 23 | 26 | 26 | 27 | 27 |
| Indirect Expenditures | 9 | 3 | 5 | 4 | 4 | 4 | 4 |
| Total Expenditures | 48 | 23 | 28 | 30 | 30 | 31 | 31 |
| Current Difference | (13) | 5 | 3 | 1 | 1 | | |
| Accumulated Ending Balance | 47 | 52 | 55 | 56 | 56 | 56 | 56 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Egg Law Inspection Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Fertilizer Inspection Fees

Purpose: Fees related to fertilizer regulation

Legal Citation: M.S. 18C

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

Fund: Agriculture (2018)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,741 | 1,558 | 857 | 496 | 496 | 363 | 363 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,318 | 3,434 | 3,350 | 2,129 | 2,129 | 2,141 | 2,141 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 232 | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 135 | 82 | 108 | 88 | 88 | 88 | 88 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 44 | 44 | 44 | 44 | 44 | 44 | 44 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,641 | 3,472 | 3,414 | 2,173 | 2,173 | 2,185 | 2,185 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,331 | 3,780 | 3,360 | 2,004 | 2,004 | 2,017 | 2,017 |
| Indirect Expenditures | 493 | 393 | 415 | 302 | 302 | 304 | 304 |
| Total Expenditures | 3,824 | 4,173 | 3,775 | 2,306 | 2,306 | 2,321 | 2,321 |
| Current Difference | (183) | (701) | (361) | (133) | (133) | (136) | (136) |
| Accumulated Ending Balance | 1,558 | 857 | 496 | 363 | 363 | 227 | 227 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Fertilizer Inspection Fees

Background Information:

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

Forecast Basis:

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

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Food Handler Plan Review Fees

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

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

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

Fund: Agriculture (2018)

Appropriation: Food Handler Plan Review (B044A32)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 77 | (203) | (466) | (777) | (777) | (1,109) | (1,109) |
| Resources: | | | | | | | |
| Departmental Earnings | 82 | 134 | 110 | 110 | 110 | 110 | 110 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 3 | 1 | 1 | 1 | 2 | 2 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 83 | 137 | 111 | 111 | 111 | 112 | 112 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 354 | 387 | 409 | 419 | 419 | 427 | 427 |
| Indirect Expenditures | 9 | 13 | 13 | 24 | 24 | 25 | 25 |
| Total Expenditures | 363 | 400 | 422 | 443 | 443 | 452 | 452 |
| Current Difference | (280) | (263) | (311) | (332) | (332) | (340) | (340) |
| Accumulated Ending Balance | (203) | (466) | (777) | (1,109) | (1,109) | (1,449) | (1,449) |

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Food Handler Reinspection Fees

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

Legal Citation: M.S. 28A.085

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

Fund: Agriculture (2018)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 157 | 163 | 155 | 144 | 144 | 135 | 135 |
| Resources: | | | | | | | |
| Departmental Earnings | 16 | 29 | 28 | 28 | 28 | 28 | 28 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 17 | 31 | 30 | 30 | 30 | 30 | 30 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 7 | 34 | 36 | 34 | 34 | 36 | 36 |
| Indirect Expenditures | 4 | 5 | 5 | 5 | 5 | 5 | 5 |
| Total Expenditures | 11 | 39 | 41 | 39 | 39 | 41 | 41 |
| Current Difference | 6 | (8) | (11) | (9) | (9) | (11) | (11) |
| Accumulated Ending Balance | 163 | 155 | 144 | 135 | 135 | 124 | 124 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Food Handler Reinspection Fees

Background Information:

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

Forecast Basis:

Analysis of recent activity

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Fruit and Vegetable Inspection Fees

Purpose: Fees for fruit and vegetable inspection activities

Legal Citation: M.S. 27.07

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

Fund: Agriculture (2018)

Appropriation: Fruit & Veg Inspection (B042A26)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 243 | 317 | 374 | 465 | 465 | 549 | 549 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,129 | 1,152 | 1,225 | 1,272 | 1,272 | 1,272 | 1,272 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 6 | 6 | 6 | 6 | 6 | 6 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,132 | 1,158 | 1,231 | 1,278 | 1,278 | 1,278 | 1,278 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 920 | 965 | 1,005 | 1,038 | 1,038 | 1,053 | 1,053 |
| Indirect Expenditures | 138 | 136 | 135 | 156 | 156 | 158 | 158 |
| Total Expenditures | 1,058 | 1,101 | 1,140 | 1,194 | 1,194 | 1,211 | 1,211 |
| Current Difference | 74 | 57 | 91 | 84 | 84 | 67 | 67 |
| Accumulated Ending Balance | 317 | 374 | 465 | 549 | 549 | 616 | 616 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Fruit and Vegetable Inspection Fees

Background Information:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Grain Buyer and Storage Fees

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

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

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

Fund: Agriculture (2018)

Appropriation: Grain Buyers & Storg (B042A23)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 628 | 728 | 771 | 781 | 781 | 791 | 791 |
| Resources: | | | | | | | |
| Departmental Earnings | 599 | 547 | 575 | 575 | 575 | 575 | 575 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 599 | 547 | 575 | 575 | 575 | 575 | 575 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 432 | 442 | 478 | 478 | 478 | 485 | 485 |
| Indirect Expenditures | 67 | 62 | 87 | 87 | 87 | 89 | 89 |
| Total Expenditures | 499 | 504 | 565 | 565 | 565 | 574 | 574 |
| Current Difference | 100 | 43 | 10 | 10 | 10 | 1 | 1 |
| Accumulated Ending Balance | 728 | 771 | 781 | 791 | 791 | 792 | 792 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Grain Buyer and Storage Fees

Background Information:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Industrial Hemp Fees

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

Legal Citation: M.S. 18K.07

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

Fund: Agriculture (2018)

Appropriation: Industrial Hemp (B042A29)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2 | 24 | 47 | 69 | 69 | 91 | 91 |
| Resources: | | | | | | | |
| Departmental Earnings | 22 | 24 | 30 | 30 | 30 | 30 | 30 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 1 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 22 | 25 | 30 | 30 | 30 | 30 | 30 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 2 | 7 | 7 | 7 | 7 | 7 |
| Indirect Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | | 2 | 8 | 8 | 8 | 8 | 8 |
| Current Difference | 22 | 23 | 22 | 22 | 22 | 22 | 22 |
| Accumulated Ending Balance | 24 | 47 | 69 | 91 | 91 | 113 | 113 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Industrial Hemp Fees

Background Information:

The industrial hemp pilot program was established in 2016.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Laboratory Services Charges

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

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

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

Fund: Agriculture (2018)

Appropriation: Laboratory Services (B043A40)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 577 | 651 | 811 | 759 | 759 | 600 | 600 |
| Resources: | | | | | | | |
| Departmental Earnings | 466 | 618 | 500 | 500 | 500 | 500 | 500 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 96 | 120 | 100 | 100 | 100 | 100 | 100 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 562 | 738 | 600 | 600 | 600 | 600 | 600 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 439 | 506 | 579 | 660 | 660 | 649 | 649 |
| Indirect Expenditures | 49 | 72 | 73 | 99 | 99 | 97 | 97 |
| Total Expenditures | 488 | 578 | 652 | 759 | 759 | 746 | 746 |
| Current Difference | 74 | 160 | (52) | (159) | (159) | (146) | (146) |
| Accumulated Ending Balance | 651 | 811 | 759 | 600 | 600 | 454 | 454 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Laboratory Services Charges

Background Information:

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

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

Activity can fluctuate based on special projects. For the current year negative difference, monitoring with the budget balance and may ask fee increase later.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Livestock License Fees

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

Legal Citation: M.S. 17A.04

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 9 | 16 | 13 | 13 | 10 | 10 |
| Resources: | | | | | | | |
| Departmental Earnings | 45 | 44 | 44 | 44 | 44 | 44 | 44 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 6 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 45 | 50 | 44 | 44 | 44 | 44 | 44 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 36 | 43 | 47 | 47 | 47 | 47 | 47 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 36 | 43 | 47 | 47 | 47 | 47 | 47 |
| Current Difference | 9 | 7 | (3) | (3) | (3) | (3) | (3) |
| Accumulated Ending Balance | 9 | 16 | 13 | 10 | 10 | 7 | 7 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Livestock License Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Livestock Weighting Charges

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

Legal Citation: M.S. 17A.11

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

Fund: Agriculture (2018)

Appropriation: Livestock Weigh Ag Cert (B046A53)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 375 | 369 | 384 | 379 | 379 | 384 | 384 |
| Resources: | | | | | | | |
| Departmental Earnings | 430 | 503 | 450 | 450 | 450 | 450 | 450 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 4 | 6 | 5 | 5 | 5 | 5 | 5 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 434 | 509 | 455 | 455 | 455 | 455 | 455 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 386 | 433 | 400 | 391 | 391 | 398 | 398 |
| Indirect Expenditures | 54 | 61 | 60 | 59 | 59 | 59 | 59 |
| Total Expenditures | 440 | 494 | 460 | 450 | 450 | 457 | 457 |
| Current Difference | (6) | 15 | (5) | 5 | 5 | (2) | (2) |
| Accumulated Ending Balance | 369 | 384 | 379 | 384 | 384 | 382 | 382 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Livestock Weighting Charges

Background Information:

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

Forecast Basis:

Analysis of contracts with producers.

Recent Changes:

None

Agency Analysis/Comments:

Fees have been recovering costs in this program.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Coop Agreements

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

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Cooperative Agreements (B046R17)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 125 | 125 | | | | | |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 125 | 125 | | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | 125 | 125 | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 125 | 125 | | | | | |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Coop Agreements

Background Information:

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

Forecast Basis:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Corporate Farm Fees

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

Legal Citation: M.S. 500.24

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

Fund: Agriculture (2018)

Appropriation: Corporate Farm (B049A91)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 176 | 315 | 312 | 294 | 294 | 274 | 274 |
| Resources: | | | | | | | |
| Departmental Earnings | 210 | 104 | 104 | 104 | 104 | 104 | 104 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 2 | 5 | 5 | 4 | 4 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 212 | 109 | 109 | 108 | 108 | 107 | 107 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 73 | 98 | 111 | 113 | 113 | 117 | 117 |
| Indirect Expenditures | | 14 | 16 | 15 | 15 | 16 | 16 |
| Total Expenditures | 73 | 112 | 127 | 128 | 128 | 133 | 133 |
| Current Difference | 139 | (3) | (18) | (20) | (20) | (26) | (26) |
| Accumulated Ending Balance | 315 | 312 | 294 | 274 | 274 | 248 | 248 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Corporate Farm Fees

Background Information:

The corporate farm program fee was initiated in 2016.

Forecast Basis:

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

Agency: Agriculture
Earnings Group: MDA Miscellaneous

2020-21 Departmental Earnings

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

Legal Citation: M.S. 500.221

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

Fund: General (1000)

Appropriation: Agy Svs Non-Dedicated Rcpts (B049G00)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 2 | 3 | 4 | 4 | 5 | 5 |
| Resources: | | | | | | | |
| Departmental Earnings | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 1 | 1 | 1 | 1 | 1 | 1 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | 1 | 1 | 1 | 1 | 1 | 1 |
| Current Difference | 2 | 1 | 1 | 1 | 1 | 1 | 1 |
| Accumulated Ending Balance | 2 | 3 | 4 | 5 | 5 | 6 | 6 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Miscellaneous

Background Information:

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

Agency Analysis/Comments:

Activity in the area is very minimal.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Remediation Reimbursements

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

Legal Citation: M.S. 115B.17

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

Fund: Remediation (2801)

Appropriation: Pest&Fert Remediation Rcpts (B041E00)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (267) | (536) | (830) | (830) | (1,114) | (1,114) |
| Resources: | | | | | | | |
| Departmental Earnings | 136 | 113 | 115 | 115 | 115 | 115 | 115 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 136 | 113 | 115 | 115 | 115 | 115 | 115 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 354 | 335 | 365 | 347 | 347 | 347 | 347 |
| Indirect Expenditures | 49 | 47 | 44 | 52 | 52 | 52 | 52 |
| Total Expenditures | 403 | 382 | 409 | 399 | 399 | 399 | 399 |
| Current Difference | (267) | (269) | (294) | (284) | (284) | (284) | (284) |
| Accumulated Ending Balance | (267) | (536) | (830) | (1,114) | (1,114) | (1,398) | (1,398) |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Remediation Reimbursements

Background Information:

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture
Earnings Group: MDA Trade Activities

2020-21 Departmental Earnings

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

Legal Citation: M.S. 17.1015

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Trade Shows & Exhibits (B046R18)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 137 | 83 | 42 | 50 | 50 | 54 | 54 |
| Resources: | | | | | | | |
| Departmental Earnings | 116 | 145 | 122 | 123 | 123 | 124 | 124 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 2 | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 117 | 147 | 123 | 124 | 124 | 125 | 125 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 132 | 165 | 100 | 105 | 105 | 106 | 106 |
| Indirect Expenditures | 39 | 23 | 15 | 15 | 15 | 16 | 16 |
| Total Expenditures | 171 | 188 | 115 | 120 | 120 | 122 | 122 |
| Current Difference | (54) | (41) | 8 | 4 | 4 | 3 | 3 |
| Accumulated Ending Balance | 83 | 42 | 50 | 54 | 54 | 57 | 57 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: MDA Trade Activities

Background Information:

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

Agency: Agriculture
Earnings Group: Minnesota Grown Fees

2020-21 Departmental Earnings

Purpose: Licensing and advertising fees from Minnesota Grown promotional activities

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

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

Fund: Agriculture (2018)

Appropriation: Minnesota Grown (B046A50)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 136 | 188 | 165 | 161 | 161 | 141 | 141 |
| Resources: | | | | | | | |
| Departmental Earnings | 117 | 111 | 116 | 118 | 118 | 128 | 128 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 186 | 186 | 186 | 186 | 186 | 186 | 186 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 5 | 5 | 4 | 4 | 4 | 4 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 306 | 302 | 307 | 308 | 308 | 318 | 318 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 254 | 325 | 311 | 328 | 328 | 329 | 329 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 254 | 325 | 311 | 328 | 328 | 329 | 329 |
| Current Difference | 52 | (23) | (4) | (20) | (20) | (11) | (11) |
| Accumulated Ending Balance | 188 | 165 | 161 | 141 | 141 | 130 | 130 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Minnesota Grown Fees

Background Information:

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

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Nursery and Phytosanitary Fees

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

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

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

Fund: Agriculture (2018)

Appropriation: Nursery/Phytosanitary (B042A24)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 363 | 432 | 375 | 399 | 399 | 403 | 403 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,214 | 1,109 | 1,237 | 1,238 | 1,238 | 1,238 | 1,238 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 13 | 8 | 13 | 14 | 14 | 14 | 14 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,227 | 1,117 | 1,250 | 1,252 | 1,252 | 1,252 | 1,252 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,012 | 1,029 | 1,087 | 1,093 | 1,093 | 1,112 | 1,112 |
| Indirect Expenditures | 146 | 145 | 139 | 155 | 155 | 159 | 159 |
| Total Expenditures | 1,158 | 1,174 | 1,226 | 1,248 | 1,248 | 1,271 | 1,271 |
| Current Difference | 69 | (57) | 24 | 4 | 4 | (19) | (19) |
| Accumulated Ending Balance | 432 | 375 | 399 | 403 | 403 | 384 | 384 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Nursery and Phytosanitary Fees

Background Information:

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

Forecast Basis:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Pesticide Regulation Fees

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

Legal Citation: M.S. 18B

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

Fund: Agriculture (2018)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,779 | 3,481 | 4,050 | 3,336 | 3,336 | 2,393 | 2,393 |
| Resources: | | | | | | | |
| Departmental Earnings | 10,236 | 11,055 | 11,235 | 11,411 | 11,411 | 11,591 | 11,591 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 8 | 16 | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 128 | 103 | 111 | 111 | 111 | 111 | 111 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,466 | 1,346 | 1,346 | 1,346 | 1,346 | 1,346 | 1,346 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 8,906 | 9,828 | 10,000 | 10,176 | 10,176 | 10,356 | 10,356 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 7,966 | 8,124 | 9,523 | 9,655 | 9,655 | 9,708 | 9,708 |
| Indirect Expenditures | 1,238 | 1,135 | 1,191 | 1,464 | 1,464 | 1,490 | 1,490 |
| Total Expenditures | 9,204 | 9,259 | 10,714 | 11,119 | 11,119 | 11,198 | 11,198 |
| Current Difference | (298) | 569 | (714) | (943) | (943) | (842) | (842) |
| Accumulated Ending Balance | 3,481 | 4,050 | 3,336 | 2,393 | 2,393 | 1,551 | 1,551 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Pesticide Regulation Fees

Background Information:

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

Forecast Basis:

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

Agency Analysis/Comments:

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

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: RFA Aggie Bond Fees

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

Legal Citation: M.S. 41C.12

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

Fund: General (1000)

Appropriation: Agy Svs Non-Dedicated Rcpts (B049G00)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | | 4 | 8 | 8 | 12 | 12 |
| Resources: | | | | | | | |
| Departmental Earnings | | 4 | 4 | 4 | 4 | 4 | 4 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | 4 | 4 | 4 | 4 | 4 | 4 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | | 4 | 4 | 4 | 4 | 4 | 4 |
| Accumulated Ending Balance | | 4 | 8 | 12 | 12 | 16 | 16 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: RFA Aggie Bond Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

No major recent changes.

Agency Analysis/Comments:

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

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Rural Finance Authority Fees

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

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

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

Fund: Agriculture (2018)

Appropriation: RFA Administration (B049A90)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 121 | 126 | 135 | 132 | 132 | 116 | 116 |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 7 | 8 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 2 | 2 | 2 | 2 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5 | 9 | 10 | 7 | 7 | 6 | 6 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 11 | 20 | 20 | 27 | 27 |
| Indirect Expenditures | | | 2 | 3 | 3 | 4 | 4 |
| Total Expenditures | | | 13 | 23 | 23 | 31 | 31 |
| Current Difference | 5 | 9 | (3) | (16) | (16) | (25) | (25) |
| Accumulated Ending Balance | 126 | 135 | 132 | 116 | 116 | 91 | 91 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Rural Finance Authority Fees

Background Information:

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

Forecast Basis:

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

Agency: Agriculture
Earnings Group: Seed Inspection Fees

2020-21 Departmental Earnings

Purpose: Fees related to the seed regulatory program

Legal Citation: M.S. 21.92

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

Fund: Agriculture (2018)

Appropriation: Seed Inspection (B042A21)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,053 | 1,351 | 1,425 | 1,320 | 1,320 | 1,065 | 1,065 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,586 | 1,475 | 1,482 | 1,480 | 1,480 | 1,480 | 1,480 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 13 | 18 | 18 | 20 | 20 | 20 | 20 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 322 | 400 | 310 | 460 | 460 | 460 | 460 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,277 | 1,093 | 1,190 | 1,040 | 1,040 | 1,040 | 1,040 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 880 | 893 | 1,133 | 1,133 | 1,133 | 1,133 | 1,133 |
| Indirect Expenditures | 99 | 126 | 162 | 162 | 162 | 162 | 162 |
| Total Expenditures | 979 | 1,019 | 1,295 | 1,295 | 1,295 | 1,295 | 1,295 |
| Current Difference | 298 | 74 | (105) | (255) | (255) | (255) | (255) |
| Accumulated Ending Balance | 1,351 | 1,425 | 1,320 | 1,065 | 1,065 | 810 | 810 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Seed Inspection Fees

Background Information:

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

Forecast Basis:

Analysis of the industry

Recent Changes:

None

Agency Analysis/Comments:

Monitoring the budget balance and may ask for fee increase later.

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Seed Potato Inspection Fee

Purpose: Fees for inspection and certification of seed potatoes

Legal Citation: M.S. 21.115

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

Fund: Agriculture (2018)

Appropriation: Seed Potato Inspection (B042A25)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 109 | 199 | 265 | 275 | 275 | 280 | 280 |
| Resources: | | | | | | | |
| Departmental Earnings | 293 | 269 | 278 | 278 | 278 | 278 | 278 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 3 | 2 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 294 | 272 | 280 | 281 | 281 | 281 | 281 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 169 | 181 | 236 | 240 | 240 | 242 | 242 |
| Indirect Expenditures | 35 | 25 | 34 | 36 | 36 | 37 | 37 |
| Total Expenditures | 204 | 206 | 270 | 276 | 276 | 279 | 279 |
| Current Difference | 90 | 66 | 10 | 5 | 5 | 2 | 2 |
| Accumulated Ending Balance | 199 | 265 | 275 | 280 | 280 | 282 | 282 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Seed Potato Inspection Fee

Background Information:

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

Forecast Basis:

Analysis of recent activity

Recent Changes:

None

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Wholesale Produce Dealers Fees

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

Legal Citation: M.S. 27.041

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

Fund: Agriculture (2018)

Appropriation: Wholesale Produce Dealers (B042A28)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 287 | 339 | 360 | 290 | 290 | 217 | 217 |
| Resources: | | | | | | | |
| Departmental Earnings | 148 | 130 | 146 | 146 | 146 | 146 | 146 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 5 | 2 | 2 | 2 | 2 | 2 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 151 | 135 | 148 | 148 | 148 | 148 | 148 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 89 | 100 | 202 | 205 | 205 | 118 | 118 |
| Indirect Expenditures | 10 | 14 | 16 | 16 | 16 | 17 | 17 |
| Total Expenditures | 99 | 114 | 218 | 221 | 221 | 135 | 135 |
| Current Difference | 52 | 21 | (70) | (73) | (73) | 13 | 13 |
| Accumulated Ending Balance | 339 | 360 | 290 | 217 | 217 | 230 | 230 |

Agency: Agriculture

2020-21 Departmental Earnings

Earnings Group: Wholesale Produce Dealers Fees

Background Information:

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

Forecast Basis:

Review of recent activity

Recent Changes:

Added 1 FTE for additional work in FY19 and FY20

Table of Contents

2020-21 Biennial Budget - Departmental Earnings

Animal Health, Board of

Dog and Cat Breeder Fees

Farmed Cervidae Annual Inspection Fee

Miscellaneous Fees Animal Health Board

Agency: Animal Health, Board of

2020-21 Departmental Earnings

Earnings Group: Dog and Cat Breeder Fees

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

Legal Citation: M.S. 347.53

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Dog Cat Breeder-Breed Rec (B14BRER)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 41 | 66 | 86 | 89 | 89 | | |
| Resources: | | | | | | | |
| Departmental Earnings | 24 | 31 | 33 | 33 | 33 | 33 | 33 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 1 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 25 | 32 | 33 | 33 | 33 | 33 | 33 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 12 | 30 | 122 | 122 | 33 | 33 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | 12 | 30 | 122 | 122 | 33 | 33 |
| Current Difference | 25 | 20 | 3 | (89) | (89) | | |
| Accumulated Ending Balance | 66 | 86 | 89 | | | | |

Agency: Animal Health, Board of

2020-21 Departmental Earnings

Earnings Group: Dog and Cat Breeder Fees

Background Information:

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

Forecast Basis:

Projected revenues are based on approximately 180 commercial dog and cat breeding facilities.

Recent Changes:

No changes

Agency Analysis/Comments:

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

Agency: Animal Health, Board of

2020-21 Departmental Earnings

Earnings Group: Farmed Cervidae Annual Inspection Fee

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

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Farmed Cervidae Insp Receipts (B14FCIR)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 125 | 156 | 139 | 133 | 133 | | |
| Resources: | | | | | | | |
| Departmental Earnings | 32 | 29 | 31 | 31 | 31 | 31 | 31 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 33 | 31 | 33 | 33 | 33 | 33 | 33 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2 | 48 | 39 | 166 | 166 | 33 | 33 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 2 | 48 | 39 | 166 | 166 | 33 | 33 |
| Current Difference | 31 | (17) | (6) | (133) | (133) | | |
| Accumulated Ending Balance | 156 | 139 | 133 | | | | |

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

The Board projects that collected funds will be used to administer farmed deer programs. The fees collected provide approximately 5% of funds needed to regulate the farmed deer programs. The remainder of the expenses covering the regulatory tasks attributable to the farmed deer programs are covered by the Board's general appropriation.

Agency: Animal Health, Board of

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Fees Animal Health Board

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

Legal Citation: M.S. 347.33, subd. 3 (dog or cat kennel or dealer license), M.S. 35.824, M.S. 35.826, M.S. 35.829 (brands), M.S. 35.95, subd. 1 (civil penalties), M.S. 13.03, subd. 3 (cost of data copies)

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

Fund: General (1000)

Appropriation: Miscellaneous Revenue (B14MSRS)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 3 | 6 | 11 | 16 | 16 | 21 | 21 |
| Resources: | | | | | | | |
| Departmental Earnings | 3 | 5 | 5 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3 | 5 | 5 | 5 | 5 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 3 | 5 | 5 | 5 | 5 | 5 | 5 |
| Accumulated Ending Balance | 6 | 11 | 16 | 21 | 21 | 26 | 26 |

Agency: Animal Health, Board of

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Fees Animal Health Board

Background Information:

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

The Board administers and conducts a licensing program for kennels and dealers that house stray and abandoned dogs or cats. As of November 30, 2018, there were 86 kennels licensed with the Board. The annual license fee is \$15 for each kennel housing stray and abandoned dogs or cats. These fees were last changed in 1987.

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

Forecast Basis:

Current projections are based on past history.

Recent Changes:

No changes.

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2020-21 Biennial Budget - Departmental Earnings

Architecture, Engineering Board

Architecture, Engineering Board Examinations and Licensing Fees

Agency: Architecture, Engineering Board

2020-21 Departmental Earnings

Earnings Group: Architecture, Engineering Board Examinations and Licensing Fees

Purpose: To recover costs of regulation of the industry

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

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

Fund: General (1000)

Appropriation: Non Dedicated Receipt (B7E9000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 11 | 1,436 | 1,200 | 1,200 | 2,512 | 2,413 |
| Resources: | | | | | | | |
| Departmental Earnings | 802 | 2,199 | 690 | 2,165 | 2,165 | 690 | 690 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 802 | 2,199 | 690 | 2,165 | 2,165 | 690 | 690 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 764 | 725 | 879 | 806 | 905 | 806 | 851 |
| Indirect Expenditures | 27 | 49 | 47 | 47 | 47 | 47 | 47 |
| Total Expenditures | 791 | 774 | 926 | 853 | 952 | 853 | 898 |
| Current Difference | 11 | 1,425 | (236) | 1,312 | 1,213 | (163) | (208) |
| Accumulated Ending Balance | 11 | 1,436 | 1,200 | 2,512 | 2,413 | 2,349 | 2,205 |

Agency: Architecture, Engineering Board

2020-21 Departmental Earnings

Earnings Group: Architecture, Engineering Board Examinations and Licensing Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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2020-21 Biennial Budget - Departmental Earnings

Attorney General

Charities and Club Registration Fees

Agency: Attorney General

2020-21 Departmental Earnings

Earnings Group: Charities and Club Registration Fees

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

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

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

Fund: General (1000)

Appropriation: Non Dedicated Receipt (G069900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 165 | 234 | 248 | 248 | 247 | 247 |
| Resources: | | | | | | | |
| Departmental Earnings | 690 | 680 | 625 | 625 | 625 | 625 | 625 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 690 | 680 | 625 | 625 | 625 | 625 | 625 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 525 | 611 | 611 | 626 | 626 | 626 | 626 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 525 | 611 | 611 | 626 | 626 | 626 | 626 |
| Current Difference | 165 | 69 | 14 | (1) | (1) | (1) | (1) |
| Accumulated Ending Balance | 165 | 234 | 248 | 247 | 247 | 246 | 246 |

Background Information:

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

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

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

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

Recent Changes:

None

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2020-21 Biennial Budget - Departmental Earnings

Barber Examiners, Board of

Barber Examiners Board Licensing Fees

Agency: Barber Examiners, Board of

2020-21 Departmental Earnings

Earnings Group: Barber Examiners Board Licensing Fees

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

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

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

Fund: General (1000)

Appropriation: Barbers Non dedicated receipts (B151000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 223 | 142 | 144 | 20 | 20 | (24) | (24) |
| Resources: | | | | | | | |
| Departmental Earnings | 268 | 267 | 295 | 299 | 299 | 301 | 301 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 268 | 267 | 295 | 299 | 299 | 301 | 301 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 349 | 265 | 419 | 343 | 343 | 343 | 343 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 349 | 265 | 419 | 343 | 343 | 343 | 343 |
| Current Difference | (81) | 2 | (124) | (44) | (44) | (42) | (42) |
| Accumulated Ending Balance | 142 | 144 | 20 | (24) | (24) | (66) | (66) |

Background Information:

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

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

Services:

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

Fees

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

The Minnesota Board of Barber Examiners has historically collected fees sufficient to meet it's expenditures. Recent changes in requirements indicated above are anticipated to bring additional individuals into the profession.

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2020-21 Biennial Budget - Departmental Earnings

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

Agency: Behavioral Health and Therapy, Board of

2020-21 Departmental Earnings

Earnings Group: Behavioral Health and Therapy Board Licensing Fees

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 1,742 | 2,196 | 2,653 | 2,456 | 2,456 | 2,612 | 2,319 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,184 | 1,242 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 3 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,187 | 1,245 | 1,145 | 1,145 | 1,145 | 1,145 | 1,145 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 504 | 479 | 1,021 | 695 | 976 | 695 | 897 |
| Indirect Expenditures | 229 | 309 | 321 | 294 | 306 | 278 | 292 |
| Total Expenditures | 733 | 788 | 1,342 | 989 | 1,282 | 973 | 1,189 |
| Current Difference | 454 | 457 | (197) | 156 | (137) | 172 | (44) |
| Accumulated Ending Balance | 2,196 | 2,653 | 2,456 | 2,612 | 2,319 | 2,784 | 2,275 |

Background Information:

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

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

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

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

- Issues initial licenses and renews licenses for qualified professionals.
- Sets educational standards for initial licensure and continuing education requirements for maintaining licensure and approves continuing education activities.
- Reviews applicants' education, training, and supervision to determine compliance with the Board's licensure requirements.
- Ensures that only applicants who meet licensure requirements are granted a license.
- Responds to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Takes disciplinary or corrective action against applicants or licensees for misconduct.
- Provides information about licensure requirements and standards of practice to citizens and other interested persons or agencies, including official online or written license verifications.

Forecast Basis:

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

Recent Changes:

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

Agency: Behavioral Health and Therapy, Board of

2020-21 Departmental Earnings

Earnings Group: Behavioral Health and Therapy Board Licensing Fees

Agency Analysis/Comments:

The Board is requesting no changes to current fees.

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2020-21 Biennial Budget - Departmental Earnings

Chiropractic Examiners, Board of
Chiropractic Examiners Licensing Fees

Agency: Chiropractic Examiners, Board of

2020-21 Departmental Earnings

Earnings Group: Chiropractic Examiners Licensing Fees

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 1,142 | 1,176 | 1,214 | 1,075 | 1,075 | 1,082 | 1,031 |
| Resources: | | | | | | | |
| Departmental Earnings | 817 | 795 | 826 | 847 | 847 | 882 | 882 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 817 | 795 | 826 | 847 | 847 | 882 | 882 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 559 | 529 | 736 | 610 | 653 | 610 | 665 |
| Indirect Expenditures | 224 | 228 | 229 | 230 | 238 | 230 | 239 |
| Total Expenditures | 783 | 757 | 965 | 840 | 891 | 840 | 904 |
| Current Difference | 34 | 38 | (139) | 7 | (44) | 42 | (22) |
| Accumulated Ending Balance | 1,176 | 1,214 | 1,075 | 1,082 | 1,031 | 1,124 | 1,009 |

Background Information:

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

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

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

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

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

None

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2020-21 Biennial Budget - Departmental Earnings

Commerce

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

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Auto Theft Prevention Surcharge

Purpose: Implement statewide programs to combat automobile theft.

Legal Citation: M.S. 2971.11

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,433 | 2,352 | 3,364 | 2,864 | 2,864 | 2,364 | 2,364 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,028 | 4,186 | 3,508 | 3,508 | 3,508 | 3,508 | 3,508 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,940 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| Revenue Collected for Another Agency | 10 | 1 | 8 | 8 | 8 | 8 | 8 |
| Total Resources | 2,078 | 2,885 | 2,200 | 2,200 | 2,200 | 2,200 | 2,200 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,142 | 1,858 | 2,680 | 2,680 | 2,680 | 2,680 | 2,680 |
| Indirect Expenditures | 17 | 15 | 20 | 20 | 20 | 20 | 20 |
| Total Expenditures | 2,159 | 1,873 | 2,700 | 2,700 | 2,700 | 2,700 | 2,700 |
| Current Difference | (81) | 1,012 | (500) | (500) | (500) | (500) | (500) |
| Accumulated Ending Balance | 2,352 | 3,364 | 2,864 | 2,364 | 2,364 | 1,864 | 1,864 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Auto Theft Prevention Surcharge

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Collections License and Registration Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 332

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 636 | 1,428 | 1,901 | 1,901 | 2,401 | 2,401 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,196 | 1,337 | 1,085 | 1,085 | 1,085 | 1,085 | 1,085 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,196 | 1,337 | 1,085 | 1,085 | 1,085 | 1,085 | 1,085 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 443 | 444 | 495 | 479 | 479 | 479 | 479 |
| Indirect Expenditures | 117 | 101 | 117 | 106 | 106 | 106 | 106 |
| Total Expenditures | 560 | 545 | 612 | 585 | 585 | 585 | 585 |
| Current Difference | 636 | 792 | 473 | 500 | 500 | 500 | 500 |
| Accumulated Ending Balance | 636 | 1,428 | 1,901 | 2,401 | 2,401 | 2,901 | 2,901 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Collections License and Registration Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Currency Exchange License Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 53A

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

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 33 | 54 | 89 | 89 | 124 | 124 |
| Resources: | | | | | | | |
| Departmental Earnings | 39 | 27 | 42 | 42 | 42 | 42 | 42 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 39 | 27 | 42 | 42 | 42 | 42 | 42 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5 | 5 | 6 | 6 | 6 | 6 | 6 |
| Indirect Expenditures | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 6 | 6 | 7 | 7 | 7 | 7 | 7 |
| Current Difference | 33 | 21 | 35 | 35 | 35 | 35 | 35 |
| Accumulated Ending Balance | 33 | 54 | 89 | 124 | 124 | 159 | 159 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Currency Exchange License Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Energy Cost Assessments

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,577 | 2,834 | 3,951 | 3,447 | 3,447 | 3,059 | 3,059 |
| Resources: | | | | | | | |
| Departmental Earnings | 10,063 | 11,260 | 10,493 | 10,493 | 10,493 | 10,493 | 10,493 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 19 | 26 | 25 | 25 | 25 | 25 | 25 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 10,044 | 11,234 | 10,468 | 10,468 | 10,468 | 10,468 | 10,468 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 9,717 | 9,124 | 9,896 | 9,848 | 9,848 | 9,848 | 9,848 |
| Indirect Expenditures | 1,070 | 993 | 1,076 | 1,008 | 1,008 | 1,008 | 1,008 |
| Total Expenditures | 10,787 | 10,117 | 10,972 | 10,856 | 10,856 | 10,856 | 10,856 |
| Current Difference | (743) | 1,117 | (504) | (388) | (388) | (388) | (388) |
| Accumulated Ending Balance | 2,834 | 3,951 | 3,447 | 3,059 | 3,059 | 2,671 | 2,671 |

Background Information:

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

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

Assessments are limited by statute. These limitations include:

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

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

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

Forecast Basis:

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

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Facility Siting and Routing Permit Fees

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

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

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 230 | 1,207 | 82 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 6,765 | 2,930 | 3,211 | 3,211 | 3,211 | 3,211 | 3,211 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 10 | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 6,774 | 2,930 | 3,211 | 3,211 | 3,211 | 3,211 | 3,211 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,500 | 3,780 | 2,954 | 2,872 | 2,872 | 2,872 | 2,872 |
| Indirect Expenditures | 297 | 275 | 339 | 339 | 339 | 339 | 339 |
| Total Expenditures | 5,797 | 4,055 | 3,293 | 3,211 | 3,211 | 3,211 | 3,211 |
| Current Difference | 977 | (1,125) | (82) | | | | |
| Accumulated Ending Balance | 1,207 | 82 | | | | | |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Facility Siting and Routing Permit Fees

Background Information:

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

Forecast Basis:

Current and prior year receipt and expenditure information was reviewed and estimated budgets were created based on that information. These projects are limited in duration. In fiscal year 2017, the department experienced increased revenue and costs due to one large pipeline project. Typically, the number and size of new projects have been stable over time.

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Financial Institutions - Examiners Fees and Cost Assessments

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

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

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

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

Appropriation: Financial Inst Account ITC (B131004); Mortgage Orig Cons Educ-ITC (B134401); Non Ded Rec - Financial Exams (B139100); Non Ded Rec - Admin Services (B139500); Non Ded Rec - Market Assurance (B139700)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 160 | 1,125 | 5,638 | 5,913 | 5,913 | 6,472 | 6,472 |
| Resources: | | | | | | | |
| Departmental Earnings | 6,830 | 10,567 | 7,924 | 8,174 | 8,174 | 8,524 | 8,524 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 6,830 | 10,567 | 7,924 | 8,174 | 8,174 | 8,524 | 8,524 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,021 | 5,441 | 6,994 | 6,967 | 6,967 | 7,017 | 7,017 |
| Indirect Expenditures | 844 | 613 | 655 | 648 | 648 | 648 | 648 |
| Total Expenditures | 5,865 | 6,054 | 7,649 | 7,615 | 7,615 | 7,665 | 7,665 |
| Current Difference | 965 | 4,513 | 275 | 559 | 559 | 859 | 859 |
| Accumulated Ending Balance | 1,125 | 5,638 | 5,913 | 6,472 | 6,472 | 7,331 | 7,331 |

Background Information:

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

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

Forecast Basis:

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

Recent Changes:

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

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Franchise Registration Fees

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 80C

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

Fund: General (1000)

Appropriation: Non Ded Rec - Market Assurance (B139700)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 93 | 258 | 266 | 266 | 310 | 310 |
| Resources: | | | | | | | |
| Departmental Earnings | 480 | 484 | 411 | 411 | 411 | 411 | 411 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 480 | 484 | 411 | 411 | 411 | 411 | 411 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 327 | 269 | 344 | 315 | 315 | 315 | 315 |
| Indirect Expenditures | 60 | 50 | 59 | 52 | 52 | 52 | 52 |
| Total Expenditures | 387 | 319 | 403 | 367 | 367 | 367 | 367 |
| Current Difference | 93 | 165 | 8 | 44 | 44 | 44 | 44 |
| Accumulated Ending Balance | 93 | 258 | 266 | 310 | 310 | 354 | 354 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Franchise Registration Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Gold Bullion Dealers

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 80G

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

Fund: General (1000)

Appropriation: Non Ded Rec - Admin Services (B139500)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (145) | (314) | (556) | (556) | (786) | (786) |
| Resources: | | | | | | | |
| Departmental Earnings | 77 | 60 | 10 | 10 | 10 | 10 | 10 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 77 | 60 | 10 | 10 | 10 | 10 | 10 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 186 | 195 | 212 | 204 | 204 | 204 | 204 |
| Indirect Expenditures | 36 | 34 | 40 | 36 | 36 | 36 | 36 |
| Total Expenditures | 222 | 229 | 252 | 240 | 240 | 240 | 240 |
| Current Difference | (145) | (169) | (242) | (230) | (230) | (230) | (230) |
| Accumulated Ending Balance | (145) | (314) | (556) | (786) | (786) | (1,016) | (1,016) |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Gold Bullion Dealers

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Insurance Agent License Fees

Purpose: To recover the cost of regulation of the industry

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 8,226 | 16,771 | 24,376 | 24,376 | 32,052 | 32,052 |
| Resources: | | | | | | | |
| Departmental Earnings | 10,304 | 10,458 | 9,756 | 9,756 | 9,756 | 9,756 | 9,756 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 10,304 | 10,458 | 9,756 | 9,756 | 9,756 | 9,756 | 9,756 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,549 | 1,465 | 1,658 | 1,624 | 1,624 | 1,624 | 1,624 |
| Indirect Expenditures | 529 | 448 | 493 | 456 | 456 | 456 | 456 |
| Total Expenditures | 2,078 | 1,913 | 2,151 | 2,080 | 2,080 | 2,080 | 2,080 |
| Current Difference | 8,226 | 8,545 | 7,605 | 7,676 | 7,676 | 7,676 | 7,676 |
| Accumulated Ending Balance | 8,226 | 16,771 | 24,376 | 32,052 | 32,052 | 39,728 | 39,728 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Insurance Agent License Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Insurance Company Fees, Fines and Penalties

Purpose: To recover the cost of regulation of the industry

Legal Citation: M.S. 60A

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,172 | 11,273 | 15,701 | 16,433 | 16,433 | 17,363 | 17,363 |
| Resources: | | | | | | | |
| Departmental Earnings | 23,415 | 17,856 | 15,615 | 15,615 | 15,615 | 15,615 | 15,615 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 640 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 | 1,300 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 861 | 861 | 800 | 800 | 800 | 800 | 800 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 23,194 | 18,295 | 16,115 | 16,115 | 16,115 | 16,115 | 16,115 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 12,933 | 12,749 | 14,252 | 14,168 | 14,168 | 14,168 | 14,168 |
| Indirect Expenditures | 1,160 | 1,118 | 1,131 | 1,017 | 1,017 | 1,017 | 1,017 |
| Total Expenditures | 14,093 | 13,867 | 15,383 | 15,185 | 15,185 | 15,185 | 15,185 |
| Current Difference | 9,101 | 4,428 | 732 | 930 | 930 | 930 | 930 |
| Accumulated Ending Balance | 11,273 | 15,701 | 16,433 | 17,363 | 17,363 | 18,293 | 18,293 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Insurance Company Fees, Fines and Penalties

Background Information:

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

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

Forecast Basis:

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

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Made in Minnesota Solar Incentive Program

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

Legal Citation: M.S. 216C.412

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Made in Minnesota Solar Energy (B132406)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 43,196 | 56,415 | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 14,970 | | | | | | |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 469 | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 56,415 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 15,439 | (56,415) | | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,167 | | | | | | |
| Indirect Expenditures | 53 | | | | | | |
| Total Expenditures | 2,220 | | | | | | |
| Current Difference | 13,219 | (56,415) | | | | | |
| Accumulated Ending Balance | 56,415 | | | | | | |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Made in Minnesota Solar Incentive Program

Background Information:

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

Forecast Basis:

None

Recent Changes:

2017 Session Laws Chapter 94, article 10, section 30 repealed MS 216C.412 and transferred the balance to the Renewable Development Account.

Agency Analysis/Comments:

None

Agency: Commerce

2020-21 Departmental Earnings

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

Purpose: To recover the cost of regulation of the industries

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 125 | 285 | 320 | 320 | 375 | 375 |
| Resources: | | | | | | | |
| Departmental Earnings | 353 | 357 | 280 | 280 | 280 | 280 | 280 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 353 | 357 | 280 | 280 | 280 | 280 | 280 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 184 | 150 | 193 | 176 | 176 | 176 | 176 |
| Indirect Expenditures | 44 | 47 | 52 | 49 | 49 | 49 | 49 |
| Total Expenditures | 228 | 197 | 245 | 225 | 225 | 225 | 225 |
| Current Difference | 125 | 160 | 35 | 55 | 55 | 55 | 55 |
| Accumulated Ending Balance | 125 | 285 | 320 | 375 | 375 | 430 | 430 |

Agency: Commerce

2020-21 Departmental Earnings

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

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Petroleum Inspection Fees

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 880 | 782 | 672 | 677 | 677 | 677 | 677 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,047 | 4,112 | 4,000 | 4,000 | 4,000 | 4,000 | 4,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 15 | 21 | 5 | 5 | 5 | 5 | 5 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 3 | | | | | |
| Revenue Collected for Another Agency | 446 | 453 | 440 | 440 | 440 | 440 | 440 |
| Total Resources | 3,616 | 3,677 | 3,565 | 3,565 | 3,565 | 3,565 | 3,565 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,689 | 3,762 | 3,530 | 3,535 | 3,535 | 3,535 | 3,535 |
| Indirect Expenditures | 25 | 25 | 30 | 30 | 30 | 30 | 30 |
| Total Expenditures | 3,714 | 3,787 | 3,560 | 3,565 | 3,565 | 3,565 | 3,565 |
| Current Difference | (98) | (110) | 5 | | | | |
| Accumulated Ending Balance | 782 | 672 | 677 | 677 | 677 | 677 | 677 |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Petroleum Inspection Fees

Background Information:

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

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Petroleum Tank Release Cleanup

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

Legal Citation: M.S. 115C.08

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

Fund: Petroleum Tank Release Cleanup (2350)

Appropriation: Non Dedicated Receipts (G900901)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 14,411 | 17,096 | 25,646 | 16,593 | 16,593 | 13,521 | 13,521 |
| Resources: | | | | | | | |
| Departmental Earnings | 24,280 | 25,958 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 947 | 787 | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1,358 | 1,301 | 306 | 306 | 306 | 306 | 306 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 9,557 | 8,770 | 11,636 | 11,636 | 11,636 | 11,636 | 11,636 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 17,028 | 19,276 | 13,670 | 13,670 | 13,670 | 13,670 | 13,670 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 14,225 | 10,610 | 22,583 | 16,602 | 16,602 | 16,602 | 16,602 |
| Indirect Expenditures | 118 | 116 | 140 | 140 | 140 | 140 | 140 |
| Total Expenditures | 14,343 | 10,726 | 22,723 | 16,742 | 16,742 | 16,742 | 16,742 |
| Current Difference | 2,685 | 8,550 | (9,053) | (3,072) | (3,072) | (3,072) | (3,072) |
| Accumulated Ending Balance | 17,096 | 25,646 | 16,593 | 13,521 | 13,521 | 10,449 | 10,449 |

Background Information:

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

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

Forecast Basis:

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

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

Recent Changes:

None.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Propane Liquefied Petroleum Gas Fee

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

Legal Citation: M.S. 239.785

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Liquefied Petro Gas Fee (G906002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 361 | 424 | 568 | 519 | 519 | 470 | 470 |
| Resources: | | | | | | | |
| Departmental Earnings | 414 | 461 | 400 | 400 | 400 | 400 | 400 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 414 | 461 | 400 | 400 | 400 | 400 | 400 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 350 | 315 | 447 | 447 | 447 | 447 | 447 |
| Indirect Expenditures | 1 | 2 | 2 | 2 | 2 | 2 | 2 |
| Total Expenditures | 351 | 317 | 449 | 449 | 449 | 449 | 449 |
| Current Difference | 63 | 144 | (49) | (49) | (49) | (49) | (49) |
| Accumulated Ending Balance | 424 | 568 | 519 | 470 | 470 | 421 | 421 |

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Real Estate License Fees

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 1,250 | 1,114 | 1,083 | 442 | 442 | (211) | (211) |
| Resources: | | | | | | | |
| Departmental Earnings | 2,137 | 2,080 | 1,894 | 1,894 | 1,894 | 1,894 | 1,894 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,137 | 2,080 | 1,894 | 1,894 | 1,894 | 1,894 | 1,894 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,797 | 1,623 | 2,018 | 2,068 | 2,068 | 2,068 | 2,068 |
| Indirect Expenditures | 476 | 488 | 517 | 479 | 479 | 479 | 479 |
| Total Expenditures | 2,273 | 2,111 | 2,535 | 2,547 | 2,547 | 2,547 | 2,547 |
| Current Difference | (136) | (31) | (641) | (653) | (653) | (653) | (653) |
| Accumulated Ending Balance | 1,114 | 1,083 | 442 | (211) | (211) | (864) | (864) |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Real Estate License Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

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

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

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

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

Fund: General (1000)

Appropriation: Non Ded Rec - Market Assurance (B139700)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 45,565 | 92,248 | 133,674 | 133,674 | 175,285 | 175,285 |
| Resources: | | | | | | | |
| Departmental Earnings | 47,056 | 47,765 | 42,952 | 42,952 | 42,952 | 42,952 | 42,952 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 47,056 | 47,765 | 42,952 | 42,952 | 42,952 | 42,952 | 42,952 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,227 | 891 | 1,312 | 1,148 | 1,148 | 1,148 | 1,148 |
| Indirect Expenditures | 264 | 191 | 214 | 193 | 193 | 193 | 193 |
| Total Expenditures | 1,491 | 1,082 | 1,526 | 1,341 | 1,341 | 1,341 | 1,341 |
| Current Difference | 45,565 | 46,683 | 41,426 | 41,611 | 41,611 | 41,611 | 41,611 |
| Accumulated Ending Balance | 45,565 | 92,248 | 133,674 | 175,285 | 175,285 | 216,896 | 216,896 |

Agency: Commerce

2020-21 Departmental Earnings

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

Background Information:

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

Forecast Basis:

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

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Technology Fee for On-Line Licensing Products

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

Legal Citation: M.S. 45.24

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: License Technology Surcharge (B134001)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,367 | 1,363 | 410 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 975 | 1,033 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 975 | 1,033 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,948 | 1,978 | 1,884 | 1,474 | 1,474 | 1,474 | 1,474 |
| Indirect Expenditures | 31 | 8 | 26 | 26 | 26 | 26 | 26 |
| Total Expenditures | 2,979 | 1,986 | 1,910 | 1,500 | 1,500 | 1,500 | 1,500 |
| Current Difference | (2,004) | (953) | (410) | | | | |
| Accumulated Ending Balance | 1,363 | 410 | | | | | |

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Technology Fee for On-Line Licensing Products

Background Information:

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

Forecast Basis:

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

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Telecommunications Access Minnesota Surcharge

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

Legal Citation: M.S. 237.50 - 237.56

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: TAM (B133200); Non Dedicated Receipts (G900904)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,178 | 2,598 | 1,910 | 1,169 | 1,169 | 1,503 | 1,503 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,859 | 4,192 | 4,316 | 4,956 | 4,956 | 5,055 | 5,055 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 21 | 24 | 25 | 25 | 25 | 25 | 25 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,225 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 | 1,610 |
| Revenue Collected for Another Agency | 510 | | | | | | |
| Total Resources | 3,145 | 2,606 | 2,731 | 3,371 | 3,371 | 3,470 | 3,470 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,712 | 3,282 | 3,452 | 3,017 | 3,017 | 3,453 | 3,453 |
| Indirect Expenditures | 13 | 12 | 20 | 20 | 20 | 20 | 20 |
| Total Expenditures | 3,725 | 3,294 | 3,472 | 3,037 | 3,037 | 3,473 | 3,473 |
| Current Difference | (580) | (688) | (741) | 334 | 334 | (3) | (3) |
| Accumulated Ending Balance | 2,598 | 1,910 | 1,169 | 1,503 | 1,503 | 1,500 | 1,500 |

Background Information:

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

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

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Telephone Regulation Cost Assessment

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

Legal Citation: M.S. 237.295; 237.30

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Telephone Investigation (B133100)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 25 | (118) | 138 | (71) | (71) | (102) | (102) |
| Resources: | | | | | | | |
| Departmental Earnings | 959 | 1,209 | 1,100 | 1,100 | 1,100 | 1,100 | 1,100 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 2 | 14 | 14 | 14 | 14 | 14 | 14 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 957 | 1,195 | 1,086 | 1,086 | 1,086 | 1,086 | 1,086 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 894 | 829 | 1,165 | 1,002 | 1,002 | 1,002 | 1,002 |
| Indirect Expenditures | 206 | 110 | 130 | 115 | 115 | 115 | 115 |
| Total Expenditures | 1,100 | 939 | 1,295 | 1,117 | 1,117 | 1,117 | 1,117 |
| Current Difference | (143) | 256 | (209) | (31) | (31) | (31) | (31) |
| Accumulated Ending Balance | (118) | 138 | (71) | (102) | (102) | (133) | (133) |

Background Information:

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

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

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

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

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

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Commerce

2020-21 Departmental Earnings

Earnings Group: Weights and Measures Service Fees

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

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 1,667 | 3,390 | 4,890 | 4,890 | 6,390 | 6,390 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,667 | 1,723 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,667 | 1,723 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 1,667 | 1,723 | 1,500 | 1,500 | 1,500 | 1,500 | 1,500 |
| Accumulated Ending Balance | 1,667 | 3,390 | 4,890 | 6,390 | 6,390 | 7,890 | 7,890 |

Background Information:

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

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

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

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

Forecast Basis:

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

Agency: Commerce

2020-21 Departmental Earnings

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

Purpose: Workers Compensation/Self Insurance Application and Filing Fees

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

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

Fund: General (1000)

Appropriation: Non Dec Receipts-Insurance (B139600)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (504) | (964) | (1,448) | (1,448) | (1,915) | (1,915) |
| Resources: | | | | | | | |
| Departmental Earnings | 365 | 414 | 437 | 437 | 437 | 437 | 437 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 365 | 414 | 437 | 437 | 437 | 437 | 437 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 757 | 776 | 814 | 806 | 806 | 807 | 807 |
| Indirect Expenditures | 112 | 98 | 107 | 98 | 98 | 98 | 98 |
| Total Expenditures | 869 | 874 | 921 | 904 | 904 | 905 | 905 |
| Current Difference | (504) | (460) | (484) | (467) | (467) | (468) | (468) |
| Accumulated Ending Balance | (504) | (964) | (1,448) | (1,915) | (1,915) | (2,383) | (2,383) |

Agency: Commerce

2020-21 Departmental Earnings

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

Background Information:

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

Forecast Basis:

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

Recent Changes:

None.

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Aid to Victims of Crime

Purpose: Provide funding to programs to aid victims of crime

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Aid to Victims of Crime (P784241)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 486 | 511 | 467 | 467 | 467 | 467 | 467 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 486 | 511 | 467 | 467 | 467 | 467 | 467 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | | | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Aid to Victims of Crime

Background Information:

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

Forecast Basis:

No changes are anticipated in the amount of revenue generated.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged

Agency: Corrections

2020-21 Departmental Earnings

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

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

Legal Citation: M.S. 242.192

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 4,715 | 9,064 | 13,654 | 13,654 | 18,244 | 18,244 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,715 | 4,349 | 4,590 | 4,590 | 4,590 | 4,590 | 4,590 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,715 | 4,349 | 4,590 | 4,590 | 4,590 | 4,590 | 4,590 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 4,715 | 4,349 | 4,590 | 4,590 | 4,590 | 4,590 | 4,590 |
| Accumulated Ending Balance | 4,715 | 9,064 | 13,654 | 18,244 | 18,244 | 22,834 | 22,834 |

Agency: Corrections

2020-21 Departmental Earnings

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

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Community Supervision Fees from Offenders

Purpose: Collect fees from offenders for supervision

Legal Citation: M.S. 241.272

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 637 | 1,318 | 1,918 | 1,918 | 2,518 | 2,518 |
| Resources: | | | | | | | |
| Departmental Earnings | 637 | 681 | 600 | 600 | 600 | 600 | 600 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 637 | 681 | 600 | 600 | 600 | 600 | 600 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 637 | 681 | 600 | 600 | 600 | 600 | 600 |
| Accumulated Ending Balance | 637 | 1,318 | 1,918 | 2,518 | 2,518 | 3,118 | 3,118 |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Community Supervision Fees from Offenders

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee charged.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Corrections Staff Rent/Utilities Fees

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

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

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

Fund: Other Misc Special Revenue (2001)

Appropriation: MCF-Togo-CIP Utilities & Rent (P781839)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2 | | 4 | 3 | 3 | 2 | 2 |
| Resources: | | | | | | | |
| Departmental Earnings | 2 | 4 | 3 | 3 | 3 | 3 | 3 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2 | 4 | 3 | 3 | 3 | 3 | 3 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4 | | 4 | 4 | 4 | 4 | 4 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4 | | 4 | 4 | 4 | 4 | 4 |
| Current Difference | (2) | 4 | (1) | (1) | (1) | (1) | (1) |
| Accumulated Ending Balance | | 4 | 3 | 2 | 2 | 1 | 1 |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Corrections Staff Rent/Utilities Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Corrections
Earnings Group: County Probation Reimbursement

2020-21 Departmental Earnings

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

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

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

Fund: General (1000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 4,123 | 8,520 | 12,620 | 12,620 | 16,720 | 16,720 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,123 | 4,397 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,123 | 4,397 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 4,123 | 4,397 | 4,100 | 4,100 | 4,100 | 4,100 | 4,100 |
| Accumulated Ending Balance | 4,123 | 8,520 | 12,620 | 16,720 | 16,720 | 20,820 | 20,820 |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: County Probation Reimbursement

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change in current reimbursement structure.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Dedicated Receipts Miscellaneous

Purpose: Cost recovery for a variety of facility activities

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

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

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

Appropriation: MCF-SCL Rental Income (P781036); MCF-STW Dedicated Receipts (P781130); MCF-LL Rental Income (P781236); MCF-ML Offender Phones (P781420); MCF-ML Dedicated Receipts (P781430); MCF-ML Staff/Visitors Meals (P781433); MCF-FRB Dedicated Receipts (P781530); MCF-FRB Rental Income (P781536); MCF-RC Offender Phones (P781720); MCF-RC Dedicated Receipts (P781730); MCF-Togo-CIP-Male Ded Receipts (P781830); MCF-SHK Dedicated Receipts (P782030)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 697 | 873 | 904 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 74 | 87 | 71 | 71 | 71 | 71 | 71 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 320 | 311 | 304 | 304 | 304 | 304 | 304 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 394 | 398 | 375 | 375 | 375 | 375 | 375 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 214 | 362 | 1,275 | 371 | 371 | 371 | 371 |
| Indirect Expenditures | 4 | 5 | 4 | 4 | 4 | 4 | 4 |
| Total Expenditures | 218 | 367 | 1,279 | 375 | 375 | 375 | 375 |
| Current Difference | 176 | 31 | (904) | | | | |
| Accumulated Ending Balance | 873 | 904 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Dedicated Receipts Miscellaneous

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change in current fee structure.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Health Care Co-Payment - Offender Assessment

Purpose: Adult Offenders Health Care Co-Payment Obligation

Legal Citation: M.S. 243.212

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Adult Health Care Co-pay (P784142)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 73 | 147 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 77 | 75 | 81 | 81 | 81 | 81 | 81 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 77 | 75 | 81 | 81 | 81 | 81 | 81 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3 | 1 | 212 | 76 | 76 | 76 | 76 |
| Indirect Expenditures | 1 | | 16 | 5 | 5 | 5 | 5 |
| Total Expenditures | 4 | 1 | 228 | 81 | 81 | 81 | 81 |
| Current Difference | 73 | 74 | (147) | | | | |
| Accumulated Ending Balance | 73 | 147 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Health Care Co-Payment - Offender Assessment

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Housing Adult Inmates

Purpose: Receipts from Housing Inmates from other government units

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

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 300 | 409 | 522 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 115 | 113 | 106 | 106 | 106 | 106 | 106 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 115 | 113 | 106 | 106 | 106 | 106 | 106 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5 | | 610 | 103 | 103 | 103 | 103 |
| Indirect Expenditures | 1 | | 18 | 3 | 3 | 3 | 3 |
| Total Expenditures | 6 | | 628 | 106 | 106 | 106 | 106 |
| Current Difference | 109 | 113 | (522) | | | | |
| Accumulated Ending Balance | 409 | 522 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Housing Adult Inmates

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Inmate Confinement Surcharge Summary

Purpose: Confinement charges deducted from offender monies

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 11,173 | 9,300 | 8,249 | 3,321 | 3,321 | 371 | 371 |
| Resources: | | | | | | | |
| Departmental Earnings | 5,396 | 5,628 | 5,427 | 5,427 | 5,427 | 5,427 | 5,427 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 80 | 115 | 100 | 100 | 100 | 100 | 100 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,000 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,476 | 5,743 | 5,527 | 5,527 | 5,527 | 5,527 | 5,527 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 6,289 | 6,734 | 10,395 | 8,417 | 8,417 | 5,838 | 5,838 |
| Indirect Expenditures | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Total Expenditures | 6,349 | 6,794 | 10,455 | 8,477 | 8,477 | 5,898 | 5,898 |
| Current Difference | (1,873) | (1,051) | (4,928) | (2,950) | (2,950) | (371) | (371) |
| Accumulated Ending Balance | 9,300 | 8,249 | 3,321 | 371 | 371 | | |

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

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

Agency: Corrections
Earnings Group: Lino-Anoka Service Agreement

2020-21 Departmental Earnings

Purpose: Agreement with Anoka County for services provided

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

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

Fund: Other Misc Special Revenue (2001)

Appropriation: MCF-LL Anoka Service Agreement (P781235)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 8 | 5 | 1 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 88 | 84 | 90 | 90 | 90 | 90 | 90 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 88 | 84 | 90 | 90 | 90 | 90 | 90 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 86 | 83 | 86 | 85 | 85 | 85 | 85 |
| Indirect Expenditures | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Total Expenditures | 91 | 88 | 91 | 90 | 90 | 90 | 90 |
| Current Difference | (3) | (4) | (1) | | | | |
| Accumulated Ending Balance | 5 | 1 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Lino-Anoka Service Agreement

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Out of State Juvenile Jail Certification Fee

Purpose: Recover costs for certifying out of state juvenile facilities

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

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 35 | 51 | 42 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 48 | 20 | 25 | 25 | 25 | 25 | 25 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 48 | 20 | 25 | 25 | 25 | 25 | 25 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 31 | 28 | 66 | 24 | 24 | 24 | 24 |
| Indirect Expenditures | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 32 | 29 | 67 | 25 | 25 | 25 | 25 |
| Current Difference | 16 | (9) | (42) | | | | |
| Accumulated Ending Balance | 51 | 42 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Out of State Juvenile Jail Certification Fee

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Staff and Visitors Meals

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

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

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

Fund: Other Misc Special Revenue (2001)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 1 | 7 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 25 | 18 | 28 | 28 | 28 | 28 | 28 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 25 | 18 | 28 | 28 | 28 | 28 | 28 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 24 | 12 | 35 | 28 | 28 | 28 | 28 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 24 | 12 | 35 | 28 | 28 | 28 | 28 |
| Current Difference | 1 | 6 | (7) | | | | |
| Accumulated Ending Balance | 1 | 7 | | | | | |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Staff and Visitors Meals

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Vocational Work Program Fees

Purpose: Fees generated from various work programs for offenders

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

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

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

Appropriation: MCF-SCL Vocational Work Proj (P781032); MCF-STW Vocational Work Proj (P781132); MCF-ML Barber Program (P781432); MCF-ML Carpentry Program (P781436); MCF-FRB Vocational Work Proj (P781532); MCF-RC Vocational Work Proj (P781732); MCF-SHK Vocational Work Proj (P782032); MCF-RW Vocational Work Proj (P783032); ICWC Affordable Housing (P786844); Instn Comm Svcs Work Crews-Ded (P786845)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 960 | 1,704 | 1,148 | 300 | 300 | 300 | 300 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,572 | 1,618 | 1,620 | 1,620 | 1,620 | 1,620 | 1,620 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,572 | 1,618 | 1,620 | 1,620 | 1,620 | 1,620 | 1,620 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 803 | 2,144 | 2,438 | 1,590 | 1,590 | 1,590 | 1,590 |
| Indirect Expenditures | 25 | 30 | 30 | 30 | 30 | 30 | 30 |
| Total Expenditures | 828 | 2,174 | 2,468 | 1,620 | 1,620 | 1,620 | 1,620 |
| Current Difference | 744 | (556) | (848) | | | | |
| Accumulated Ending Balance | 1,704 | 1,148 | 300 | 300 | 300 | 300 | 300 |

Agency: Corrections

2020-21 Departmental Earnings

Earnings Group: Vocational Work Program Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure.

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2020-21 Biennial Budget - Departmental Earnings

Cosmetologist Examiners, Board of

Cosmetologist Examiners Board Licensing Fees

Agency: Cosmetologist Examiners, Board of

2020-21 Departmental Earnings

Earnings Group: Cosmetologist Examiners Board Licensing Fees

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

Legal Citation: M.S. 155A

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

Fund: General (1000)

Appropriation: COS Non dedicated receipts (B111000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 9,129 | 8,056 | 8,470 | 8,032 | 8,032 | 8,027 | 7,916 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,575 | 2,676 | 2,859 | 2,788 | 2,788 | 2,800 | 2,800 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 5 | 4 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 60 | 14 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,520 | 2,666 | 2,859 | 2,788 | 2,788 | 2,800 | 2,800 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,593 | 2,252 | 3,297 | 2,793 | 2,904 | 2,793 | 2,935 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3,593 | 2,252 | 3,297 | 2,793 | 2,904 | 2,793 | 2,935 |
| Current Difference | (1,073) | 414 | (438) | (5) | (116) | 7 | (135) |
| Accumulated Ending Balance | 8,056 | 8,470 | 8,032 | 8,027 | 7,916 | 8,034 | 7,781 |

Background Information:

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

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

The board provides the following services:

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

The board collects the following types of fees:

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

Forecast Basis:

The board's budget is exclusively generated from fees and penalties charged to applicants and licensees. Licensing fees and violation penalties are set in M.S. Chapter 155A to cover all direct and indirect costs of the board. Revenues are projected based on actual revenue collected the previous fiscal year. The board anticipates an increase in licensure of approximately 3,500 new licensees each fiscal year; however, this is counter-balanced by the non-renewal of approximately 2,000 licensees each year. This analysis is consistent with previous fiscal years. The board also anticipates a short-term increase in revenue from the recent implementation of inspection fines and anticipates this spike in revenue to subside in the next biennium, as the fines act as a deterrent from non-compliance and licensees grow accustomed to receiving inspection penalties for violations.

Agency: Cosmetologist Examiners, Board of

2020-21 Departmental Earnings

Earnings Group: Cosmetologist Examiners Board Licensing Fees

Recent Changes:

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

Agency Analysis/Comments:

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

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2020-21 Biennial Budget - Departmental Earnings

Dentistry, Board of
Dentistry Board Licensing Fees

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

2020-21 Departmental Earnings

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

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

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

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

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

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 94 | 473 | 889 | 535 | 535 | 450 | 372 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,982 | 1,971 | 1,893 | 1,914 | 1,926 | 1,911 | 1,923 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 2 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 14 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,982 | 1,959 | 1,893 | 1,914 | 1,926 | 1,911 | 1,923 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,227 | 1,205 | 1,741 | 1,495 | 1,553 | 1,495 | 1,500 |
| Indirect Expenditures | 376 | 338 | 506 | 504 | 536 | 503 | 537 |
| Total Expenditures | 1,603 | 1,543 | 2,247 | 1,999 | 2,089 | 1,998 | 2,037 |
| Current Difference | 379 | 416 | (354) | (85) | (163) | (87) | (114) |
| Accumulated Ending Balance | 473 | 889 | 535 | 450 | 372 | 363 | 258 |

Background Information:

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

The Board of Dentistry provides the following services:

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

Forecast Basis:

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

Recent Changes:

Fees were readjusted to their previous (pre-1999) level in 2012 with a change in statutory language. The Board has had a slight increase in new applicants over the last two years. However, there is a significant amount of voluntary terminations due to retirements. This change affects budget projections for the future. There has not been a significant measurable growth in new licensee numbers and there has been a decrease in renewals. The Board is seeking to establish an Emeritus active license types to encourage semi-retired dental professionals to remain in the profession, even if they can provide service in a more limited manner or for the purposes of supervision. This new Emeritus active license fee, along with a one-time fee for an Emeritus inactive license fee, is the only recommended fee change that our Board will be pursuing in the future.

Agency Analysis/Comments:

For information about the recommended fee change, see the New Emeritus License Fee change item in the Board of Dentistry 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

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

Agency: Dietetics and Nutrition Practice, Board of

2020-21 Departmental Earnings

Earnings Group: Dietetics and Nutrition Practice Licensing Fees

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

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

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 147 | 168 | 188 | 178 | 178 | 171 | 155 |
| Resources: | | | | | | | |
| Departmental Earnings | 169 | 186 | 181 | 181 | 181 | 181 | 181 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 169 | 186 | 181 | 181 | 181 | 181 | 181 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 129 | 130 | 167 | 151 | 164 | 151 | 166 |
| Indirect Expenditures | 19 | 36 | 24 | 37 | 40 | 37 | 40 |
| Total Expenditures | 148 | 166 | 191 | 188 | 204 | 188 | 206 |
| Current Difference | 21 | 20 | (10) | (7) | (23) | (7) | (25) |
| Accumulated Ending Balance | 168 | 188 | 178 | 171 | 155 | 164 | 130 |

Background Information:

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

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

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

None

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2020-21 Biennial Budget - Departmental Earnings

District Courts

District Court Credit Card Convenience Fee

Miscellaneous Court Fees - Specialty Court Participation Fees

Agency: District Courts

2020-21 Departmental Earnings

Earnings Group: District Court Credit Card Convenience Fee

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

Legal Citation: M.S. 480.237

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Statewide Convenience Fee (J330CNV)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 518 | 644 | 659 | 439 | 439 | 219 | 219 |
| Resources: | | | | | | | |
| Departmental Earnings | 641 | 647 | 600 | 600 | 600 | 600 | 600 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 641 | 647 | 600 | 600 | 600 | 600 | 600 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 515 | 632 | 820 | 820 | 820 | 819 | 819 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 515 | 632 | 820 | 820 | 820 | 819 | 819 |
| Current Difference | 126 | 15 | (220) | (220) | (220) | (219) | (219) |
| Accumulated Ending Balance | 644 | 659 | 439 | 219 | 219 | | |

Agency: District Courts

2020-21 Departmental Earnings

Earnings Group: District Court Credit Card Convenience Fee

Background Information:

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

Forecast Basis:

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

Recent Changes:

No changes in the last couple of years.

Agency Analysis/Comments:

This appropriation currently uses all revenue to offset costs.

Agency: District Courts

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Court Fees - Specialty Court Participation Fees

Purpose: Participation Fees Collected from Specialty Court Clients

Legal Citation: M.S. 357.42

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

Fund: Restrict Misc Special Revenue (2000); Gift (2403)

Appropriation: Brown Drug Ed Gift (J330BRE); 6th District DWI Court Fees (J330DW6); 10th District Specialty Fees (J330SP0); First Specialty Fees (J330SP1); Second Specialty Fees (J330SP2); Third Specialty Fees (J330SP3); Fourth Specialty Fees (J330SP4); Fifth Specialty Fees (J330SP5); Sixth Specialty Fees (J330SP6); Seventh Specialty Fees (J330SP7); Eighth Specialty Fees (J330SP8); Ninth Specialty Fees (J330SP9)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 672 | 305 | 356 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 200 | 178 | 197 | 197 | 197 | 197 | 197 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 39 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 200 | 217 | 197 | 197 | 197 | 197 | 197 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 567 | 166 | 553 | 197 | 197 | 197 | 197 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 567 | 166 | 553 | 197 | 197 | 197 | 197 |
| Current Difference | (367) | 51 | (356) | | | | |
| Accumulated Ending Balance | 305 | 356 | | | | | |

Agency: District Courts

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Court Fees - Specialty Court Participation Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

Forecast to offset all Revenue received with expenditures.

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2020-21 Biennial Budget - Departmental Earnings

Education

Minnesota Career Information System (MCIS)

Miscellaneous Dept of Education Receipts

School Administrator Licensing

Agency: Education

2020-21 Departmental Earnings

Earnings Group: Minnesota Career Information System (MCIS)

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

Legal Citation: M.S. 124D.505

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: MCIS Service Fees (E370100)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 187 | 222 | 260 | 171 | 171 | 104 | 104 |
| Resources: | | | | | | | |
| Departmental Earnings | 527 | 537 | 561 | 578 | 578 | 596 | 596 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 15 | 10 | 5 | 4 | 4 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 542 | 547 | 566 | 582 | 582 | 599 | 599 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 454 | 442 | 559 | 551 | 551 | 589 | 589 |
| Indirect Expenditures | 53 | 67 | 96 | 98 | 98 | 105 | 105 |
| Total Expenditures | 507 | 509 | 655 | 649 | 649 | 694 | 694 |
| Current Difference | 35 | 38 | (89) | (67) | (67) | (95) | (95) |
| Accumulated Ending Balance | 222 | 260 | 171 | 104 | 104 | 9 | 9 |

Background Information:

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

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

Forecast Basis:

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

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

Agency: Education

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Dept of Education Receipts

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

Legal Citation: M.S. 124D.1195, M.S. 120A.03, M.S. 16A.275

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,262 | 1,703 | 1,583 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 3,837 | 3,972 | 3,005 | 2,005 | 2,005 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 460 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,837 | 3,512 | 3,005 | 2,005 | 2,005 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,396 | 3,632 | 4,588 | 2,005 | 2,005 | 5 | 5 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4,396 | 3,632 | 4,588 | 2,005 | 2,005 | 5 | 5 |
| Current Difference | (559) | (120) | (1,583) | | | | |
| Accumulated Ending Balance | 1,703 | 1,583 | | | | | |

Agency: Education

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Dept of Education Receipts

Background Information:

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

Forecast Basis:

Commodity Donated Foods Rev (E370110) will end in state fiscal year 2020. Rent Revolving Account (E372040) is no longer used.

Recent Changes:

Agency Analysis/Comments:

The Accumulated Balance Forward in FY 2020 and FY 2021 equals 1 due to a rounding difference in FY 2019.

Agency: Education

2020-21 Departmental Earnings

Earnings Group: School Administrator Licensing

Purpose: To assure staffing by qualified administrators.

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

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

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

Appropriation: School Administrator Licensing (E37ND04); Educator Licensure Control Acct (E391000)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 24 | 47 | 65 | 65 | 93 | 38 |
| Resources: | | | | | | | |
| Departmental Earnings | 260 | 252 | 252 | 260 | 375 | 260 | 375 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 260 | 252 | 252 | 260 | 375 | 260 | 375 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 236 | 229 | 234 | 232 | 402 | 232 | 347 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 236 | 229 | 234 | 232 | 402 | 232 | 347 |
| Current Difference | 24 | 23 | 18 | 28 | (27) | 28 | 28 |
| Accumulated Ending Balance | 24 | 47 | 65 | 93 | 38 | 121 | 66 |

Background Information:

This fee is charged to candidates submitting applications for administrator and other related school licenses. The fee in State Fiscal Years 2017, 2018 and 2019 is non-dedicated, the fee in State Fiscal Year 2020 and 2021 is dedicated. The fee is intended to cover General Fund appropriations in FY 2017, FY 2018 and FY 2019 and Special Revenue Fund appropriations in FY 2020 and FY 2021 used to fund the functions of the Board of School Administrators (the Board) and the Department of Education's cost of issuing the license. The Board was created by the Legislature in 2001. There are 10 members appointed by the Governor. The Board is responsible for the licensing of school administrators (including variances), approval of administrator preparation or alternative programs, continuing education for administrators' professional development, enforcing school administrators' code of ethics covering standards of professional practice, and approving licenses and renewals for administrators. The Department of Education's Educator Licensing Division processes the licenses for school administrators.

Forecast Basis:

Fees through State Fiscal Year 2019 for active licenses is \$75 and \$32.50 for retirees. Beginning July 1, 2019, State Fiscal Year 2020, fees will be collected by the Professional Educator Licensing and Standards Board (PELSB). We are recommending that the legislatively mandated annual fee assessed to superintendents, principals, directors of community education and directors of special education increase from \$75 to \$100 for active license holders and from \$32.50 to \$50 for inactive license holders beginning July 1, 2019.

Recent Changes:

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

Agency Analysis/Comments:

For information about the recommended fee change, see the BOSA Operating and Revenue Increase change item in the Department of Education 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Emergency Medical Services Regulatory Board

Emergency Medical Svcs Reg Data Practices / Cost of Copies

Emergency Medical Svcs Regulatory Board Licensing Fees

Agency: Emergency Medical Services Regulatory Board

2020-21 Departmental Earnings

Earnings Group: Emergency Medical Svcs Reg Data Practices / Cost of Copies

Purpose: Revenue related to costs of copies.

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Request For Data-Misc Receipts (H7S1400)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 187 | 180 | 205 | 204 | 204 | 174 | 174 |
| Resources: | | | | | | | |
| Departmental Earnings | 7 | 25 | 23 | | | | |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7 | 25 | 23 | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | 14 | | 24 | 30 | 30 | 30 | 30 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 14 | | 24 | 30 | 30 | 30 | 30 |
| Current Difference | (7) | 25 | (1) | (30) | (30) | (30) | (30) |
| Accumulated Ending Balance | 180 | 205 | 204 | 174 | 174 | 144 | 144 |

Agency: Emergency Medical Services Regulatory Board

2020-21 Departmental Earnings

Earnings Group: Emergency Medical Svcs Reg Data Practices / Cost of Copies

Background Information:

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

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

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

None

Agency: Emergency Medical Services Regulatory Board

2020-21 Departmental Earnings

Earnings Group: Emergency Medical Svcs Regulatory Board Licensing Fees

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

Legal Citation: M.S. 144E.29

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

Fund: General (1000)

Appropriation: EMS Receipts (H7S1000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | (480) | (799) | (1,388) | (1,388) | (1,979) | (2,034) |
| Resources: | | | | | | | |
| Departmental Earnings | 49 | 91 | 92 | 92 | 92 | 92 | 92 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 49 | 91 | 92 | 92 | 92 | 92 | 92 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 529 | 410 | 681 | 683 | 738 | 683 | 763 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 529 | 410 | 681 | 683 | 738 | 683 | 763 |
| Current Difference | (480) | (319) | (589) | (591) | (646) | (591) | (671) |
| Accumulated Ending Balance | (480) | (799) | (1,388) | (1,979) | (2,034) | (2,570) | (2,705) |

Agency: Emergency Medical Services Regulatory Board

2020-21 Departmental Earnings

Earnings Group: Emergency Medical Svcs Regulatory Board Licensing Fees

Background Information:

Services provided by the board include:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

None

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2020-21 Biennial Budget - Departmental Earnings

Employment and Economic Development

Job Skills Partnerships Program

MN Trade Office

Services for the Blind-Operations and Communication

Small Business Application Fee

Small Business Investment Tax Credit (Angel)

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

Legal Citation: M.S. 116L.41 Subd 5

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Job Training Grants Admin (B221552)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3 | 9 | 13 | 8 | 8 | 5 | 5 |
| Resources: | | | | | | | |
| Departmental Earnings | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 6 | 5 | 5 | 5 | 5 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 1 | 8 | 7 | 7 | 7 | 7 |
| Indirect Expenditures | | | 2 | 1 | 1 | 1 | 1 |
| Total Expenditures | | 1 | 10 | 8 | 8 | 8 | 8 |
| Current Difference | 6 | 4 | (5) | (3) | (3) | (3) | (3) |
| Accumulated Ending Balance | 9 | 13 | 8 | 5 | 5 | 2 | 2 |

Background Information:

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

Forecast Basis:

\$1,350,000 available for grants annually under Laws 17 Ch. 094 Art. 01 Sec. 002 Subd, 2X. Estimating about \$125,000 per grant equals roughly 10 grants per year. Ten grants times the application fee of \$500 per employer for a total of \$5,000 in revenues.

Purpose: To recover the cost of promoting international trade and attracting investment from foreign countries. As well as trade-related marketing materials.

Legal Citation: M.S. 116J.966 and M.S. 116J.035

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Trade Office Revenue (B221920)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 87 | 136 | 166 | 100 | 100 | 100 | 100 |
| Resources: | | | | | | | |
| Departmental Earnings | 49 | 89 | 60 | 160 | 160 | 60 | 60 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 18 | 10 | 10 | 10 | 10 | 10 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 49 | 107 | 70 | 170 | 170 | 70 | 70 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 77 | 135 | 169 | 169 | 69 | 69 |
| Indirect Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | | 77 | 136 | 170 | 170 | 70 | 70 |
| Current Difference | 49 | 30 | (66) | | | | |
| Accumulated Ending Balance | 136 | 166 | 100 | 100 | 100 | 100 | 100 |

Background Information:

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

Forecast Basis:

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

Agency Analysis/Comments:

Goal is to break even with a small amount of carry over for missions crossing fiscal years. Revenues increase during years where there is an larger governors trade mission that MTO leads. The last governors trade mission was in the summer of 2015 to Mexico. We are estimating there will be another in 2020 under the new governor, but nothing is formally planned yet.

Agency: Employment and Economic Development

2020-21 Departmental Earnings

Earnings Group: Services for the Blind-Operations and Communication

Purpose: To help support the function of the Business Enterprises Program (BEP) which creates vending business opportunities for qualified legally blind persons to operate and to provide access to the printed word for blind, visually impaired and physically impaired Minnesotans.

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: BEP Operations (B223017); SSB Communication Center (B223480)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 928 | 714 | 622 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 292 | 263 | 25 | 25 | 25 | 25 | 25 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 103 | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 210 | 182 | 723 | 721 | 721 | 723 | 723 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 383 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 222 | 445 | 748 | 746 | 746 | 748 | 748 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 410 | 507 | 1,315 | 691 | 691 | 693 | 693 |
| Indirect Expenditures | 26 | 30 | 55 | 55 | 55 | 55 | 55 |
| Total Expenditures | 436 | 537 | 1,370 | 746 | 746 | 748 | 748 |
| Current Difference | (214) | (92) | (622) | | | | |
| Accumulated Ending Balance | 714 | 622 | | | | | |

Background Information:

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

Braille Textbooks:

- Braille Textbooks, New:\$6.00
- Braille Textbook, previously transcribed and electronic:\$1.25
- Braille Non-textbook New and Copies:\$2.25
- Braille Non-textbook Email:\$1.75
- Braille Non-textbook Electronic:\$0.10

All fees are per braille page.

Audio charges:

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

Business Enterprise Program: This fee is comprised of monthly revenues collected from the blind vending operators (including interest earned) and exists primarily to

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

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

The sliding scale is:

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

This information can be found in Minnesota Rule 3321.0800

Forecast Basis:

Communication Center: Revenue was based on past requests for materials and costs to produce that material. The trends vary

depending upon requests received, however, stay consistent through the year.

Business Enterprise Program: The revenue generated for this fund has been pretty consistent year after year. The trend indicates the amount collected from blind vending operators has been declining due to reduced net proceeds of BEP businesses. This is consistent with the fact that the annual vending sales continue to decline, the expenses to operate a business have increased and the limited number of viable vending business opportunities on state and federal property.

Recent Changes:

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

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

Agency Analysis/Comments:

Communication Center: The majority of Braille sold is produced by the 40+ volunteers. Ninety-nine percent (99%) of audio charges are produced by 100+ volunteers. The funds received are used to offset cost of the Audio and Braille Units.

Business Enterprise Program: The BEP monitors the fund regularly to ensure it remains solvent.

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

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

Legal Citation: Loan Origination Fee - M.S. 116J.881 Subd. 6
 Greater MN Business Expansion - M.S. 116J.8738 Subd 3

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Qualified Expansion Gr MN Bus (B221139)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 8 | 7 | 16 | 14 | 14 | 12 | 12 |
| Resources: | | | | | | | |
| Departmental Earnings | | 10 | 5 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | 10 | 5 | 5 | 5 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1 | 1 | 6 | 6 | 6 | 6 | 6 |
| Indirect Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 1 | 1 | 7 | 7 | 7 | 7 | 7 |
| Current Difference | (1) | 9 | (2) | (2) | (2) | (2) | (2) |
| Accumulated Ending Balance | 7 | 16 | 14 | 12 | 12 | 10 | 10 |

Background Information:

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

Forecast Basis:

Historical Collection Amounts

Recent Changes:

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

Agency Analysis/Comments:

DEED is charging 3% for an application fee on program operations and services. If we presume all of the \$7 million tax base per year is awarded, then \$210,000 per year will be collected. However, historical performance of the program has been significantly under subscribed. There were \$150k in awards in FY15, \$383k in FY16, \$0 in FY17, \$335k in FY18, and \$0 in FY19 to date. Resulting in only \$30k collected for program administration since 2013. Revenue forecasts of about \$5k per year are based on the actual historical performance of the program.

Small Business Loan Guarantee Program has had no recent activity and we have not forecasted any revenue for this program.

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

Legal Citation: M.S. 116J.8737

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Small Business Invest Tax Cred (B221140)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 730 | 921 | 960 | 959 | 959 | 878 | 961 |
| Resources: | | | | | | | |
| Departmental Earnings | 560 | 249 | 175 | 100 | 468 | 50 | 418 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 560 | 249 | 175 | 100 | 468 | 50 | 418 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 316 | 173 | 152 | 158 | 443 | 159 | 444 |
| Indirect Expenditures | 53 | 37 | 24 | 23 | 23 | 23 | 23 |
| Total Expenditures | 369 | 210 | 176 | 181 | 466 | 182 | 467 |
| Current Difference | 191 | 39 | (1) | (81) | 2 | (132) | (49) |
| Accumulated Ending Balance | 921 | 960 | 959 | 878 | 961 | 746 | 912 |

Background Information:

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

Forecast Basis:

The program is sunsetting under current statute and cannot certify new investors, funds, or businesses. We are still in the process of collecting reports from the 2017 certification process, but the required reporting for qualified investors and funds expires after CY2019 (reported in FY20), and for small business in CY21 (reported in FY22). These report fees are the only revenues in the forecast. We are expecting the revenues to reduce over the next few years as the reporting requirements for various entities lapses.

Recent Changes:

The program was authorized by the 2016 legislature to continue through the end of CY2017. The program was authorized again in the 2018 legislature, but the bill was vetoed. So the program is still sunsetting and the last CY that had an available tax credit was 2017.

Agency Analysis/Comments:

The Governor is recommending with the 2020-21 biennial budget to authorize the Angel Tax Credit program again in FY20 and remove the sunset clause. With the program sunset approaching, staffing levels have been reduced to only manage the reporting requirements. If the program is authorized again, more staff would need to be hired for the certification process and would use up some of the reserve that has built up in the administrative account due to reduced workload requirement.

The Governor is also recommending a late fee reduction from \$500 to \$100 in the change item request. Since the administrative account has a healthy balance because of the reduced staffing costs over the last two years, the late fee penalty isn't need to fund the program. It is still desired to encourage timely reports for the Angel Tax Program, but the program is not reliant on the late fees to operate.

Information related to the Governor recommended fee changes that impact this earnings group are available in the Angel Tax Credit change item in the 2020-21 Department of Employment and Economic Development budget book.

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2020-21 Biennial Budget - Departmental Earnings

Explore Minnesota Tourism
Tourism Program Revenue

Agency: Explore Minnesota Tourism

2020-21 Departmental Earnings

Earnings Group: Tourism Program Revenue

Purpose: Promote tourism in Minnesota

Legal Citation: M.S. 116U.45

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 916 | 792 | 688 | 249 | 249 | 231 | 231 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,098 | 967 | 1,005 | 1,117 | 1,117 | 1,117 | 1,117 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 71 | 83 | 75 | 75 | 75 | 75 | 75 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,169 | 1,050 | 1,080 | 1,192 | 1,192 | 1,192 | 1,192 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,293 | 1,142 | 1,508 | 1,198 | 1,198 | 1,188 | 1,188 |
| Indirect Expenditures | | 12 | 11 | 12 | 12 | 12 | 12 |
| Total Expenditures | 1,293 | 1,154 | 1,519 | 1,210 | 1,210 | 1,200 | 1,200 |
| Current Difference | (124) | (104) | (439) | (18) | (18) | (8) | (8) |
| Accumulated Ending Balance | 792 | 688 | 249 | 231 | 231 | 223 | 223 |

Agency: Explore Minnesota Tourism

2020-21 Departmental Earnings

Earnings Group: Tourism Program Revenue

Background Information:

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

Forecast Basis:

Forecast is based on past levels of similar programs.

Recent Changes:

No significant changes.

Agency Analysis/Comments:

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

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2020-21 Biennial Budget - Departmental Earnings

Gambling Control Board

Gambling License and Regulatory Fees

Agency: Gambling Control Board

2020-21 Departmental Earnings

Earnings Group: Gambling License and Regulatory Fees

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

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

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

Fund: Restrict Misc Special Revenue (2000)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,682 | 2,456 | 3,410 | 3,520 | 3,520 | 3,778 | 3,778 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,967 | 4,320 | 3,800 | 3,800 | 3,800 | 3,800 | 3,800 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | 14 | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 70 | 114 | 70 | 70 | 70 | 70 | 70 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,897 | 4,220 | 3,730 | 3,730 | 3,730 | 3,730 | 3,730 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,123 | 3,266 | 3,620 | 3,472 | 3,472 | 3,472 | 3,472 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3,123 | 3,266 | 3,620 | 3,472 | 3,472 | 3,472 | 3,472 |
| Current Difference | 774 | 954 | 110 | 258 | 258 | 258 | 258 |
| Accumulated Ending Balance | 2,456 | 3,410 | 3,520 | 3,778 | 3,778 | 4,036 | 4,036 |

Background Information:

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

Annual License Fees:

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

Forecast Basis:

Revenue forecast is based on current revenues.

Recent Changes:

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

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

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

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

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

Agency Analysis/Comments:

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

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2020-21 Biennial Budget - Departmental Earnings

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Agency: Health

2020-21 Departmental Earnings

Earnings Group: Adoption Registry Filing and Administrative Fees

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

Legal Citation: M.S. 259.52

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HP (H12970J)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 52 | 58 | 45 | 25 | 25 | 5 | 5 |
| Resources: | | | | | | | |
| Departmental Earnings | 70 | 78 | 78 | 78 | 78 | 78 | 78 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | 61 | 66 | 66 | 66 | 66 | 66 | 66 |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 131 | 144 | 144 | 144 | 144 | 144 | 144 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 105 | 126 | 133 | 133 | 133 | 133 | 133 |
| Indirect Expenditures | 20 | 31 | 31 | 31 | 31 | 31 | 31 |
| Total Expenditures | 125 | 157 | 164 | 164 | 164 | 164 | 164 |
| Current Difference | 6 | (13) | (20) | (20) | (20) | (20) | (20) |
| Accumulated Ending Balance | 58 | 45 | 25 | 5 | 5 | (15) | (15) |

Background Information:

The Minnesota Fathers' Adoption Registry (MFAR) allows putative fathers—men who believe they are a biological father but have not established paternity—to register themselves in order to receive notice if plans are made to place a child they believe is theirs for adoption. The authorizing law directs the district court administrator in every judicial district to assess a \$75 adoption filing fee surcharge on each adoption petition filed in the district court for the purpose of implementing and maintaining the MFAR. It also requires a search of the MFAR for each adoption petition. MDH also receives a \$25 administrative fee from mothers, attorneys, agents, or agencies supervising adoption placements for searching MFAR and certifying results of the search. Child support enforcement staff can search MFAR and are exempted from paying the administrative fee for searching the MFAR.

Forecast Basis:

Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast, resulting in a positive balance.

Recent Changes:

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

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Adverse Event Reporting

Purpose: The Adverse Health Events reporting system reviews incidents, identifies root causes and initiates corrective action plans.

Legal Citation: M.S. 144.706

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 548 | 697 | 754 | 771 | 771 | 788 | 788 |
| Resources: | | | | | | | |
| Departmental Earnings | 542 | 549 | 549 | 549 | 549 | 549 | 549 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 542 | 549 | 549 | 549 | 549 | 549 | 549 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 350 | 401 | 474 | 474 | 474 | 474 | 474 |
| Indirect Expenditures | 43 | 91 | 58 | 58 | 58 | 58 | 58 |
| Total Expenditures | 393 | 492 | 532 | 532 | 532 | 532 | 532 |
| Current Difference | 149 | 57 | 17 | 17 | 17 | 17 | 17 |
| Accumulated Ending Balance | 697 | 754 | 771 | 788 | 788 | 805 | 805 |

Background Information:

The Adverse Health Events system requires reporting on 29 serious reportable events whenever they occur in hospitals and ambulatory surgical centers. Each of the events are described in the authorizing statute. As a part of the Department's responsibilities under the reporting law, MDH is required to review all events, along with the accompanying root cause analyses and corrective action plans, to determine if patterns of systemic failure in the health care system and successful methods to correct these failures.

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

Forecast Basis:

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

Recent Changes:

The Adverse Health Events reporting system was established in 2003 and is funded through a fee on hospitals and ambulatory surgical centers. This fee has not changed despite a significant increase in the number of reported events and in the amount of outreach, education and research that is conducted as a part of the reporting system.

Agency Analysis/Comments:

MDH will continue to monitor revenue and necessary workload to implement the requirements of authorizing law.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Asbestos Abatement Fees

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

Legal Citation: M.S. 326.75

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 796 | 842 | 877 | 861 | 861 | 793 | 793 |
| Resources: | | | | | | | |
| Departmental Earnings | 501 | 561 | 541 | 489 | 489 | 458 | 458 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 501 | 561 | 541 | 489 | 489 | 458 | 458 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 382 | 427 | 452 | 452 | 452 | 452 | 452 |
| Indirect Expenditures | 73 | 99 | 105 | 105 | 105 | 105 | 105 |
| Total Expenditures | 455 | 526 | 557 | 557 | 557 | 557 | 557 |
| Current Difference | 46 | 35 | (16) | (68) | (68) | (99) | (99) |
| Accumulated Ending Balance | 842 | 877 | 861 | 793 | 793 | 694 | 694 |

Background Information:

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

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

Fee Structure

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

Fee-supported Activities

- Consultation and technical assistance to regulated parties and property owners on issues related to asbestos.
- Credentialing regulated parties and professions and performing compliance monitoring of their activities.
- Developing relationships with a broad spectrum of citizens and communities; and state, federal and local agencies.

Forecast Basis:

The revenue generated for the Asbestos Program is closely associated with the construction industry and increased capital investment by building owners and developers in existing facilities. The downward trend in revenue is indicative of a decrease in the number of asbestos abatement projects tied to urban revitalization and community redevelopment activities. Residential permit applications have remained stable.

Recent Changes:

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

Agency Analysis/Comments:

Projected expenditures for this activity are below anticipated revenues. In the past, actual expenditures have remained below earning receipts.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Body Art Establishment and Technician Licensure Fees

Purpose: The Body Art Licensing program protects the health and safety of consumers.

Legal Citation: M.S. 146B.10

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (118) | (60) | 62 | 188 | 188 | 341 | 341 |
| Resources: | | | | | | | |
| Departmental Earnings | 201 | 432 | 458 | 485 | 485 | 514 | 514 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 9 | 8 | 10 | 10 | 10 | 10 | 10 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 210 | 440 | 468 | 495 | 495 | 524 | 524 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 128 | 258 | 278 | 278 | 278 | 278 | 278 |
| Indirect Expenditures | 24 | 60 | 64 | 64 | 64 | 64 | 64 |
| Total Expenditures | 152 | 318 | 342 | 342 | 342 | 342 | 342 |
| Current Difference | 58 | 122 | 126 | 153 | 153 | 182 | 182 |
| Accumulated Ending Balance | (60) | 62 | 188 | 341 | 341 | 523 | 523 |

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

As this industry grows, fee revenue is expected to increase through the forecast period. Expenditures are projected to remain level through forecast period, resulting in a positive ending balance.

Agency: Health

2020-21 Departmental Earnings

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

Purpose: The Vital Records program maintains birth and death records for the state of Minnesota and issues certificates.

Legal Citation: M.S. 144.226; Administrative Rule 4601.0400

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 1,458 | 1,528 | 1,583 | 1,588 | 1,588 | 1,593 | 1,593 |
| Resources: | | | | | | | |
| Departmental Earnings | 793 | 780 | 776 | 776 | 776 | 776 | 776 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | 2,269 | 2,304 | 2,304 | 2,304 | 2,304 | 2,304 | 2,304 |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,062 | 3,084 | 3,080 | 3,080 | 3,080 | 3,080 | 3,080 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,513 | 2,451 | 2,497 | 2,497 | 2,497 | 2,497 | 2,497 |
| Indirect Expenditures | 479 | 578 | 578 | 578 | 578 | 578 | 578 |
| Total Expenditures | 2,992 | 3,029 | 3,075 | 3,075 | 3,075 | 3,075 | 3,075 |
| Current Difference | 70 | 55 | 5 | 5 | 5 | 5 | 5 |
| Accumulated Ending Balance | 1,528 | 1,583 | 1,588 | 1,593 | 1,593 | 1,598 | 1,598 |

Background Information:

This fee program recovers costs to the department for overseeing and maintaining a reliable statewide system to collect data, register, certify and report vital events (e.g., births, deaths and fetal deaths). Data from vital records informs public health and provides civil registration for legal certifications of vital events.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are in excess of projected revenues. However, in the past, expenditures have been below forecast. Revenue from data sharing is expected to increase with data sharing fees assessed in accordance with Minnesota Administrative Rule.

Recent Changes:

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

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Doula Registry Fees

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

Legal Citation: M.S. 148.997

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (6) | (4) | (1) | (2) | (2) | (3) | (3) |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2 | 1 | 4 | 4 | 4 | 4 | 4 |
| Indirect Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 2 | 1 | 5 | 5 | 5 | 5 | 5 |
| Current Difference | 2 | 3 | (1) | (1) | (1) | (1) | (1) |
| Accumulated Ending Balance | (4) | (1) | (2) | (3) | (3) | (4) | (4) |

Background Information:

The Department of Health has registered doulas since 2007. Fees are collected to support program staffing, verify applicants are certified by a doula certifying organization identified in statute, conduct a criminal background check and update the program website. Doulas register for a three year term and must stay current with the certifying organization to remain on the registry. Doulas provide continuous emotional and physical support through labor and birth and as needed during prenatal and postpartum periods. There are currently 62 Doulas on the registry, but this number can range from 60 to 75 depending on the three year renewal cycle.

Forecast Basis:

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

Recent Changes:

Fees were increased in 2017 to reflect the increased program cost to register doulas, verify credentials, conduct a background check and update the website. This include an increase from \$130 to \$185 to register doulas and from \$6 to \$15 to process the criminal background check.

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Drinking Water Service Connection Fee

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

Legal Citation: M.S. 144.383

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 4,519 | 4,898 | 5,424 | 5,757 | 5,757 | 6,090 | 3,953 |
| Resources: | | | | | | | |
| Departmental Earnings | 8,806 | 8,813 | 8,813 | 8,813 | 10,930 | 8,813 | 13,047 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 8,806 | 8,813 | 8,813 | 8,813 | 10,930 | 8,813 | 13,047 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 7,389 | 7,123 | 6,885 | 6,885 | 11,139 | 6,885 | 15,353 |
| Indirect Expenditures | 1,038 | 1,164 | 1,595 | 1,595 | 1,595 | 1,595 | 1,595 |
| Total Expenditures | 8,427 | 8,287 | 8,480 | 8,480 | 12,734 | 8,480 | 16,948 |
| Current Difference | 379 | 526 | 333 | 333 | (1,804) | 333 | (3,901) |
| Accumulated Ending Balance | 4,898 | 5,424 | 5,757 | 6,090 | 3,953 | 6,423 | 52 |

Background Information:

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

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

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

Minnesotans are able to take safe drinking water for granted because past investments in protecting Minnesota's public water supplies largely prevented disruptions to safe, reliable water. However "invisible" these systems have become, they are not invincible. The Minnesota Department of Health (MDH) approach provides in-depth understanding of individual systems, so MDH is able to give systems tools to prevent the crises that make national news. While MDH provides these services to all public water supplies, this robust technical assistance is especially valuable for smaller systems that lack resources and technical capability. Without this additional assistance, small systems have lower compliance with standards. More than just maintaining a consistently high level of compliance with the Safe Drinking Water Act, Minnesota's proactive strategy protects our drinking water, people's health, and provides a reliable water supply for economic development.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. The fee is based on the number of service connections to public water supplies. This number is relatively stable with a slight historical increase as a result of new building development within public water supply domains.

Recent Changes:

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

Agency Analysis/Comments:

Revenue has exceeded the available appropriation for this activity.

For information about the recommended fee change, see the Safe Drinking Water Fee Increase change item in the Department of Health 2020-21 Governor's Budget Recommendations.

Agency: Health

2020-21 Departmental Earnings

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

Purpose: Health Information Exchange oversight program ensures the quality, security and efficiency of the exchange of the electronic transmission of health-related information between organizations.

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

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HP (H12970J)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 85 | 93 | 4 | (79) | (79) | (171) | (171) |
| Resources: | | | | | | | |
| Departmental Earnings | 147 | 147 | 147 | 147 | 147 | 147 | 147 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 147 | 147 | 147 | 147 | 147 | 147 | 147 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 116 | 184 | 188 | 194 | 194 | 194 | 194 |
| Indirect Expenditures | 23 | 52 | 42 | 45 | 45 | 45 | 45 |
| Total Expenditures | 139 | 236 | 230 | 239 | 239 | 239 | 239 |
| Current Difference | 8 | (89) | (83) | (92) | (92) | (92) | (92) |
| Accumulated Ending Balance | 93 | 4 | (79) | (171) | (171) | (263) | (263) |

Background Information:

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

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

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

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

Forecast Basis:

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

Recent Changes:

The fee structure was last changed in 2015. The fee change slightly decreased the revenue generated. The fee change decreased the fee for only the Health Information Organization type (previously \$14,000) to align with the fee for the Health Data Intermediary type (\$7,000). Since there are fewer Health Information Organizations, the decrease in revenue was modest (approximately \$28,000 less revenue per year based on the cost for annual certification fees).

Agency Analysis/Comments:

Forecast expenditures are greater than anticipated revenue. MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Food Manager Certification Fee

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

Legal Citation: M.S. 157.16 and 31.96

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 805 | 867 | 931 | 965 | 965 | 998 | 998 |
| Resources: | | | | | | | |
| Departmental Earnings | 395 | 426 | 454 | 453 | 453 | 453 | 453 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 395 | 426 | 454 | 453 | 453 | 453 | 453 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 280 | 294 | 341 | 341 | 341 | 341 | 341 |
| Indirect Expenditures | 53 | 68 | 79 | 79 | 79 | 79 | 79 |
| Total Expenditures | 333 | 362 | 420 | 420 | 420 | 420 | 420 |
| Current Difference | 62 | 64 | 34 | 33 | 33 | 33 | 33 |
| Accumulated Ending Balance | 867 | 931 | 965 | 998 | 998 | 1,031 | 1,031 |

Background Information:

The food protection manager certification requirement has been effect since July 1, 2000. The current fee of \$35 is for support of the issuance of approximately 14,000 certificates annually with renewal requirements every three years. Instructor qualifications for initial and continuing education courses are reviewed to ensure they meet the requirements in Minnesota Rules Chapter 4626. Initial and continuing education course curriculum is also reviewed to ensure that they meet the requirements in rule. An on-line instructor and course look-up portal is maintained along with data management functions and web communications. Course and instructor complaints are responded to and enforcement is taken as necessary. Education of and communication with course instructors is conducted to ensure that they are current in the materials that they are teaching.

Forecast Basis:

The fee certification is valid for three years. Revenues fluctuate reflecting the three year cycle. The program is expected to continue to remain relatively stable with possibly a small increase in the number of individuals certified due to a change in Minnesota Rules Chapter 4626 which becomes effective on January 1, 2019. In addition, a new MDH License and Certification System (MDH-LCS) is being developed to accommodate online initial and renewal application submittal and fee collection. Revenue for duplicate certificates will be eliminated if individuals are allowed to print their own certificate. It is anticipated that the MDH-LCS will be implemented in 2019.

Recent Changes:

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

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Food Pools Lodging Services Licensing

Purpose: To support licensing and inspection activities to determine compliance with rules and laws to protect public health and safety.

Legal Citation: M.S. 144.99, 144.1222, 157.16 and 327.15

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,186 | 1,348 | 1,304 | 854 | 854 | 320 | 320 |
| Resources: | | | | | | | |
| Departmental Earnings | 7,062 | 7,524 | 7,320 | 7,321 | 7,321 | 7,320 | 7,320 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7,062 | 7,524 | 7,320 | 7,321 | 7,321 | 7,320 | 7,320 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,795 | 6,146 | 6,309 | 6,378 | 6,378 | 6,378 | 6,378 |
| Indirect Expenditures | 1,105 | 1,422 | 1,461 | 1,477 | 1,477 | 1,477 | 1,477 |
| Total Expenditures | 6,900 | 7,568 | 7,770 | 7,855 | 7,855 | 7,855 | 7,855 |
| Current Difference | 162 | (44) | (450) | (534) | (534) | (535) | (535) |
| Accumulated Ending Balance | 1,348 | 1,304 | 854 | 320 | 320 | (215) | (215) |

Background Information:

Fee revenue recovers the cost of plan review, licensure, inspection and enforcement activities related to several industries: food, beverage and lodging establishments; public swimming pools, youth camps, manufactured home parks; and recreational camping. Laws specifying the authority to regulate food, beverage and lodging establishments have been enacted and amended since 1902. The manufactured home park and recreational camping rules have been in effect since the 1950's.

The current fees for the program were amended in 2017. The department has the authority to delegate those responsibilities to local governments. In cases, where the department has delegated its authority, the local government is responsible for collecting the fees to cover the cost of the regulatory activities.

Forecast Basis:

The forecast is based on the number of fee payers and types of establishments the department regulates, fee revenue and the cost to the department of administering the program. Revenue projections for FY20-21 are conservative based on regular fluctuations within these industries and the large number of establishments licensed.

Recent Changes:

The fee structure was changed in 2017 which resulted in some types of establishments paying a lower fee and others paying a higher fee. The new fee structure for food and beverage establishments was based on the type of food preparation practices being conducted and the risk to the consumer. FY 2018 revenue increased by \$462,000. Additional legislation in 2017 removed the requirement for some lodging establishments to obtain a license. This resulted in a decrease in revenue of \$71,000 in license and plan review fees specifically for lodging establishments in FY 2018.

Agency Analysis/Comments:

Forecast cost are greater than estimated revenue. In the past, costs were lower than actual revenue. MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Funeral Establishments and Funeral Director Licensure Fees

Purpose: The Mortuary Science programs regulates practitioners and the facilities used to prepare decedents for final disposition.

Legal Citation: M.S. 149A.65

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 692 | 729 | 754 | 772 | 772 | 790 | 790 |
| Resources: | | | | | | | |
| Departmental Earnings | 560 | 559 | 558 | 558 | 558 | 558 | 558 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 560 | 559 | 558 | 558 | 558 | 558 | 558 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 439 | 434 | 438 | 438 | 438 | 438 | 438 |
| Indirect Expenditures | 84 | 100 | 102 | 102 | 102 | 102 | 102 |
| Total Expenditures | 523 | 534 | 540 | 540 | 540 | 540 | 540 |
| Current Difference | 37 | 25 | 18 | 18 | 18 | 18 | 18 |
| Accumulated Ending Balance | 729 | 754 | 772 | 790 | 790 | 808 | 808 |

Background Information:

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

Fee revenue recovers the costs of regulatory activities, such as for the department to:

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

Forecast Basis:

The revenue forecast assumes a constant regulatory environment, including the number of practitioners entering and leaving the profession and the number of licensed funeral establishments and crematories in the metro and in rural Minnesota that support staffing and program needs.

Recent Changes:

Fees and appropriations for this program were last increased for FY 2016.

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Health Care Facility License Fees

Purpose: The Health Care Facility program licenses and regulates certain places and providers that provide health services. Oversight includes delegated authority for some federally certified providers.

Legal Citation: M.S. 144.122, 144.53, 144.554, 144A.07, 144A.753, 144.615 Subd.8 and 144A.71

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

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

Appropriation: Freestanding Outpatient Surgic (H12291J); Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | (9,315) | (10,027) | (11,338) | (11,856) | (11,856) | (12,230) | (12,230) |
| Resources: | | | | | | | |
| Departmental Earnings | 5,492 | 5,775 | 5,976 | 6,135 | 6,135 | 6,204 | 6,204 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,492 | 5,775 | 5,976 | 6,135 | 6,135 | 6,204 | 6,204 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 6,137 | 7,009 | 5,273 | 5,285 | 5,285 | 5,564 | 5,564 |
| Indirect Expenditures | 67 | 77 | 1,221 | 1,224 | 1,224 | 1,289 | 1,289 |
| Total Expenditures | 6,204 | 7,086 | 6,494 | 6,509 | 6,509 | 6,853 | 6,853 |
| Current Difference | (712) | (1,311) | (518) | (374) | (374) | (649) | (649) |
| Accumulated Ending Balance | (10,027) | (11,338) | (11,856) | (12,230) | (12,230) | (12,879) | (12,879) |

Background Information:

The Health Care Facility program licenses or registers the following:

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

Fee revenue recover the department's costs to:

- Process licenses and registrations.
- Inspect facilities.
- Conduct onsite surveys.
- Coordinate inspections by the state Fire Marshal.
- Conduct background studies.
- Investigate complaints.
- Issue deficiency orders.
- Collect fines and penalties.

Forecast Basis:

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

Recent Changes:

The nursing home fee increased from \$91 per bed to \$100 per bed effective July 1, 2018.

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Health Maintenance Organizations Application and Renewal Fee

Purpose: To recover the cost of licensing and regulating Health Maintenance Organizations, county-based purchasers and Community Integrated Service Networks.

Legal Citation: M.S. 62D.21

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,937 | 2,202 | 2,154 | 2,001 | 2,001 | 1,896 | 1,896 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,153 | 1,200 | 1,296 | 1,344 | 1,344 | 1,379 | 1,379 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 77 | 77 | 77 | 77 | 77 | 77 | 77 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,076 | 1,123 | 1,219 | 1,267 | 1,267 | 1,302 | 1,302 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 683 | 757 | 1,114 | 1,114 | 1,114 | 1,114 | 1,114 |
| Indirect Expenditures | 128 | 414 | 258 | 258 | 258 | 258 | 258 |
| Total Expenditures | 811 | 1,171 | 1,372 | 1,372 | 1,372 | 1,372 | 1,372 |
| Current Difference | 265 | (48) | (153) | (105) | (105) | (70) | (70) |
| Accumulated Ending Balance | 2,202 | 2,154 | 2,001 | 1,896 | 1,896 | 1,826 | 1,826 |

Background Information:

The Health Maintenance Organization program has been in operation since 1973. This program is responsible for licensing Health Maintenance Organizations (HMOs) in Minnesota, as well as ongoing monitoring for continuing compliance with applicable laws and rules governing financial solvency, quality assurance, access and consumer rights. Revenue also recovers the cost to investigate complaints filed by health plan enrollees. As of November 2019, there are nine HMOs and three county-based purchasers which, although not licensed, are subject to laws that regulate HMOs. HMOs are required to file many different kinds of documents for review and approval. Each such filing must include a fee, which is set by Minnesota Rule 4685.2800. In addition, HMOs are required to pay an annual certificate of authority renewal fee. The fee system has been in place since the inception of the HMO program.

Forecast Basis:

The revenue forecast is based on a renewal fee that includes a flat payment of \$21,500 per HMO, plus 70 cents per enrollee. Filing fees are based on the cost of agency oversight and monitoring, which is an ongoing function.

Recent Changes:

The current fees HMOs are required to pay were adopted in 2000. In the Laws of 2008, Chapter 364, the legislature required an annual transfer of \$77,000 beginning in FY 2009 from the HMO program and credited to the general fund. In 2017, the Minnesota legislature modified Chapter 62D to allow for profit and non-Minnesota domiciled health care entities to apply for a Minnesota HMO certificate of authority (i.e., a license). This change has expanded the criteria for application to allow for more potential applicants, resulting in some additional applications and many inquiries. Additional licensees are expected to increase staff work load.

Agency Analysis/Comments:

While there are minimal changes in enrollment, forecasted expenditures and the required annual transfer to the general fund are in excess of projected fee revenue. MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Hearing Instrument Dispensers Certification and Examination Fee

Purpose: To recover the cost of regulation of the hearing instrument industry including: enforcement of standards, licensure examination and complaint investigation.

Legal Citation: M.S. 153A.17

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 24 | 23 | 86 | 89 | 89 | 101 | 96 |
| Resources: | | | | | | | |
| Departmental Earnings | 215 | 253 | 258 | 262 | 262 | 266 | 266 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | 5 | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 215 | 253 | 258 | 267 | 262 | 266 | 266 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 181 | 154 | 207 | 207 | 207 | 192 | 192 |
| Indirect Expenditures | 35 | 36 | 48 | 48 | 48 | 44 | 44 |
| Total Expenditures | 216 | 190 | 255 | 255 | 255 | 236 | 236 |
| Current Difference | (1) | 63 | 3 | 12 | 7 | 30 | 30 |
| Accumulated Ending Balance | 23 | 86 | 89 | 101 | 96 | 131 | 126 |

Background Information:

The program fees include \$230 for trainee status; \$750 for initial and renewal fee for certified dispensers; one-time surcharge of \$22.50 to process criminal background checks; \$1,200 fee for taking the hearing instrument dispenser practical exam; \$600 for retaking the examination; \$260 for late renewals; \$25 to verify a license; and penalty fees for holding out as a certified dispenser before being issued a certificate or after the certificate is lapsed and failure to submit the appropriate continuing education hours. The surcharge is collected from individuals who apply for the initial certificate. During the 2020 renewal, the department will collect the surcharge from certificate holders who renew and were not required to submit to the background check when they initially applied for a certificate.

Fee revenue from the Hearing Instrument Dispenser Certification program is used to:

- Administer the hearing instrument dispenser practical exam.
- Issue trainee status and certificates to hearing instrument dispensers.
- Convene an advisory council.
- Investigate complaints.
- Pursue enforcement actions.
- Administer a consumer information center.

Forecast Basis:

Revenue forecast was determined based on the projected growth of the occupation over time.

Recent Changes:

Fees increased in 2017 to reflect the increased program cost to regulate hearing instrument dispensers and trainees. This included an increase from \$600 to \$750 for the initial and renewal certificate, an increase from \$200 to \$230 for trainee status and an increase in other licensing fees. Other fee increases included a one-time surcharge to process criminal background checks, processing verification of licensure requests and late renewals. The program ceased collecting a \$500 fee for administering a written examination. In prior years the department administered a written exam, approved by the commissioner, on behalf of the International Hearing Society (IHS). The IHS moved toward administering the examination through an online examination system.

Agency Analysis/Comments:

The department will monitor if forecast revenue and expenditures actually result in a small net positive balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Home Care Licenses Summary

Purpose: The home care program licenses organizations that provide home care and home management services.

Legal Citation: M.S. 144A.43 – 144A.484

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

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

Appropriation: Non-dedicated Receipts-HRD (H12970H); Home Care Assessments (H12XX9H)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 467 | 1,252 | 2,175 | 3,606 | 3,606 | 5,260 | 6,889 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,404 | 4,928 | 5,326 | 5,549 | 7,178 | 5,609 | 7,238 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 7 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,404 | 4,935 | 5,326 | 5,549 | 7,178 | 5,609 | 7,238 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,114 | 3,364 | 3,163 | 3,163 | 3,163 | 3,163 | 3,163 |
| Indirect Expenditures | 505 | 648 | 732 | 732 | 732 | 732 | 732 |
| Total Expenditures | 3,619 | 4,012 | 3,895 | 3,895 | 3,895 | 3,895 | 3,895 |
| Current Difference | 785 | 923 | 1,431 | 1,654 | 3,283 | 1,714 | 3,343 |
| Accumulated Ending Balance | 1,252 | 2,175 | 3,606 | 5,260 | 6,889 | 6,974 | 10,232 |

Background Information:

This activity oversees home care providers within individual homes and assisted living settings.

Forecast Basis:

The forecast is based on estimates of the number of fee payers, fee rates and regulatory costs. Actual revenues have been lower than forecasted revenues in recent years.

Recent Changes:

The home care license fee increased by 10% effective July 1, 2018.

Agency Analysis/Comments:

Revenue has exceeded the available appropriation for this activity.

For information about the recommended fee change, see the Vulnerable Adults - Regulatory Reforms and Enhanced Protections change item in the Department of Health 2020-21 Governor's Budget Recommendations.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Interpreter Roster Application Fee

Purpose: The Spoken Language Health Care Roster is a searchable list by geographic area and language of spoken language health care interpreters.

Legal Citation: M.S. 144.058

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 692 | 832 | 957 | 1,071 | 1,071 | 1,185 | 1,185 |
| Resources: | | | | | | | |
| Departmental Earnings | 184 | 183 | 183 | 183 | 183 | 183 | 183 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 184 | 183 | 183 | 183 | 183 | 183 | 183 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 37 | 47 | 56 | 56 | 56 | 56 | 56 |
| Indirect Expenditures | 7 | 11 | 13 | 13 | 13 | 13 | 13 |
| Total Expenditures | 44 | 58 | 69 | 69 | 69 | 69 | 69 |
| Current Difference | 140 | 125 | 114 | 114 | 114 | 114 | 114 |
| Accumulated Ending Balance | 832 | 957 | 1,071 | 1,185 | 1,185 | 1,299 | 1,299 |

Background Information:

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

Forecast Basis:

The number of spoken language health care interpreters listed on the roster can vary monthly as there is no renewal cycle. Interpreters apply to the roster, pay a fee and provide an email address to receive the annual renewal notice. The revenue forecast assumes a constant environment based on FY2017 and FY2018 revenues and practitioner capacity.

Recent Changes:

The fees have not changed since the establishment of the program in 2009. The available appropriation for expenditures has not increased relative to fee revenue.

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Laboratory Accreditation Fee

Purpose: The Minnesota Environmental Laboratory program assures that environmental laboratory standards result in accurate scientific data.

Legal Citation: M.S. 144.98

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (22) | (24) | (40) | (124) | (124) | (208) | (208) |
| Resources: | | | | | | | |
| Departmental Earnings | 409 | 408 | 408 | 408 | 408 | 408 | 408 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 409 | 408 | 408 | 408 | 408 | 408 | 408 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 345 | 344 | 399 | 399 | 399 | 399 | 399 |
| Indirect Expenditures | 66 | 80 | 93 | 93 | 93 | 93 | 93 |
| Total Expenditures | 411 | 424 | 492 | 492 | 492 | 492 | 492 |
| Current Difference | (2) | (16) | (84) | (84) | (84) | (84) | (84) |
| Accumulated Ending Balance | (24) | (40) | (124) | (208) | (208) | (292) | (292) |

Background Information:

This program accredits public and private environmental laboratories to perform testing for federal and state programs that require laboratory certification for compliance determinations. The program works closely with the Minnesota Pollution Control Agency and environmental health programs within the department by ensuring that laboratories are held accountable to standards that support defensible and accurate data from which decisions are made regarding the environmental conditions in Minnesota. The fees exist to support program activities such as reviewing laboratory proficiency tests, assessment reports and standard operating procedures, before granting accreditation. The program accredits to the National Environmental Laboratory Accreditation Institute. The program approves third-party assessors who are responsible for the on-site review of the accredited laboratories.

Fees that a laboratory pays to be accredited depend on the specific testing for which the laboratory is seeking accreditation and range from \$800 to \$25,000 for a very large laboratory conducting a wide range of testing. The average fee for a laboratory seeking accreditation in 2018 was \$5,400. Primary customers of the program are data users from government programs seeking data to support compliance decisions for state and federal programs such as the Safe Drinking Water Act, Clean Water Act, underground storage tank program, and the resource conservation and recovery program, and state requirement for new wells. Other data users include any entity or citizen seeking data for which accuracy and defensibility of the data are important and include other regulatory programs and private citizens interested in credible environmental data.

Forecast Basis:

The forecast is based on the number of accredited labs, fee revenue and the cost of accreditation to the department. The program has experienced a 52% reduction in the number of laboratories seeking accreditation since 2011. Coupled with fee reductions in 2013, less revenue is available for the department to support laboratory standards.

Recent Changes:

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

Agency Analysis/Comments:

Recent expenses have been slightly greater than actual revenue. The department will monitor if anticipated estimated expenses materialize or if they remain at current levels.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Lead Program and Certification Fees

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

Legal Citation: M.S. 144.9505

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 51 | (66) | (278) | (626) | (626) | (978) | (978) |
| Resources: | | | | | | | |
| Departmental Earnings | 59 | 64 | 62 | 58 | 58 | 58 | 58 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 59 | 64 | 62 | 58 | 58 | 58 | 58 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 148 | 224 | 333 | 333 | 333 | 333 | 333 |
| Indirect Expenditures | 28 | 52 | 77 | 77 | 77 | 77 | 77 |
| Total Expenditures | 176 | 276 | 410 | 410 | 410 | 410 | 410 |
| Current Difference | (117) | (212) | (348) | (352) | (352) | (352) | (352) |
| Accumulated Ending Balance | (66) | (278) | (626) | (978) | (978) | (1,330) | (1,330) |

Background Information:

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

The department uses fee revenue to recover the cost to:

- License workers, supervisors, inspectors, risk assessors and project designers.
- Certifies abatement and renovation firms.
- Permit training course.
- Inspect sites for appropriate work practices.
- Provide consultation and technical assistance to regulated parties and property owners on issues related to lead-based paint hazards.
- Credential regulated parties and professions and performing compliance monitoring of their activities.
- Develop relationships with a broad spectrum of citizens, communities and public agencies.

There are approximately 157 certified firms who perform an estimated 350 projects annually. The five lead program disciplines are comprised of 600 individuals who seek licensure on an annual basis. There are 30 permitted training courses provided by five training entities each year. Training courses are required annually so that individuals involved in lead hazard reduction receive appropriate instruction and hands-on training to perform their jobs according to public health and worker safety standards.

Forecast Basis:

MDH has observed a decline in the number of individual licenses and certified lead firms over the past few years. This decline could be contributed to a decrease in overall funding from the U.S. Department of Housing and Urban Development for lead hazard reduction. The decrease is also attributed to declining levels of elevated blood leads in children and pregnant women in Minnesota.

Recent Changes:

The lead program was established in 1989. The fees established have not been modified since that time. Renovate, repair and paint rules have not yet gone into effect. We anticipate that revenues related to renovate, repair and paint may materialize in FY 2020, which are not yet forecast.

Agency Analysis/Comments:

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

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Medical Cannabis Program Fees

Purpose: The recover the cost of regulating the Medical Cannabis Program

Legal Citation: M.S. 152.35

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

Fund: State Government Special Rev (1200)

Appropriation: OMC Revenue (H12970M)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (257) | 129 | 680 | 1,849 | 1,849 | 3,016 | 3,016 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,095 | 1,708 | 2,329 | 2,329 | 2,329 | 2,329 | 2,329 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,095 | 1,708 | 2,329 | 2,329 | 2,329 | 2,329 | 2,329 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 592 | 940 | 892 | 894 | 894 | 894 | 894 |
| Indirect Expenditures | 117 | 217 | 268 | 268 | 268 | 268 | 268 |
| Total Expenditures | 709 | 1,157 | 1,160 | 1,162 | 1,162 | 1,162 | 1,162 |
| Current Difference | 386 | 551 | 1,169 | 1,167 | 1,167 | 1,167 | 1,167 |
| Accumulated Ending Balance | 129 | 680 | 1,849 | 3,016 | 3,016 | 4,183 | 4,183 |

Background Information:

The Medical Cannabis program was established in 2014. The customers of the program are individuals with medical conditions approved for medical cannabis by the Commissioner of Health. There are currently over 13,000 active patients in the program, which represents continuously growing since the program was established.

There are three different revenue fee types:

1. Manufacturer's fee of \$146,000.00 per manufacturer (currently two manufacturers).
2. Patient Fee of \$200.00.
3. Discounted Patient Fee of \$50.00 for patients that are on assistance (approximately half of the patients qualify for the discounted fee).

Fee revenues supports the patient registry, research and analytics, as well as regulating manufacturers.

Forecast Basis:

The forecast is based on the projected number of new fee payers, fee levels, ongoing re-enrollment and the cost of operating the program. When forecasting revenue only the current medical conditions approved were taken into consideration.

Recent Changes:

The patient fees have not changed since establishment of the program. The manufacturer fee has increased from \$94,000.00 in FY 2016 to \$146,000.00 in FY 2017.

Agency Analysis/Comments:

Revenues have exceeded the available appropriation for this activity.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Newborn Screening Fee

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

Legal Citation: M.S. 144.125; M.S. 144.966 Subd 3a

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

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

Appropriation: Non-dedicated Receipts-PHL (H12970S); PHL GF Non-dedicated Receipt (H12971S)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,547 | 4,307 | 4,329 | 3,814 | 3,814 | 3,286 | 3,286 |
| Resources: | | | | | | | |
| Departmental Earnings | 10,368 | 10,254 | 10,420 | 10,420 | 10,420 | 10,420 | 10,420 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 10,368 | 10,254 | 10,420 | 10,420 | 10,420 | 10,420 | 10,420 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 8,424 | 8,731 | 9,030 | 9,041 | 9,041 | 9,041 | 9,041 |
| Indirect Expenditures | 1,184 | 1,501 | 1,905 | 1,907 | 1,907 | 1,907 | 1,907 |
| Total Expenditures | 9,608 | 10,232 | 10,935 | 10,948 | 10,948 | 10,948 | 10,948 |
| Current Difference | 760 | 22 | (515) | (528) | (528) | (528) | (528) |
| Accumulated Ending Balance | 4,307 | 4,329 | 3,814 | 3,286 | 3,286 | 2,758 | 2,758 |

Background Information:

Minnesota is a national leader in newborn screening. This program screens all Minnesota newborns soon after birth to see if they are at risk for rare, hidden disorders. If left untreated, these disorders can lead to illness, physical disability, developmental delay, or death. By identifying these disorders early, interventions, medications, or changes in diet can help prevent most health problems caused by the disorders on the newborn screening panel. The current fee is \$135 per specimen. An additional \$15 per specimen fee is collected to cover the General Fund cost of follow-up services for children who are found to be deaf or hard-of-hearing through the newborn screening program.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Forecasted program costs are increasing due to the addition of new disorders to the screening panel. In addition, although birth rates have previously slowed, they are predicted to increase slowly in the upcoming years.

Recent Changes:

Fees related to this program last changed in fiscal year 2013 after the addition of two disorders to the screening panel. The fee increased from \$106 to \$135 per specimen. At this same time, the legislature enacted an additional \$15 fee for follow-up services for children found to be deaf or hard-of-hearing through newborn screening.

Agency Analysis/Comments:

Revenue and expenditures for this program affect the bottom line of both the general fund and state government special revenue fund. In FY 2019, estimated revenue for the \$135 fee in the state government special revenue fund is \$9,378,000 to support an appropriation of \$10,130,000, resulting in a projected \$752,000 loss to the fund. In the past, however, actual expenses in the state government special revenue fund expenses have been below forecast, mitigating prior loss. The \$15 fee in FY 2019 is estimated to provide \$1,042,000 in revenue to the general fund to support an \$805,000 appropriation for follow up services for children who are found to be deaf or hard-of hearing, resulting in a \$237,000 positive impact to the general fund.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Plan Review and Inspection Fees for Water Treatment

Purpose: The program reviews plans for public water supply system additions and changes.

Legal Citation: M.S. 115.77 and 144.383; Minnesota Rules 4720.0010-0015

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

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

Appropriation: Public Interest Review (H12102J); Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (237) | (271) | (231) | (282) | (282) | (333) | (333) |
| Resources: | | | | | | | |
| Departmental Earnings | 126 | 115 | 111 | 111 | 111 | 111 | 111 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 126 | 115 | 111 | 111 | 111 | 111 | 111 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 134 | 61 | 132 | 132 | 132 | 132 | 132 |
| Indirect Expenditures | 26 | 14 | 30 | 30 | 30 | 30 | 30 |
| Total Expenditures | 160 | 75 | 162 | 162 | 162 | 162 | 162 |
| Current Difference | (34) | 40 | (51) | (51) | (51) | (51) | (51) |
| Accumulated Ending Balance | (271) | (231) | (282) | (333) | (333) | (384) | (384) |

Background Information:

The commissioner's authority to approve the site, design, construction, and alteration of public water supplies was established in 1977. The program reviews plans to ensure compliance with state standards, and other widely recognized national standards for health and safety of community public water systems. The program works with the 640 community water supply systems and their engineering consultants, along with the municipal governments, to optimize system design, and conduct inspections of water system infrastructure construction. Fees range from \$150 to \$1000 depending on the type of infrastructure improvement.

Forecast Basis:

Revenue for this program is generated by drinking water construction projects and will vary depending on economic conditions, and the availability of grants and low interest loans. For the past several years, revenues have fallen short of expenditures. It is possible that revenues may increase as the economy improves, but the forecast is for revenues to remain stable.

Recent Changes:

The program has not had any recent statutory changes. Fees were last revised over 30 years ago.

Agency Analysis/Comments:

Forecast expenditures are in excess of revenue. In the past, actual expenditures have aligned with revenue. The department will monitor if future revenues and expenditures remain in balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Radioactive Materials Registration and License Fees

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

Legal Citation: M.S. 144.1205

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 410 | 469 | 449 | 415 | 415 | 381 | 381 |
| Resources: | | | | | | | |
| Departmental Earnings | 701 | 652 | 651 | 651 | 651 | 651 | 651 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 701 | 652 | 651 | 651 | 651 | 651 | 651 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 539 | 546 | 556 | 556 | 556 | 556 | 556 |
| Indirect Expenditures | 103 | 126 | 129 | 129 | 129 | 129 | 129 |
| Total Expenditures | 642 | 672 | 685 | 685 | 685 | 685 | 685 |
| Current Difference | 59 | (20) | (34) | (34) | (34) | (34) | (34) |
| Accumulated Ending Balance | 469 | 449 | 415 | 381 | 381 | 347 | 347 |

Background Information:

The Minnesota Department of Health assumed regulatory control of all radioactive materials in March 2006 under an Agreement with the Nuclear Regulatory Commission (NRC). The regulated community that uses radioactive materials is primarily comprised of healthcare, industrial, research and academic facilities. The fee exists to cover the costs of incident response, inspections, and the licensing of users of radioactive material. License fees are based on the type of use of the radioactive materials, and the risk associated with that use. Licensees with mobile radioactive material or larger scale programs will have larger fees than those with radioactive material that is considered less of a public health and safety risk. Currently there are approximately 220 licensees regulated by MDH.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. Program operating costs continue to rise and the income remains static. The Nuclear Regulatory Commission has steadily raised fees for individuals in states not included in the Agreement State Program. Minnesota's fee structure is at ~28% of those charged by the NRC. Recent changes in federal and state regulations for increased security requirements, have added to the inspection and licensing activities in the radioactive materials unit. The number of licensees over the history of the program has decreased slightly with large organizations acquiring smaller facilities and adding them to the larger license.

Recent Changes:

The program's fees were codified in 2004 and have not changed.

Agency Analysis/Comments:

MDH will continue to monitor this program to determine whether projection revenue supports the required workload.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Radon Licensing

Purpose: The radon program licenses and regulates certain radon measurement and mitigation services.

Legal Citation: M.S. 144.4961

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | (92) | (314) | (467) | (460) | (460) | (305) | (305) |
| Resources: | | | | | | | |
| Departmental Earnings | | | 258 | 447 | 447 | 457 | 457 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | | 258 | 447 | 447 | 457 | 457 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 187 | 124 | 204 | 237 | 237 | 237 | 237 |
| Indirect Expenditures | 35 | 29 | 47 | 55 | 55 | 55 | 55 |
| Total Expenditures | 222 | 153 | 251 | 292 | 292 | 292 | 292 |
| Current Difference | (222) | (153) | 7 | 155 | 155 | 165 | 165 |
| Accumulated Ending Balance | (314) | (467) | (460) | (305) | (305) | (140) | (140) |

Background Information:

Radon is a colorless, odorless radioactive gas that seeps up from the earth. When inhaled, it gives off radioactive particles that can damage the cells that line the lung. There is no known, safe level and the greatest risk for exposure is where radon gas can concentrate—indoors. To prevent lung cancer from radon, it is necessary to have qualified professionals measure radon and install radon-reduction systems in homes with high radon levels.

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

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

MDH will begin regulating radon contractors on January 1, 2019.

Forecast Basis:

The forecast is based on the number of fee payers, fee revenue and the cost to the department of administering the program. The accumulated deficit is expected to balance out over the forecasted period. The fee forecast is based on the number of radon professionals that are currently certified through a voluntary national program, in the state of Minnesota. In addition, mitigation tag estimates are based on the numbers of systems that have been reported to MDH in the last 3 years, and factoring in a 10% for those professionals that have not reported mitigation work to the department. The strength of the economy and real estate market may influence the numbers of regulated parties and fees. Increased confidence in the industry and higher quality work may result in higher numbers of customers and fees.

Recent Changes:

The program was established in 2015 and modified in 2016. The fee structure was changes in statute in the 2016 legislature. In 2017, the legislature delayed implementation of radon licensure.

Agency Analysis/Comments:

The activity has an accrued deficit from startup costs that will be balanced out in the forecast period as revenue is earned beginning halfway through FY 2019.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Speech Language Pathologist and Audiologist Registration Fee

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

Legal Citation: M.S. 148.5194 and 153A.17

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-HRD (H12970H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 331 | 397 | 460 | 502 | 502 | 579 | 557 |
| Resources: | | | | | | | |
| Departmental Earnings | 320 | 317 | 327 | 338 | 338 | 352 | 352 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | 24 | 2 | 2 | 2 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 320 | 317 | 327 | 362 | 340 | 354 | 354 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 213 | 206 | 231 | 231 | 231 | 247 | 247 |
| Indirect Expenditures | 41 | 48 | 54 | 54 | 54 | 57 | 57 |
| Total Expenditures | 254 | 254 | 285 | 285 | 285 | 304 | 304 |
| Current Difference | 66 | 63 | 42 | 77 | 55 | 50 | 50 |
| Accumulated Ending Balance | 397 | 460 | 502 | 579 | 557 | 629 | 607 |

Background Information:

The program fees include the initial licensing fee of \$200 for speech-language pathologist and a one-time surcharge of \$10.50 to process criminal background checks; \$510 for audiologists and a one-time surcharge of \$13.00 to process background checks; \$600 for audiologists who must pass a practical exam to dispense hearing instruments; \$60 fee for late renewals, \$25 to verify a license, and penalties fees for practicing before licensure or during a lapse and failure to submit the required continuing education hours. The surcharge is collected from individuals who apply for a temporary, full or re-licensure after a lapse. In January 2020, the department will collect the surcharge from licensees who renew and were not required to submit to the background check when they initially applied for licensure.

Fee revenue from the Speech-Language Pathologist and Audiologist Licensing program is used to:

- Issue licenses to speech language pathologists and audiologists.
- Administer a hearing instrument practical examination.
- Convene an advisory council.
- Investigate complaints.
- Pursue enforcement actions.
- Administer a consumer information center.

Forecast Basis:

Revenue forecast was determined based on the projected growth of the occupation over time. By the end of FY 2018, there were 1,754 speech language pathologists and 475 audiologists in the licensing system. The program has seen a steady increase in the number of individuals applying for licensure, with a mix of new graduates and individuals applying through reciprocity or other methods authorized by the regulation. We presume the occupation will continue to grow to meet the demand for speech language pathologists and audiologists in all age cohorts.

Recent Changes:

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

Agency Analysis/Comments:

Forecast revenues are greater than the available appropriation for the activity. The department will monitor fee revenue to see if the revenue forecast materializes and if resources to support the workload are sufficient.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Statewide Hospitality Facility License Fee Summary

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

Legal Citation: M.S. 157.16

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 952 | 995 | 1,009 | 1,053 | 1,053 | 1,097 | 1,097 |
| Resources: | | | | | | | |
| Departmental Earnings | 767 | 827 | 800 | 800 | 800 | 800 | 800 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 767 | 827 | 800 | 800 | 800 | 800 | 800 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 608 | 660 | 614 | 614 | 614 | 614 | 614 |
| Indirect Expenditures | 116 | 153 | 142 | 142 | 142 | 142 | 142 |
| Total Expenditures | 724 | 813 | 756 | 756 | 756 | 756 | 756 |
| Current Difference | 43 | 14 | 44 | 44 | 44 | 44 | 44 |
| Accumulated Ending Balance | 995 | 1,009 | 1,053 | 1,097 | 1,097 | 1,141 | 1,141 |

Background Information:

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

The department uses fee revenue to:

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

Forecast Basis:

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

Recent Changes:

The fee was increased by \$5 in 2017 to \$40 resulting in an increase of approximately \$60,000 in revenue for FY 2018. No significant changes are expected for FY 2020 and FY 2021.

Agency Analysis/Comments:

Revenues are forecast to exceed the available appropriation for this activity.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Trauma Centers

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

Legal Citation: 144.603

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

Fund: General (1000)

Appropriation: Non-dedicated Receipts-HRD (H12971H)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 36 | 135 | 128 | 54 | 54 | (20) | (20) |
| Resources: | | | | | | | |
| Departmental Earnings | 356 | 354 | 354 | 354 | 354 | 354 | 354 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 356 | 354 | 354 | 354 | 354 | 354 | 354 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 257 | 361 | 428 | 428 | 428 | 428 | 428 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 257 | 361 | 428 | 428 | 428 | 428 | 428 |
| Current Difference | 99 | (7) | (74) | (74) | (74) | (74) | (74) |
| Accumulated Ending Balance | 135 | 128 | 54 | (20) | (20) | (94) | (94) |

Background Information:

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

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

Fee revenue supports the operations of the statewide trauma system:

- Professional contracts with experienced surgeons, physicians and nurses.
- Four MDH staff who administer the program and coordinate as well as review—along with the contracted professionals, approximately 40 hospitals each year.
- Oversee designation, re-designation and probationary status of hospitals.
- Coordinate compliance with—as well as exception waiver requests from—the emergency medical services trauma triage and transportation law.
- Collect, analyze and publish trauma registry data.
- Appoint members to and monitor activities of six regional trauma advisory committees.
- Convene the commissioner-appointed State Trauma Advisory Council (STAC).

Forecast Basis:

All licensed Minnesota hospitals, regardless of whether they voluntarily participate in the trauma system, pay a base charge per facility and a charge per licensed bed and bassinets.

Recent Changes:

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

Agency Analysis/Comments:

Forecast expenditures to manage the program are expected to exceed revenue sources. MDH will continue to monitor this program to determine whether a change is needed to bring revenues and expenditures into balance.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: Well Management Program Fees

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

Legal Citation: M.S. 1031.521

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | (902) | (914) | (1,286) | (1,691) | (1,691) | (2,262) | (2,262) |
| Resources: | | | | | | | |
| Departmental Earnings | 3,395 | 3,429 | 3,429 | 3,429 | 3,429 | 3,429 | 3,429 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,395 | 3,429 | 3,429 | 3,429 | 3,429 | 3,429 | 3,429 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,862 | 3,084 | 3,113 | 3,248 | 3,248 | 3,242 | 3,242 |
| Indirect Expenditures | 545 | 717 | 721 | 752 | 752 | 751 | 751 |
| Total Expenditures | 3,407 | 3,801 | 3,834 | 4,000 | 4,000 | 3,993 | 3,993 |
| Current Difference | (12) | (372) | (405) | (571) | (571) | (564) | (564) |
| Accumulated Ending Balance | (914) | (1,286) | (1,691) | (2,262) | (2,262) | (2,826) | (2,826) |

Background Information:

The mission of the MDH Well Program is to protect the safety of well water, and to locate and seal abandoned wells, which can act as conduits for contamination to drain deep into the ground and pollute our irreplaceable groundwater supplies. Principal tasks of the program include maintaining and enforcing well/boring regulations, licensing and training well/boring contractors, assuring the sealing of unused wells and borings, providing education and technical assistance to contractors, consultants, and the public, and maintaining records on wells and borings.

Forecast Basis:

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

Recent Changes:

During the 2013 session, legislation was enacted that expanded the types of bored geothermal heat exchangers subject to regulation by the department. This increased fee revenues and expenditures however, the rules have not been promulgated and not all the fees are being collected. During the 2017 session, legislation was enacted that increased fees across several categories, eliminated some licensing categories and eliminated fees on other agencies.

Agency Analysis/Comments:

The department will closely monitor expenditures to ensure they meet workload requirements while keeping the activity in balance with revenue.

Agency: Health

2020-21 Departmental Earnings

Earnings Group: X-Ray Machines Registration and Inspection Fees

Purpose: To recover the costs of x-ray registration and inspection program.

Legal Citation: M.S. 144.121

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

Fund: State Government Special Rev (1200)

Appropriation: Non-dedicated Receipts-EH (H12970P)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,070 | 2,371 | 2,527 | 2,523 | 2,523 | 2,669 | 2,669 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,528 | 1,525 | 1,525 | 1,525 | 1,525 | 1,525 | 1,525 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,528 | 1,525 | 1,525 | 1,525 | 1,525 | 1,525 | 1,525 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,031 | 1,112 | 1,241 | 1,119 | 1,119 | 1,119 | 1,119 |
| Indirect Expenditures | 196 | 257 | 288 | 260 | 260 | 260 | 260 |
| Total Expenditures | 1,227 | 1,369 | 1,529 | 1,379 | 1,379 | 1,379 | 1,379 |
| Current Difference | 301 | 156 | (4) | 146 | 146 | 146 | 146 |
| Accumulated Ending Balance | 2,371 | 2,527 | 2,523 | 2,669 | 2,669 | 2,815 | 2,815 |

Background Information:

This program strives to control and prevent hazards to health and safety from ionizing radiation, without limiting or interfering with its constructive uses. Except as otherwise specifically provided, x-ray applies to all persons who receive, possess, use, transfer, own or acquire any radiation-producing equipment. This program does not include those sources of ionizing radiation known as radioactive materials.

Forecast Basis:

Projections are based on the number of new facilities and x-ray equipment sources registered since 2007. Growth is expected to continue with the shift in equipment from analog to digital. Data shows a steady increase in facilities and equipment installations.

Recent Changes:

The last fee increase was in 2009.

Agency Analysis/Comments:

Forecast revenues are greater than the available appropriation. MDH will continue to monitor this program to determine if projected expenditures and revenues remain in balance.

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2020-21 Biennial Budget - Departmental Earnings

Higher Education, Office of
Private Postsecondary Licensure and Registration Fees

Agency: Higher Education, Office of

2020-21 Departmental Earnings

Earnings Group: Private Postsecondary Licensure and Registration Fees

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

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: PIR/PCS Licensure (E602500)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,752 | 1,451 | 1,088 | 946 | 946 | 819 | 819 |
| Resources: | | | | | | | |
| Departmental Earnings | 377 | 385 | 384 | 384 | 384 | 384 | 384 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 377 | 385 | 384 | 384 | 384 | 384 | 384 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 630 | 690 | 501 | 486 | 486 | 492 | 492 |
| Indirect Expenditures | 48 | 58 | 25 | 25 | 25 | 25 | 25 |
| Total Expenditures | 678 | 748 | 526 | 511 | 511 | 517 | 517 |
| Current Difference | (301) | (363) | (142) | (127) | (127) | (133) | (133) |
| Accumulated Ending Balance | 1,451 | 1,088 | 946 | 819 | 819 | 686 | 686 |

Background Information:

Licensure of private degree granting postsecondary institutions.

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

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

Forecast Basis:

Based on historical receipt patterns.

Recent Changes:

None

Agency Analysis/Comments:

State participation in State Authorization Reciprocity Agreements (SARA) will continue to decrease future revenues.

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2020-21 Biennial Budget - Departmental Earnings

Human Rights

Compliance Certificates

Pay Equity Certificates

Agency: Human Rights

2020-21 Departmental Earnings

Earnings Group: Compliance Certificates

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

Legal Citation: M.S. 363A.36, subd. 2

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Compliance Certificates (G172000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 292 | (513) | (1,256) | (2,111) | (2,111) | (2,996) | (2,996) |
| Resources: | | | | | | | |
| Departmental Earnings | 35 | 137 | 50 | 50 | 50 | 50 | 50 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 35 | 137 | 50 | 50 | 50 | 50 | 50 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 833 | 873 | 895 | 925 | 925 | 955 | 955 |
| Indirect Expenditures | 7 | 7 | 10 | 10 | 10 | 10 | 10 |
| Total Expenditures | 840 | 880 | 905 | 935 | 935 | 965 | 965 |
| Current Difference | (805) | (743) | (855) | (885) | (885) | (915) | (915) |
| Accumulated Ending Balance | (513) | (1,256) | (2,111) | (2,996) | (2,996) | (3,911) | (3,911) |

Background Information:

The fee for the Workforce Certificate of Compliance is statutorily set in Minn. Stat. 363A.36 Subd. 2 at \$150. The period of 4 years for the certificate's validity is set in Minn. Stat. 363A.36 Subd. 1. Revenue from this fee is statutorily dedicated to a special revenue account to support the activities of this program. On 8/1/2013, Workforce Compliance certificates switched from two-year to four-years in duration.

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

Forecast Basis:

This program has been in place for decades and the Department has used past certificate fee data as well as analysis of recent changes to generate projections.

Recent Changes:

The original fee was set by statute in 2003 and has never been adjusted for inflation. In 2013, this certificate was changed from being valid for 4 years instead of the prior 2 years. At that time, the fee was also changed from \$75 to \$150 to keep it revenue neutral. Since then no additional changes have been made to the fees or the program more generally.

Agency Analysis/Comments:

Fees generated by this certificate does not cover the cost of the program and have not for decades. It was not the apparent legislative intent for this fee to fully cover the cost of the program in Minn. Stat. 363A.36-37 and related statutes.

Agency: Human Rights

2020-21 Departmental Earnings

Earnings Group: Pay Equity Certificates

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

Legal Citation: M.S. 363A.44

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pay Equity Certificates (G172900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 26 | (173) | (375) | (605) | (605) | (835) | (835) |
| Resources: | | | | | | | |
| Departmental Earnings | 41 | 48 | 30 | 40 | 40 | 30 | 30 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 41 | 48 | 30 | 40 | 40 | 30 | 30 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 238 | 248 | 257 | 267 | 267 | 277 | 277 |
| Indirect Expenditures | 2 | 2 | 3 | 3 | 3 | 3 | 3 |
| Total Expenditures | 240 | 250 | 260 | 270 | 270 | 280 | 280 |
| Current Difference | (199) | (202) | (230) | (230) | (230) | (250) | (250) |
| Accumulated Ending Balance | (173) | (375) | (605) | (835) | (835) | (1,085) | (1,085) |

Background Information:

The fee for the Equal Pay Certificate is statutorily set in Minn. Stat. 363A.44, Subd. 2 at \$150. The period of 4 years for the certificate's validity is set in Minn. Stat. 363A.44, Subd. 1. Revenue from this fee is statutorily dedicated to a special revenue account to support the activities of this program.

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

Forecast Basis:

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

Recent Changes:

There have been no recent changes to this program.

Agency Analysis/Comments:

Fees generated by this certificate does not fully cover the cost of the program. When the Women's Economic Security Act (WESA) law was enacted by the legislature, creating this program, there was general fund money included to pay for a vast majority of the program's expenses. It was not the apparent legislative intent for this fee to fully cover the cost of the program in Minn. Stat. 363A.44.

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2020-21 Biennial Budget - Departmental Earnings

Human Services

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

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Alternative Care

Purpose: Client premium required from some 135-day eligible to help pay program participation costs

Legal Citation: M.S. 256B.0913

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

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 34 Alternative Care Grants (H551227); 34 Medicaid Services (H551563)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 1,138 | 1,097 | 1,034 | 1,064 | 1,064 | 1,092 | 1,092 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,138 | 1,097 | 1,034 | 1,064 | 1,064 | 1,092 | 1,092 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,138 | 1,097 | 1,034 | 1,064 | 1,064 | 1,092 | 1,092 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,138 | 1,097 | 1,034 | 1,064 | 1,064 | 1,092 | 1,092 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

Alternative Care is state funded and as of 11/1/13 also receives a FFP. The program was designed with client participation to support the program. A fee is required for all Alternative Care eligible clients to help pay for the cost of participating in the program. The amount of the fee that the client pays is determined as follows:

- When the Alternative Care client's income less recurring and predictable medical expenses is less than 100% FPG and their total assets are less than \$10,000 the fee is zero,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 100% FPG but less than 150% FPG and total assets are less than \$10,000 the fee is 5% of the total cost of the Alternative Care services that the client uses,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 150% FPG but less than 200% FPG and total assets are less than \$10,000 the fee is 15% of the total cost of the Alternative Care services that the client uses,
- When the Alternative Care client's income less recurring and predictable medical expenses is equal to or greater than 200% FPG or,
- When the Alternative Care client's assets are equal to or greater than \$10,000, the fee is 30% of the cost of AC services that the client uses.

Fees are due and payable each month Alternative Care services are received unless the actual cost of the services is less than the fee, in which case the fee is the lesser amount. The commissioner will bill and collect the fee from the client and the money collected is deposited in the general fund.

Forecast Basis:

None

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

None

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Background Study Fees

Purpose: To recover the cost of background studies

Legal Citation: M.S. 144.057, 245C.10, 524.5-118., 518.165 Subd. 4

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 11 Licensing/Bkgrd Studies (H551127)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,461 | 2,623 | 1,611 | 85 | 85 | | |
| Resources: | | | | | | | |
| Departmental Earnings | 4,216 | 3,782 | 3,797 | 6,057 | 6,271 | 6,142 | 6,317 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1,706 | 1,895 | 1,574 | 1,574 | 1,574 | 1,574 | 1,574 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 481 | 875 | 370 | 456 | 456 | 456 | 456 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,441 | 4,802 | 5,001 | 7,175 | 7,389 | 7,260 | 7,435 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 6,279 | 5,814 | 6,432 | 7,165 | 7,379 | 7,165 | 7,340 |
| Indirect Expenditures | | | 95 | 95 | 95 | 95 | 95 |
| Total Expenditures | 6,279 | 5,814 | 6,527 | 7,260 | 7,474 | 7,260 | 7,435 |
| Current Difference | (838) | (1,012) | (1,526) | (85) | (85) | | |
| Accumulated Ending Balance | 2,623 | 1,611 | 85 | | | | |

Background Information:

The Licensing Division conducts background studies on prospective adoptive families, on prospective guardians and guardians ad litem, and on employees and contractors providing services for agencies licensed by DHS, MDH, programs serving youth and children licensed by the Department of Corrections (DOC) and non-licensed Personal Care Provider Organizations (PCPO). Currently, county licensing agencies only completed background studies on family child care providers.

Revenues obtained from these background studies are placed in Appropriation H551127, a 2000 fund account. The background study fees collected are appropriated to the Commissioner for the purpose of conducting background studies. (See Minnesota Statutes, section 245C.10). There are 12 revenue accounts and three revenue source codes. The earnings report identifies background study fees collected under these revenue source codes. It does not include revenues collected from state agencies. The total background study fees collected in FY10 were \$3,653,000.

Forecast Basis:

Budgets and revenues are based on interagency agreements with MDH, BBHT, DOC and the Minnesota Supreme Court. Charges are set forth in M.S. 245C.10 subd. 2 & 3.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

For information about the Governor's recommended changes see the Clarify and Strengthen Provider Screening and Enrollment, Early Intensive Developmental and Behavioral Intervention (EIDBI) Criminal Background Studies and Head Start Background Checks (MDE) change items in the Department of Human Services 2020-21 Governor's Budget Recommendations book.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Child Support Enforcement Division Fees

Purpose: To offset the cost of child support enforcement

Legal Citation: M.S. 518A.51, Subd 7

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

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 44 Child Support Enforce Grts (H551194); 91 TIV-D Child Support Admin (H551299)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | 60 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 5,440 | 5,633 | 4,820 | 4,820 | 4,820 | 4,820 | 4,820 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,440 | 5,633 | 4,820 | 4,820 | 4,820 | 4,820 | 4,820 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,440 | 5,573 | 4,880 | 4,820 | 4,820 | 4,820 | 4,820 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 5,440 | 5,573 | 4,880 | 4,820 | 4,820 | 4,820 | 4,820 |
| Current Difference | | 60 | (60) | | | | |
| Accumulated Ending Balance | | 60 | | | | | |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Child Support Enforcement Division Fees

Background Information:

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

Forecast Basis:

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

Recent Changes:

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

Agency Analysis/Comments:

None.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Federal Collections Fee

Purpose: To offset cost of child support enforcement

Legal Citation: M.S. 518A.51, Subd 7

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

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 44 Child Support Enforce Grts (H551194); 91 TIV-D Child Support Admin (H551299)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 1,436 | 1,426 | 1,223 | 1,223 | 1,223 | 1,223 | 1,223 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,436 | 1,426 | 1,223 | 1,223 | 1,223 | 1,223 | 1,223 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,436 | 1,426 | 1,223 | 1,223 | 1,223 | 1,223 | 1,223 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,436 | 1,426 | 1,223 | 1,223 | 1,223 | 1,223 | 1,223 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Federal Collections Fee

Background Information:

Laws of 2006, Regular Session, Chapter 282, Article 18, section 3 amends M.S. 2004, section 518.551, subdivision 7 to include the collection of a \$25 fee from each individual who has never received assistance under a state program funded under Tile IV-A of the Social Security Act and for whom the public authority has collected at least \$500 of support. This language has been codified in M.S. 518A.51.

Forecast Basis:

The amount is the projected collections of the \$25 fee (federal and state share).

Recent Changes:

The fee was implemented in August 2007 with a retroactive collection based on an effective date of October 1, 2006 based on the legislation cited above.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Human Services Licensing Division

Purpose: To collect licensing fees for rules 3, 4, 29, 31, 32, 36, 80, 223 and programs under M.S. 245A.22, children’s residential facilities, and program under M.S. 245D.

Legal Citation: M.S. 245A.10 Subd. 3, 4 and 5

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

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

Appropriation: 11 Licensing/Bkgrd Studies (H551127); 91 Non Dedicated Revenue (H551446)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 4,436 | 4,587 | 4,400 | 4,400 | 6,269 | 4,400 | 6,270 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,436 | 4,587 | 4,400 | 4,400 | 6,269 | 4,400 | 6,270 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,436 | 4,587 | 4,400 | 4,400 | 6,269 | 4,400 | 6,270 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4,436 | 4,587 | 4,400 | 4,400 | 6,269 | 4,400 | 6,270 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

This earnings statement included licensing fees collected pursuant to M.S. 245A.10. License fees are treated as non-dedicated revenues and deposited into the state government special revenue fund.

Forecast Basis:

License fees vary by type of program licensed. The forecast is based on current collection history.

Recent Changes:

Fees were increased in 2003 and the fee schedule was placed in statute. In 2005, the fee schedule was reduced 25 percent for child care centers. In 2011, fees were increased \$900,000 and license fees were placed in the state government special revenue fund. In 2013, a fee schedule was adopted for the Home and Community-Based Services programs (MN Stat. Chapter 245D) to be licensed beginning January 1, 2014.

Agency Analysis/Comments:

Laws of Minnesota 2013, Chapter 198, Article 59, Section 59, requires a report on transfer of vulnerable adult maltreatment investigation duties.

Under paragraph (a), the Commissioner of Human Services shall provide a follow-up report on the collection of fees and actual licensing and maltreatment investigation costs resulting from the reform of the standards and oversight for home and community-based services as adopted and funded by the 2013 Legislature.

Under paragraph (b), the report must identify the actual fees collected based on provider revenue, distinguish the amount of fees collected based on non-medical assistance revenue, and determine the impact of the non-medical assistance revenues on future licensing fees.

Under paragraph (c), the report must recommend how maltreatment investigations, when conducted by the Commissioner of Human Services, should be funded and at what amount. The recommendation must identify whether maltreatment investigation costs should be recovered through licensure fees, an appropriation from the general fund, provider fines for substantiated maltreatment, licensing fee surcharges related to substantiated maltreatment, or a combination of these sources.

Under paragraph (f), the Commissioner must submit the report with draft legislation proposing alternative fees, if necessary, to the chairs and ranking minority members of the legislative committees with jurisdiction over health and human services policy and finance by July 1, 2015.

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

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Human Services Miscellaneous Fees

Purpose: Human Services Miscellaneous Fees

Legal Citation:

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

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

Appropriation: 91 School IEP Health Services (H551166); 15 Customer Survey/HRQ (H551377); 91 Communication Impaired (H551389); 14 Systems Operations (H551405); 15 Systems Operations (H551407); 91 FDA Tobacco Inspections (H551484); 11 Provider Screening (H551567); 16 MN.IT@DHS (H551661); 11 FMO Systems Operations (H551662)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 56,965 | 990 | 900 | 900 | 900 | 900 | 900 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 56,965 | 990 | 900 | 900 | 900 | 900 | 900 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 56,965 | 990 | 900 | 900 | 900 | 900 | 900 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 56,965 | 990 | 900 | 900 | 900 | 900 | 900 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: MA-EPD Premium

Purpose: MA-EPD provides subsidized health insurance coverage using a base \$35 or sliding fee for premiums, along with a one half percent of any unearned income.

Legal Citation: M.S. 256B.057

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

Fund: Restrict Misc Special Revenue (2000); Federal (3000)

Appropriation: 33 Medicaid Services (H551072); 33 Medical Assistance Grants (H551148)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 8,883 | 9,431 | 9,600 | 9,600 | 9,600 | 9,600 | 9,600 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 8,883 | 9,431 | 9,600 | 9,600 | 9,600 | 9,600 | 9,600 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 8,883 | 9,431 | 9,600 | 9,600 | 9,600 | 9,600 | 9,600 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 8,883 | 9,431 | 9,600 | 9,600 | 9,600 | 9,600 | 9,600 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: MA-EPD Premium

Background Information:

M.S. 256B.057 provides that individuals enrolling the MA-EPD program will be charged a premium based on a sliding scale or a minimum \$35 premium, whichever is greater. The premium cannot exceed 7.5% of a person's gross income. People enrolled in MA-EPD who have unearned income must also pay one half percent of their gross unearned income, in addition to the premium.

Forecast Basis:

The forecasted amounts are based on DHS's projections of MA-EPD enrollment. Premiums are assessed using a predetermined sliding scale of 1% to 7.5% of gross income or \$35 minimum, whichever is greater. Unearned Income Obligation is ½% of gross unearned income.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

None.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Minnesota Sex Offender Program Cost of Care

Purpose: To provides services to individuals who have been civilly committed to receive sex offender treatment.

Legal Citation: M.S. 246B.01, Subd. 2b

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

Fund: General (1000)

Appropriation: 71 MN Sex Offender Program (Non-Dedicated Rev) (H550000)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (89,258) | (172,675) | (261,389) | (261,389) | (346,905) | (355,905) |
| Resources: | | | | | | | |
| Departmental Earnings | 12,402 | 14,284 | 14,800 | 14,800 | 16,583 | 14,800 | 16,807 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | 3,500 | 5,581 | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 6,739 | 5,536 | 3,086 | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,663 | 12,248 | 17,295 | 14,800 | 16,583 | 14,800 | 16,807 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 85,083 | 85,907 | 92,813 | 87,120 | 97,903 | 87,669 | 98,676 |
| Indirect Expenditures | 9,838 | 9,758 | 13,196 | 13,196 | 13,196 | 13,196 | 13,196 |
| Total Expenditures | 94,921 | 95,665 | 106,009 | 100,316 | 111,099 | 100,865 | 111,872 |
| Current Difference | (89,258) | (83,417) | (88,714) | (85,516) | (94,516) | (86,065) | (95,065) |
| Accumulated Ending Balance | (89,258) | (172,675) | (261,389) | (346,905) | (355,905) | (432,970) | (450,970) |

Background Information:

Minnesota Sex Offender Program (MSOP) provides services to individuals who are committed as “sexual psychopathic personality” and/or a “sexually dangerous person.” MSOP services include assessment, diagnosis, care, treatment, supervision and other services to clients.

MSOP is funded by general fund appropriations. When a county commits someone to the program, under M.S. 246B.10, the county is responsible for part of the cost of care. For commitments that occurred before August 2011, the county share is ten percent. For commitments after that date, the county share is 25 percent.

Forecast Basis:

Cost of Care is defined in M.S. 246B.01, Subd. 2b as the commissioner’s charge for housing and treatment provide to any person admitted to MSOP. That statute also specifies that: “ ‘charge for housing and treatment services’ means the cost of services, treatment, maintenance, bonds issued for capital improvements, depreciation of buildings and equipment, and indirect costs related to the operation of state [MSOP] facilities. The commissioner may determine the charge for services on an anticipated average per diem basis as an all-inclusive charge per facility.”

Recent Changes:

Under the authority of M.S. 246B.01, Subd. 2b, Cost of Care per diem rates for services are calculated and set annually based on estimated costs for the upcoming fiscal year.

Agency Analysis/Comments:

Cost of Care per diem rates are exempt from the legislative approval requirement of M.S. 16A.1283 because they are a charge for “services provided for the direct and primary use of private individuals.”

For information about the recommended fee change, see the Minnesota Sex Offender Program Funding change item in the Department of Human Services 2020-21 Governor’s Budget Recommendations book.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Minnesota Sex Offender Program Industry

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

Legal Citation: M.S. 246B.06

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

Fund: Minnesota State Industries (4503)

Appropriation: 64 MSOP Vocational Program (H550002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,222 | 1,217 | 1,562 | 1,549 | 1,549 | 1,536 | 1,536 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,352 | 1,898 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 11 | 22 | 10 | 10 | 10 | 10 | 10 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,363 | 1,920 | 1,607 | 1,607 | 1,607 | 1,607 | 1,607 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,232 | 1,562 | 1,607 | 1,607 | 1,607 | 1,607 | 1,607 |
| Indirect Expenditures | 136 | 13 | 13 | 13 | 13 | 13 | 13 |
| Total Expenditures | 1,368 | 1,575 | 1,620 | 1,620 | 1,620 | 1,620 | 1,620 |
| Current Difference | (5) | 345 | (13) | (13) | (13) | (13) | (13) |
| Accumulated Ending Balance | 1,217 | 1,562 | 1,549 | 1,536 | 1,536 | 1,523 | 1,523 |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Minnesota Sex Offender Program Industry

Background Information:

In accordance with the provisions of M.S. 246B.06, the Commissioner of Human Services is authorized to establish industrial and commercial activities to provide education training, meaningful employment, and the teaching of proper work habits for clients of the Minnesota Sex Offender Program (MSOP). The vocational work program is supported with the net profits. Six months operating cash must be restricted for use by the vocational work program.

Forecast Basis:

Work Activity programs are operated by the Minnesota Sex Offender Program. Revenue from the operations of work activity programs are used to pay for the purchase of equipment, supplies, and other operating expenses necessary to operate the program. Charges for services and products are established through an analysis of all factors discussed above.

Recent Changes:

These fees have not changed in recent years.

Agency Analysis/Comments:

Minnesota State Industries is exempt from M.S. 16A.1283. Minnesota State Industries is provided for the direct and primary use of private individuals, businesses, or other entities.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: MinnesotaCare Premium/BHP Trust Fund

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

Legal Citation: M.S. 246L.15, Subd. 1

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

Fund: Restrict Misc Special Revenue (2000); Health Care Access (2360)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 35,748 | 36,340 | 37,823 | 39,088 | 39,088 | 40,400 | 40,400 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 35,748 | 36,340 | 37,823 | 39,088 | 39,088 | 40,400 | 40,400 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 35,748 | 36,340 | 37,823 | 39,088 | 39,088 | 40,400 | 40,400 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 35,748 | 36,340 | 37,823 | 39,088 | 39,088 | 40,400 | 40,400 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

Minnesota Statutes 256L.15 provides that individuals enrolling in the program will be charged a subsidized premium based on a sliding scale. The premium charge ranges from \$4 to \$80 per person per month. The Health Care Access Fund (Fund 2360), and BHP Trust Fund fund the remaining program cost.

Forecast Basis:

The forecasted amounts are based on DHS's projections of Minnesota Care enrollment, distinguished by children and parents vs. adults without children. Monthly enrollment projections are multiplied by projected premiums per enrollee per month times 12.

Recent Changes:

Minnesota recently received federal approval of its Basic Health Plan (BHP). With this approval, effective 1/1/15, Minnesota will use the federal BHP Trust Fund to cover a percentage of the costs (instead of Title 19). BHP premium revenue is not shared with the federal Trust Fund.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Nursing Home Advisory Council Fee

Purpose: Collection of fees from nursing homes and boarding care homes.

Legal Citation: M.S. 144A.33

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 53 Nursing Home Adv Council (H551118); 11 Provider Screening (H551567); 14 Nursing Home Adv Council (H551617)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,541 | 974 | 345 | 187 | 187 | 187 | 187 |
| Resources: | | | | | | | |
| Departmental Earnings | 135 | 156 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 634 | 797 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 538 | 912 | 751 | 751 | 751 | 751 | 751 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 231 | 41 | 490 | 490 | 490 | 490 | 490 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 798 | 670 | 648 | 490 | 490 | 490 | 490 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 798 | 670 | 648 | 490 | 490 | 490 | 490 |
| Current Difference | (567) | (629) | (158) | | | | |
| Accumulated Ending Balance | 974 | 345 | 187 | 187 | 187 | 187 | 187 |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Nursing Home Advisory Council Fee

Background Information:

M.S. 144A.33 authorized the development and funding of the Resident and Family Advisory Council Education program to assist residents and families of residents in nursing homes to understand their rights and responsibilities. Funding for the program is through a \$5 per bed surcharge for each license application or renewal fee for nursing homes and boarding care homes under M.S. 144.53 or M.S. 144A.07.

Forecast Basis:

The forecast amount is based on a fee of \$5 times the estimated number of licensed beds in nursing homes and boarding care homes.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Rental Income

Purpose: To maintain the Direct Care and Treatment buildings and property being rented

Legal Citation: M.S. 245.037

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

Fund: Restrict Misc Special Revenue (2000); DHS Chemical Dependency Servs (4101); MN State Operated Comm Svcs (4350)

Appropriation: 61 CARE - Statewide (H556002); 62 Waivered Services (MSOCS) (H556009); 65 Ded Srvs-Lease Inc-Syswide (H556023); 65 Ded Srv-Lease Inc-Brainerd (H556049)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 819 | 1,121 | 1,923 | 459 | 459 | 495 | 495 |
| Resources: | | | | | | | |
| Departmental Earnings | 563 | 1,294 | 886 | 886 | 886 | 886 | 886 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 5 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 563 | 1,299 | 886 | 886 | 886 | 886 | 886 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 258 | 492 | 2,327 | 841 | 841 | 841 | 841 |
| Indirect Expenditures | 3 | 5 | 23 | 9 | 9 | 9 | 9 |
| Total Expenditures | 261 | 497 | 2,350 | 850 | 850 | 850 | 850 |
| Current Difference | 302 | 802 | (1,464) | 36 | 36 | 36 | 36 |
| Accumulated Ending Balance | 1,121 | 1,923 | 459 | 495 | 495 | 531 | 531 |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Rental Income

Background Information:

M.S. 245.037 authorizes the Commissioner of Human Services to charge and collect rent (M.S. 16B.24, Sub. 5) for state property at the regional treatment centers (RTC). The funds are dedicated to the facility and are used to maintain buildings and property of the RTC campuses. Balances in these accounts will be used toward deferred maintenance cost for leased buildings in the future.

Forecast Basis:

Rates are based on projection of actual costs of maintaining and utilization of buildings.

Recent Changes:

Rates are adjusted as costs increase or decrease.

Agency Analysis/Comments:

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

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Shared Services

Purpose: To retain the revenue required for the provision of services that are of mutual benefit to the state, other governmental entities and private business and organizations

Legal Citation: M.S. 246.57

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: 62 DD-Mobile Crisis Teams (H556027)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 273 | 87 | 88 | 62 | 62 | 62 | 62 |
| Resources: | | | | | | | |
| Departmental Earnings | 2 | 8 | 10 | 10 | 10 | 10 | 10 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2 | 8 | 10 | 10 | 10 | 10 | 10 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 186 | 7 | 36 | 10 | 10 | 10 | 10 |
| Indirect Expenditures | 2 | | | | | | |
| Total Expenditures | 188 | 7 | 36 | 10 | 10 | 10 | 10 |
| Current Difference | (186) | 1 | (26) | | | | |
| Accumulated Ending Balance | 87 | 88 | 62 | 62 | 62 | 62 | 62 |

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Shared Services

Background Information:

M.S. 246.57 was enacted to allow DHS to provide services to other governmental agencies and both non-profit and for-profit organizations through shared service agreements of mutual benefit to the state, other governmental entities, and other organizations and the public. Rates are established by the respective programs providing the services.

Forecast Basis:

Fees are established based on projection of actual costs required to provide services.

The Community Partnership Network ended operations 06/30/16.

Recent Changes:

Rates are adjusted as costs increase or decrease.

Agency Analysis/Comments:

Shared service rates are exempt from 16A.1283. Shared services are provided for the direct and primary use of a private individual, business, or other entity.

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: State Operated Services Cost of Care Recoveries

Purpose: To provide care and treatment to individuals admitted to Direct Care and Treatment programs regardless of their ability to pay

Legal Citation: M.S. 246.50, Subd. 5

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

Fund: General (1000); Restrict Misc Special Revenue (2000); SOS TBI & Adol Ent Svcs (4100); DHS Chemical Dependency Servs (4101); MN State Operated Comm Svcs (4350)

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | (134,065) | (299,403) | (519,076) | (519,076) | (721,052) | (721,052) |
| Resources: | | | | | | | |
| Departmental Earnings | 200,052 | 206,005 | 195,892 | 197,198 | 197,198 | 198,523 | 198,523 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 18,202 | 15,298 | 10,118 | 10,118 | 10,118 | 8,530 | 8,530 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 263 | 1,068 | 516 | 516 | 516 | 516 | 516 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 218,517 | 222,371 | 206,526 | 207,832 | 207,832 | 207,569 | 207,569 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 341,452 | 374,713 | 414,378 | 398,122 | 398,122 | 401,326 | 401,326 |
| Indirect Expenditures | 11,130 | 12,996 | 11,821 | 11,686 | 11,686 | 11,773 | 11,773 |
| Total Expenditures | 352,582 | 387,709 | 426,199 | 409,808 | 409,808 | 413,099 | 413,099 |
| Current Difference | (134,065) | (165,338) | (219,673) | (201,976) | (201,976) | (205,530) | (205,530) |
| Accumulated Ending Balance | (134,065) | (299,403) | (519,076) | (721,052) | (721,052) | (926,582) | (926,582) |

Background Information:

Direct Care and Treatment provides direct care services to persons with disabilities. This includes services to adults and adolescents with mental illness, individuals committed as mentally ill and dangerous, individuals with developmental disabilities and persons with chemical dependency. The majority of these services are funded with direct appropriations. Enterprise services are funded through collections from third party resources.

Direct Care and Treatment bills Medical Assistance, Medicare, the Consolidated Chemical Dependency Treatment Fund (CCDTF), private and commercial insurance, counties, and individuals for services provided. Appropriated services for adults with mental illness, on average collect approximately 25% of their costs. Appropriated services for individuals committed as mentally ill and dangerous on average collect approximately 10% of their costs. Enterprise services are expected to recover 100% of their costs.

Forecast Basis:

Cost of Care is defined in M.S. 246.50, Subd. 5 as the commissioner’s charge for services provided to any person admitted to a state [Direct Care and Treatment] facility. That statute also specifies that: “ ‘charge for services’ means the usual and customary fee charged for services provided to clients. The usual and customary fee shall be established in a manner required to appropriately bill services to all payers and shall include the costs related to the operations of any program offered by the state.”

Recent Changes:

Under the authority of M.S. 246.50, Subd. 5, Cost of Care per diem rates for appropriated services are calculated and set annually based on estimated costs for the upcoming fiscal year. Cost of Care per diem rates for most enterprise services are negotiated annually with county providers based on individual client service needs. CCDTF has standard rates established for chemical dependency/substance abuse services.

Agency Analysis/Comments:

Cost of Care per diem rates are exempt from the legislative approval requirement of M.S. 16A.1283 because they are a charge for “services provided for the direct and primary use of private individuals.”

Agency: Human Services

2020-21 Departmental Earnings

Earnings Group: Work Activity Income

Purpose: To provide therapeutic work activities for developmentally disabled and mentally ill individuals

Legal Citation: M.S. 246.56

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

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

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

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 273 | 244 | 227 | 226 | 226 | 226 | 226 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,615 | 1,256 | 1,277 | 1,278 | 1,278 | 1,278 | 1,278 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | 30 | 51 | 51 | 51 | 51 | 51 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 174 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,441 | 1,286 | 1,328 | 1,329 | 1,329 | 1,329 | 1,329 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,470 | 1,303 | 1,329 | 1,329 | 1,329 | 1,329 | 1,329 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,470 | 1,303 | 1,329 | 1,329 | 1,329 | 1,329 | 1,329 |
| Current Difference | (29) | (17) | (1) | | | | |
| Accumulated Ending Balance | 244 | 227 | 226 | 226 | 226 | 226 | 226 |

Background Information:

In accordance with the provision of M.S. 246.56, the Commissioner of Human Services is authorized to create a work activity center revolving fund for the purposes of receiving and expending money to provide therapeutic work activities for developmentally disabled and mentally ill residents and patients. Participants must receive pay as prescribed in the United States Department of Labor regulations, in accordance with the employment of workers with disabilities under special certificates. Work Activity programs include the provision of services and the manufacture, processing, and repairing of goods, wares and merchandise.

Forecast Basis:

Work Activity programs are operated by the Minnesota Security Hospital and Minnesota State Operated Community Services. Revenue from the operations of work activity programs are used to pay client wages according to their productivity, and to purchase equipment, supplies, and other expenses necessary to operate the program. Workers are not considered state employees and do not qualify for state benefits. Wages are based on the prevailing wages of comparable jobs in the community and on the worker's productivity compared to production of a non-disabled worker. In accordance with M.S. 256.151, wages cannot be less than 25% of the current applicable wage (federal or state, whichever is higher). Charges for services and products are established through an analysis of all factors discussed above.

Recent Changes:

N/A

Agency Analysis/Comments:

Work Activity rates are exempt from 16A.1283. Work Activity services are provided for the direct and primary use of a private individual, business, or other entity

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2020-21 Biennial Budget - Departmental Earnings

Iron Range Resources and Rehabilitation
IRRR Departmental Earnings

Agency: Iron Range Resources and Rehabilitation

2020-21 Departmental Earnings

Earnings Group: IRRR Departmental Earnings

Purpose: Recover partial operating and program costs.

Legal Citation: M.S. 298.22, M.S. 298.296, M.S. 298.221

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

Fund: Iron Range Resources & Rehab (2370); Douglas J Johnson Econ Protect (2380); Giants Ridge Golf & Ski Resort (4600)

Appropriation: Administration Board (B43BDAS); Giants Ridge Golf & Ski Resort (B43BDGR); Giants Ridge Rollover (B43GRRO); Administration DJJ NE4 (B43N4AS)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | (2,206) | (4,420) | (7,933) | (7,774) | (7,774) | (10,646) | (10,646) |
| Resources: | | | | | | | |
| Departmental Earnings | 4,510 | 5,150 | 8,799 | 5,598 | 5,598 | 5,598 | 5,598 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,510 | 5,150 | 8,799 | 5,598 | 5,598 | 5,598 | 5,598 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 6,724 | 8,663 | 8,640 | 8,470 | 8,470 | 8,470 | 8,470 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 6,724 | 8,663 | 8,640 | 8,470 | 8,470 | 8,470 | 8,470 |
| Current Difference | (2,214) | (3,513) | 159 | (2,872) | (2,872) | (2,872) | (2,872) |
| Accumulated Ending Balance | (4,420) | (7,933) | (7,774) | (10,646) | (10,646) | (13,518) | (13,518) |

Background Information:

The Department of Iron Range Resources and Rehabilitation is a state economic development agency created by the governor and the legislature in 1941 to diversify the economy of the iron mining areas of northeastern Minnesota. The agency serves the interest of the Taconite Assistance Area (TAA), a geographical region including parts of Cook, Lake, St. Louis, Itasca, Aitkin and Crow Wing counties. As part of its core mission of economic development, the agency owns and operates Giants Ridge Recreation Area. The agency also generates a small amount of revenues from its economic development activities by leasing buildings to local businesses and other miscellaneous activities.

Forecast Basis:

Giants Ridge

Giants Ridge, located in Biwabik, supports and promotes tourism and recreational opportunities and enhances the quality of life for area residents, while improving the economic enhancement and diversification of the Department of Iron Range Resources and Rehabilitation service area. The Giants Ridge Recreation Area includes: a snow sports area with alpine and Nordic skiing and snow tubing; two golf courses; mountain bike trails; disc golf; lake access; and private sector lodging and residential redevelopment.

Annual Departmental Earning Estimate: \$5,450,000

Douglas J Johnson Economic Protection Fund

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

Annual Departmental Earning Estimate: \$98,192

Board Administration

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

Annual Departmental Earning Estimate: \$50,000

Recent Changes:

None.

Agency Analysis/Comments:

The agency recommends no change in fees at this time.

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2020-21 Biennial Budget - Departmental Earnings

Labor and Industry

Combative Sports Fees

Construction Codes Fees

Labor and Industry Data Practices - Cost of Copies

Logger Assessment

Qualified Rehabilitation Consultant Services Billed to Insurers

Rehabilitation Provider Registration and Managed Care Organization Fees

Residential Contractor Recovery Fund

Workers Compensation and Construction Codes Penalties

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Combative Sports Fees

Purpose: To ensure both boxing and mixed martial arts (MMA) events are conducted safely and fairly in Minnesota.

Legal Citation: M.S. 341.321

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Combative Sports (B425000)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 108 | 77 | 50 | 37 | 37 | 22 | 22 |
| Resources: | | | | | | | |
| Departmental Earnings | 64 | 62 | 63 | 63 | 63 | 63 | 63 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 64 | 62 | 63 | 63 | 63 | 63 | 63 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 95 | 89 | 76 | 78 | 78 | 78 | 78 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 95 | 89 | 76 | 78 | 78 | 78 | 78 |
| Current Difference | (31) | (27) | (13) | (15) | (15) | (15) | (15) |
| Accumulated Ending Balance | 77 | 50 | 37 | 22 | 22 | 7 | 7 |

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Combative Sports Fees

Background Information:

DLI was directed by the Minnesota Legislature to take over the duties and authority of the Combative Sports Commission as of July 1, 2012. DLI's Office of Combative Sports regulates both boxing and mixed martial arts (MMA) events to minimize the health and safety risks associated with combative sports. These inherently dangerous sports can result in injury during competition and can have long term health consequences.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

None.

Agency Analysis/Comments:

The program is currently spending more than they collect in revenues each year. It is estimated by FY2022 the accumulated cash balance will be \$0 and the Combative Sports program must operate on current year revenues only.

For information about the recommended fee change, see the Combative Sports Fee Reduction change item in the Department of Labor and Industry 2020-21 Governor's Budget Recommendations book.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Construction Codes Fees

Purpose: The Construction Codes and Licensing Division (CCLD) works to protect the health, safety, and welfare of the public by providing reasonable and uniform standards for Minnesota’s buildings and construction professionals.

Legal Citation: M.S. 326B

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

Fund: Construction Code (2020)

Appropriation: Construction Codes & Licensing (B424000)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 24,648 | 27,866 | 25,947 | 19,052 | 19,052 | 14,806 | 14,806 |
| Resources: | | | | | | | |
| Departmental Earnings | 31,865 | 28,744 | 27,924 | 27,924 | 27,931 | 27,924 | 27,926 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 470 | 641 | 531 | 531 | 531 | 531 | 531 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 32,335 | 29,385 | 28,455 | 28,455 | 28,462 | 28,455 | 28,457 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 25,813 | 28,191 | 32,348 | 28,873 | 28,880 | 29,005 | 29,007 |
| Indirect Expenditures | 3,304 | 3,113 | 3,002 | 3,828 | 3,828 | 3,886 | 3,886 |
| Total Expenditures | 29,117 | 31,304 | 35,350 | 32,701 | 32,708 | 32,891 | 32,893 |
| Current Difference | 3,218 | (1,919) | (6,895) | (4,246) | (4,246) | (4,436) | (4,436) |
| Accumulated Ending Balance | 27,866 | 25,947 | 19,052 | 14,806 | 14,806 | 10,370 | 10,370 |

Background Information:

The Construction Codes and Licensing Division (CCLD) works to protect the health, safety and welfare of the public by providing reasonable, uniform and balanced standards for Minnesota's buildings and construction professionals. CCLD oversees construction-related activities in the areas of licensing, plan review, education, code development, enforcement and inspection in Minnesota. This provides for the safety of the people of Minnesota and fosters a competitive construction economy that encourages business growth and employment opportunity.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

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

Agency Analysis/Comments:

Revenues increase when the construction industry is booming. The additional revenue allows for DLI to make strategic investments and reduced fees to maintain a reasonable operating balance.

For information about the recommended fee change, see the Licensing Solar Contractors as Residential Contractors change item in the Department of Labor and Industry 2020-21 Governor's Budget Recommendations book.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Labor and Industry Data Practices - Cost of Copies

Purpose: Copies of workers' compensation claim documents are provided to requesting parties and charges are assessed on a per-copy fee (plus applicable postage costs). The copy fees and postage amounts collected are used to recover the expenses associated with this activity.

Legal Citation: M.S. 13.03, subd 10

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

Fund: Workers Compensation (2830)

Appropriation: Copy File Review (B422120)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 327 | 340 | 367 | 367 | 367 | 349 | 349 |
| Resources: | | | | | | | |
| Departmental Earnings | 305 | 319 | 320 | 320 | 320 | 320 | 320 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 3 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 305 | 322 | 320 | 320 | 320 | 320 | 320 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 255 | 257 | 283 | 290 | 290 | 294 | 294 |
| Indirect Expenditures | 37 | 38 | 37 | 48 | 48 | 49 | 49 |
| Total Expenditures | 292 | 295 | 320 | 338 | 338 | 343 | 343 |
| Current Difference | 13 | 27 | | (18) | (18) | (23) | (23) |
| Accumulated Ending Balance | 340 | 367 | 367 | 349 | 349 | 326 | 326 |

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Labor and Industry Data Practices - Cost of Copies

Background Information:

The revenue reported as Data Practices/Cost of Copies represents amounts collected from requesting parties for copies of workers' compensation claim documents. The Copy File Review office within the Compliance Records and Training unit provides the copies to requesting parties and charges a per copy fee (plus applicable postage costs). The copy fees and postage amounts collected are used to recover the expenses associated with this activity.

Forecast Basis:

Projected revenues remain constant.

Recent Changes:

None

Agency Analysis/Comments:

Comparisons of revenue to expenditures will be made on an ongoing basis to ensure that copy fees collected will recover amounts expended.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Logger Assessment

Purpose: To cover the cost of providing safety education training to Minnesota loggers and rebates to the logging businesses that successfully have their employees complete safety training and carry loggers workers compensation insurance each year.

Legal Citation: M.S. 176.130 subd. 4

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

Fund: Workers Compensation (2830)

Appropriation: Loggers Exp & Reimb (B423801)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 54 | 81 | 123 | 123 | 123 | 123 | 123 |
| Resources: | | | | | | | |
| Departmental Earnings | 822 | 829 | 825 | 825 | 825 | 825 | 825 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 822 | 829 | 825 | 825 | 825 | 825 | 825 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 791 | 787 | 824 | 824 | 824 | 824 | 824 |
| Indirect Expenditures | 4 | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 795 | 787 | 825 | 825 | 825 | 825 | 825 |
| Current Difference | 27 | 42 | | | | | |
| Accumulated Ending Balance | 81 | 123 | 123 | 123 | 123 | 123 | 123 |

Background Information:

The purpose of this activity is to provide Minnesota loggers with the safety training necessary to reduce the rate of on-the-job accidents, injuries, and fatalities. Assessments collected from wood mills located in Minnesota are based on the number of cords of wood purchased or acquired each calendar year in excess of 5,000 cords.

Collected fees are disbursed two ways. The first \$125,000 is allocated to DLI for the provision of safety training programs. The remainder is rebated to logging companies who provide proof of attendance at approved training programs. The rebate is used to offset the high cost of workers' compensation insurance premiums in the logging industry.

Forecast Basis:

The assessment rate is 30 cents per cord. Revenue from the logger assessments has been relatively stable in recent years. This stability is expected to continue.

Recent Changes:

None

Agency Analysis/Comments:

The accumulated balance is due to staff turnover. The funds will be spent on safety training programs per statute.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Qualified Rehabilitation Consultant Services Billed to Insurers

Purpose: To provide vocational rehabilitative services for those injured workers to whom primary liability had been denied by an insurer. Based on a negotiated agreement, the fees are billed to recover at least a portion of the salary and other costs involved in getting injured workers returned to work.

Legal Citation: M.S. 176.104

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

Fund: Workers Compensation (2830)

Appropriation: Work Comp Fund Work Comp Div (B421320)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | (1,493) | (3,131) | (4,805) | (4,805) | (6,479) | (6,479) |
| Resources: | | | | | | | |
| Departmental Earnings | 380 | 307 | 330 | 330 | 330 | 330 | 330 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 380 | 307 | 330 | 330 | 330 | 330 | 330 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,873 | 1,945 | 2,004 | 2,004 | 2,004 | 2,004 | 2,004 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,873 | 1,945 | 2,004 | 2,004 | 2,004 | 2,004 | 2,004 |
| Current Difference | (1,493) | (1,638) | (1,674) | (1,674) | (1,674) | (1,674) | (1,674) |
| Accumulated Ending Balance | (1,493) | (3,131) | (4,805) | (6,479) | (6,479) | (8,153) | (8,153) |

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Qualified Rehabilitation Consultant Services Billed to Insurers

Background Information:

The Vocational Rehabilitation unit provides vocational rehabilitation services to injured workers whose claims have been denied liability by an insurer or self-insurer. The services provided in cases where liability is denied are subject to negotiated settlements in accordance with Minnesota Rules. Fees recovered are less than the total costs of the services provided.

Forecast Basis:

Revenues are expected to remain stable during the biennium.

Recent Changes:

None

Agency Analysis/Comments:

N/A

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Rehabilitation Provider Registration and Managed Care Organization Fees

Purpose: To help defray the cost of regulation of rehabilitation providers and managed care organizations and to discourage statutory violations.

Legal Citation: M.S. 176.102 and M.S. 176.1351

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

Fund: Workers Compensation (2830)

Appropriation: Work Comp Fund Work Comp Div (B421320)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | (39) | (85) | (133) | (133) | (181) | (181) |
| Resources: | | | | | | | |
| Departmental Earnings | 58 | 53 | 62 | 62 | 62 | 62 | 62 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 58 | 53 | 62 | 62 | 62 | 62 | 62 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 97 | 99 | 110 | 110 | 110 | 110 | 110 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 97 | 99 | 110 | 110 | 110 | 110 | 110 |
| Current Difference | (39) | (46) | (48) | (48) | (48) | (48) | (48) |
| Accumulated Ending Balance | (39) | (85) | (133) | (181) | (181) | (229) | (229) |

Background Information:

Fees are collected to help defray the cost of regulation of rehabilitation providers and managed care organizations. Benefits include enhancement of early return-to-work outcomes, reduced lost-time workers' compensation claims, the review and provision of dispute resolution services, and the protection of access and quality controls for the injured workers. Penalties are assessed to discourage statutory violations rather than to recover program costs.

Forecast Basis:

The primary components of this revenue source are as follows: rehabilitation provider registration, renewal, and disciplinary fees, and managed care organization certification fees.

Recent Changes:

None

Agency Analysis/Comments:

Rehabilitation provider registration fees and managed care organization certification fees are collected to recover a portion of the costs of these activities. To set fees at a level which would recover costs would require charging significantly higher amounts, thereby driving potential participants out of the programs.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Residential Contractor Recovery Fund

Purpose: To compensate homeowners and lessees of Minnesota residential property who have experienced direct out-of-pocket losses as a result of a Minnesota licensed contractor's deceptive actions or non-performance.

Legal Citation: M.S. 326B.89

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Contractor Recovery (B424130)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 7,584 | 8,258 | 9,602 | 9,983 | 9,983 | 10,959 | 10,959 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,355 | 2,720 | 1,825 | 2,425 | 2,438 | 1,825 | 1,828 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 74 | 127 | 100 | 100 | 100 | 100 | 100 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,429 | 2,847 | 1,925 | 2,525 | 2,538 | 1,925 | 1,928 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,742 | 1,489 | 1,531 | 1,532 | 1,545 | 1,534 | 1,537 |
| Indirect Expenditures | 13 | 14 | 13 | 17 | 17 | 17 | 17 |
| Total Expenditures | 1,755 | 1,503 | 1,544 | 1,549 | 1,562 | 1,551 | 1,554 |
| Current Difference | 674 | 1,344 | 381 | 976 | 976 | 374 | 374 |
| Accumulated Ending Balance | 8,258 | 9,602 | 9,983 | 10,959 | 10,959 | 11,333 | 11,333 |

Background Information:

The purpose of the Contractor Recovery Fund is to compensate homeowners and lessees of Minnesota residential property who have experienced direct out of pocket losses as a result of the deceptive actions or the non-performance of a Minnesota licensed residential contractor.

During the Residential Building Contractor licensure process an additional fee is collected based on contractor annual gross receipts. The fee amounts collected are placed in a dedicated special revenue account. Licenses are renewed every two years.

Forecast Basis:

Revenue is expected to remain stable over the biennium.

Recent Changes:

None

Agency Analysis/Comments:

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

For information about the recommended change that affects the Residential Contractor Recovery fund, see the Licensing Solar Contractors as Residential Contractors change item in the Department of Labor and Industry 2020-21 Governor's Budget Recommendations book.

Agency: Labor and Industry

2020-21 Departmental Earnings

Earnings Group: Workers Compensation and Construction Codes Penalties

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

Legal Citation: M.S. 176, M.S. 177.43, subd 6a, and M.S. 326B.04, subd 2

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

Fund: General (1000); Workers Compensation (2830)

Appropriation: Special Comp Fund Revenues (B422320); Assigned Risk Safety (B423800); General Fund Labor Standards (B424100)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 6,792 | 6,742 | 7,112 | 7,837 | 7,837 | 8,492 | 8,492 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,652 | 1,509 | 2,131 | 2,131 | 2,131 | 2,131 | 2,131 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 783 | 1,291 | 1,330 | 1,330 | 1,330 | 1,330 | 1,330 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,435 | 2,800 | 3,461 | 3,461 | 3,461 | 3,461 | 3,461 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,358 | 2,165 | 2,505 | 2,534 | 2,534 | 2,548 | 2,548 |
| Indirect Expenditures | 127 | 265 | 231 | 272 | 272 | 277 | 277 |
| Total Expenditures | 2,485 | 2,430 | 2,736 | 2,806 | 2,806 | 2,825 | 2,825 |
| Current Difference | (50) | 370 | 725 | 655 | 655 | 636 | 636 |
| Accumulated Ending Balance | 6,742 | 7,112 | 7,837 | 8,492 | 8,492 | 9,128 | 9,128 |

Background Information:

The revenues in this category are from penalties that are assessed to encourage compliance with various aspects of the workers' compensation law, construction code and licensing law, and prevailing wage law. Workers' compensation penalties can be assessed to insurers, self-insurers, third-party administrators, and employers for a variety of actions. Construction code and licensing penalties are assessed to individuals and businesses in response to administering the statewide building, electrical, plumbing, high pressure piping, and boiler codes and licensing requirements, and also for taking punitive actions against those who fail to meet licensing or installation requirements. Prevailing wage penalties are assessed on companies failing to adhere to prevailing wage laws.

Forecast Basis:

Increased success in agency efforts to educate its clientele and its success in enforcement of those laws correspond to reduced penalty assessments. However, the agency is projecting stable revenues over the next biennium.

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended to the current penalty amounts, as penalties are designed to discourage statutory violations as opposed to generating revenue. DLI has increased funding for OSHA Consultation Grants paid for by the penalty revenue to manage the fund balance and to assist employers in implementing safe working conditions.

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2020-21 Biennial Budget - Departmental Earnings

Legal Professions Boards

Certifying Accrediting Agencies and Annual Renewal Fees

Legal Profession Board Credit Card Convenience Fee

Licensing Attorneys

Regulating Continuing Legal Education

Regulation of Attorney Actions and Ethical Practice

Reimbursement of Clients Defrauded by Attorneys

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Certifying Accrediting Agencies and Annual Renewal Fees

Purpose: To regulate the certification of attorneys as specialists in designated areas of legal practice to enhance public access to legal services.

Legal Citation: M.S. 481.01 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Legal Certification Bd (J650LCB)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 88 | 90 | 83 | 54 | 54 | 25 | 25 |
| Resources: | | | | | | | |
| Departmental Earnings | 48 | 35 | 44 | 44 | 44 | 44 | 44 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | 6 | 6 | 6 | 6 | 6 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 48 | 35 | 50 | 50 | 50 | 50 | 50 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 46 | 42 | 79 | 79 | 79 | 75 | 75 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 46 | 42 | 79 | 79 | 79 | 75 | 75 |
| Current Difference | 2 | (7) | (29) | (29) | (29) | (25) | (25) |
| Accumulated Ending Balance | 90 | 83 | 54 | 25 | 25 | | |

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Certifying Accrediting Agencies and Annual Renewal Fees

Background Information:

Fees for certifying accrediting agencies and annual renewal fee

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Legal Profession Board Credit Card Convenience Fee

Purpose: Fee for credit card processing.

Legal Citation: M.S. 481.01 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Attorney Regis Operations (J650ARF)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 10 | 5 | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | (5) | (5) | 1 | 1 | 1 | 1 | 1 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | (5) | (5) | 1 | 1 | 1 | 1 | 1 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Current Difference | (5) | (5) | | | | | |
| Accumulated Ending Balance | 5 | | | | | | |

Purpose: To regulate the examination and licensing of individuals who practice as attorneys at law in Minnesota so that established qualifications are met and licensed attorneys are competent.

Legal Citation: M.S. 481.01 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Board Of Law Examiners (J650BLE); Public Defense Board (J650PDB)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 2,288 | 2,006 | 1,979 | 1,210 | 1,210 | 605 | 605 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,479 | 1,721 | 1,738 | 1,738 | 1,738 | 1,738 | 1,738 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 7 | 13 | 7 | 7 | 7 | 7 | 7 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | 25 | | | | | | |
| Total Resources | 1,461 | 1,734 | 1,745 | 1,745 | 1,745 | 1,745 | 1,745 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,743 | 1,761 | 2,514 | 2,350 | 2,350 | 2,350 | 2,350 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,743 | 1,761 | 2,514 | 2,350 | 2,350 | 2,350 | 2,350 |
| Current Difference | (282) | (27) | (769) | (605) | (605) | (605) | (605) |
| Accumulated Ending Balance | 2,006 | 1,979 | 1,210 | 605 | 605 | | |

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Licensing Attorneys

Background Information:

Fees charged to enter practice of law in Minnesota, including Bar examination fees.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Regulating Continuing Legal Education

Purpose: To regulate accredited courses and satisfactory completion of those course/programs which satisfy the educational requirements of attorneys to continue their legal education throughout the period of their active practice of law so that the public has access to better legal practice.

Legal Citation: M.S. 481.01 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Continuing Legal Education (J650CLE)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 961 | 854 | 647 | 401 | 401 | 200 | 200 |
| Resources: | | | | | | | |
| Departmental Earnings | 344 | 350 | 364 | 364 | 364 | 364 | 364 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 4 | 2 | 3 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 348 | 352 | 367 | 367 | 367 | 367 | 367 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 455 | 559 | 613 | 568 | 568 | 567 | 567 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 455 | 559 | 613 | 568 | 568 | 567 | 567 |
| Current Difference | (107) | (207) | (246) | (201) | (201) | (200) | (200) |
| Accumulated Ending Balance | 854 | 647 | 401 | 200 | 200 | | |

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Regulating Continuing Legal Education

Background Information:

Fees charged to practicing attorneys to regulate the requirements for continuing legal education.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Regulation of Attorney Actions and Ethical Practice

Purpose: Monitor attorney compliance with the code of professional responsibility, advise lawyers about ethical questions and receive, investigate and assist in disposition of complaints against licensed attorneys so that the public is served by attorneys who practice law in accord with adopted codes of professional conduct.

Legal Citation: M.S. 481.01 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Attorney Regis Operations (J650ARF); Lawyer Assistance (J650LAP); Lawyer Prof Respsblty Bd (J650LPR)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 4,400 | 3,938 | 3,317 | 2,129 | 2,129 | 1,061 | 1,061 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,729 | 4,112 | 3,916 | 3,916 | 3,916 | 3,916 | 3,916 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 386 | 101 | 112 | 112 | 112 | 112 | 112 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,115 | 4,213 | 4,028 | 4,028 | 4,028 | 4,028 | 4,028 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,577 | 4,834 | 5,216 | 5,096 | 5,096 | 5,089 | 5,089 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4,577 | 4,834 | 5,216 | 5,096 | 5,096 | 5,089 | 5,089 |
| Current Difference | (462) | (621) | (1,188) | (1,068) | (1,068) | (1,061) | (1,061) |
| Accumulated Ending Balance | 3,938 | 3,317 | 2,129 | 1,061 | 1,061 | | |

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Regulation of Attorney Actions and Ethical Practice

Background Information:

Fee charged to attorney and legal corporations to advise on ethical questions and respond to complaints.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Reimbursement of Clients Defrauded by Attorneys

Purpose: To reimburse clients defrauded by attorneys for the portion of the loss attributable to attorney misfeasance.

Legal Citation: M.S. 481.01, MS 481.2 and Court Rules

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Client Security Bd-ITC (J650CSB)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 4,158 | 3,791 | 3,644 | 2,043 | 2,043 | 1,001 | 1,001 |
| Resources: | | | | | | | |
| Departmental Earnings | 385 | 210 | 221 | 221 | 221 | 221 | 221 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 42 | 62 | 30 | 30 | 30 | 30 | 30 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 427 | 272 | 251 | 251 | 251 | 251 | 251 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 794 | 419 | 1,852 | 1,293 | 1,293 | 1,252 | 1,252 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 794 | 419 | 1,852 | 1,293 | 1,293 | 1,252 | 1,252 |
| Current Difference | (367) | (147) | (1,601) | (1,042) | (1,042) | (1,001) | (1,001) |
| Accumulated Ending Balance | 3,791 | 3,644 | 2,043 | 1,001 | 1,001 | | |

Agency: Legal Professions Boards

2020-21 Departmental Earnings

Earnings Group: Reimbursement of Clients Defrauded by Attorneys

Background Information:

Fees from attorney registration, interest earned, and restitution.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

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

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2020-21 Biennial Budget - Departmental Earnings

MNsure

Premium Withhold

Agency: MNSure

2020-21 Departmental Earnings

Earnings Group: Premium Withhold

Purpose: Provides operations funding for MNSure.

Legal Citation: M.S. 62V.05, Subd. 2.

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

Fund: MN Health Insurance Exchange (4120)

Appropriation: MNSure Enterprise Fund Approp (H601500)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,049 | 1,049 | 7,296 | 7,333 | 7,333 | 3,126 | 3,126 |
| Resources: | | | | | | | |
| Departmental Earnings | 16,931 | 21,856 | 20,868 | 21,073 | 21,073 | 21,073 | 21,073 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 16,931 | 21,856 | 20,868 | 21,073 | 21,073 | 21,073 | 21,073 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 16,931 | 15,609 | 20,831 | 25,280 | 25,280 | 22,101 | 22,101 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 16,931 | 15,609 | 20,831 | 25,280 | 25,280 | 22,101 | 22,101 |
| Current Difference | | 6,247 | 37 | (4,207) | (4,207) | (1,028) | (1,028) |
| Accumulated Ending Balance | 1,049 | 7,296 | 7,333 | 3,126 | 3,126 | 2,098 | 2,098 |

Background Information:

MNsure is a self-sustainable agency utilizing Qualified Health Plan (QHP) premium withhold revenue and reimbursements from the Department of Human Services (DHS) for costs incurred which benefit public programs. Expenditures that benefit both public and private program enrollees are allocated between MNsure and DHS based on the federal Public Assistance Cost Allocation Plan (PACAP). The plan allocates these expenditures using a number of metrics, such as public program enrollment and call center utilization. For Fiscal Year 2018, it is estimated that 12 percent of the budget will have been funded with federal grants, 53 percent funded with QHP premium withhold revenue, and 36 percent funded with DHS resources. Federal grants for establishment of the exchange were fully expended by December 31, 2017. For Fiscal Year 2019, the budget will be funded with QHP premium withhold revenue and DHS reimbursements. The Departmental Earnings Report appropriately reflects only the QHP premium withhold revenue which is collected from health insurance carriers as a percentage of premiums paid for plans purchased on the state's exchange.

Forecast Basis:

Statute authorizes MNsure to collect up to 3.5% of the premiums paid for qualified health plans sold through the state exchange. Each year, the premium withhold forecast is calculated by multiplying the estimated total annual premiums that will be paid to health insurance carriers each calendar year by 3.5%. Then, that withhold revenue is translated from calendar year to the state fiscal year budget period.

Recent Changes:

None.

Agency Analysis/Comments:

The process of recognizing premium withhold revenue extends over several months and involves several steps, including: premium reporting from health insurance carriers to MNsure, MNsure invoicing the 3.5% to the health insurance carriers, carriers processing payments, MNsure processing the receipts, and subsequent prior month adjustments based on updated carrier reports.

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2020-21 Biennial Budget - Departmental Earnings

Management and Budget

Combined Charities Operating Revenue

Agency: Management and Budget

2020-21 Departmental Earnings

Earnings Group: Combined Charities Operating Revenue

Purpose: Recover cost of administering the state employees annual Combined Charities Campaign.

Legal Citation: M.S. 43A.50, subdivision 2

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Combined Charities Admin (G100011)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 1 | 3 | 2 | 2 | 2 | 2 |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3 | 2 | 5 | 4 | 4 | 4 | 4 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3 | 2 | 5 | 4 | 4 | 4 | 4 |
| Current Difference | 1 | 2 | (1) | | | | |
| Accumulated Ending Balance | 1 | 3 | 2 | 2 | 2 | 2 | 2 |

Agency: Management and Budget

2020-21 Departmental Earnings

Earnings Group: Combined Charities Operating Revenue

Background Information:

The Minnesota State Employees' Combined Charities Campaign is a unique opportunity for Minnesota state employees to donate to the charity or charities of their choice through the convenience of payroll deduction. The Combined Charities Campaign is planned and run each year by state employees.

Forecast Basis:

Annual revenue is based on estimated applications for campaign in any given fiscal year. Historically, about 40 entities apply to participate in the Combined Charities Campaign each year. The application cost is \$100.

Recent Changes:

None.

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2020-21 Biennial Budget - Departmental Earnings

Marriage and Family Therapy, Board of
Marriage and Family Therapy Board Licensing Fees

Agency: Marriage and Family Therapy, Board of

2020-21 Departmental Earnings

Earnings Group: Marriage and Family Therapy Board Licensing Fees

Purpose: To recover the costs of regulating the marriage and family therapist profession.

Legal Citation: M.S. 148B.17, M.S. 214, M.S. 319B

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

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

Appropriation: MFT Non Dedicated Receipts (H7M1000); Criminal Background Check Rec (H7M9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 489 | 558 | 559 | 423 | 423 | 333 | 310 |
| Resources: | | | | | | | |
| Departmental Earnings | 390 | 409 | 401 | 401 | 401 | 401 | 401 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 1 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 393 | 410 | 401 | 401 | 401 | 401 | 401 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 265 | 307 | 433 | 386 | 404 | 387 | 409 |
| Indirect Expenditures | 59 | 102 | 104 | 105 | 110 | 105 | 110 |
| Total Expenditures | 324 | 409 | 537 | 491 | 514 | 492 | 519 |
| Current Difference | 69 | 1 | (136) | (90) | (113) | (91) | (118) |
| Accumulated Ending Balance | 558 | 559 | 423 | 333 | 310 | 242 | 192 |

Background Information:

The board's mission is to protect the public and ensure a standard of competent and ethical care through effective licensure and enforcement of the statutes and rules governing the practice of marriage and family therapy.

The Board of Marriage and Family Therapy provides the following services:

- Set standards for initial licensure and review an applicant's education and training to ensure compliance with all requirements;
- Conduct an in-person examination of each applicant's knowledge of the laws and rules governing the practice of marriage and family therapy in Minnesota prior to issuing LMFT license;
- Annually review qualifications and renew licenses of current, qualified licensees;
- Hold licensees accountable for their professional conduct based on legal, ethical and professional standards;
- Investigate complaints made against licensees and applicants, and allegations of unlicensed practice of marriage and family therapy;
- Take disciplinary or corrective action against a licensee or applicant when warranted by conduct and necessary to protect the public;
- Review and approve all continuing education programs used by licensees to meet continuing education requirements for license renewal;
- Maintain mandated and educational information on a public website;
- Work collaboratively with academic institutions and national and state MFT professional associations to identify, discuss and address issues involving the education, licensure and practice of marriage and family therapists;
- Provide information about licensure and standards of practice to citizens and other business entities;
- Provide primary source license verification to individuals, other licensing entities, health care providers and payers;
- Regularly collaborate with other government entities including Minnesota Department of Human Services, Minnesota Department of Health, Health Professional Services Program, and Minnesota Department of Revenue.

Five fees are for various applications:(1) Application for National Examination (\$110); (2) Application for LAMFT Licensure (\$75); (3) Application for LMFT Licensure (\$110); (4) Application for LMFT Licensure by Reciprocity (\$220); and (5) Program Sponsor Application for CE Course Approval (\$60).

Eights fees relate to issuance or renewal of license:(1) Initial LMFT license fee (prorated based upon month of issuance); (2) LMFT annual license renewal fee (\$125); (3) LMFT annual license renewal late fee (\$50); (4) LAMFT annual license renewals (\$75); (5) LAMFT annual license renewal late fee (\$25); (6) License reinstatement fee (after license expiration) (\$150); (7) LMFT Emeritus License status (one-time fee) (\$125); (8) Temporary license for members of military (\$100).

The Board administers five "miscellaneous" fees" (1) Paper license verification by mail (\$10); (2) Duplicate license certificate (\$25); (3) Duplicate license renewal card (\$10); (4) Board mailing list (\$60); (5) Board rule book (\$10).In addition, the Board may impose fees relating to disciplinary action to reimburse the board for all or part of the cost of a legal proceeding resulting in disciplinary action against a licensee.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law.

Agency: Marriage and Family Therapy, Board of

2020-21 Departmental Earnings

Earnings Group: Marriage and Family Therapy Board Licensing Fees

Application, licensure and renewal revenue continues to increase at a small, steady rate as we continue to see growth in the profession. There are, however, no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

The board last increased its licensure and renewal fees in 2001. The Board decreased 3 fees in 2013: Application for National Examination in MFT \$110 (decrease from \$220); Application for Reciprocity Licensure \$220 (decreased from \$330); late fee for LAMFT licensee renewal \$25 (decreased from \$50).

Agency Analysis/Comments:

Board appropriation levels remained low over several biennium, despite steady growth in application and license numbers. Necessary increases in appropriation occurred in FY14-15, FY16-17 and FY18-19. A small increase is sought for the FY 20-21 biennium, to allow the board to perform all functions necessary to fulfill its mission. The board's current fund balance is appropriate in light of current staffing and expenditure levels.

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2020-21 Biennial Budget - Departmental Earnings

Mediation Services, Bureau of
Mediation Services Bureau Fees

Agency: Mediation Services, Bureau of

2020-21 Departmental Earnings

Earnings Group: Mediation Services Bureau Fees

Purpose: The Bureau of Mediation Services (BMS) collects \$100 from each arbitrator who applies to be on the BMS arbitration roster; this cost is collected for the BMS administrative work to maintain the roster and to publish the roster to the website.

Legal Citation: MS 179.02 6 and 179A.04 Subd. 3 (10)

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

Fund: Other Misc Special Revenue (2001)

Appropriation: BMS Working Fund (G450200)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 3 | 16 | 16 | 9 | 9 | 13 | 13 |
| Resources: | | | | | | | |
| Departmental Earnings | 13 | 4 | 3 | 14 | 14 | 14 | 14 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 13 | 4 | 3 | 14 | 14 | 14 | 14 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 4 | 10 | 10 | 10 | 12 | 12 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | 4 | 10 | 10 | 10 | 12 | 12 |
| Current Difference | 13 | | (7) | 4 | 4 | 2 | 2 |
| Accumulated Ending Balance | 16 | 16 | 9 | 13 | 13 | 15 | 15 |

Agency: Mediation Services, Bureau of

2020-21 Departmental Earnings

Earnings Group: Mediation Services Bureau Fees

Background Information:

The Bureau of Mediation Services maintains a list of arbitrators who have met rigorous standards of relevant labor relations experience, knowledge of collective bargaining, and arbitration. Requirements for empanelment, referral, conduct and removal of persons on the roster are listed in MN Rules Chapter 5530. Arbitrators pay an annual application fee of \$100 to be included on this list.

Forecast Basis:

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

Recent Changes:

None

Agency Analysis/Comments:

No change is recommended in the current fee structure; the fees are sufficient to cover the costs.

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2020-21 Biennial Budget - Departmental Earnings

Medical Practice, Board of

Medical Practice Board Licensing Fees

Agency: Medical Practice, Board of

2020-21 Departmental Earnings

Earnings Group: Medical Practice Board Licensing Fees

Purpose: To recover the costs of regulating the following professions: physicians (PY), physician assistants (PA), respiratory therapists (RT), athletic trainers (AT), acupuncturists (AP), genetic counselors, licensed traditional midwives (MW), naturopaths (ND), telemedicine physicians (TM) and professional firms (PF).

Legal Citation: M.S. 147, 147A,B,C,D,E,F, M.S. 148, M.S. 214, M.S. 319B, M.R. 5600.2500

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

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

Appropriation: Med Pract NonDedicate Receipts (H7B1000); Criminal Background Check Rece (H7B9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 10,976 | 12,530 | 14,925 | 14,634 | 14,634 | 15,524 | 14,786 |
| Resources: | | | | | | | |
| Departmental Earnings | 6,013 | 6,186 | 6,310 | 6,373 | 6,373 | 6,436 | 6,436 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 380 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,633 | 6,186 | 6,310 | 6,373 | 6,373 | 6,436 | 6,436 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,387 | 3,124 | 5,664 | 4,536 | 5,089 | 4,537 | 5,104 |
| Indirect Expenditures | 692 | 667 | 937 | 947 | 1,132 | 952 | 1,144 |
| Total Expenditures | 4,079 | 3,791 | 6,601 | 5,483 | 6,221 | 5,489 | 6,248 |
| Current Difference | 1,554 | 2,395 | (291) | 890 | 152 | 947 | 188 |
| Accumulated Ending Balance | 12,530 | 14,925 | 14,634 | 15,524 | 14,786 | 16,471 | 14,974 |

Background Information:

The board's mission is to protect the public through effective licensure/registration and enforcement of the statutes and rules governing the practice of the health professions regulated by the Board.

The Board of Medical Practice provides the following services:

- Issue initial credentials and renew licenses/registrations for qualified professionals.
- Ensure that only applicants who meet licensure/registration requirements are granted a credential.
- Respond to public and agency inquiries, complaints, and reports regarding credentialing processes and conduct of applicants and licensees/registrants.
- Take disciplinary or corrective action against an applicant or licensee/registrant for misconduct.
- Enforce standards of practice and professional conduct for licensees.
- Set educational standards for initial credentialing and continuing education requirements for maintaining a credential.
- Review applicant's education and training to determine compliance with the board's licensure/registration requirements.
- Provide information about licensure/registration requirements and standards of practice to citizens and other interested persons or agencies.

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees/registrants, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure/registration, and any fee changes set in current law. There are minimum changes anticipated to the amount of revenue generated in the upcoming biennium, based on the addition of a newly regulated profession.

Recent Changes:

Addition of a newly regulated profession, genetic counselors.

Agency Analysis/Comments:

Implementation of licensure of genetic counselors will involve appointment of an advisory council and establishment of processes for issuing credentials, similar to processes currently in place for credentialing of other allied health professions regulated by the Board.

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2020-21 Biennial Budget - Departmental Earnings

Natural Resources

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

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Aquatic Invasive Species

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

Legal Citation: M.S. 86B.415, M.S. 86D.15; M.S. 84D.13, Subd. 5; M.S. 84D.108

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

Fund: Invasive Species (2112)

Appropriation: EWR Non Dedicated Receipts IS (R292A37); ENF Non Dedicated Rcpts IS (R297A09)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,308 | 1,146 | 1,195 | 345 | 345 | (107) | 445 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,332 | 1,373 | 1,346 | 1,346 | 1,998 | 1,346 | 1,998 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 1,849 | 1,872 | 1,849 | 1,849 | 1,849 | 1,849 | 1,849 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,182 | 3,246 | 3,196 | 3,196 | 3,848 | 3,196 | 3,848 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,327 | 3,176 | 4,025 | 3,627 | 3,727 | 3,627 | 3,727 |
| Indirect Expenditures | 17 | 21 | 21 | 21 | 21 | 21 | 21 |
| Total Expenditures | 3,344 | 3,197 | 4,046 | 3,648 | 3,748 | 3,648 | 3,748 |
| Current Difference | (162) | 49 | (850) | (452) | 100 | (452) | 100 |
| Accumulated Ending Balance | 1,146 | 1,195 | 345 | (107) | 445 | (559) | 545 |

Background Information:

Most of the invasive species prevention and management activities are conducted or directed by staff from Department of Natural Resources (DNR) Division of Ecological and Water Resources – Invasive Species Program. The program hires approximately 150 seasonal staff during the summer to inspect boats at public water accesses and help implement management activities. In total, the equivalent of more than 25 full-time positions is focused on invasive species work. We receive additional funding for these efforts from the Great Lakes Restoration Initiative (GLRI) and General Fund. Three-quarters of the watercraft inspectors are funded from the Invasive Species Account and the remaining one-quarter with GLRI funds. General Fund supports other AIS program needs.

Forecast Basis:

Currently the Invasive Species Program is funded through the Invasive Species Account which receives approximately \$1,334,000 annually from the Watercraft Surcharge of \$5, and about \$10,000 from tickets issued to citizens who do not follow the rules for preventing the spread of invasive species.

Recent Changes:

None.

Agency Analysis/Comments:

AIS related revenues do not cover the current appropriations from AIS prevention and management activities. This is a long-standing issue that continues through the current budget horizon. The AIS account has a projected and annual structural imbalance from FY18 to FY23. The account has a projected deficit in FY20 that grows to \$1.5 million in FY23.

Information related to the Governor recommended fee changes that impact this fee group are available in the Increase Boating Registration Fees and Aquatic Invasive Species Surcharge change item in the 2020-21 Department of Natural Resources budget book.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: DNR Miscellaneous

Purpose: Receipts from sale of documents, publications, aerial photos and payments for cooperative agreements are used to cover the cost of providing these materials or services.

Legal Citation: M.S. 16A.055; M.S. 84.026; M.S. 84.0855, Subd. 1; M.S. 84.67; M.S. 88.6435, Subd. 4; M.S. 89.22; M.S. 325G.051

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

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

Appropriation: LAM Env Coop Res Match (R291026); LAM Minerals Coop Agreement (R291200); LAM Minerals Publications (R291205); EWR Coop Agreements (R292200); EWR Seminars Waters (R292203); EWR Publications (R292212); EWR Coop Agreement (R292226); EWR Non Game Gift (R292227); EWR Red River Coord (R292253); EWR APT EIS Income SR (R292323); EWR SEIS FargoMrhd Diver IncSR (R292325); FOR Coop Agreement Fire Fghtng (R293201); FOR Balsam Bough (R293208); FOR Res Assess Prod & Serv (R293212); FOR Sales & Publications (R293217); FOR Camp Ripley Coop Agr (R293226); FOR State Forest Land Use (R293229); FOR Fire Equip Coop (R293233); PAT Coop Agrmnts (R294204); PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Tower Soudan Coop (R294213); PAT Soudan Minos (R294216); PAT Cop MNDOT Lutsen (R294227); PAT Fort Snelling Upper Bluff (R294237); PAT Publications (R294238); FAW Fisheries Publications (R296201); FAW Fisheries Coop Agreement (R296205); FAW Wildlife Coop Agreement (R296220); FAW Non Dedicated Rcpts WRA (R296A51); FAW Non Dedicated Rcpts SNOW (R296A52); FAW Non Dedicated Rcpts ATV (R296A53); FAW Non Dedicated Rcpts OHM (R296A54); FAW Non Dedicated Rcpts ORV (R296A55); FAW Non Dedicated Rcpts SP (R296A56); FAW Non Dedicated Rcpts G&F (R296A57); ENF Coop Agreements (R297220); Reg Ops Resale Acct (R298209); OCO MCV Sales Income SR (R298220); OCO State Fair Operations SR (R298222); OCO MCV Gift Fund GFT (R298230)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 1,435 | (2,455) | (5,044) | (6,196) | (6,196) | (7,614) | (7,614) |
| Resources: | | | | | | | |
| Departmental Earnings | 2,137 | 1,864 | 3,393 | 3,167 | 3,169 | 3,166 | 3,168 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,137 | 1,864 | 3,393 | 3,167 | 3,169 | 3,166 | 3,168 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,900 | 4,336 | 4,475 | 4,515 | 4,517 | 4,515 | 4,517 |
| Indirect Expenditures | 127 | 117 | 70 | 70 | 70 | 70 | 70 |
| Total Expenditures | 6,027 | 4,453 | 4,545 | 4,585 | 4,587 | 4,585 | 4,587 |
| Current Difference | (3,890) | (2,589) | (1,152) | (1,418) | (1,418) | (1,419) | (1,419) |
| Accumulated Ending Balance | (2,455) | (5,044) | (6,196) | (7,614) | (7,614) | (9,033) | (9,033) |

Background Information:

Sale of maps, documents, aerial photos and publications - Receipts from the sale of maps, resource-related documents, aerial photos and other publications are authorized to be deposited in the natural resource fund and appropriated to the commissioner for purposes for which the money was received. Rates charged are set to cover production and printing costs. Handling and mailing costs are also recovered when applicable. This approach to pricing generally does not include the agency professional time required to research, create, write, photograph, edit or review such documents or publications.

Cooperative Agreements - The agency is authorized to enter into agreements with public and private entities for the provision of statutorily prescribed natural resource services provided by the department. The Forestry Division engages in cooperative agreements for the purposes of fire prevention, emergency fire suppression, forest management, or wildlife habitat. Cooperative Agreements compensate the division for agreed to services. Fire protection and suppression and Camp Ripley forest management agreements account for a majority of the Forestry division cooperative agreement revenue.

State Forest Land Use – These fees are paid by individuals or groups for the use of state forest including motorcycle, snowmobile, and sports car rallies, races, orienteering trials; group campouts that do not occur at designated group camps; dog sled races; dog trials; large horse trail rides; and commercial uses. The purpose of the fee is to recoup the costs of maintaining areas for the uses or mitigate resource impacts of those uses. Fees are established in rule and total annual revenue is typically about \$500.

Balsam Bough – Established in the laws of 2001, it is meant to provide regulation and oversight to the harvesting and sale on the wholesale level of decorative materials and trees. Decorative material is defined in M.S. 88.641, subd 1b, and primarily covers the harvest and sale of conifer boughs, branches and tops to be used as seasonal decoration. Actual and estimated receipts are low—about \$1,000 to \$2,000 per fiscal year. Actual and budgeted expenditures reflect the minimal number of staff hours associated with this program effort. MS 88.6435, subd 1 states: A person may not buy more than 100 pounds of decorative boughs in any calendar year without a bough buyer’s permit. The annual fee for a permit to buy decorative boughs is \$25. Subd 4b, states that expenditures under this statute allow for costs associated with balsam bough education programs for harvesters and buyers.

Forecast Basis:

Cooperative Agreement rates are negotiated and determined individually. Agreements are frequently renewed and projections are based on the anticipated agreements carrying forward and expected new agreements. The contracts typically will specify the services to be provided, the amount to be paid and/or method of reimbursement. The division enters into numerous cooperative agreements; all DNR divisions use the same statutory citation relating to cooperative agreements, M.S. 84.026.

Other fees in this category are primarily estimated on past revenue and program estimates.

Recent Changes:

In 2015, legislative language in M.S. 88.6435 Subd. 4 was changed to expand the use of the forest bough account beyond balsam bough educational purposes to include special forest product information and education.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: DNR Miscellaneous

Agency Analysis/Comments:

Annual revenues and expenditures from the sale of documents, publications, state land use and cooperative agreements are not significantly over or under recovering costs. Information related to the Governor recommended fee changes that impact forestry products are available in the Protecting Special Forest Products change item in the 2020-21 Department of Natural Resources budget book.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Electronic Licensing

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

Legal Citation: M.S. 97A.485

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

Fund: Other Misc Special Revenue (2001); Water Recreation (2100); Snowmobile (2101); All-Terrain Vehicle (2102); Off-Highway Motorcycle (2103); Off-Road Vehicle (2104); State Park (2106); Cross Country Ski (2116); Natural Resource Misc Statutory (2117); Game and Fish (Operations) (2200); Computerized Lic Deer/Bear Mgmt (2201)

Appropriation: PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); FAW Licensing Computerized Lic (R296057); FAW Lic Fed Duck Stamp Sales (R296229); FAW Electronic Licens WRA ITC (R296231); FAW Electronic Licens SNOW ITC (R296232); FAW Electronic LicenS ATV ITC (R296233); FAW Electronic Licens OHM ITC (R296234); FAW Electronic Licens ORV ITC (R296235); FAW Electronic Licens PRK ITC (R296236); FAW Electronic Licens G&F ITC (R296237); FAW Electronic Licens SKI ITC (R296238); FAW Elec Lic Statutory Msc ITC (R296239)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 710 | 987 | 1,234 | 1,236 | 1,236 | 1,238 | 1,238 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,458 | 4,460 | 4,493 | 4,493 | 4,493 | 4,493 | 4,493 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 13 | 23 | 9 | 9 | 9 | 9 | 9 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,471 | 4,483 | 4,502 | 4,502 | 4,502 | 4,502 | 4,502 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,194 | 4,236 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4,194 | 4,236 | 4,500 | 4,500 | 4,500 | 4,500 | 4,500 |
| Current Difference | 277 | 247 | 2 | 2 | 2 | 2 | 2 |
| Accumulated Ending Balance | 987 | 1,234 | 1,236 | 1,238 | 1,238 | 1,240 | 1,240 |

Background Information:

These fees exist to support licensing activities and maintain the Electronic Licensing System (ELS). Issuing fees are charged on the sales of licenses, permits, and registrations. Fee amounts vary by transaction. The following departmental earnings are deposited to the funds(s).

| Dedicated | | |
|-------------------------------------|---|---|
| Departmental Earnings | Fee Amount | Activity Supported |
| FAW License Fed Duck Stamp Sales | \$1.50 Fulfillment Fee \$1.00 ELS Fee | Mailing services Electronic Licensing System (ELS) |
| FAW Electronic License WRA ITC | \$1.50 Watercraft Title Registration | Electronic Licensing System (ELS) |
| FAW Electronic License SNOW ITC | \$1.50 Snowmobile Registration/Renewal | Electronic Licensing System (ELS) |
| FAW Electronic License ATV ITC | \$1.50 ATV Registration/Renewal | Electronic Licensing System (ELS) |
| FAW Electronic License OHM ITC | \$1.50 Off Hwy Motorcycle Registration/Renewal | Electronic Licensing System (ELS) |
| FAW Electronic License ORV ITC | \$1.50 Off Road Vehicle Registration/Renewal | Electronic Licensing System (ELS) |
| FAW Electronic License PRK ITC | \$1.22 License Issuing Fee | Electronic Licensing System (ELS) |
| FAW Electronic License SKI ITC | \$1.22 Cross Country Ski pass | Electronic Licensing System (ELS) |
| FAW Elec License Statutory Misc ITC | \$1.22 Balsam Bough \$1.22 Horse Trail Pass | Electronic Licensing System (ELS) |
| FAW Electronic License G & F ITC | \$.71 - \$2.50 multiple license types \$3.00 Walk In Access Validation | Electronic Licensing System (ELS) |
| FAW Licensing Computerized License | \$1 Youth Deer Licenses (muzzleloader, archery, firearm) | Electronic Licensing System (ELS) |

Forecast Basis:

Receipts are forecasted based on a 3-year history. Additional input comes from program staff which assess license activity that may impact future license sales. Other adjustments may be made due to fee increases, participation rates, or prior year weather condition impacts. License issuing fees are calculated on a per transaction basis. An overall combined trend shows revenues are stable, however individual accounts may experience slight fluctuation.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Electronic Licensing

Recent Changes:

2017 Session Changes

- Federal Duck stamp last fee change was in 2014 increasing from \$15 to \$25

2018 Session Changes

- N/A

Agency Analysis/Comments:

These fees are costs directly associated with the electronic licensing system. All receipts in this earnings category are to recover actual costs. The agency does not over or under-recover costs. Regular reviews occur to monitor balances.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Fire Fighting

Purpose: Revenue is used to recover the costs of transporting and inspecting federal excess fire equipment for local fire departments; recover costs for wildfire suppression from legally responsible parties; recover costs of firefighting equipment issued by the interagency fire cache and receive federal reimbursement for costs of out-of-state fire mobilizations.

Legal Citation: M.S. 88.17, Subd. 5b; M.S. 88.75, Subd. 1; M.S. 84.026

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

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

Appropriation: FOR Burn Permit (R293205); FOR Emergency Fire Non State (R293232); FOR Fire Equip Coop (R293233); FOR Emergency Fire Federal (R293236); FOR Non Dedicated Receipts GEN (R293A01)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 1,354 | 1,593 | 739 | 429 | 429 | 814 | 814 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,776 | 6,404 | 4,795 | 3,945 | 3,945 | 3,945 | 3,945 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 1,134 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,776 | 5,270 | 4,795 | 3,945 | 3,945 | 3,945 | 3,945 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,258 | 5,710 | 4,805 | 3,260 | 3,260 | 3,260 | 3,260 |
| Indirect Expenditures | 279 | 414 | 300 | 300 | 300 | 300 | 300 |
| Total Expenditures | 3,537 | 6,124 | 5,105 | 3,560 | 3,560 | 3,560 | 3,560 |
| Current Difference | 239 | (854) | (310) | 385 | 385 | 385 | 385 |
| Accumulated Ending Balance | 1,593 | 739 | 429 | 814 | 814 | 1,199 | 1,199 |

Background Information:

This revenue category is made up of the following cost reimbursements:

- Wildfire suppression costs. Parties who violate wildfire restrictions, and whose actions result in a wildfire incident that requires an agency response, are liable for the costs for wildfire suppression and containment. By statute, such reimbursements are deposited to the General Fund as non-dedicated receipts. Amounts vary significantly depending on the number of fires and suppression costs for each incident.
- Fire equipment. Surplus or excess federal fire equipment is transported to or within the state. The equipment is then inspected and made functional before being turned over to local fire departments. Local fire agencies reimburse the DNR for these costs. Amounts vary depending on the transportation and repair costs of the equipment being transferred to the fire departments.
- Fire cache. Fire equipment and supplies are stocked at the interagency fire center in Grand Rapids. Costs to use or purchase supplies and equipment are reimbursed by outside agencies. Amounts vary depending on the item used or purchased.
- Out-of-state firefighting. DNR provides resources (staff, equipment and miscellaneous supplies) when mobilized by federal agencies to assist in fighting out-of-state wildfires. The federal agency reimburses the DNR for costs incurred in responding to these out-of-state wildfire incidents.
- Burn Permits. The state treasury has a burning permit account established in the natural resources fund. The fee is used to operate the burning permit system. On-commercial fees are \$5 annually. Commercial enterprises that obtain multiple permits are charged \$5 per site up to a maximum of \$50 per individual business enterprise per year.

Forecast Basis:

The forecast of receipts and expenditures is based on historical trends. Wildfire suppression costs and reimbursements are dependent on a number of unknown variables including the weather and the severity of the state's and western-U.S. fire season. As a result actual receipts and expenditures can vary significantly from the projections.

Estimated percentage of revenue received in this category is Wildfire suppression 1%, Cache Sales 1%, Out-of-state firefighting 92%, and all others 6%.

Recent Changes:

No recent changes are associated with these earnings categories.

Agency Analysis/Comments:

With the exception of burning permits, these charges are all for direct cost reimbursements. All receipts in this earnings category are to recover actual costs. The agency does not over or under recover costs. Burning permit revenues are stable and recovering costs.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Forestry Nursery Account

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

Legal Citation: M.S. 89.37, Subd. 7 and Subd. 4

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

Fund: Other Misc Special Revenue (2001)

Appropriation: FOR Nurseries Account (R293204)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 1,918 | 1,508 | 1,559 | 1,489 | 1,489 | 1,494 | 1,494 |
| Resources: | | | | | | | |
| Departmental Earnings | 950 | 814 | 1,925 | 1,980 | 1,980 | 1,985 | 1,985 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 597 | 805 | 17 | 17 | 17 | 17 | 17 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,547 | 1,619 | 1,942 | 1,997 | 1,997 | 2,002 | 2,002 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,957 | 1,568 | 2,012 | 1,992 | 1,992 | 1,997 | 1,997 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,957 | 1,568 | 2,012 | 1,992 | 1,992 | 1,997 | 1,997 |
| Current Difference | (410) | 51 | (70) | 5 | 5 | 5 | 5 |
| Accumulated Ending Balance | 1,508 | 1,559 | 1,489 | 1,494 | 1,494 | 1,499 | 1,499 |

Background Information:

The Forest Nursery account has two revenue sources. One is for the sale of seedlings and the other for the sale of tree seeds. Proceeds from the sale of nursery seed and seedlings are deposited into the account for the purposes of recovering nursery operational costs. The costs of running the nursery include production, shipping, and capital projects. All nursery operations are self-supporting. Seed and seedling prices are variable and set by the DNR. Production is capped at 10 million seedlings annually. Under Minnesota Laws Chapter 89, DNR nursery stock may not be planted for ornamental purposes, nor can it be resold, given away, or removed with the roots attached for a period of 10 years from the date of purchase. A minimum order of 500 trees is required. The DNR nursery produces products for reforestation using localized seed sources.

Forecast Basis:

1. The forecast is based on projected sales of nursery stock. Prices are based on a combination of factors:
2. Surveys of private nurseries to obtain nursery pricing information, which allows the DNR's forest nursery to set its pricing to be comparable and competitive with private nurseries.
3. Production estimates of the various tree species needed in future years.
4. Analysis of nursery operations, which enables the nursery to set its product pricing to meet the objective of recovering all nursery costs for production, marketing, and distribution.

The State Forest Nurseries seedling sales were about 3.3 million annually over the past 2 years. The operating budget of the State Forest Nursery is based upon anticipated sales. Seedlings sales account for 83% of annual sales revenue and seed sales account for 17% of revenue.

Recent Changes:

The DNR operated two nurseries prior to July 2013. The Badoura Nursery in Akeley is now the only operating DNR forest seedling and seed producer. Seedling and seed prices were increased in FY2019. Increases varied by species and quantity ordered by the purchaser. Price changes ranged from 1 cent (3.5%) to 32 cents (33%) per seedling based on seedling type and quantity ordered and seed prices for all species except white cedar were adjusted upward 25% per pound. In addition, per ounce rates were introduced for small quantities of seed.

Agency Analysis/Comments:

The Division of Forestry produces and distributes an annual report on its nursery operations. In FY2019 nursery pricing and sales recovered operating costs. The nursery experienced an operating deficit of over \$400,000 in FY2018 due to the total loss of red pine from a Diplodia fungus outbreak and other weather related losses. The nursery is anticipated to recover operating costs going forward. Seed and seedling prices are evaluated and adjusted as required on an annual basis to maintain operational capacity.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Game and Fish

Purpose: To fund game and fish programs including but not limited to: fisheries operations to monitor fish populations, protect and restore habitat and stock fish in public waters; wildlife operations to manage wildlife populations, protect and restore habitats; ecological services programs relating to the protection of ecosystems and enforce game and fish laws.

Legal Citation: M.S. 16A.68; 17.4988, s2-4; 84.0911; 84.152; 84D.11; 86B.706; 97A.055; 97A.065, s2; 97A.071, s2; 97A.075; 97A.221; 97A.225; 97A.341, s5; 97A.433, s3; 97A.431 s3; 97A.435, s3; 97A.473; 97A.4742; 97A.475; 97B.002; 97B.015, s4; 97B.025; 97B.401; 97C.081, s3; 103G.611, s1a; 103G.615; 609.101; MR 6234.2800

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

Fund: Restrict Misc Special Revenue (2000); Water Recreation (2100); Game and Fish (Operations) (2200); Computerized Lic Deer/Bear Mgmt (2201); Deer Habitat Improvement (2202); Waterfowl Habitat Improvement (2203); Trout And Salmon Management (2204); Pheasant Habitat Improvement (2205); Wild Rice Management (2206); Wildlife Acquisition Surcharge (2207); Wild Turkey Management (2208); Lifetime Fish & Wildlife Trust (2210); Walleye Stamp Account (2211); Wolf Management & Monitoring (2213)

Appropriation: EWR Lic Srchrg Inv Species (R292206); EWR Non Dedicated Receipts G&F (R292A35); FAW Trout & Salmon Mgmt (R296003); FAW Walleye Stocking (R296005); FAW Wldlf Land Acq Surchg (R296022); FAW Deer Bear Mgmt (R296023); FAW Deer Habitat Improvement (R296024); FAW Wtrfowl Habitat Improv (R296025); FAW Pheasant Habitat Improv (R296026); FAW Wild Turkey Management (R296028); FAW Wild Rice Management (R296211); FAW Deer Feed & Cervidae Hlth (R296213); FAW Wolf Mgmt & Monitoring (R296223); FAW Lic Surcharge Walk-in Prog (R296225); FAW Lic Surcharge Venison Prog (R296226); FAW Walk-in Access Program (R296227); FAW Non Dedicated Rcpts G&F (R296A02); FAW Non Dedicated Rcpts LT (R296A06); FAW Non Dedicated Rcpts WRA (R296A51); ENF Firearm Safety Training (R297201); ENF Adult Hunter Education (R297204); ENF Non Dedicated Rcpts G&F (R297A06)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 108,948 | 121,351 | 147,872 | 157,162 | 157,162 | 173,028 | 172,801 |
| Resources: | | | | | | | |
| Departmental Earnings | 93,984 | 100,772 | 100,345 | 99,815 | 100,496 | 99,767 | 100,448 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 951 | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 |
| Revenue Collected by Another Agency | 13,211 | 14,054 | 13,912 | 14,085 | 14,085 | 14,278 | 14,278 |
| Other Receipts | 286 | 489 | 505 | 455 | 455 | 405 | 405 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,271 | 1,314 | 1,279 | 1,279 | 1,279 | 1,279 | 1,279 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 107,161 | 115,027 | 114,509 | 114,102 | 114,783 | 114,197 | 114,878 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 92,526 | 87,157 | 104,162 | 96,936 | 97,844 | 97,172 | 97,844 |
| Indirect Expenditures | 2,232 | 1,349 | 1,057 | 1,300 | 1,300 | 1,300 | 1,300 |
| Total Expenditures | 94,758 | 88,506 | 105,219 | 98,236 | 99,144 | 98,472 | 99,144 |
| Current Difference | 12,403 | 26,521 | 9,290 | 15,866 | 15,639 | 15,725 | 15,734 |
| Accumulated Ending Balance | 121,351 | 147,872 | 157,162 | 173,028 | 172,801 | 188,753 | 188,535 |

Background Information:

The following departmental earnings are deposited to the fund(s) and exist to support game and fish programs including but not limited to:

1. Fish and wildlife operations to monitor populations, protect and restore habitats;
2. Ecological and water resources programs relating to the protection of ecosystems; and
3. Enforce game and fish laws.

| Dedicated | | |
|--------------------------------|--|---|
| Departmental Earnings | Fee Amount | Activity Supported |
| Wildlife Acquisition Surcharge | \$3.25 Small game 72 hour license \$6.50 Other license types that include small game | Acquisition and development of wildlife lands |
| Waterfowl Stamp | \$3.25 Small game 72 hour license \$6.75 Super Sport and Waterfowl stamp | Activities associated with improvement of waterfowl habitat |
| Trout Stamp | \$9 Stamps, validation, resident super sports \$18 Resident married combo super sport | Development, restoration, maintenance, improvement, protection, and preservation of habitat for trout and salmon in trout streams and lakes |
| Pheasant Stamp | \$3.75 Small game 72 hour license \$6.75 Stamps, super sport | Activities associated with improvement of pheasant habitat |
| Wild Rice | \$23.78 Season Harvester \$13.78 Resident Harvester– 1 day \$28.78 Nonresident Harvester – 1 day | Management of designated public waters to improve natural wild rice production |
| Hunting Donation | \$1, \$3, or \$5 | Administration of Walk-in access program |
| Hunting Surcharge | \$5 on multiple non-resident license types \$1 on bonus deer permits | Administration of Walk-In Access and Venison donation programs |
| Fishing Surcharge | \$5 on non-resident licenses | Ecological and Waters License Surcharge Invasive Species |
| Walleye Stamp | \$5 Stamp and validation | Stocking walleyes purchased from the private sector in waters of the state |
| Wolf License | \$2.78 application \$28.78 resident wolf | Application is for costs associated with conducting the wolf license drawing and wolf management |

| | | |
|---|--|---|
| | firearm, trapping \$248.78 non-resident wolf firearm, trapping | research, damage control, enforcement, and education |
| Wolf Allocation | \$.50 | Wolf management, research, damage control, enforcement, and education |
| Non-Dedicated | | |
| Departmental Earnings | Fee Amount | Activity Supported |
| Application Fees | \$2.78 Application Fee \$12.78 Camp Ripley | Costs associated with drawings for turkey, prairie chicken, moose, elk, bear, Camp Ripley hunts |
| Game and Fish Commercial License | Various | Aquaculture, minnow, fishing, charter, trapping, other |
| Fishing License | Various | Manage, protect, and regulate fish and wildlife resources |
| Hunting License | Various | Manage, protect, and regulate fish and wildlife resources |
| Sportsman's License | \$33.28 Individual \$49.28 Combination | Manage, protect, and regulate fish and wildlife resources |
| DNR Sale of Fish/Eggs | Various | Surplus production stock, exchange of products, or sole source for suckers primarily to aquaculture facilities and businesses |
| Sport Fish Restoration revenues (DJ) | Various | Manage, protect, and regulate fish and wildlife resources |
| Wildlife Restoration revenues (PR) | Various | Manage, protect, and regulate fish and wildlife resources |
| Game and Fish Miscellaneous | Various | |
| Game and Fish Fines | Various | Manage, protect, and regulate fish and wildlife resources |
| Game and Fish Forfeits | Various | Manage, protect, and regulate fish and wildlife resources |
| DNR Restitution | Various | Restore and replace fish and wildlife resources taken or acquired in violation of the state's game and fish laws |
| Aeration System Permit | \$250 annual fee, unless waived | Permits to allow the use of these systems to protect shoreline or fish populations |
| Game and Fish Lifetime License Activation | Equal to annual license fee | Annual transfer from trust fund to license accounts |
| Fishing Contests Permit | \$70 - \$560 | Manage, protect, and regulate fish and wildlife resources |
| Super Sports | \$98.29 Individual Resident \$124.29 Married Combo Resident | Waterfowl, trout, and pheasant stamps, emergency deer feeding, deer habitat, deer bear management, wolf allocation |

The Enforcement safety training section collects program fees to offset the costs of administering the Firearms Safety and Youth and Adult Hunter Education Training (FAS). In 2010 an online option was introduced which has led to an increase in the number of adults being trained. The online course is administered by a contract vendor and they collect a fee from the user separate from the state fee. The state fee is currently set at \$7.50 to partially recover costs for ammunition, ear plugs, targets, and numerous other expenditures including but not limited to; instructor training materials, student training materials and field day props. State statute also allows the volunteer instructors to collect a fee up to a matching \$7.50. This matching fee is not received by the state in any way. Duplicate certificate fees are \$5.

Forecast Basis:

Fish and Wildlife receipts are forecasted based on a three year history. Additional input comes from program staff which assess fish and wildlife population trends that may impact future license and stamp sales. Other adjustments may be made due to fee increases, participation rates, or prior year weather condition impacts.

The projection of Sport Fish and Wildlife Restoration revenues is based on the history of federal revenues (federal apportionment) available to the DNR for these programs and future apportionment estimates from the federal aid office.

Receipts generated from enforcement activities are projected based on a five-year history and planned changes in enforcement operations over the next three to five years. The enforcement fees are currently under recovering the expenses of the program. The FAS program has seen a 76% increase (including online) in the number of users over the past five years. Costs associated with the program have also increased, largely due to the price of ammunition, printing and shipping expenditures. These costs are expected to continue to increase in the near future.

Recent Changes:

2017 Session Changes

- Increase to hunting and fishing licenses and fishing tournament fees. The prior fee increase occurred during the 2012 legislative session.
- Newly defined 'portable shelter' and enacted \$15 shelter license fee for non-portable houses placed on ice.
- Removes attorney general approval requirement from game and fish violation reciprocal agreements with other governments.
- Clarifies that a misdemeanor is the default penalty for game and fish law violations.
- New exception from retail licensure for resort owners to transport minnows under certain conditions.
- Transportation appropriation bill changes to MS 297A.94 inadvertently caused a technical error to the cite reference in the game and fish fund receipts in MS 97A.055.2(7). That reference needs a technical correction to MS 297A.94 (h)(1) in both MS 97A.055.2(7) and any heritage funding appropriations to the agency in the 2019 legislative session.

Agency Analysis/Comments:

The Fish and Wildlife division manages fish and wildlife populations, their habitats, and use of these public resources, including fishing, hunting, and trapping. Our goal is to sustain healthy populations of fish and wildlife, high quality recreational opportunities, and vibrant local economies. In partnership with citizens, we protect and restore natural lands, lakes, and streams, monitor harvested species, anticipate and respond to new challenges, and promote the state's hunting and fishing heritage. Hunters, anglers, and wildlife viewers and photographers benefit from diverse, abundant species, accessible public lands, and high quality recreational

experiences.

Revenues and expenditures go to designated programs to ensure funding is provided for specific activities. Fees established are set in statute and are supported by stakeholders. The agency prepares a fund statement to monitor balances. A budget oversight committee also provides an annual review of activities and trends. Recommendations are made and taken into consideration before new fees are proposed.

The Enforcement division provides a mandated firearms safety training program. The FAS fee of \$7.50 is likely under-recovering costs. The current course fee generally only recover expenditures related to materials and shipping costs provided in the programs. As state previously, these costs have increased in recent years.

Information related to the Governor recommended fee changes that impact this fee group are available in the Sustaining Minnesota's White-Tailed Deer and Fish and Wildlife Dedicated Deer License Revenue change items in the 2020-21 Department of Natural Resources budget book.

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

Legal Citation: M.S. 84.82; 85.41, 85.42; 84.922, s2,5; 84.788, s3; 84.798, s3; 84.8712; 84.86, s1(6); 84.925, s1(b); 84.791, s2; 84.83, s5, 97A.065, s2, 609.101, s4; 84.8205; 85.46; 84.9275; 84.8035; 84.8015; 84.7945

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

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

Appropriation: PAT Cross Country Ski Trails (R294209); PAT Horse Trails (R294210); PAT Spec Use Permit Fees NRMS (R294249); PAT Non Dedicated Rcpts SNOW (R294A22); PAT Non Dedicated Receipts ATV (R294A23); PAT Non Dedicated Receipts OHM (R294A24); PAT Non Dedicated Receipts ORV (R294A25); ENF Snow Safety Training (R297202); ENF Non Dedicated Rcpts SNOW (R297A02); ENF Non Dedicated Rcpts ATV (R297A03); ENF Non Dedicated Rcpts OHM (R297A04); ENF Non Dedicated Rcpts ORV (R297A05)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 25,271 | 24,750 | 26,604 | 22,476 | 22,476 | 21,346 | 21,902 |
| Resources: | | | | | | | |
| Departmental Earnings | 10,994 | 12,462 | 13,035 | 13,635 | 13,705 | 11,735 | 11,805 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 10,793 | 10,914 | 11,069 | 11,099 | 13,105 | 11,045 | 16,674 |
| Revenue Collected by Another Agency | 158 | 163 | 165 | 174 | 174 | 183 | 183 |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 21,945 | 23,539 | 24,269 | 24,908 | 26,984 | 22,963 | 28,662 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 21,913 | 21,154 | 27,502 | 25,324 | 26,844 | 25,216 | 26,736 |
| Indirect Expenditures | 553 | 531 | 895 | 714 | 714 | 714 | 714 |
| Total Expenditures | 22,466 | 21,685 | 28,397 | 26,038 | 27,558 | 25,930 | 27,450 |
| Current Difference | (521) | 1,854 | (4,128) | (1,130) | (574) | (2,967) | 1,212 |
| Accumulated Ending Balance | 24,750 | 26,604 | 22,476 | 21,346 | 21,902 | 18,379 | 23,114 |

Background Information:

Snowmobile: Fees from the registration of snowmobiles and unrefunded gasoline taxes attributable to snowmobile use are the main sources of funding in the Snowmobile Trails and Enforcement Account. The account funds may be spent only as appropriated by law, for:

- A grant-in-aid program to local units of government for construction and maintenance of snowmobile trails.
- Acquisition, development, and maintenance of state administered snowmobile trails.
- Snowmobile safety programs.
- Enforcement of snowmobile laws.
- Grants to local law enforcement agencies

The following earnings are deposited as non-dedicated receipts to the Snowmobile account:

- Snowmobile registrations (\$105 for a 3-year registration)
- Snowmobile trail permits (\$50 for a 1-year permit, required for out-of-state registered snowmobiles)
- Snowmobile fines
- Snowmobile (track) studs - civil citations

The following earnings are deposited as dedicated receipts

- Adult snowmobile training
- Youth snowmobile training

Off-highway Vehicle (OHV) Program: includes the 3 vehicle types defined as All-Terrain Vehicle (ATV), Off-Highway Motorcycle Account (OHM) and Off-Road Vehicle Account (ORV). Registrations and safety training earnings are deposited as non-dedicated receipts to the accounts for ATV, OHM and ORV. ATV civil citations and unrefunded gas tax are deposited as non-dedicated receipts or transferred in. Non-resident trail passes are required for ATVs, OHMs or ORVs. **ATV:** (M.S. 296A.18, Subd. 4 and M.S. 84.927, Subd. 1). The ATV Account was established in 1984. The ATV Account may be used, within guidelines of the Statewide Comprehensive Outdoor Recreation Plan, only for (M.S. 84.92):

- Acquisition, maintenance, and development of trails and use areas;
- Administration, enforcement, and implementation of applicable statutes;
- Grant-in-aid programs to counties and municipalities to construct and maintain ATV trails and use areas;
- Education and training program;
- Grant-in-aid to local safety programs;
- Safety and public education grants to local law enforcement agencies; and
- Maintenance of certain forest roads and county forest roads that are part of a designated trail system within state forest boundaries.

ATV registration fee, which covers a three-year registration period, was raised from \$45 to \$60 for machines in public use on and after July 1, 2017. A non-resident pass fee of \$30/year was implemented starting in 2017 season.

OHM: (M.S. 296A.18, Subd. 5 and M.S. 84.794, Subd. 1). Account was established in 1993. The OHM account may only be spent for (M.S. 84.794):

- Administration, enforcement, and implementation of OHM sections of statutes (M.S. 84.787 to 84.795);
- Acquisition, maintenance, and development of OHM trails and use areas; and
- Grants-in-aid to counties and municipalities to construct and maintain OHM trails and use areas. Grants must be guided by the Statewide Comprehensive Outdoor Recreation Plan.

The OHM registration fee is \$30 for a 3 year period per machine. A non-resident pass fee of \$20/year was implemented starting in

2014 season which will provide a slight increase in revenue.

ORV: (M.S. 296A.18, Subd. 6 and M.S. 84.803, Subd. 1). Account was established in 1993. The ORV Account may only be spent for (M.S. 84.803):

- Administration, enforcement, and implementation of M.S. 84.773 to 84.805;
- Acquisition, maintenance, and development of off-road vehicle trails and use areas;
- Grant-in-aid programs to counties and municipalities to construct and maintain off-road vehicle trails and use areas;
- Grants-in-aid to local safety programs; and
- Enforcement and public education grants to local law enforcement agencies.

The ORV registration fee is \$30 for a 3 year period per machine. A non-resident pass fee of \$20/year or \$30/3 years was implemented starting in 2012 season. The three year average of trail pass fees collected is \$6,000.

Cross-country ski pass: are deposited as dedicated receipts in the Natural Resources Fund, Cross Country Ski account. Ski passes are required for all trail users when skiing on state and grant-in-aid ski trails across Minnesota. The funds from this fee are used to support grooming and maintenance of both grant-in-aid and state park ski trails.

Horse pass: Established in 2007, a horse trail pass for individuals riding on state trails, state forests, state parks, and state recreation areas is required. The horse pass fee is \$4 daily and a \$20 annual for users age 16 and older. Receipts are deposited in a horse trail account in the natural resources fund and are dedicated for horse trail and trail facility development, maintenance and enforcement in state trails, forests, parks and recreation areas.

Enforcement: The ENF safety training section collects program fees to offset the costs of administering the ATV, snowmobile, and Off-highway motorcycle (OHM) and Off-highway vehicle (OHV) safety training programs. The fee for the ATV program is \$24.95; youth snowmobile is \$24.95; adult snowmobile is \$24.95; ORV is \$15, and OHM is free.

Forecast Basis:

Snowmobile: Revenue projections are based on the latest estimated number of registration renewals coming due each year and 6 year averages for new registrations and trail permit sales. Snowmobile registrations and gas tax receipts are the largest receipt items in the account.

Registrations are strongly influenced by winter weather while gas tax receipts are largely predictable.

The estimated registration revenues deposited into the Snowmobile account are estimated to range from about \$5.6 to \$7.5 million.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Off-highway Vehicle (OHV) Program: Revenue projections are based on a review of actual receipts over a five-year period. ATV registration fees, the largest receipt item in the account, are anticipated to continue to grow. OHM registration growth is expected to be moderate. ORV registration growth is anticipated to be modest.

ATV, OHM and ORV have appropriated dedicated dollars for projects like the expansion of the Iron Range Off-highway Vehicle Recreation Area that are available until spent. Those projects are underway and dollars are being spent now. One-time appropriation in FY2009 \$400,000 from the ATV Account, \$75,000 from the OHM Account and \$125,000 from the ORV Account for OHV (off highway vehicle) facility development, specifically for the Iron Range Off Highway Vehicle State Recreation Area (IROHVRA); this appropriation is until spent. In FY2009 Parks and Trails received a line item appropriation for an ATV grant of \$100,000 to the Moose Trail as a match to federal funding, a one-time appropriation that the 2010 Legislature modified this funding to be available until spent.

Cross Country Ski: Projected revenues are based on the average actual receipts over the last five-years.

Horse Pass: Projected revenue is based on a five-year average of actual receipts.

Enforcement: The numbers of program users is expected to stay nearly the same as the previous five years. However, costs associated with the programs have increased, largely due to the price of printing and shipping expenditures. These costs are expected to continue to increase in the near future.

Recent Changes:

Snowmobile: The 2017 legislature increased the snowmobile registration fee from \$75 to \$105 and the trail permit fees from \$30 to \$50. These changes helped stabilize the account balance while also providing some additional funding to support the programs funded by the snowmobile account.

The 2013 legislature provided for a non-trail registration for snowmobiles that do not operate on state or grant-in-aid snowmobile trails at a cost of \$45 for three years.

The 2012 legislature combined the registration and state trail sticker fees into a single registration. The price of the three year state trail sticker has been included in the price of snowmobile registration which is now \$75 for a three year period.

ATV, OHM or ORV: ATV registration fees were recently increased during the 2017 legislative session.

Cross Country Ski pass: The 2010 legislature increased the annual pass for individuals 16 years or older from \$14.00 to \$19.00, and the three-year pass for individuals 10 years or older from \$39.00 to \$54.00. Daily Ski pass for individuals 16 years of age or older increased from \$4.00 to \$5.00.

Horse pass: There have not been any significant changes to the horse pass fee since its inception in 2007.

Agency Analysis/Comments:

Snowmobile: The agency prepares a detailed annual fund statement for the Snowmobile Account. Revenue increases will be necessary at some point in the future to counter the effects of inflation. The appropriation levels from the snowmobile account are higher than the account can sustain, so the department collaborates with stakeholders on planned expenditures to keep the account balance above zero.

ATV, OHM and ORV Account(s): The agency prepares a detailed annual statement for the ATV, OHM and ORV Account(s) as a component of the Natural Resources Fund. The division of Parks and Trails is contributing to ensure the funds' health by planning for actual expenditures statewide remaining under the legislatively authorized biennial budget amounts for Parks and Trails and OHV GIA in FY19 and plan to continue to do the same for FY20 and FY21.

Cross Country ski pass: The agency annually prepares an account statement and monitors the account balance. Planned expenditures are reduced if actual receipts do not meet revenue projections, subject to the account balance.

Horse pass: The agency prepares a detailed annual statement for the horse trail pass recreation account as a component of the Natural Resources Fund. Planned expenditures are reduced if actual receipts do not meet revenue projections, subject to the account balance. Currently, the account balance is healthy.

Information related to the Governor recommended fee changes that impact this fee group are available in the Cross-Country Ski Pass Fee Increase change item in the 2020-21 Department of Natural Resources budget book.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Minerals Earnings

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

Legal Citation: M.S. 93.17, 93.25; 93.20; 93.25; 93.222; 92.50; 93.41; 85.052, s4c; 93.33, 93.285

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); All-Terrain Vehicle (2102); Mineral Management (2114); Game and Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: LAM Permanent School (R290240); LAM Permanent University (R290245); LAM Permanent University SR (R290252); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); LAM Special Advance Royalties (R291201); LAM Weighmasters RevolvingAcct (R291203); LAM Mining Rent and Royalties (R291204); LAM Special Advance Royalties (R291231); LAM Non Dedicated Receipts GEN (R291A00); LAM Non Dedicated Receipts ATV (R291A01); LAM Non Dedicated Receipts G&F (R291A02); LAM Non Dedicated Receipts MMA (R291A03)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 225,996 | 233,642 | 256,242 | 264,461 | 264,461 | 276,970 | 276,970 |
| Resources: | | | | | | | |
| Departmental Earnings | 16,965 | 26,419 | 23,785 | 22,375 | 22,375 | 22,355 | 22,355 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 2,198 | 432 | 1,396 | 1,091 | 1,091 | 106 | 106 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 14,767 | 25,987 | 22,389 | 21,284 | 21,284 | 22,249 | 22,249 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 7,100 | 3,365 | 14,148 | 8,753 | 8,753 | 8,531 | 8,531 |
| Indirect Expenditures | 21 | 22 | 22 | 22 | 22 | 22 | 22 |
| Total Expenditures | 7,121 | 3,387 | 14,170 | 8,775 | 8,775 | 8,553 | 8,553 |
| Current Difference | 7,646 | 22,600 | 8,219 | 12,509 | 12,509 | 13,696 | 13,696 |
| Accumulated Ending Balance | 233,642 | 256,242 | 264,461 | 276,970 | 276,970 | 290,666 | 290,666 |

Background Information:

The Division of Lands and Minerals manages mineral exploration and mine development on state-owned and tax-forfeited lands to generate equitable rental and royalty income. The State of Minnesota leases state-owned mineral interests and surface interests for minerals exploration and mining through public sales and negotiations. From 1890 through June 2018, mineral exploration and mining on state-owned lands have generated \$755 million. Revenue received from the state mineral leases is deposited into the appropriate fund or account based on land classification.

LAM Mining Rent and Royalties – Mineral leases generate revenue from a royalty payment for any actual minerals removed from state lands and a rental fee paid by the leaseholder to reserve the minerals under lease. The state receives revenue from 629 current (as of October 1, 2018) mineral leases. Following is a summary of state mineral leases by lease type and acres under lease.

| Lease Type | Number of Leases | Number of Acres |
|----------------------|------------------|-------------------|
| Iron Ore/Taconite | 112 | 9,632.71 |
| Metallic Non-Ferrous | 501 | 189,081.78 |
| Industrial | 9 | 3,919.19 |
| Residue | 7 | 1,355.59 |
| Total | 629 | 203,989.27 |

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

The rental fee is a fixed amount paid quarterly, in advance, to reserve access to the minerals. Each and all of the state mineral leases require a rental payment.

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

In FY18, mineral revenue (royalties and rentals) totaled \$26.4 million. Although mineral receipts fluctuate greatly from year-to-year, the past 10 years have averaged over \$35 million each year, a total of \$357 million.

LAM Weighmasters Revolving Account – Most of the state mineral leases have a “Weighmasters” provision that require leaseholders to reimburse the state for the actual cost of inspection to insure the accuracy of the reporting of tonnage removed under each lease.

LAM Non Dedicated Receipts MMA – The 2005 legislature created the Minerals Management Account. The legislation authorizes directing 20% of mineral revenue from state mineral trust lands to the Mineral Management Account. Total receipts deposited into this account for FY2018 were approximately \$5.2 million. Expenditures in this account support evaluation of state minerals, state mineral leasing, and state mineral lease administration. 70% of the costs are personnel; the remainder is rental, maintenance, and communications, travel, and equipment costs. The state has authorized \$3.086 million in Fiscal Year 2018 expenditures for mineral management activities. Expenditures from this account are to cover the Division’s work to perform mineral management responsibilities including: state mineral evaluation and promotion, issuing leases for exploration and mining, negotiating royalty rates and rentals, and managing revenue transactions related to mining and exploration. The program also provides technical assistance to local governments on mineral resources and mining issues. The legislation also directed that at the end of each quarter (September 30th, December 31st, March 31st and June 30th), the amount of the fund balance that exceeds \$3 million is distributed to the permanent school, university and local taxing funds in proportion to the revenue received into these three accounts. For the past 10 years the actual expenditures on mineral management expenses have averaged 8% of total receipts.

LAM Special Advance Royalties – Some of the state’s 112 taconite/iron ore leases require the lease holder to pay the state a minimum annual royalty. The minimum annual payment is held in a special advance royalty account and is recoverable if there is future production on the lease. In FY 2018 \$189,853 of minimum annual payments were collected and none of the balance was applied to FY2018 production.

Forecast Basis:

The biennial budget forecast for mineral revenue is based mostly on an estimate of state-owned crude ore production and royalty rates. Lands and Minerals engineers consult with company engineers to determine production levels and make the forecast. Earnings also depend on escalator clauses in individual leases. Iron ore/taconite leases have escalator clauses that track iron ore prices and steel prices. All forecasts are forward-looking and contain an element of uncertainty. The forecast relies heavily on the production at the U.S. Steel mines, which contain a significant tonnage of state-owned iron ore.

Recent Changes:

The recent drop in mineral revenue is largely due to falling world metal/commodity prices.

Agency Analysis/Comments:

Minnesota has abundant mineral resources. The United States Geologic Survey ranks Minnesota number three in non-fuel mineral production, behind only Nevada and Arizona. Eighty percent of the iron ore used to make steel in North America is provided by Minnesota’s Mesabi Range.

Funding for mineral management activities is primarily through the Mineral Management Fund. The fund was established in the 2005 legislature by retaining 20% of mineral royalty and rental income. In 2005 total mineral income was \$21.0 million. Recognizing that future years’ income is uncertain, the percentage was believed to provide a level of funding than what was then deemed adequate for the Division’s mineral management activities. The amount spent on these activities was capped at \$2,896,000 each year. The balance in the Mineral Management fund was to be reviewed annually and any portion of the balance in excess of \$3 million would be returned to the appropriate trust that generated the mineral income. Although mineral activities and mineral income have grown significantly in the past 10 years, the amount DNR is appropriated to spend on mineral management activities and the cap that can be held in reserve was only increased in the last legislature from \$2.896,000 to \$2.995,000 (F2016) to \$3,015,000 (FY2017) and to \$3,086,000 (FY2018), as a result of operating adjustments and pension reform. With inflationary pressures on salaries, expenses and overheads, staff have been focusing more, and more, time on current lease administration issues with less, and less, time and resources for previous work exploring, researching and advancing the future of the state’s mineral resources.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Parks Earnings

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

Legal Citation: M.S. 89.21, 16A.125, 85.053, 85.056, 85.052

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

Fund: Other Misc Special Revenue (2001); State Park (2106); Natural Resource Misc Statutory (2117); Permanent School (3800)

Appropriation: PAT St Forest Susp School (R290243); PAT Park Reservation System SP (R294201); PAT St Forest Campground NRMS (R294205); PAT Working Capital (R294206); PAT Douglas Lodge (R294207); PAT Fort Snelling Upper Bluff (R294237); PAT Non Dedicated Receipts SP (R294A03)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 10,189 | 12,086 | 15,140 | 11,272 | 11,272 | 9,709 | 9,709 |
| Resources: | | | | | | | |
| Departmental Earnings | 24,717 | 27,301 | 25,948 | 25,948 | 25,948 | 25,948 | 25,948 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 13 | 27 | 8 | 8 | 8 | 8 | 8 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 24,730 | 27,328 | 25,956 | 25,956 | 25,956 | 25,956 | 25,956 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 22,705 | 24,135 | 29,685 | 27,380 | 27,380 | 27,373 | 27,373 |
| Indirect Expenditures | 128 | 139 | 139 | 139 | 139 | 139 | 139 |
| Total Expenditures | 22,833 | 24,274 | 29,824 | 27,519 | 27,519 | 27,512 | 27,512 |
| Current Difference | 1,897 | 3,054 | (3,868) | (1,563) | (1,563) | (1,556) | (1,556) |
| Accumulated Ending Balance | 12,086 | 15,140 | 11,272 | 9,709 | 9,709 | 8,153 | 8,153 |

Background Information:

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

| | Fees | Date of last fee change |
|---------------------------------|------------------------------|-------------------------|
| Forest Campgrounds | \$14 to \$50 | 1/1/2014 |
| Tours/Golf/Misc Income | Varies | |
| Reservations | \$10/\$7 | 1/1/2018 |
| Parks Permits | Annual: \$35 | 7/1/2017 |
| Annual park permit – motorcycle | \$30 | 7/1/2010 |
| Daily | \$7 | 7/1/2017 |
| Group Daily | \$5 | 7/1/2017 |
| Handicapped | \$12 | 1/1/1991 |
| Second vehicle – annual | \$26 | 7/1/2017 |
| Camping Fees | Backpack/canoe: \$13 to \$23 | 4/1/2014 |
| Class 3 | \$50 to \$150 | 1/1/2017 |
| Horseback | \$21 to \$23 | 4/1/2014 |
| Tipi | \$30/\$35 | 1/1/2013 |
| Camper Cabin | \$55 to \$70 | 4/1/2014 |
| Drive in Sites | \$13 to \$23 | 4/1/2014 |
| Electric Fee | \$8 | 4/1/2014 |
| Water and Sewer Fee | \$6 | 1/1/2012 |

| | |
|-----------------------------------|-----------------------------|
| Parks Concession | see Commissioner order 59-3 |
| Parks Facilities Rentals | see Commissioner order 59-3 |
| Parks Equip Rental | charges defray expenses |
| Parks Sale of Consumables | charges defray expenses |
| Parks Sale of Merchandise | charges defray expenses |
| Douglas Lodge rentals | charges defray expenses |
| Douglas Lodge sale of consumables | charges defray expenses |

The main Parks Working Capital account is a special revenue account established under MS 85.22 as a revolving account. Proceeds from retail sales are used to purchase the merchandise and consumable inventories, and receipts from rentals are used to buy and maintain rental equipment. The excess of revenue over expenditures from sales and rentals is used to fund resource management and interpretation efforts in state parks.

The Douglas Lodge account is a special revenue fund established under M.S. 85.22 for the operation of the Douglas Lodge complex

at Itasca State Park. Revenue from lodging, restaurant and merchandise sales are deposited as dedicated receipts to this account. Parks division expenditures to operate the Douglas Lodge complex are paid from the account. The account is intended to be self-sustaining.

State Park Fund Account is a Natural Resources Fund account established under 85.052 to support the operation of the state park system. Revenues are received from park permits, campground and lodging reservations, tours, and concessions at the parks.

Fort Snelling Upper Bluff Account was established under 85.034 subd 7 and the revenue is generated by a lease to the Minneapolis Park and Recreation Board for the athletic fields and golf course operations. Money in the account is to be used for the payment of expenses related to the leasing and operation of the property.

St Forest Campground NRMS (Natural Resource Misc Statutory) and Parks and Trails State Forest Suspense School accounts: Parks maintains and operates the 55 forest campgrounds. Park expenditures include the annual costs of operating the forest campgrounds, approximately \$370,000 per year. Receipts from forest campgrounds located on state lands (not school trust land), \$155,173 in FY 2014, are deposited into the natural resources fund and appropriated to the DNR.

Forecast Basis:

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

Recent Changes:

Effective 7/1/2017 park permit daily rates were increased from \$5 to \$7, while annual park permits increased from \$25 to \$35 (annual fee increases also included motorcycle, second vehicles and class 3).

Agency Analysis/Comments:

DNR has initiated efforts to identify ways to generate additional revenues, increase work efficiencies and make other significant changes in the operation and management of the state park system and network of forest campgrounds. Consistent with broader agency priorities, DNR is implementing an operating strategy that includes the management, protection and restoration of the resources contained within state park boundaries. At the same time, DNR intends to explore ways for the park and forest campground operations to become more self-sufficient.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Real Estate Earnings

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

Legal Citation: M.S. 85.015; 84.63; 84.631; 84.632; 89.17; 92.50; 94.16; 84.415; 84.153; 89.17; 92.46; 92.50; 97A.135; 84.972; 94.28; 94.16; 89.035; 97A.055; s2(3); 92.115; 94.10, 89.035, 92.501;89.035; 84.41, s5

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Natural Resource Misc Statutory (2117); Land Acquisition (2118); Game and Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: LAM Permanent School (R290240); LAM St Forest Susp School (R290244); LAM St Forest Susp Univ (R290247); LAM St Forest Susp Univ SR (R290253); LAM Consul Conservation Areas (R290280); LAM Volstead Lands (R290290); LAM Land Management Account (R291202); LAM Lakeshore Lease (R291210); LAM Land Exchange Appraisal (R291211); LAM-Land Acquisition (R291222); LAM Wild Rice LEG SR (R291225); LAM Non Dedicated Receipts GEN (R291A00); LAM Non Dedicated Receipts G&F (R291A02); EWR Land Acq SNA (R292211); FOR Land Acquisition (R293203); FOR Burntside State For Recei (R293213); FOR Pillsbury St Forest Rcpts (R293223); PAT Land Acq (R294202); PAT Working Capital (R294206); FAW Land Acq Wildlife (R296209); FAW Public Grazing Program (R296222); MR Facility Rent & Maint (R298211)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 7,058 | 8,892 | 12,686 | 13,166 | 13,166 | 14,193 | 14,193 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,605 | 5,078 | 2,529 | 2,529 | 2,529 | 2,531 | 2,531 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,605 | 5,078 | 2,529 | 2,529 | 2,529 | 2,531 | 2,531 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,771 | 1,284 | 2,049 | 1,502 | 1,502 | 1,502 | 1,502 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,771 | 1,284 | 2,049 | 1,502 | 1,502 | 1,502 | 1,502 |
| Current Difference | 1,834 | 3,794 | 480 | 1,027 | 1,027 | 1,029 | 1,029 |
| Accumulated Ending Balance | 8,892 | 12,686 | 13,166 | 14,193 | 14,193 | 15,222 | 15,222 |

Background Information:

The Division of Lands and Minerals manages the real estate transactions on 5.5 million acres of state-owned land. Real estate management generates revenue from leases, utility licenses, road easements, and land sales.

Leases

There are multiple types of real estate leases issued by the DNR. The leases authorize the use of the land for purposes including: agriculture, hunting cabins, towers, aggregate removal, wild rice farming, driveways, auxiliary mining facilities, access to private lands, and other miscellaneous uses. The leases are issued under the authority of Minnesota Statutes, sections 84.153, 89.17, 92.46, 92.50, 92.501, and 92.502. DNR also issues grant-in-aid trail permits for crossing state land under the authority of Minnesota Statutes, sections 89.17 and 92.50.

A rental is charged for the use of the land and if a resource is being removed, such as under an aggregate lease, a fee is also charged for the material removed. The payments are deposited into the funds as directed by state law. For example, the revenue from leases on school trust land is deposited into the Forest Suspense Account – school fund.

The lease rates are reviewed upon issuance and renewal of the leases. The annual lease rate for miscellaneous leases is 7.25% of market value. The payment for aggregate is based on the type of materials and ranges from \$.055 to \$1.25 per cubic yard. The payment under agriculture leases is based on the use of the land (i.e., crops, hay, pasture, animal grazing) and the locality. The agriculture lease rates range from \$5 per acre to \$151 per acre. The hunting cabin leases have a lease rate that increases \$10 annually, with a current rate of \$ 680 per lease. The grant-in-aid trail permits have a fee of \$40 per forty acres crossed for school trust lands.

Utility Licenses

Utility licenses are issued under the authority of Minn. Stat., sec. 84.415 and Minnesota Rules, Chapter 6135. A utility license is required for passage over, under, or across any school, university, internal improvement, swamp, or other land or public water under the control of the commissioner of natural resources. A utility license covers telephone, electric power lines, cables, and mains or pipe lines for gas, liquids, or solids in suspension (e.g., sewer). Most utility licenses are issued for a term of 50 years, but the applicant may request a term of 25 years.

There are three fees possible under a utility license: an application fee that covers the DNR staff cost for issuance of the license, a monitoring fee for large scale utility projects that covers the staff costs for monitoring the construction of the utility line, and a market value fee for the use of the state lands or waters for the term of the license. Starting in July of 2014, there are no application fees charged unless the utility license is for an electric power line, cable or conduit of 100 kilovolts or greater or if the utility license is for a main pipeline for gas, liquids or solids in suspension.

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

Road Easements

Easements to the United States, the state or subdivision of the state are issued under Minn. Stat., sec. 84.63, and cover the following types of easements: trails, highways, roads, flowage for development of fish and game resources, stream protection, and flood control. Road easements to private parties are issued under Minn. Stat., sec. 84.631. Road easements on school trust lands can now be issued to individuals, but only up to a term of 50 years. Easements for ingress and egress to cross a state trail, when the private party has a preexisting right, are issued under Minn. Stat., sec. 85.015, subd. 1b. The easements can be issued for a short term, but the majority of the easements are issued in perpetuity, subject to continued use.

There are three fees possible under an easement: an application fee that covers the DNR staff cost for issuance of the easement, a

monitoring fee for large scale projects that covers the staff costs for monitoring the construction of the road, and a market value fee for the use of the state lands in perpetuity or for the term of the easement.

The application fee is \$2,000. The monitoring fee is based on projected hours for the staff work at the rate that recovers costs. The market value fee is based on the market value of the land, with a reduced fee for short term easements.

Land sales

State-owned land administered by the DNR is sold under Minnesota Statutes, sections 84.0273, 85.015, 92.06-92.16, and 94.09-94.165. The sale of school and university land raises revenue for the Permanent School Fund and the Permanent University Fund. The sale of administrative sites raises revenue that is deposited into the Facilities Management Account and used to acquire facilities or renovate buildings for administrative use or to acquire land for administrative buildings for the DNR.

The revenue from the sale of acquired land that is not an administrative site but within a management unit of the outdoor recreation system is deposited into the Land Acquisition Account. The revenue from the sale of acquired land that is not an administrative site and not within a management unit of the outdoor recreation system is deposited into the School Trust Lands Account.

Proceeds in the Land Acquisition Account may be used to acquire land within the outdoor recreation system or pay for expenses incurred by the DNR to sell or exchange state land. Proceeds in the School Trust Lands Account are to be used to extinguish by condemnation the school trust interest in lands where the designation or management prohibits the long-term generation of revenue.

The bidder is charged land sale costs and a market value payment for the land.

The land sale costs include the actual costs for valuation, survey review, advertising, deed tax, recording fees, and certain auction costs. The market value payment is based on an appraisal or valuation for each specific parcel offered.

Other fees

The DNR may collect damages to the land, crops, minerals or aggregate. These are infrequent fees and principally arise in situations where the utility license or lease will prevent the development of the mineral or aggregate resource. The fees are based on an estimated valuation of the resource to be damaged or prevented from being developed.

For land exchanges, the proposer of a land exchange has to bear a portion of the costs for valuation and survey. The fees are based on actual costs to be incurred.

The Division of Forestry

Forestry collects revenues for three purposes: Burntside State Forest Receipts, Pillsbury State Forest Receipts, and Land Acquisition.

The Burntside State Forest Receipts and Pillsbury State Forest Receipts revenues are from timber sales and land lease revenues on specific lands within the Burntside and Pillsbury State Forests respectively. These revenues are used to pay for forest management activities within those two state forests. Pillsbury State Forest Revenues are distributed every 5 years (Laws of 1899 Ch. 214, Sec 10) with 1/6 of proceeds to the state and the remainder to the University of Minnesota, county and townships as described in law.

The Land Acquisition revenues are from the sale of forestry administered acquired lands. Revenues are used to pay for the costs of land sales and acquiring lands from willing sellers for state forest purposes under the authority of MS 89.032.

The Forestry Division annually collects approximately \$72,000 in revenue from these leases and easements.

Forecast Basis:

Leases

Projections are based on recent receipts. There are no expected significant changes in the leasing programs.

Utility Licenses

Projections are based on an analysis of recent and historical patterns for issuance and projected impacts from changes in the fees that started in July of 2014. Prior to the legislative changes that eliminated fees, the DNR on average issued 235 utility licenses per year, with 200 of them being water crossing licenses and 35 being land crossing licenses. Starting in FY2014 there has been an increase in utility license applications for crossing state lands and waters. In FY2016, there was a total of 342 licenses issued, of which 272 were water crossing licenses and 70 were land crossing licenses.

Road Easements

Projections for revenue are based on an analysis of recent and historical patterns for issuance. On average, the DNR issues 30 easements per year.

Land sales

Land sale revenue varies by year based on the number of parcels offered for sale and the number of parcels sold. Projections are based on the average from sales in recent years.

Projections for revenue for the Division of Forestry are based on historical analysis and estimates of future activity.

Forestry: Projections for revenue are based on a historical analysis and estimates of future activity.

Recent Changes:

Leases

The lease rate for miscellaneous leases was last adjusted in January of 2013. Previously the rate was 6% for governmental lessees and 9% for all other lessees for land value at or over \$800 per acre. It is both the rate and market value that will impact revenue received. The lease rate for communications towers was last adjusted in January of 2015. Over time, there should be a modest increase in communication tower lease revenue which is included in the overall miscellaneous lease revenue.

The lease rate for aggregate was last adjusted in April of 2012. The rates increased based on the market. Over time, there should be a modest increase in aggregate lease revenue.

The agricultural lease rate was last adjusted in January of 2012. The rates increased based on the market. Over time, there should be a modest increase in agriculture lease revenue.

All the hunting cabin leases are renewed at the same time. The current set of leases were renewed in 2010, with a rate of \$620, based on an analysis of the public and private market for hunting cabin leases, along with a \$10 per year rental increase for the 10 year term. At the time of renewal, the lease rate was \$340 per year. There was an increase in revenue in 2010, with modest increases each subsequent year.

The grant-in-aid trail permit fee has been identified as due for review; the rate has not been changed for over 10 years. The grant-in-aid trail program is now managed by the Parks and Trails Division.

Utility Licenses: Prior to July 2009, the applicant paid a \$500 application fee and a fee for the use of the land. The 2009 legislature and the 2010 legislature enacted changes in the fees for utility licenses that resulted in increased application fees and monitoring fees for large scale projects. Legislation enacted in 2013 and 2015 changed the fee structure for utility licenses. There are now no application fees for licenses crossing state lands and state waters unless the utility license is for an electric power line, cable or conduit of 100 kilovolts or greater or if the utility license is for a main pipeline for gas, liquids or solids in suspension.

Easements

Prior to July 2009, the applicant would, in some instances, pay an application fee and would, in most instances, pay for the use of the land. Starting in July of 2009, based on changes by the 2009 legislature, the applicant pays an application fee of \$2,000 for any type

of easement, and, in most instances, pays for the use of the land. There was a modest increase in revenue with this change.

Land sales

The fees are based on actual land sale costs and market value determinations.

Agency Analysis/Comments:

Lands and Minerals: The lease fees for use of the land and removal of resources reflect market value rates. DNR does not collect a fee from the lessees that recover the cost of issuing the leases. Prior to FY2014, that cost was covered by the general fund and game and fish fund appropriations to the Lands and Minerals Division. Starting with FY2014, the costs for issuing leases are borne by the division administering the land, with payment made to Lands and Minerals through internal billing.

The removal of application fees for most of the utility licenses has resulted in a higher loss than originally estimated to the account from which the DNR was using to pay for the staff to do the work of issuing the licenses and monitoring construction of the low impact licenses. The legislature appropriated \$ 410,000 from the general fund to the DNR in FY2016 to cover the loss in application and monitoring fee revenue to replace the fee revenue that would otherwise have been paid by the applicants, but this was about \$50,000 short of the amount needed.

The application fees received for road easements are sufficient to cover the costs for DNR to review and issue the easements and monitor road construction, neither under recovering nor over recovering costs.

The land sales are recovering a significant portion of the costs of offering the parcels for sale. The sale costs are not always recovering the costs of staff time for preparing the sale information. Those costs are then borne by the division administering the land, with payment made to the Lands and Minerals Division through internal billing.

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

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Reclamation Earnings

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

Legal Citation: M.S. 93.481; 93.482

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

Fund: Mining Administration Account (2115)

Appropriation: LAM Mining Admin Permit Issue (R291020)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 945 | 1,541 | 1,785 | 950 | 950 | 62 | 62 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,549 | 2,134 | 1,000 | 609 | 609 | 609 | 609 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 9 | 21 | 3 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,558 | 2,155 | 1,003 | 612 | 612 | 612 | 612 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 962 | 1,911 | 1,838 | 1,500 | 1,500 | 674 | 674 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 962 | 1,911 | 1,838 | 1,500 | 1,500 | 674 | 674 |
| Current Difference | 596 | 244 | (835) | (888) | (888) | (62) | (62) |
| Accumulated Ending Balance | 1,541 | 1,785 | 950 | 62 | 62 | | |

Background Information:

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

Annual Permit to Mine Fees

Taconite Production in previous year \$60,000

Taconite No production in previous year \$30,000

Non-Ferrous Production in previous year \$75,000

Non-Ferrous No production in previous year \$37,500

Scram Production in previous year \$5,000

Scram No production in previous year \$2,500

Peat Production in previous year \$1,000

Peat No production in previous year \$500

2020-21 forecast earnings \$560,000**Application Fee for New Permit to mine**

Taconite New taconite mining operation \$25,000

Non-Ferrous New non-ferrous metallic mining operation \$50,000

Scram new scam mining operation \$10,000

Peat New peat operation \$5,000

2020-21 forecast earnings \$5,000**Application Fee for Amendment to Permit to Mine**

Taconite amending a taconite mining permit \$2,500

Non-Ferrous amending a non-ferrous metallic mining permit \$5,000

Scram amending a scam mining permit \$1,000

Peat amending a peat operation permit \$500

2020-21 forecast earnings \$5,000**Application Fee for Assigning a Permit to Mine (one operator to another)**

Supplemental fees may be assessed if the cost to issue, amend, or assign permits exceeds the application fee.

2020-21 forecast earnings \$0

Forecast Basis:

Mineland Reclamation Permit Fees revenue - The forecast for permit fee revenue is based on companies that currently hold permits, have applied for permits, and projections of companies that are expected to apply for permits, request permit assignments, or amendments. For the purpose of this forecast, facilities which are currently in bankruptcy were not considered to pay fees in FY 2020-21.

The current trend for ferrous mining in Minnesota is one where the taconite facilities operate at or near full production levels and the scam operations do not operate. Minnesota's first non-ferrous facility has been permitted by the DNR and is waiting on additional permitting decisions from other regulatory agencies before it can commence full construction activities. Peat operations are small compared to metallic mineral operations, but they are currently steady seasonal operations within our state.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

There is a funding gap when the DNR is requested to review and approve wetland impacts and mitigation under a mining reclamation plan under a permit to mine when the request is not part of an overall amendment of a permit to mine. This contributes to the structural deficit and the negative accumulated balance.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Timber and Related Earnings

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

Legal Citation: M.S. 16A.125, s5; 88.79, s1(6); 88.79, s2; 88.79, subd 1(5); 89.035; 89.17; 90.101; 90.151, s1; 90.181, s2; 90.191; 90.193; 90.195

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

Fund: General (1000); Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Forest Management Investment (2113); Game and Fish (Operations) (2200); Permanent School (3800); Miscellaneous Agency (6000)

Appropriation: FOR St Forest Susp School (R290242); FOR St Forest Susp Univ (R290248); FOR St Forest Susp Univ (R290254); FOR Consul Conservation Areas (R290281); FOR Volstead Lands (R290291); FOR Fed Good Neighbor Agmt (R293202); For Svs To Priv Landowners (R293209); FOR Pillsbury St Forest Rcpts (R293223); FOR Non Dedicated Receipts GEN (R293A01); FOR Non Dedicated Rcpts FMIA (R293A03); PAT Working Capital (R294206); FAW WL Beltrami Island Cons (R296215); FAW Non Dedicated Rcpts G&F (R296A02)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | (7,481) | (12,864) | (14,045) | (25,291) | (25,291) | (32,434) | (32,434) |
| Resources: | | | | | | | |
| Departmental Earnings | 20,481 | 21,557 | 20,884 | 21,191 | 21,191 | 21,159 | 21,159 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 20,481 | 21,557 | 20,884 | 21,191 | 21,191 | 21,159 | 21,159 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 25,787 | 22,594 | 31,986 | 28,190 | 28,190 | 28,188 | 28,188 |
| Indirect Expenditures | 77 | 144 | 144 | 144 | 144 | 144 | 144 |
| Total Expenditures | 25,864 | 22,738 | 32,130 | 28,334 | 28,334 | 28,332 | 28,332 |
| Current Difference | (5,383) | (1,181) | (11,246) | (7,143) | (7,143) | (7,173) | (7,173) |
| Accumulated Ending Balance | (12,864) | (14,045) | (25,291) | (32,434) | (32,434) | (39,607) | (39,607) |

Background Information:

A large portion of the revenue received in this category is from timber sales on DNR-administered forest lands. Proceeds from the harvest of state timber are deposited in accounts according to the type of land ownership. Account and land type names are the same unless noted otherwise.

- Forest Management Investment Account for acquired lands
- Special Revenue fund for Consolidated Conservation lands (seven counties)
- Beltrami Island State Forest
- Volstead Lands
- Parks and Trails Working Capital
- Pillsbury State Forest
- Permanent University account
- Permanent School Fund

Federal Good Neighbor Authority (Chippewa and Superior National Forests) under a Federal agreement

Forest management expenditures to manage forested lands are spent from an annual appropriation from the Forest Management Investment Account. The account receives timber sales revenue and reimbursements from the various land ownerships for forest management work conducted by the Forestry Division on their behalf. Activities can include timber sales management, reforestation, maintaining forest roads silviculture and other forest management related projects to build and maintain healthy sustainable forests, provide wildlife habitat, prepare for changing climate, maintain water quality, and support the state's economy.

Timber revenue is variable and dependent on tree species, permit volume, distance from a market, harvest location accessibility, and other economic factors. Less than one tenth of one percent of the timber sales revenue collected is from penalties.

Forest management assistance provided by the Forestry Division to private landowners with less than one thousand forested acres is another piece of this earnings category. These services include technical advice, writing and approving forest stewardship plans, timber cruising, scaling and marketing assistance and the rental of tree planter equipment.

The writing of forest stewardship plans is a base fee of \$350 plus \$7 per acre. There is a \$50 charge for the DNR to review, approve and register forest stewardship plans written by consulting foresters. Tree planter rental is \$40 per day. The fee for private land timber sales is 13% of the timber sale proceeds. The timber scaling fee is \$0.50 per cord or \$2.00 per thousand board feet (MBF).

Forecast Basis:

State Land Timber Sales - The state timber revenue forecast is the culmination of four separate forecasts: (i) sales volume, (ii) per unit sales price, (iii) removals (harvest) volume, and (iv) per unit removals price. Sales and removals volume and per unit removals price forecasts rely entirely on internal timber sales data. External product market data is used in combination with historical stumpage price data to forecast unit sales prices. Each forecast variable is adjusted for known factors impacting the system. Examples can include large scale blowdown areas, changes in mill capacity or other situations impacting price or market demand. The resulting parameter estimates are used to forecast gross timber revenue which is allocated by fund (land status).

Private Forest Services - Revenue items in this earnings category are primarily based on a three-year history of receipts.

Recent Changes:

Laws of 2004 authorized the creation of the Forest Management Investment Account (FMIA) in the Natural Resources Fund. In the laws of 2005, a portion of the revenues previously transferred from the Forest Suspense account to the General Fund were directed

to be deposited in the FMIA. A primary objective in creating the account was to more clearly associate timber sale revenues with forest management expenditures. Laws of 2016 authorized the deposit of timber revenue collected from DNR managed sales conducted on behalf of the Federal Government in the Chippewa and Superior National Forests. The recovery of forest management FMIA expenditures on Federal lands will be transferred from Federal timber receipts.

Agency Analysis/Comments:

The FY2014 ending fund balance was \$1.1 million. Higher timber prices and increased general fund appropriations have allowed for the recovery of the FMIA fund balance over the past several years. The FY2018 year end fund balance was \$8.37 million. The fund balance is anticipated to decrease over the next biennium.

The August 2014 Legislative Auditor Report entitled “*DNR Forest Management*” found that “departmental accounting changes have compounded the effects of reduced Forestry Division funding. “The report also contained a recommendation that “The legislature should reassess its approach to funding the Forestry Division’s management of state-owned land. “The recommendation was made “because the Forest Management Investment Account, which is a primary source of division funding, is unreliable.”

The Forestry Division has evaluated options from the legislative audit findings and is not requesting changes to the Forest Management Investment Account at this time.

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

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

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

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Water Earnings

Purpose: To regulate use of ground and surface water.

Legal Citation: M.S. 103G.301, s2 & 3; 103G.271, s6; 103G.515, s4; 103I.681, s11; MR 6115.0130

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

Fund: Natural Resource Misc Statutory (2117); Water Management Account (2120)

Appropriation: LAM-Mineral Water Permitting (R291218); EWR Fees Account (R292201); EWR Underground Gas Storage (R292202); EWR NonDedicated Rec ITC WM (R292A38)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | (35) | (16) | (17) | (173) | (173) | (173) | (173) |
| Resources: | | | | | | | |
| Departmental Earnings | 5,181 | 5,375 | 5,317 | 5,307 | 5,665 | 5,307 | 5,665 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 10 | 13 | 4 | 4 | 4 | 4 | 4 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,191 | 5,388 | 5,321 | 5,311 | 5,669 | 5,311 | 5,669 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,142 | 5,351 | 5,439 | 5,273 | 5,631 | 5,273 | 5,631 |
| Indirect Expenditures | 30 | 38 | 38 | 38 | 38 | 38 | 38 |
| Total Expenditures | 5,172 | 5,389 | 5,477 | 5,311 | 5,669 | 5,311 | 5,669 |
| Current Difference | 19 | (1) | (156) | | | | |
| Accumulated Ending Balance | (16) | (17) | (173) | (173) | (173) | (173) | (173) |

Background Information:

The largest revenue item, water appropriation permits, is required for uses of more than 10,000 gallons per day or one million gallons per year. About 1.4 trillion gallons of water is appropriated each year in Minnesota. Of this amount, about 280 billion gallons is groundwater and more than 1.1 trillion gallons is surface water. Agricultural irrigation is mostly from groundwater and about 66% of the water used by municipalities is groundwater. Energy and mining industries use predominantly surface water. In FY2016, there were approximately 9,500 active water appropriation permits. About 6,900 permits are for agricultural irrigation. State statutes require annual water use reports and fees. There are maximum fees for large water volume users: \$250,000 for a city of the first class, \$60,000 for holders of 1 to 3 permits; \$90,000 for holders of 4 or 5 permits, and \$300,000 for those large water volume users who hold more than 5 permits.

A public waters permit is required for work that would change or otherwise alter the course, current or cross-section of public water. These permit fees generate about \$140,000 per year.

A dam safety permit enables the division to better regulate the safety of dam structures. Inspections are required whenever a dam is over 6 feet in height or creates a reservoir with over 15 acre-feet of stored water capacity. Inspections are required on the construction of new dams, as well as on existing structures. These permit fees generate about \$90,000 per year.

These departmental earnings generated by the division are non-dedicated receipts deposited to the Natural Resources Fund.

Direct expenditures are those that relate to the regulation of water use and dam inspections, as tracked by the division, and are only a portion of total division expenditures.

Forecast Basis:

Projected receipts are based on historical activity at the permit and fee rates in current law.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Public Water permit fees do not collect enough money to fund working on them. Water use fees subsidize work on public water permits. The annual appropriation from the Water Management Account to the Division is \$5M. We spend about \$2.5M on water appropriation permitting and \$2.5M on public water work permitting-but public water permits provide approximately \$200,000 of the revenue to the Water Management Account.

Information related to the Governor recommended fee changes that impact this fee group are available in the Protecting Our Public Waters change item in the 2020-21 Department of Natural Resources budget book.

Agency: Natural Resources

2020-21 Departmental Earnings

Earnings Group: Water Recreation

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

Legal Citation: M.S. 86A.21, s5(b); 86B.415; 86B.705, s2; 86B.870; 609.101, s4

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

Fund: Water Recreation (2100)

Appropriation: PAT Water Recreation Marina (R294219); PAT Non Dedicated Receipts WRA (R294A01); ENF Non Dedicated Rcpts WRA (R297A01)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 5,262 | 4,508 | 5,977 | 1,742 | 1,742 | 490 | (554) |
| Resources: | | | | | | | |
| Departmental Earnings | 7,014 | 7,203 | 6,784 | 6,784 | 9,747 | 6,784 | 9,747 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 11,123 | 11,231 | 11,404 | 11,441 | 13,476 | 11,393 | 17,097 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 750 | 750 | 750 | 750 | 750 | 750 | 750 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 17,387 | 17,684 | 17,438 | 17,475 | 22,473 | 17,427 | 26,094 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 17,242 | 16,001 | 21,459 | 18,513 | 24,555 | 18,518 | 24,560 |
| Indirect Expenditures | 899 | 214 | 214 | 214 | 214 | 214 | 214 |
| Total Expenditures | 18,141 | 16,215 | 21,673 | 18,727 | 24,769 | 18,732 | 24,774 |
| Current Difference | (754) | 1,469 | (4,235) | (1,252) | (2,296) | (1,305) | 1,320 |
| Accumulated Ending Balance | 4,508 | 5,977 | 1,742 | 490 | (554) | (815) | 766 |

Background Information:

Boating, canoeing, kayaking, and fishing are just a few of the ways the public enjoys Minnesota's lakes and rivers. The Minnesota Department of Natural Resources has certain responsibilities specified in law to provide for, maintain, regulate, and upgrade water recreation resources. The funding for many of these activities is provided through the Water Recreation Account.

The Division of Parks and Trails provides a system of public water access facilities to lakes and rivers. Minnesota is third in the nation for the number of registered boats and first in the nation for the number of registered boats per capita. Minnesota also has the first and largest state water trails system in the nation. The funding directly supports: 1,650 public water access sites, 4,500+ miles of State Water Trails on 34 rivers plus Lake Superior, and 10 small craft harbors/protected accesses on Lake Superior.

Distributed around the state, the funds pay for all costs associated with facility maintenance and program operation including personnel, equipment, supplies and services. The water recreation funds are matched with federal boat access dollars which help the DNR expand and improve existing boat access facilities. The focus of improvements is to incorporate best management practices for accessibility, storm water, and the prevention of the spread of aquatic invasive species and meet user expectations for well-designed and developed sites to provide adequate facilities for parking and changing boating equipment.

The Division of Enforcement provides grants to 72 county sheriff departments and together they patrol waterways to enforce boating laws, educate the public and respond to watercraft accidents and drownings. The goal is to reduce boating accidents and injuries and increase safety and enjoyment for boaters and paddlers. The county sheriffs are mandated to enforce boating safety statutes and rules, place and maintain waterway markers, investigate boating accidents and drownings, issue event and temporary structure permits, inspect rental craft and perform search, rescue and recovery operations.

The Division of Ecological and Water Resources manages water resources. They conduct monitoring, provide technical assistance and oversight, provide leadership in the development of plans and rules, evaluate projects that effect lakes, rivers and wetlands, issues permits and oversees permit implementation for aquatic invasive species management, all to ensure Minnesota's water resources are healthy.

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

In 2017 there were 825,000 registered boats, which has remained strong for a decade. Boat license fees have not increased since 2006. Prior to 2006, registration fees for boats less than 17 feet in length and all canoes and kayaks had not increased since 1981. Fees for other watercraft were last increased in 2006.

These are the current fees which are deposited into the Water Recreation account:

Water titling fees last changed in 1991; watercraft titling \$15, title transfer \$10; title correction \$10; security interest \$10; duplicate \$4; assignment of Interest \$1; watercraft surcharge \$5.00; also deposited are watercraft fines, restitution, exotic species civil fines, and harbor and marina fees.

The watercraft registration fees last changed in 2005; boat for hire greater than 19ft \$75.00; dealer's license \$67.50; watercraft nonprofit \$4.50; non-motorized greater than 10ft to less than 19ft \$10.50 (last change in 2013 to exempt watercraft less than 10'); personal watercraft/jet skis \$37.50; pleasure craft less than 17ft \$18.00; 17-19ft \$27.00; 19-26ft \$45.00; 26-40ft \$67.50; greater than 40ft \$90.00; rental or lease less than 19ft \$90.00; and transfer/duplicate/renewal \$4.50.

Fees for watercraft registration, license issuance and watercraft titling make up approximately 40 percent of the revenue for this account. Unrefunded gasoline taxes on watercraft (transfers into the account) made up approximately 60 percent of the revenue. Revenues and expenditures have been fairly steady.

Forecast Basis:

Revenue projections are based on a review of actual receipts over a five-year period.

Watercraft titling is a one-time fee, paid at the time of watercraft purchase. Watercraft registrations and the invasive species surcharge cover a three-year period. These three receipt items have not increased over the past 10 years.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes:

There have been no recent fee changes.

Agency Analysis/Comments:

The economic impact of recreational boating in Minnesota is estimated to be \$5.46 billion dollars/year (Source: NMMA and the Recreational Marine Research Center at Michigan State University) with watercraft registrations remaining steady over the last decade and increasing slightly, 1% each year for the last 3 years.

The water recreation fund has a projected deficit beginning in FY21 of \$129,000 that grows to \$2.5 million in FY23.

Information related to the Governor recommended fee changes that impact this fee group are available in the Increase Boating Registration Fees and Aquatic Invasive Species Surcharge change item in the 2020-21 Department of Natural Resources budget book.

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2020-21 Biennial Budget - Departmental Earnings

Nursing Home Administrators, Board of
Nursing Home Administrators Licensing Fees

Agency: Nursing Home Administrators, Board of

2020-21 Departmental Earnings

Earnings Group: Nursing Home Administrators Licensing Fees

Purpose: To recover the costs of regulating nursing home administrators.

Legal Citation: M.S. 144A.18 – M.S. 144A.28, M.S. 214, and M.R. 6400

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

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

Appropriation: NHA Non Dedicated Receipts (H7K1000); Volunteer Health Care Prov Pro (H7K6000); NHA Criminal Background Check (H7K9211)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 233 | 244 | 272 | 149 | 149 | 91 | 62 |
| Resources: | | | | | | | |
| Departmental Earnings | 228 | 218 | 226 | 226 | 267 | 230 | 271 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 228 | 218 | 226 | 226 | 267 | 230 | 271 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 188 | 161 | 310 | 245 | 312 | 245 | 315 |
| Indirect Expenditures | 29 | 29 | 39 | 39 | 42 | 39 | 42 |
| Total Expenditures | 217 | 190 | 349 | 284 | 354 | 284 | 357 |
| Current Difference | 11 | 28 | (123) | (58) | (87) | (54) | (86) |
| Accumulated Ending Balance | 244 | 272 | 149 | 91 | 62 | 37 | (24) |

Background Information:

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

The Board of Nursing Home Administrators provides the following services:

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

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants historically seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium. The board is able to manage at these levels given the shared Executive Director with two independent boards. Staffing levels will be considered in this biennium with anticipated modification to this staffing model in FY 20-21.

Recent Changes:

The board last increased fees in 1995.

Agency Analysis/Comments:

The board will seek a transfer of fees from rules to statutes and seek an increase in fees by setting new 'not to exceed fees' in this session. The board does not intend to apply the new fee schedule until 2020 or 2021. It will again attempt to maintain their expenses, fee schedule and spending authority to their previous approved budget levels.

For information about the recommended fee changes, see the Fee Increase change item in the Board of Nursing Home Administrators 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Nursing, Board of
Nursing Board Licensing Fees

Agency: Nursing, Board of

2020-21 Departmental Earnings

Earnings Group: Nursing Board Licensing Fees

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

Legal Citation: M.S. 148.171 - M.S. 148.285, M.S. 214, M.S. 319B and M.R. 6301-6340

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

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

Appropriation: Nursing Non Dedicated Receipts (H7C1000); Conference Fees - Nursing Bd (H7C4000); Criminal Background Check Rec (H7C9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 10,406 | 11,219 | 12,798 | 8,286 | 8,286 | 6,790 | 6,520 |
| Resources: | | | | | | | |
| Departmental Earnings | 6,762 | 7,428 | 5,871 | 5,871 | 5,871 | 5,658 | 5,658 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | 1 | 1 | 1 | 1 | 1 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 501 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 6,762 | 6,927 | 5,872 | 5,872 | 5,872 | 5,659 | 5,659 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4,286 | 3,662 | 8,308 | 5,258 | 5,370 | 5,258 | 5,370 |
| Indirect Expenditures | 1,663 | 1,686 | 2,076 | 2,110 | 2,268 | 2,114 | 2,289 |
| Total Expenditures | 5,949 | 5,348 | 10,384 | 7,368 | 7,638 | 7,372 | 7,659 |
| Current Difference | 813 | 1,579 | (4,512) | (1,496) | (1,766) | (1,713) | (2,000) |
| Accumulated Ending Balance | 11,219 | 12,798 | 8,286 | 6,790 | 6,520 | 5,077 | 4,520 |

Background Information:

Applicants for licensure, licensees, and nursing corporations pay fees that are set in rule or statute which support the following services:

- Issue initial licensure and renew licenses for practical, professional and advanced practice nurses register public health nurses, nursing corporations and nurses from bordering states who are eligible for recognition of their license from that state as authority to practice in Minnesota.
- Verify license, disciplinary, and workforce data to consumers, employers, and boards of nursing and other agencies.
- Approve and regularly survey licensure-preparing nursing education programs.
- Respond to public and agency inquiries, complaints and reports regarding licensure and conduct of applicants and licensees.
- Conduct investigations, resolve jurisdictional complaints and take disciplinary or corrective action against an applicant or licensee for jurisdictional violation of laws.
- Submit disciplinary data to national and federal data bases as required by law.

Forecast Basis:

Fees are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on actual revenue collected in the previous year, the number of applicants seeking initial licensure and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated.

Recent Changes:

The practical and professional nurse licensure fee was last changed in FY2000, and a change is not projected for the FY20-21 biennium

Agency Analysis/Comments:

The Board generated greater revenue than expenses in the previous biennium due to a nurses' strike. Approximately 2,000 nurses from out-of-state were recruited to replace the striking nurses; the Board does not expect these nurses to renew their license. The Board projects the revenue balance to decrease beginning in FY2019.

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2020-21 Biennial Budget - Departmental Earnings

Occupational Therapy Practice Board
Occupational Therapy Practice Board

Agency: Occupational Therapy Practice Board

2020-21 Departmental Earnings

Earnings Group: Occupational Therapy Practice Board

Purpose: To recover the costs of regulating occupational therapy professions.

Legal Citation: M.S. 148.6401-148.6450

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

Fund: State Government Special Rev (1200); Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Non-dedicated Receipts-HRD (H12970H); OT Non Dedicated Receipts (H7Y1000); OT Criminal Background Check (H7Y9210)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | (144) | (293) | (293) | (335) | (356) |
| Resources: | | | | | | | |
| Departmental Earnings | 384 | 325 | 392 | 364 | 467 | 403 | 517 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | 384 | 218 | | | | | |
| Total Resources | | 107 | 392 | 364 | 467 | 403 | 517 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 232 | 489 | 352 | 472 | 352 | 478 |
| Indirect Expenditures | | 19 | 52 | 54 | 58 | 54 | 58 |
| Total Expenditures | | 251 | 541 | 406 | 530 | 406 | 536 |
| Current Difference | | (144) | (149) | (42) | (63) | (3) | (19) |
| Accumulated Ending Balance | | (144) | (293) | (335) | (356) | (338) | (375) |

Background Information:

The Board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of occupational therapy to reasonably ensure a standard of competent and ethical practice. Board services are entirely supported by the fees collected. The Board of Occupational Therapy Practice:

- Issues initial licenses and renewing licenses for qualified professionals.
- Ensures that only applicants who meet licensure requirements are granted a license.
- Responds to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Takes disciplinary or corrective action against an applicant or licensee for misconduct.
- Enforces standards of practice and professional conduct for licensees.
- Applies educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Reviews applicant's education and training to determine compliance with the board's licensure requirements.
- Provides information about licensure requirements and standards of practice to citizens and other interested persons or agencies.

The fees are paid by occupational therapist and occupational therapy assistant licensees. All fees are established and outlined in statute and are set to recover the Board's direct and indirect expenditures. Current Fees:

- \$145.00 for occupational therapy new license and renewal applicants
- \$80.00 for occupational therapy assistant new license and renewal applicants
- \$25.00 duplicate license fee for all licensees requiring new license documentation
- \$25.00 late fee for all licensees based upon statute
- \$50.00 for temporary license fees for all applicants while awaiting completion of the requirements for a full MN license
- \$96.00 Limited license fee for licensees choosing to return to practice in MN after an extended period of non-licensure.
- \$96.00 Fee for course approval after lapse of licensure for review of courses used to establish competence prior to relicensure.
- \$25.00 Licensee request for verification of a MN license sent to another jurisdiction
- \$10.00 Licensee request for verification of a MN license sent to an institution
- Various penalty fees as warranted per statute
- Civil penalties various, as a component of disciplinary actions

Forecast Basis:

Fees charged to applicants and licensees are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including potential educational changes, actual revenue collected in the previous year, and the number of applicants seeking initial licensure. At this time projections for the future biennium are in flux due to the transition of occupational therapy regulation from the MN Department of Health (MDH) to the MN Board of Occupational Therapy Practice (BOTP) January 1, 2018. Additionally, at a national level, educational requirements may change which could impact the number of new licenses the board processes.

Recent Changes:

Fees have not been changed since the change by MDH in 2007.

Agency: Occupational Therapy Practice Board

2020-21 Departmental Earnings

Earnings Group: Occupational Therapy Practice Board

Agency Analysis/Comments:

Fee changes are being requested to support ongoing establishment and right sizing of the newly formed BOTP's operational budget. The Board incurred significant expense to establish services in a new state agency. The proposal to increase fees is intended to ensure the Board is able to conduct business and meet its financial obligations. The fee adjustment will assist the Board in effective fiscal management as well as in meeting its statutory obligations and mission of public protection and effective licensure.

For information about the recommended fee change, see the Fee Adjustment change item in the Board of Occupational Therapy Practice 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Optometry, Board of
Optometry Board Licensing Fees

Agency: Optometry, Board of

2020-21 Departmental Earnings

Earnings Group: Optometry Board Licensing Fees

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

Legal Citation: M.S. 148.52, 145.711, 214, 319B, and M.R. 6500

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

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

Appropriation: Opt Non Dedicated Receipts (H7J1000); Criminal Background Check Rec (H7J9210); OE Tracker Subscription (H7JZ001)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 77 | 95 | 114 | 18 | 18 | (38) | 11 |
| Resources: | | | | | | | |
| Departmental Earnings | 167 | 175 | 159 | 159 | 256 | 159 | 256 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 167 | 175 | 159 | 159 | 256 | 159 | 256 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 124 | 135 | 218 | 178 | 224 | 178 | 225 |
| Indirect Expenditures | 25 | 21 | 37 | 37 | 39 | 37 | 39 |
| Total Expenditures | 149 | 156 | 255 | 215 | 263 | 215 | 264 |
| Current Difference | 18 | 19 | (96) | (56) | (7) | (56) | (8) |
| Accumulated Ending Balance | 95 | 114 | 18 | (38) | 11 | (94) | 3 |

Background Information:

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

The Board of Optometry regulates the profession by:

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

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. This biennium the board of directors recommended an increase in the 'not to exceed' fees. With none board controlled expenses increasing by nearly \$20,000 (MNIT, HPSP, ASU, AG) the board felt a modest change was necessary to meet their legislative mandate. The board will set annual fees to maintain a positive year-end balance and not over or under charge for those services.

Recent Changes:

Overall, board fees have been increased one time since 1987. Nationally, the Minnesota Board of Optometry fees remain in the lowest quartile when compared with other state boards from information gathered by the Association of Regulatory Boards annual report. With the proposed fee increase, the fees will remain in the lowest 50% of all state boards for the annual renewal of license which accounts for 87% of the board's overall revenue. Stakeholders have been included in discussions on the fee changes and there is no formal opposition to the fiscal request.

Agency Analysis/Comments:

Historically, the Board has been conservative in their spending and the establishment of fees is reflective of having one fee increase since 1987. Operational spending controls and limits have been established. Board staff levels remain at a .8 FTE or two, part time staffing pattern. The increased fees are necessary to assure adequate staffing and program needs are met. Board members have demonstrated prudent stewardship of their revenue and expense management.

For information about the recommended fee change, see the Fee Increase and the OE Tracker change items in the Board of Optometry 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Peace Officer Standards and Training Board

Peace Officers Standards and Training Board Licensing Fees

Agency: Peace Officer Standards and Training Board

2020-21 Departmental Earnings

Earnings Group: Peace Officers Standards and Training Board Licensing Fees

Purpose: To cover the administrative costs of testing and licensing peace officers, and part-time officers .

Legal Citation: M.S. 626.843-45; M.S. 326.3386; M.R. 6700.0600

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

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P7T9900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 6 | 31 | 8 | 8 | (43) | (43) |
| Resources: | | | | | | | |
| Departmental Earnings | 467 | 482 | 450 | 450 | 450 | 450 | 450 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 467 | 482 | 450 | 450 | 450 | 450 | 450 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 461 | 457 | 470 | 498 | 498 | 498 | 498 |
| Indirect Expenditures | | | 3 | 3 | 3 | 3 | 3 |
| Total Expenditures | 461 | 457 | 473 | 501 | 501 | 501 | 501 |
| Current Difference | 6 | 25 | (23) | (51) | (51) | (51) | (51) |
| Accumulated Ending Balance | 6 | 31 | 8 | (43) | (43) | (94) | (94) |

Agency: Peace Officer Standards and Training Board

2020-21 Departmental Earnings

Earnings Group: Peace Officers Standards and Training Board Licensing Fees

Background Information:

The fee is for to cover the administrative costs of testing and licensing peace officers, part-time officers and constables. The fees are \$90 for a Peace Officer License and \$105 for a Peace Officer Examination.

Forecast Basis:

It is assumed past actual revenues will prevail for fiscal years 20-21.

Recent Changes:

The fee was last changed in 1998 to recover costs.

Agency Analysis/Comments:

The board will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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2020-21 Biennial Budget - Departmental Earnings

Perpich Center for Arts Education

Perpich Center for Arts Education Fees

Agency: Perpich Center for Arts Education

2020-21 Departmental Earnings

Earnings Group: Perpich Center for Arts Education Fees

Purpose: Miscellaneous fees collected.

Legal Citation: M.S. 129C.10, Subd. 3

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: PDR Courses & Publications (E25PDC0); Space Rental (E25REN0)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 47 | 19 | 87 | 87 | 87 | 87 | 87 |
| Resources: | | | | | | | |
| Departmental Earnings | 273 | 318 | 11 | 11 | 11 | 11 | 11 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 273 | 318 | 11 | 11 | 11 | 11 | 11 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 301 | 250 | 11 | 11 | 11 | 11 | 11 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 301 | 250 | 11 | 11 | 11 | 11 | 11 |
| Current Difference | (28) | 68 | | | | | |
| Accumulated Ending Balance | 19 | 87 | 87 | 87 | 87 | 87 | 87 |

Background Information:

Perpich collects income for sales of publications. The fees for the publications range from \$28 to \$30. This fee covers the cost of printing and shipping the publication. The most recent printing of these publications was in 2014. This fee is determined at the time of printing and ensures that we are recouping our costs.

Perpich collects invoice from the lease of space. The fee amounts vary depending on space usage, janitorial and other staffing needs. The Department of Administration helps administer the leases. A matrix was created in 2014 to assist in determining lease amounts. This matrix is updated annually with the previous year's janitorial and security staff payroll, supplies, etc. This matrix helps to determine the correct amount to charge to ensure we are covering our costs.

Forecast Basis:

A decrease in departmental earnings is assumed due to no longer leasing part of the Crosswinds building due to it being sold.

Recent Changes:

The Crosswinds building was sold so Perpich no longer collects lease payments for leasing out space at Crosswinds.

Agency Analysis/Comments:

The accumulated ending balance is due to the Crosswinds building being sold. The fees appear to be covering the cost of Perpich activities.

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2020-21 Biennial Budget - Departmental Earnings

Pharmacy, Board of

Pharmacy Board Licensing Fees

Agency: Pharmacy, Board of

2020-21 Departmental Earnings

Earnings Group: Pharmacy Board Licensing Fees

Purpose: To recover the costs of regulating pharmacists, pharmacies, drug wholesalers, drug manufacturers and medical gas distributors; and the Board's share of the costs of operating the Prescription Monitoring Program.

Legal Citation: MN Stats §§151.065, 214.055 & 214.06.

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

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

Appropriation: Pharm Non Dedicated Receipts (H7D1000); Criminal Background Check Rece (H7D9210)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 1,040 | 1,057 | 1,055 | 720 | 720 | 482 | 756 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,983 | 3,085 | 2,995 | 3,029 | 3,680 | 3,029 | 3,680 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | 1 | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,983 | 3,084 | 2,995 | 3,029 | 3,680 | 3,029 | 3,680 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,586 | 2,608 | 2,854 | 2,790 | 3,113 | 2,827 | 3,143 |
| Indirect Expenditures | 380 | 478 | 476 | 477 | 531 | 475 | 531 |
| Total Expenditures | 2,966 | 3,086 | 3,330 | 3,267 | 3,644 | 3,302 | 3,674 |
| Current Difference | 17 | (2) | (335) | (238) | 36 | (273) | 6 |
| Accumulated Ending Balance | 1,057 | 1,055 | 720 | 482 | 756 | 209 | 762 |

Background Information:

The core functions of the Board of Pharmacy are:

- Setting educational and examination standards for initial and continuing licensure of pharmacists;
- Setting standards for the registration of pharmacy interns and technicians;
- Conducting inspections of all pharmacies, drug wholesalers, drug manufacturers and controlled substance researchers with physical facilities located within the state;
- Responding to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants, registrants, and licensees;
- Setting standards of practice and conduct for licensees and pursuing educational or disciplinary action with licensees, to ensure that standards are met;
- Providing information and education about licensure requirements, standards of practice and Minnesota drug law to the public and to other interested audiences;
- Providing expertise on issues relating to pharmacy practice and pharmaceuticals to the Legislature, the Governor's Office and other federal, state and local agencies; and
- Administering the State's Prescription Monitoring Program (PMP).

Forecast Basis:

Fees charged to applicants, prospective applicants, licensees, and registrants are set to recover most of the board's direct and indirect expenditures. The Prescription Monitoring Program (PMP) is funded by an appropriation to the Board of Pharmacy, the cost of which is shared by the Pharmacy Board and by the boards that license prescribers. The Board has also received federal grant money to pay for some PMP expenses. Revenues are forecast based on a number of factors, including actual revenue collected in previous years, the historical trend in the number of applicants seeking initial licensure, the historical trend in the number of licensees and registrants that renew their license or registration and the fees established in MN Stats. §151.065.

Recent Changes:

The last fee increases were authorized by the Legislature in 2015 and went into effect in fiscal year 2016. Prior to the 2016 increases, there had been no fee increases since fiscal year 2012. The fiscal year 2012 fee increases were the first since fiscal year 2002. Therefore, the Board has had only three increases spread out over the past 16 years.

Agency Analysis/Comments:

As noted above, the Board is requesting authority to collect additional fees at this time. When it submitted its Departmental Earnings Report for the 2018-2019 biennium, the Board pointed out that it would be likely that a fee increase would be necessary during the 2020-2021 biennium. Given increases in salaries/benefits, rent, IT costs, and the costs associated with disciplinary cases, the Board is projected to almost completely deplete its reserves by FY 2021 if the fee increase is not granted, even if the proposed change items discussed below are not approved.

The Board is requesting that its regular operating appropriation be increased by \$124,000 in FY 2020 and \$126,000 in FY 2021. This represents a 4.5% increase in FY 2020 from the current base appropriation for FY 2020 of \$2,749,000. The FY 2021 appropriation would be 4.5% larger than the current base appropriation for FY 2021 of \$2,786,000. The Board needs an increased appropriation to

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

2020-21 Departmental Earnings

cover:

- Increased centralized IT costs;
- Rent increases; and
- Increased salary and benefit costs related to inflationary increases.

The Board of Pharmacy is also requesting that its appropriation be additionally increased by \$199,000 in FY 2020 and \$190,000 in FY 2021. This represents a 7.2% increase in FY 2020 from the current base appropriation for FY 2020 of \$2,749,000. The FY 2021 appropriation would be 6.8% larger than the current base appropriation for FY 2021 of \$2,786,000. The Board is making this request so that it has the authority to expend the funds necessary to hire another Pharmacy Surveyor in order to increase the number of in-state facility inspections that are completed and to better handle the increased number of complaints it has been receiving.

For information about the recommended fee changes, see the Fee Increase change item in the Board of Pharmacy 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Physical Therapy, Board of
Physical Therapy Board Licensing Fees

Agency: Physical Therapy, Board of

2020-21 Departmental Earnings

Earnings Group: Physical Therapy Board Licensing Fees

Purpose: To recover the costs of regulating physical therapist professions.

Legal Citation: M.S. 148.65-148.78, 214, 319B and M.R. 5600.0100 – 5601.3000

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

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

Appropriation: Phy Th Non Dedicated Receipts (H7W1000); Criminal Background Check Rec (H7W9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 780 | 1,022 | 1,265 | 1,083 | 1,083 | 1,052 | 1,044 |
| Resources: | | | | | | | |
| Departmental Earnings | 696 | 693 | 674 | 676 | 676 | 676 | 676 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 1 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 697 | 694 | 674 | 676 | 676 | 676 | 676 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 359 | 370 | 726 | 577 | 577 | 579 | 579 |
| Indirect Expenditures | 96 | 81 | 130 | 130 | 138 | 130 | 139 |
| Total Expenditures | 455 | 451 | 856 | 707 | 715 | 709 | 718 |
| Current Difference | 242 | 243 | (182) | (31) | (39) | (33) | (42) |
| Accumulated Ending Balance | 1,022 | 1,265 | 1,083 | 1,052 | 1,044 | 1,019 | 1,002 |

Background Information:

Board services are entirely supported by the fees collected. Board services include credentialing, complaint review and investigation, and education services:

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

The fees are paid by physical therapist and physical therapist assistant licensees and applicants for licensure, and by sponsors of continuing education courses. All fees are established in statute.

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, and the number of applicants seeking initial licensure. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

Fees have not been increased since 1994.

Agency Analysis/Comments:

No fee changes are being requested.

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2020-21 Biennial Budget - Departmental Earnings

Podiatric Medicine, Board of
Podiatric Medicine Licensing Fees

Agency: Podiatric Medicine, Board of

2020-21 Departmental Earnings

Earnings Group: Podiatric Medicine Licensing Fees

Purpose: To recover the costs of regulating the podiatric medicine, orthotics, prosthetics, and pedorthist professions.

Legal Citation: M.S. 153.02, 153.16, 153B.85, 214, 319B and M.R. 6900

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

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

Appropriation: Pod Med Non Dedicated Receipts (H7Q1000); Criminal Background Check Rec (H7Q9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 169 | 153 | 318 | 105 | 105 | 178 | 174 |
| Resources: | | | | | | | |
| Departmental Earnings | 97 | 293 | 129 | 330 | 330 | 129 | 129 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 97 | 293 | 129 | 330 | 330 | 129 | 129 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 92 | 113 | 297 | 211 | 211 | 211 | 211 |
| Indirect Expenditures | 21 | 15 | 45 | 46 | 50 | 45 | 50 |
| Total Expenditures | 113 | 128 | 342 | 257 | 261 | 256 | 261 |
| Current Difference | (16) | 165 | (213) | 73 | 69 | (127) | (132) |
| Accumulated Ending Balance | 153 | 318 | 105 | 178 | 174 | 51 | 42 |

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of podiatric medicine, orthotics, prosthetics and pedorthists to ensure a standard of competent and ethical practice.

The Board of Podiatric Medicine provides the following services:

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

Forecast Basis:

Fees charged to applicants, licensees, and for license verifications approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. Changes anticipated to the amount of revenue generated in the second year of this biennium include revenue fees from the newly licensed professions of orthotics, prosthetics and pedorthists beginning January 1, 2018.

Recent Changes:

Licensure is now required for the professions of orthotics, prosthetics and pedorthists beginning January 1, 2018 with the Board of Podiatric Medicine being the administering entity.

Agency Analysis/Comments:

None.

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2020-21 Biennial Budget - Departmental Earnings

Pollution Control

- Air Quality Fee
- DVS Motor Vehicle Transfer Fee
- Dry Cleaner Fee
- E-Waste
- Hazardous Waste Fee
- Low Level Radioactive Waste Generator Fee
- PCA Income Agreements
- Paint Stewardship Admin Fees
- Petroleum Brownfields Program Fee
- Pollution Prevention Fee
- Subsurface Sewage Treatment Systems (SSTS) Licensing
- Subsurface Sewage Treatment Systems (SSTS) Tank Fee
- Underground Storage Tank Certification Program
- Waste Disposal Facility Operators and Inspector Certification Program
- Wastewater Operator Certification Program
- Water Quality Fee

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Air Quality Fee

Purpose: Fees are used to support the air quality program, which includes monitoring, permitting, permit enforcement and other functions to improve and protect air quality in Minnesota.

Legal Citation: M.S. 116.07, Subd 4(d)

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

Fund: Environmental (2800)

Appropriation: AQ Environ Fund Non Dedicated (R32A001)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 14,842 | 30,341 | 44,861 | 44,861 | 59,381 | 59,639 |
| Resources: | | | | | | | |
| Departmental Earnings | 14,842 | 15,499 | 14,520 | 14,520 | 14,778 | 14,520 | 15,036 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 14,842 | 15,499 | 14,520 | 14,520 | 14,778 | 14,520 | 15,036 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 14,842 | 15,499 | 14,520 | 14,520 | 14,778 | 14,520 | 15,036 |
| Accumulated Ending Balance | 14,842 | 30,341 | 44,861 | 59,381 | 59,639 | 73,901 | 74,675 |

Background Information:

The fee exists to cover the costs of operating the Air Program, including the reasonable costs of developing, reviewing, and acting on applications for agency permits, implementing and enforcing permits and other air quality functions to improve and protect air quality in Minnesota.

The annual fee pays for all direct and indirect reasonable costs, including attorney general costs, required to develop and administer the permit program requirements of subchapter V of the federal Clean Air Act. These Air Program costs include those of reviewing and acting on an application for a permit; implementing and enforcing statutes, rules, and the terms and conditions of a permit; emissions, ambient, and deposition monitoring; preparing generally applicable regulations; responding to federal guidance; modeling, analysis, and demonstrations; preparing inventories and tracking emissions, and providing information to the public about these activities.

The fee is determined by dividing the Air Programs related cost by the number of tons of emissions, as calculated by rule.

- The fee for calendar year 2017 was \$107.94 per ton of emissions.
- The fee for calendar year 2018 was \$119.66 per ton of emissions.
- The fee for calendar year 2019 is estimated to be around \$116 per ton of emissions.

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

Forecast Basis:

Revenue forecasts are adjusted annually by the change in Consumer Price Index, as established by the fee calculation in rule. Generally, as fee-related emissions decrease, and CPI slowly increases, the fee rate per ton of emissions slowly increases to cover the cost of the agency's Air Program.

Recent Changes:

Fees change at the beginning of each calendar year, based on the appropriation level provided by the legislature. The fee increase from CY 15 to CY 16 was minimal, and revenue generated increased only slightly.

Agency Analysis/Comments:

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

For information about the recommended fee change, see the Air Appropriation Increase change item in the Pollution Control Agency 2020-21 Governor's Budget Recommendations book.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: DVS Motor Vehicle Transfer Fee

Purpose: Funds are appropriated to state agencies for environmental issues involving motor vehicles such as tire waste management and cleanup activities.

Legal Citation: M.S. 115.908, Subd. 1

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

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (P07771E)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 11,022 | 22,756 | 32,756 | 32,756 | 42,756 | 42,756 |
| Resources: | | | | | | | |
| Departmental Earnings | 11,022 | 11,734 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 11,022 | 11,734 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 11,022 | 11,734 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| Accumulated Ending Balance | 11,022 | 22,756 | 32,756 | 42,756 | 42,756 | 52,756 | 52,756 |

Background Information:

The Motor Vehicle Title Transfer Fee (MVTF) was first established in law in 1972, charging \$1 per automobile title transferred to fund an MPCA grant program for collection of abandoned automobiles. The Waste Management Act established the current MVTF in 1984 as a \$4 fee on initial registration of a vehicle weighing more than 1,000 pounds and at each subsequent title transfer. Originally, the statute had a sunset date of 1994, which the Legislature extended in 1992 and 1995. The continuing need to fund pollution-prevention and cleanup activities related to auto pollution, including Superfund sites, prompted the Legislature to eliminate the sunset altogether in 1997. An August 2002 statewide survey performed by St. Cloud State University found that 60% of Minnesotans supported a \$6.00 increase in the MVTF if it were used to “pay for both new and existing environmental protection programs related to vehicle pollution.”

In 2003, a stakeholder group (The Funding Options Working Group) recommended to the Legislature that the MVTF remain a funding source for environmental activities because of the clear nexus between air pollution and the increasing impacts from automotive vehicle emissions. Currently, the MVTF of \$10 per vehicle title transfer that are deposited into the Environmental Fund support about 80 FTEs of activities at MPCA focused on reducing not only air pollution impacts from automobiles, but also the environmental impacts of road and bridge construction and maintenance, and other aspects of automobile and vehicle use and disposal.

Ongoing MPCA program activities include: permitting, compliance, and enforcement, pollution prevention activities, restoration of contaminated water, and remediation of polluted land that directly result from the environmental impacts of automobiles, roads, and bridges.

Forecast Basis:

A conservative estimate of revenues based upon the last four-year average, in consultation with the Minnesota Department of Public Safety, is used for forecasting revenues. It is believed that when the economy is strong, fees from new car sales make up a greater proportion of annual revenues, opposed to during years of weaker economic activity, where re-transfer of vehicles become a larger proportion of fee receipts. Therefore, the trends in fee receipts vary little from year-to-year.

Recent Changes:

In 2005, the fee was raised from six dollars to \$10.00 per title registered or transferred.

Agency Analysis/Comments:

In 2007 the legislature directed the Motor Vehicle Transfer Fee be deposited into the Environmental Fund as a non-dedicated receipt.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Dry Cleaner Fee

Purpose: To provide a means for Minnesota dry cleaners to fund cleanup at sites that have been contaminated by dry cleaning operations.

Legal Citation: M.S. 115B.49, Subd. 4

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

Fund: Remediation (2801)

Appropriation: Dry Cleaners Projects (R32G112); Dry Cleaners Projects (R32L112)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 573 | 901 | 122 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 516 | 534 | 650 | 650 | 650 | 650 | 650 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 743 | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 12 | 1 | 6 | 6 | 6 | 6 | 6 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,271 | 535 | 656 | 656 | 656 | 656 | 656 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 943 | 1,314 | 778 | 656 | 656 | 656 | 656 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 943 | 1,314 | 778 | 656 | 656 | 656 | 656 |
| Current Difference | 328 | (779) | (122) | | | | |
| Accumulated Ending Balance | 901 | 122 | | | | | |

Background Information:

In 1995, the Minnesota Cleaners Association worked with the MPCA to modify MN Statute 115B Environmental Response and Liability Act to include provisions (115B.47 – 115B.51) that established a fund for the reimbursement of owners and operators of dry cleaning facilities for response actions taken with respect to releases from the dry cleaning facility.

Currently the fee structure is as follows:

Annual Registration Fees. The owner or operator of a dry cleaning facility shall register on or before October 18th of each year, or quarterly, as established in Minn. Stat. 115B.49, subd. 4., and pay a registration fee for the facility based on size as follows:

1. Less than 5 Full Time Employees (FTEs) - \$3,582;
2. 5 -10 FTEs = \$7,729; and
3. >10 FTEs = \$14,232

Product Fees. A person who sells dry cleaning solvents for use by dry cleaning facilities shall collect and remit to department of revenue, on or before the 20th of the month following the month in which the sales of dry cleaning solvents are made, as established in Minn. Stat. 115B.49, subd. 4., solvent fees per gallon sold are as follows:

1. Tetrachloroethene (Perchloroethylene or Perc) = \$43.07
2. Hydrocarbon-based solvents = \$22.84; and
3. Other non-aqueous solvents = \$10.66.

Minn. Stat. 115B.49, subd. 4b states the fee shall be adjusted each year to maintain an annual income to the account of \$650,000. Monies in the account may be used for:

1. environmental response costs to protect the public health or welfare or the environment
2. reimbursement of amounts spent by the commissioner from the remediation fund for environmental response costs to protect the public health or welfare or the environment
3. reimbursements of the dry cleaner owner or operator for all but \$10,000 of the environmental response costs incurred by the owner or operator to protect the public health or welfare or the environment and
4. administrative costs of the commissioner of revenue

Forecast Basis:

The basis of our forecast basis includes:

- Number of active dry cleaning facilities identified by the Department of Revenue for the previous year is the same for the year the Registration fees are calculated.
- Solvent volumes sold during the previous year are the same for the year the solvent fee is calculated.

We also note that:

- The number of active dry cleaning facilities paying registration fees is decreasing each year.
- The volume of Perchloroethylene sold each year is decreasing.

Recent Changes:

The last time the fees changed includes:

- Registration fee was last changed effective July 1, 2018.

- The solvent fee was last changed effective July 1, 2018, 2015.

Due to the decrease in both numbers of dry cleaning facilities paying registration fees and volume of perchloroethylene sold each year, an increase in fees was necessary to generate the \$650,000 per year required by statute.

Agency Analysis/Comments:

The MPCA adjusts the fees each year to reach \$650,000 per year to the fund as required by statute. Each year the number of active dry cleaning facilities decrease, and they are using less solvents. Fees for individual owners or operators increase each year. Current fees are projected to generate approximately \$653,377 to the Fund.

It is noted that the potential liability for cleanup costs related to this program far exceeds the \$650,000 per year amount collected

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: E-Waste

Purpose: To establish the avenues for Minnesota residents to recycle rather than dispose of electronics. State statute bans disposing of electronic components such as video display devices and computers in landfills. This program provides a mechanism to collect and recycle electronic devices covered by the ban. Electronic manufacturers are required to register annually and pay a fee to cover the Agency's costs of administering this program.

Legal Citation: M.S. 115A.1314

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

Fund: Environmental (2800)

Appropriation: Non Dedicated Receipts (G900909); CM Environ Fund Non Dedicated (R32C002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 203 | 447 | 747 | 747 | 1,047 | 1,047 |
| Resources: | | | | | | | |
| Departmental Earnings | 203 | 244 | 300 | 300 | 300 | 300 | 300 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 203 | 244 | 300 | 300 | 300 | 300 | 300 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 203 | 244 | 300 | 300 | 300 | 300 | 300 |
| Accumulated Ending Balance | 203 | 447 | 747 | 1,047 | 1,047 | 1,347 | 1,347 |

Background Information:

The fee exists to implement the E-Waste Program as required by statute. Our responsibilities include coordinating registration and reporting and reviewing the collector, recycler and manufacturer data, conducting compliance and enforcement activities if necessary, and to potentially offer grants to counties outside the 11-county metro area. The program is accomplished through efforts of the MPCA and Departments of Revenue and Administration.

The registration fee for manufacturers that sell 100 or more video display devices to households in the state during the previous calendar year is \$2,500, plus a variable recycling fee. The variable recycling fee is calculated according to formula.

Fee revenue is used by the agency to administer the program, and make grants to counties outside the 11-county metropolitan area and to private entities that collect for recycling covered electronic devices in counties outside the 11-county metropolitan area, where the collection and recycling is consistent with the respective county's solid waste plan. In awarding competitive grants, preference is given to counties and private entities that are working cooperatively with manufacturers to help them meet their recycling obligations.

Forecast Basis:

The basis of forecasts is the trend from the past couple fiscal years.

Recent Changes:

The fees were changed in the 2016 Legislative session to only include manufacturers who sell 100 or more video display devices to households in the state. All factors of the variable fee formula were reduced.

Agency Analysis/Comments:

Departmental earnings and expenditures over the past 2 fiscal years are nearly equal.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Hazardous Waste Fee

Purpose: Recover the costs of regulating hazardous waste recyclers, generators, transporters and waste treatment, storage and disposal facilities.

Legal Citation: M.S. 116.07, Subd. 4(d) and M.S. 116.12

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

Fund: Environmental (2800)

Appropriation: Lnd Environ Fund Non Dedicated (R32L003)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 5,431 | 10,795 | 15,445 | 15,445 | 20,095 | 20,095 |
| Resources: | | | | | | | |
| Departmental Earnings | 5,431 | 5,364 | 4,650 | 4,650 | 4,650 | 4,650 | 4,650 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,431 | 5,364 | 4,650 | 4,650 | 4,650 | 4,650 | 4,650 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 5,431 | 5,364 | 4,650 | 4,650 | 4,650 | 4,650 | 4,650 |
| Accumulated Ending Balance | 5,431 | 10,795 | 15,445 | 20,095 | 20,095 | 24,745 | 24,745 |

Background Information:

Hazardous waste generator fees. These fees recover 19% of costs to regulate hazardous waste recyclers, generators and transporters, and permitted treatment storage and disposal facilities. The MPCA provides regulatory oversight for the entire State. This oversight includes compliance assistance and appropriated enforcement actions, facility inspections, training, rule applicability and determination, program policy, and rule updates. The MPCA implements statewide initiatives for specific wastes like pharmaceuticals and mercury-containing products. MPCA also maintains the electronic systems for reporting to EPA, online services to obtain/renew licenses, reporting of generator figures, as well as fee payment and collection.

Fee amounts and categories include:

- HW Non Metro Base Fee – \$575.76 (\$570.91 last year)
- HW Non Metro Per Pound Fee – \$0.0792 (\$0.0761 last year)
- HW Metro Base Fee – \$243.53 (\$261.63 last year)
- HW Metro Per Pound Fee - \$0.0186 (\$0.0217 last year)

Facility Fees. Fees are charged for permitted hazardous waste treatment, storage and disposal facilities. These fees are assessed based on the types of units each facility operates, and takes into consideration that many facilities operate more than one type of hazardous waste management (i.e. storage units and a treatment unit). The MPCA collects fees from these facilities on an annual basis as well as every time their permit reapplication is due.

Over the past five years, these annual fees ranged from \$11,580 to \$160,980. The application fees are half of the annual fees, and are submitted every five years when the permit is up for reissuance. The variability in annual fees is due to statute, because the same dollar amount has to be collected through the combination of annual and application fees regardless of the number of applications that are submitted each year. The annual and application fees for permitted treatment, storage and disposal facilities are mandated to collect 19% of the MPCA’s hazardous waste program costs.

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

Forecast Basis:

Fees are calculated based on Minnesota Rule 7046. Minnesota Rule 7046 does allow a correction factor of up to 5% of the total appropriated dollars to be collected from generators in order to address expected future shortfalls in payments of assessed fees. However, the Agency has not added any correction factor to our fees since at least 2007 because we have a very high payment return rate from generators. Therefore, the hazardous waste licensing fees have stayed very consistent for numerous years.

Recent Changes:

The exact dollars assessed to each generator do change each year based on fluctuations in the number of generators in the state as well as the overall number of pounds reported by those generators. The last changes to Minnesota Rules Ch. 7046, which contains the fee calculation rules, was in 2007. Fee changes for hazardous waste generator base fees were in the \$3.00 to \$15.00 range, per generator, from 2015 to 2016 invoices. These changes did not impact the revenue generated.

Agency Analysis/Comments:

The Minnesota Legislature mandates that the MPCA collect revenue annually through assessing hazardous waste generator fees as well as permit fees in order to fund the cost of the program. In recent years, the amount of this Legislative appropriation has been \$2,500,000. In accordance to Minnesota Rule 7046.0060 Subpart 1 (Step 2), an additional \$2,000,000 is added to the target

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Hazardous Waste Fee

collection amount. Thus, the total amount that the hazardous waste program targets to collect is \$4,500,000.

The program has been successfully recovering in excess of 96% of hazardous waste related fees on an annual basis.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Low Level Radioactive Waste Generator Fee

Purpose: To pay for costs incurred by the Agency in performing its responsibilities under the Midwest Low-Level Radioactive Waste Compact.

Legal Citation: M.S. 116C.834

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

Fund: Environmental (2800)

Appropriation: CM Environ Fund Non Dedicated (R32C002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 11 | 23 | 35 | 35 | 47 | 47 |
| Resources: | | | | | | | |
| Departmental Earnings | 11 | 12 | 12 | 12 | 12 | 12 | 12 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 11 | 12 | 12 | 12 | 12 | 12 | 12 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 11 | 12 | 12 | 12 | 12 | 12 | 12 |
| Accumulated Ending Balance | 11 | 23 | 35 | 47 | 47 | 59 | 59 |

Background Information:

The fee was part of legislative authorization in 1993 for Minnesota to join the Midwest Interstate Low Level Radioactive Waste Compact Commission. The purpose of state participation was to cooperate in setting up a joint disposal site for low level radioactive waste (LLRW), which, even though less radioactive than spent reactor fuel, has been quite controversial among the public. It is different from other wastes in that Congress authorized states to control, or even prohibit, the flow of LLRW into their borders, if they wished.

As defined in Minnesota law, LLRW cannot legally be disposed in standard MMSW or industrial landfills, consequently, LLRW disposal capacity became a significant concern when the few nationally-available sites closed. The latest site to close was in Barnwell, SC. However, this scarcity has been manageable because many generators who produced LLRW in the past have stopped producing and disposing of it, given the increased costs and advances in technology. The availability of space will take on a new importance when today's operating reactors need to be dismantled and disposed, which will produce large quantities of LLRW.

The fee is based on volume of waste generated and disposed out of state. The rates are as follows:

- No Fee = 1-100 cubic feet shipped for disposal
- \$100 flat fee = 100-1,000 cubic feet shipped for disposal
- \$2.75/cubic foot = over 1,000 cubic feet shipped for disposal

Forecast Basis:

Currently, there are three (3) fee payers, resulting in approximately \$10,000 per year. Fees stay relatively level unless there is a cleanup project.

Recent Changes:

Fees have never been changed.

Agency Analysis/Comments:

Since the legislation passed and the state rules were adopted, it has not been necessary to set up a Midwest landfill for LLRW within the compact member states. However, disposal options are very limited and expensive. Disposal access for Minnesota generators is limited to one facility in Texas (depending on whether the Texas/Vermont Compact has given permission), and one in Utah, which is open only for low-strength wastes. The compact commission continues to meet yearly, to participate in national conferences, and monitor the disposal situation.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: PCA Income Agreements

Purpose: The MPCA enters into written income agreements with outside parties that agree to pay the MPCA for specific tasks and services.

Legal Citation: M.S. 115.06, Subd. 2

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Marathon Petroleum Agreement (R32A105); Flint Hills Resources Agrmnt (R32A107); Product Stewardship Cty Reimb (R32C147); EQB Agreements (R32C158); Income Agreements (R32C161); Product Stewardship County Rei (R32D118); McKnight Grant OES (R32D132); St Paul Park Refining Company (R32E119); Flint Hills Resource Agreement (R32E120); ECOS ITRC (R32G106); Income Agreements (R32H112); Biofuels Income Contract (R32H116); ECOS ITRC (R32L141); Remediation Income Agreements (R32L177)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 168 | 1,248 | 827 | 100 | 100 | | |
| Resources: | | | | | | | |
| Departmental Earnings | 4,501 | 3,530 | 3,314 | 3,193 | 3,193 | 3,193 | 3,193 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,501 | 3,530 | 3,314 | 3,193 | 3,193 | 3,193 | 3,193 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,421 | 3,951 | 4,041 | 3,293 | 3,293 | 3,193 | 3,193 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3,421 | 3,951 | 4,041 | 3,293 | 3,293 | 3,193 | 3,193 |
| Current Difference | 1,080 | (421) | (727) | (100) | (100) | | |
| Accumulated Ending Balance | 1,248 | 827 | 100 | | | | |

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: PCA Income Agreements

Background Information:

This earnings group represents income agreements with outside parties that request specific agency-delivered tasks and services. Monies received by the agency are used to offset the cost of service delivery under the specific agreements.

Forecast Basis:

There is little basis for forecasting as outside parties request agency services on an as-needed basis.

Recent Changes:

N/A

Agency Analysis/Comments:

Income agreements are created to cover the costs of agency provided services.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Paint Stewardship Admin Fees

Purpose: To establish a statewide product stewardship program that manages architectural paint by reducing the paint's waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for end-of-life recycling and reuse.

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

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

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Product Stewardship (R32C135); Product Stewardship (R32D117)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 5 | 3 | 8 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 35 | 35 | 68 | 68 | 68 | 68 | 68 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 35 | 35 | 68 | 68 | 68 | 68 | 68 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 37 | 30 | 76 | 68 | 68 | 68 | 68 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 37 | 30 | 76 | 68 | 68 | 68 | 68 |
| Current Difference | (2) | 5 | (8) | | | | |
| Accumulated Ending Balance | 3 | 8 | | | | | |

Background Information:

The fee exists to support agency responsibilities to operate the paint stewardship program, including: reviewing and evaluating the functioning of the program, conducting compliance and enforcement activities (if necessary) and ensuring proper reimbursement payments to local government programs. The program addresses the statutory requirement for architectural paint sold in the state, that producers must, individually or through a stewardship organization, implement and finance a statewide product stewardship program that manages the architectural paint by reducing the paint's waste generation, promoting its reuse and recycling, and providing for negotiation and execution of agreements to collect, transport, and process the architectural paint for end-of-life recycling and reuse.

The fee amount is \$.75 on every gallon of architectural paint sold, which is collected during the retail transaction.

Forecast Basis:

The basis of establishing forecasted revenues is the level of prior biennial receipts against the cost to operate the program. This fee amount of \$.75 per gallon has not changed since established in 2013.

Recent Changes:

None

Agency Analysis/Comments:

Present receipts are sufficient to cover the cost of program operations, without a significant over- or under-collection.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Petroleum Brownfields Program Fee

Purpose: To cover costs of requested services from the Petroleum Brownfields Program.

Legal Citation: M.S. 115C.03, Subd. 9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Petroleum Brownfields Program (R32G109); Petroleum Brownfields Program (R32L109)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2 | 1 | 117 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 316 | 375 | 250 | 250 | 250 | 250 | 250 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 316 | 375 | 250 | 250 | 250 | 250 | 250 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 317 | 259 | 367 | 250 | 250 | 250 | 250 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 317 | 259 | 367 | 250 | 250 | 250 | 250 |
| Current Difference | (1) | 116 | (117) | | | | |
| Accumulated Ending Balance | 1 | 117 | | | | | |

Background Information:

The fee exists to cover costs to the agency for providing voluntarily requested services. These services include: assist in determining whether a release has occurred; assist in or supervise the development and implementation of reasonable and necessary corrective actions; and assist in or supervise the investigation, development, and implementation of actions to minimize, eliminate, or clean up petroleum contamination at sites where it is not certain that the contamination is attributable to a release.

Forecast Basis:

We anticipate a continued record number of application due to the strong economy, continued demand for redevelopment of contaminated urban properties into mainly commercial/residential/mixed-use projects, existing numbers of contaminated properties. Therefore, the near-term trend appears as continued stability to growth in receipts.

Recent Changes:

The fee was last changed in 2011 from \$150 to \$125 per hour.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Pollution Prevention Fee

Purpose: Maintains a program that encourages toxic pollution prevention by providing technical assistance and grants to parties that are handling these substances and compounds.

Legal Citation: M.S. 115D.12

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: CM Environ Fund Non Dedicated (R32C002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 765 | 2,778 | 4,008 | 4,008 | 5,238 | 5,238 |
| Resources: | | | | | | | |
| Departmental Earnings | 765 | 2,013 | 1,230 | 1,230 | 1,230 | 1,230 | 1,230 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 765 | 2,013 | 1,230 | 1,230 | 1,230 | 1,230 | 1,230 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 765 | 2,013 | 1,230 | 1,230 | 1,230 | 1,230 | 1,230 |
| Accumulated Ending Balance | 765 | 2,778 | 4,008 | 5,238 | 5,238 | 6,468 | 6,468 |

Background Information:

This fee exists to provide the pollution prevention technical assistance established under the Toxic Pollution Prevention Act: to assemble, catalog, and disseminate information on pollution prevention; to provide technical research and assistance, including on-site consultations to identify alternative methods that may be applied to prevent pollution and to provide assistance for planning, excluding design engineering services; and hold outreach programs including seminars, workshops, training programs, and other similar activities designed to provide pollution prevention information and assistance to eligible recipients and other interested persons.

The fee is \$150 for each toxic pollutant reported released plus a fee based on the total pounds of toxic pollutants reported as released from each facility. Facilities reporting less than 25,000 pounds annually of toxic pollutants released per facility will be assessed a fee of \$500. Facilities reporting annual releases of toxic pollutants in excess of 25,000 pounds shall be assessed a graduated fee at the rate of two cents per pound of toxic pollutants reported. Persons who generate more than 1,000 kilograms of hazardous waste per month but who are not subject to the fee under paragraph (a) must pay a pollution prevention fee of \$500 per facility.

Activities supported by this fee include: to protect the public health, welfare, and the environment, the legislature declares that it is the policy of the state to encourage toxic pollution prevention. The preferred means of preventing toxic pollution are techniques and processes that are implemented at the source and that minimize the transfer of toxic pollutants from one environmental medium to another. The legislature intends that the programs developed shall encourage and lead to a greater awareness of the need for and benefits of toxic pollution prevention, and to a greater degree of cooperation and coordination among all elements of government, industry, and the public in encouraging and carrying out pollution prevention activities.

Exempt from 16A.1285 per M.S. 115D.12.

Forecast Basis:

The forecast is based on what was collected under previous years in the projected in change in numbers of generators. Historically, fee revenues do not vary significantly from year to year.

Recent Changes:

Fees have not changed since their establishment in 1990.

Agency Analysis/Comments:

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Subsurface Sewage Treatment Systems (SSTS) Licensing

Purpose: The fee is established to defray the cost of licensing persons who design, install and maintain, pump or inspect subsurface sewage treatment systems (SSTS).

Legal Citation: M.S. 115.56, Subd. 4

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 389 | 777 | 1,177 | 1,177 | 1,577 | 1,577 |
| Resources: | | | | | | | |
| Departmental Earnings | 389 | 388 | 400 | 400 | 400 | 400 | 400 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 389 | 388 | 400 | 400 | 400 | 400 | 400 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 389 | 388 | 400 | 400 | 400 | 400 | 400 |
| Accumulated Ending Balance | 389 | 777 | 1,177 | 1,577 | 1,577 | 1,977 | 1,977 |

Background Information:

The fee exists to support the costs of a licensing program that ensures persons are technically qualified and maintain adequate general liability insurance to design, install, maintain, pump, inspect, or provide service to a subsurface sewage treatment system. Licenses allow work on subsurface sewage treatment systems that do not require a state permit using prescriptive designs and design guidance provided by the agency. Licensed persons who design systems using these prescriptive designs and design guidance are not subject to the additional licensing requirements.

The fee is \$200 per year per individual or no more than \$400 per year for a business with multiple licenses..

Exempt from 16A.1285 per M.S. 115.56, Subd. 4(b).

Forecast Basis:

The number of licensed persons has remained consistent over the last four years. Forecasted revenues are based on the trend over time in both the numbers of licensees and actual receipts. This fee is not anticipated to increase substantially over the next biennium.

Recent Changes:

This fee was last changed in February 2008, when annual licenses for individuals increased from \$100-\$200 per year, and the limit for multiple licensees at a single business increased from \$200 per year to \$400 per year.

Agency Analysis/Comments:

The agency only collected 29% of wastewater program costs through both tank (M.S. 115.551) and licensing (M.S. 115.56, Subd. 4) fees in FY2017 experienced an under-recovery of \$888,971.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Subsurface Sewage Treatment Systems (SSTS) Tank Fee

Purpose: To defray the costs to review new systems and technology, provide technical assistance to local governments and enforcement for subsurface sewage treatment systems (SSTS).

Legal Citation: M.S. 115.551

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: WQ Env Fund Non Dedicated (R32W003)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 528 | 902 | 1,182 | 1,182 | 1,462 | 1,462 |
| Resources: | | | | | | | |
| Departmental Earnings | 528 | 374 | 280 | 280 | 280 | 280 | 280 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 528 | 374 | 280 | 280 | 280 | 280 | 280 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 528 | 374 | 280 | 280 | 280 | 280 | 280 |
| Accumulated Ending Balance | 528 | 902 | 1,182 | 1,462 | 1,462 | 1,742 | 1,742 |

Background Information:

This fee supports program costs required to accomplish agency review of warrantied subsurface sewage treatment systems, provision of technical assistance and, as needed, enforcement. The fee is \$25 for each septic system tank installed in the previous calendar year, and for performance-based systems, the tank fee is limited to \$25 per household system installation

Exempt from 16A.1285 per M.S. 115.551 (a).

Forecast Basis:

Projections assumes no significant change in revenues over the next few years due to both the lack of changes in SSTS rules and the relatively consistent number of tank installations per year.

Recent Changes:

This fee has not changed since it was established in 2003.

Agency Analysis/Comments:

The agency only collected 29% of wastewater program costs through both tank (M.S. 115.551) and licensing (M.S. 115.56, Subd. 4) fees in FY2017 experienced an under-recovery of \$888,971.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the environmental fund (16A.531), rather than as a dedicated receipt for program activities.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Underground Storage Tank Certification Program

Purpose: To certify persons who install, repair, or remove underground storage tanks.

Legal Citation: M.S. 116.491, Subd. 2

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Petroleum Tank Release Cleanup (2350)

Appropriation: Lnd Petro Fund Non Dedicated (R32L002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 3 | 7 | 13 | 13 | 19 | 19 |
| Resources: | | | | | | | |
| Departmental Earnings | 3 | 4 | 6 | 6 | 6 | 6 | 6 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3 | 4 | 6 | 6 | 6 | 6 | 6 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 3 | 4 | 6 | 6 | 6 | 6 | 6 |
| Accumulated Ending Balance | 3 | 7 | 13 | 19 | 19 | 25 | 25 |

Background Information:

The fee exists to pay for administering the Underground Storage Tank Certification Program. Program activities include processing applications, conducting examinations, issuing and renewing certificates and providing training for contractors and supervisors who perform certain underground petroleum storage tank activities.

The fee for each new, modified, or renewal application for contractor or supervisor certification is \$50. These fees are credited to the Petroleum Tank Release Cleanup Fund.

Forecast Basis:

Historical certification numbers of applications receiving for tank certification each year were reviewed, and it was noted that approximately 75 tank service providers receive their certification or renewal certification each year. It is seen that there is a consistent number of tank contractors and supervisors that receive this annual certification. When the economy is doing well and new gas stations are being built, there is a corresponding increase in the number of new supervisors and contractors that apply for certification. When the economy slows down, the opposite effect is seen.

Recent Changes:

This fee has never been changed, and the fee amount is established in statute.

Agency Analysis/Comments:

The current fee adequately covers the cost of MPCA staff processing tank certification applications.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Waste Disposal Facility Operators and Inspector Certification Program

Purpose: To defray the cost of a training program that provides technical and financial assistance for inspectors and operators of waste disposal facilities.

Legal Citation: M.S. 116.41, Subd 2

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Lnd General Fund Non Dedicated (R32L001); WQ General Fund Non Dedicated (R32W001)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 7 | 16 | 24 | 24 | 32 | 32 |
| Resources: | | | | | | | |
| Departmental Earnings | 7 | 9 | 8 | 8 | 8 | 8 | 8 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7 | 9 | 8 | 8 | 8 | 8 | 8 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 7 | 9 | 8 | 8 | 8 | 8 | 8 |
| Accumulated Ending Balance | 7 | 16 | 24 | 32 | 32 | 40 | 40 |

Background Information:

The fee supports the assurance that standards of competence for persons operating and inspecting various classes of disposal facilities exist, and makes training available to persons operating facilities for the disposal of waste and for inspectors of facilities so they are able to be certified at the standardized level of competence.

Currently the fees, established in Chapter 7048.1100 are:

- application examination, \$15
- issuance of certificate, \$15
- re-examination for failure to pass examination, \$15
- renewal of certificate, \$15
- replacement certificate, \$5 and
- reinstatement of reciprocity certificate, \$30

Training workshop fees are not defined in rule, but represent agency costs, include:

- certification training workshop, \$375
- continuing education workshop, \$240

Forecast Basis:

Revenue forecasts are based upon the trends and current collections, which have remained fairly consistent over the last five years.

Recent Changes:

None

Agency Analysis/Comments:

The fees are deposited in the General Fund and the MPCA receives an Environmental Fund appropriation for program costs.

Because fees are deposited into one fund and appropriation is made from the other, this has created a 100% under-recovery to the Environmental Fund in the amount of the annual appropriation.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Wastewater Operator Certification Program

Purpose: To provide technical certification for operators of wastewater treatment plants.

Legal Citation: M.S. 116.07, Subd. 4(d)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Government Special Rev (1200)

Appropriation: WQ Spec Rev Fund Non-Dedicated (R32W002)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 65 | 129 | 189 | 189 | 249 | 249 |
| Resources: | | | | | | | |
| Departmental Earnings | 65 | 64 | 60 | 60 | 60 | 60 | 60 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 65 | 64 | 60 | 60 | 60 | 60 | 60 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 65 | 64 | 60 | 60 | 60 | 60 | 60 |
| Accumulated Ending Balance | 65 | 129 | 189 | 249 | 249 | 309 | 309 |

Background Information:

This fee exists to cover the reasonable costs of maintaining and implementing a wastewater certification program for operators of wastewater treatment facilities. Fee amounts vary depending on the type of requested certification service. The Minnesota Department of Health (MDH) administers the program for certification of water treatment plant operators and the MPCA is responsible for the certification of wastewater treatment operators.

In 1996, when the responsibility for rulemaking was transferred from the Certification Council to MDH and MPCA, the legislature elected not to separate the fees for the MDH and MPCA certification programs. The agencies are individually appropriated the funds to cover the cost of their certification programs from the State Government Special Revenue Fund. Both agencies deposit certification fees into this fund.

Local units of government represent the majority of customers in this certification program. Fees types and amounts include:

- Wastewater certification exam application fee, \$55
- Wastewater certification fee (after passing the exam), \$45
- Wastewater certification renewal fee (every 3 years), \$23.
- Wastewater certification reinstatement fee, \$40.
- 3-day wastewater certification workshop fee, \$390
- 2-day wastewater certification workshop fee, \$260
- 1-day wastewater certification workshop fee, \$100 - \$130

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

Forecast Basis:

The revenue forecast for these fees has remained consistent over the last couple of years. Projections are based upon recent history of operators requesting and attending training. It is anticipated that there will not be a significant change in numbers of persons attending training, seeking certification or renewal in near future years.

Recent Changes:

The 2009 Legislature struck the fee schedule from statute and replaced it with this language: "The agency shall collect fees in amounts necessary, but no greater than the amounts necessary, to cover the reasonable costs of reviewing applications and issuing certifications." Wastewater operator certification fees were last increased on January 1, 2011. The fee for an application exam increased from \$23 to \$45, and the certification fee (for those who passed the exam) increased from \$32 to \$55.

Agency Analysis/Comments:

Since 2012, the agency has been under-recovering program costs from the State Government Special Revenue Fund by between 16% and 33%, with an average of 25% under-recovery.

Agency: Pollution Control

2020-21 Departmental Earnings

Earnings Group: Water Quality Fee

Purpose: To cover the reasonable costs of reviewing and acting upon applications for permits, implementing and enforcing the conditions of water permits pursuant to pollution control rules.

Legal Citation: M.S. 116.07, Subd 4(d)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Environmental (2800)

Appropriation: WQ Env Fund Non Dedicated (R32W003)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 4,805 | 9,921 | 14,781 | 14,781 | 19,641 | 19,864 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,805 | 5,116 | 4,860 | 4,860 | 5,083 | 4,860 | 5,308 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,805 | 5,116 | 4,860 | 4,860 | 5,083 | 4,860 | 5,308 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 4,805 | 5,116 | 4,860 | 4,860 | 5,083 | 4,860 | 5,308 |
| Accumulated Ending Balance | 4,805 | 9,921 | 14,781 | 19,641 | 19,864 | 24,501 | 25,172 |

Background Information:

Fees were first collected in 1986 to supplement the Federal and General Fund funding for the required activities under the National Pollutant Discharge Elimination System (NPDES) program for wastewater, stormwater and feedlots. The programs are delegated from EPA and include both State and Federal requirements. Fees were intended to be based upon a polluter pay (vs citizen pay) model for water quality permits and enforcement. In practice, program activities have been funded by a variety of funds and permit fees. Additionally, it was realized and taken into consideration that having the permittees pay full program costs would, in some cases, be cost prohibitive. Also, prior to the early 1990's, some program activities were funded through the Wastewater Construction Grant program.

Application fees should correlate to the level of effort required by the MPCA to process the different types of permit applications and develop a permit that complies with applicable regulations and for monitoring the permit conditions to ensure compliance, including necessary enforcement.

Application type, Points and Application fee (\$310/point)

Individual Permit Reissuance, No Modifications. Application for reissuance of an existing permit with no modifications to the permit requested. Points 4, Application Fee \$1,240.

Individual Permit Reissuance, Modifications. Application for reissuance of an existing permit with modifications to the permit requested. Modifications include the addition of chemical treatment, addition of a storage facility, replacement or rehab of existing treatment components. Points 8, Application Fee \$2,480.

Individual Permit Reissuance, Construction, No Increased Design Flow. Application for reissuance of an existing permit with construction and no increase in design flow. Construction includes constructing new treatment components, or upgrading or expanding the facility. Points 8, Application Fee \$2,480.

Individual Permit Reissuance, Construction, Increased Design Flow. Application for reissuance of an existing permit with construction and an increased average wet weather design flow for municipal or private domestic facilities or increased maximum daily flow for industrial facilities. Points 30, Application Fee \$9,300.

Individual Wastewater Permit Issuance. Application for an individual permit for a private or municipal treatment system that does not have an existing state-issued permit. This would apply to new industrial treatment and municipal wastewater treatment facilities and existing unpermitted facilities where a permit is required by Minnesota Rules and Statutes. Points 30, Application Fee \$9,300.

Individual Permit Minor Modification Requested by Permittee. Application for a minor modification to an existing permit mid permit cycle per Minn. R. 7001.0190, subp. 3. Minor modifications include correcting errors, more frequent monitoring, change in a voluntary construction schedule or removal of a monitoring station that has been terminated. Points 4, Application Fee \$1,240.

Individual Permit Major Modification. Application for a major modification to an existing permit mid permit cycle for reasons not covered under Minn. R. 7001.0190, subp. 3. Major modifications include change in a compliance schedule or alterations to existing treatment components. Points 8, Application Fee \$2,480.

Individual Permit Major Modification, Construction, No Increased Design Flow. Application for a major modification to an existing permit mid permit cycle for reasons not covered under Minn. R. 7001.0190, subp. 3 and include construction but no increase in design flow. Major modifications include a change to a compliance schedule, construction of new treatment components, or upgrading or expanding the facility. Points 8, Application Fee \$2,480.

Individual Permit Major Modification, Construction, Increased Design Flow. Application for a major modification to an existing permit mid permit cycle that includes construction and an increased average wet weather design flow for municipal or private domestic facilities or increased maximum daily flow for industrial facilities. Points 30, Application Fee \$9,300.

General Permit Issuance and Reissuance. Application requesting coverage under one of the MPCA's general permits. Points 4,

Application Fee \$1,240.

General Permit Modification. Application requesting changes in a Notice of Coverage issued under one of the general permits. A general permit modification includes a change in the type of chemical addition in a Notice of Coverage. Points 4, Application Fee \$1,240.

Individual Pretreatment Permit Issuance. Application for a new individual pretreatment permit. A pretreatment permit is required if a facility generates industrial process wastewater that comes from industrial processes covered by the U.S. Environmental Protection Agency categories listed in 40 CFR pt. 413 - 471 and if this wastewater is routed to the sanitary sewer system.

Metal finishing facilities can apply for a general permit issuance. Points 8, Application Fee \$2,480.

Individual Dredge Material Disposal Permit Issuance. Application for a new individual permit to apply material dredged from surface waters to land. Points 8, Application Fee \$2,480.

Individual Biosolids Treatment or Storage Permit Issuance. Application for a new individual permit for a biosolids treatment or storage facility. Points 30, Application Fee \$9,300.

Transfer/Name Change. Application requesting a transfer of ownership, name change of permittee, or name change of permitted facility. Points 0, Application Fee \$0.

Request for Permit Termination. Application requesting a permit termination because the discharge ended, was routed to a sanitary sewer, the facility closed, or a permit is no longer required per Minnesota Rules and Statutes. Points 0, Application Fee \$0.

Sanitary Sewer Extension Permits

1. Flow increase of 0 to 0.10 million gallons per day. Points 1, Application Fee \$310.
2. Flow increase of 0.10 to 1.0 million gallons per day. Points 2, Application Fee \$620.
3. Flow increase greater than 1.0 million gallons per day. Points 3, Application Fee \$930

Additional point activity, Points and Application fee (\$310/point)

Individual Permit New or Increased Maximum Daily or Average Wet Weather Design Flow (not applicable to non-contact cooling water discharges and not due to mine pit or quarry de-watering or sewer extensions):

1. increase from 0.0 to 0.20 mgd. Points 0, Application Fee \$0.
2. increase from 0.20 to less than 1.0 mgd. Points 5, Application Fee \$1,550.
3. increase from 1.0 to less than 5.0 mgd. Points 10, Application Fee \$3,100.
4. increase from 5.0 to less than 20.0 mgd. Points 20, Application Fee \$6,200.
5. increase from 20.0 to less than 50.0 mgd. Points 30, Application Fee \$9,300.
6. increase from 50.0 mgd or more. Points 40, Application Fee \$12,400.

Individual Permit with Noncontact Cooling Water Discharge New or Increased Flow

1. noncontact Cooling Water Flow increase less than 50 mgd. Points 5, Application Fee \$1,550.
2. non noncontact Cooling Water Flow increase equal to or greater than 50 mgd. Points 20, Application \$6,200.

Antidegradation Review required under Minn. R. 7050.0180, 7050.0185, 7050.0186 or 7052.0300 to 7052.0330. Points 20, Application Fee \$6,200.

Variance Request under Minn. R. 7000.7000 or 7020.1900. Points 35, Application \$10,850.

Confidentiality Request under Minn. R. 7000.1300 (applicable any time request is made). Points 2, Application Fee \$620.

Mandatory Environmental Assessment Worksheet (EAW) under Minn. R. 4410.4300 where MPCA is the responsible government unit. (If applicable to both AQ and WQ, check with AQ to verify cost. Permittee to pay lower of the two fees.)

1. complete EAW under Minn. R. 4410.4300, subp. 18 item A or 29. Points 15, Application Fee \$4,650.
2. complete EAW under Minn. R. 4410.4300, subp. 8 item A or B, 1. .0 items A to C, 16 item A or D; 17 items A to C or E to G; or 18 item B or C. Points 35, Application Fee \$10,850.
3. complete EAW under Minn. R. 4410.4300 subp 4; 5 item A or B; 13; 15; 16 item B or C; or 17 item D. Points 70, Application Fee \$21,700.

The Statement of Need and Reasonableness (SONAR) indicates that fees will cover the cost of MPCA regulatory activities associated with the NPDES permit, not limited to the cost of permit preparation. The MPCA's regulatory activities include: technical assistance, management and review of permit data, ongoing compliance determination and enforcement of all permit requirements, program development efforts to address new and/or emerging environmental issues and associated federal and state congressional or legislative directives, and administrative and business support activities.

Exempt from 16A.1285 per M.S. 116.07, Subd. 4(d).

Forecast Basis:

Wastewater: Forecasting has been done on the five-year average of fees received. To forecast growth, the wastewater program reviews the number of sewer extensions and facilities on the Program Project List. These numbers have been decreasing or relatively flat for the recent past, but last year these numbers started to increase.

Feedlots: Forecasting was done by looking at the number of permitted facilities and taking an average amount of fees received in a 5 year permitting cycle. Economic growth in the agricultural sector is one of the program's key indicators in determining additional revenue. The growth in the agricultural sector is primarily indicated by the amount and types of livestock facilities being proposed, permitted, and constructed

Wastewater: These fee amounts are generally stable. They are based on applications and 5 year cycles, with increases only occurring during high economic growth. A good indicator and the one used for forecasting is the numbers of sewer extension applications. We are seeing slow upward trends in sewer extensions and have seen a doubling to total construction projects since 2008 with the last couple of years showing slow increases. Due to this, we are assuming a slight increase in workload in the future.

Stormwater: These fees are generally level. However, the number of construction stormwater permits can fluctuate with changing periods of economic growth.

Feedlots: The fees collected are trending downward slightly. They are based on both annual and application fees. The program has experienced a loss of approximately 200 permitted facilities during the last permitting cycle due to changes in requirements regarding what persons/businesses are required to obtain a permit. The number of new facilities being proposed is not projected as to equal the present losses in numbers of properties.

Recent Changes:

The last time annual fees were changed was 2003 and application fees were changed in 2009.

Agency Analysis/Comments:

In FY 2017 across all agency water programs requiring fees, the agency only collected 16% of related program operating costs; the amount collected was \$5.719 million, while program costs were \$36.379 million.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

In 2003, the legislature directed this fee to be deposited as a non-dedicated receipt to the Environmental Fund (16A.531), rather than as a dedicated receipt for program activities.

For information about the recommended fee change, see the Streamlined Water Policy and Permitting change item in the Pollution Control Agency 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Private Detectives Board

Private Detectives Board Licenses and Fees

Agency: Private Detectives Board

2020-21 Departmental Earnings

Earnings Group: Private Detectives Board Licenses and Fees

Purpose: To license all private detectives, investigators and protective agents doing business in the State of Minnesota.

Legal Citation: M.S. 326.3331, M.S. 326.3386, M.R.7506.0140

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (B7S9900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 41 | (19) | (20) | (66) | (66) | (88) | (173) |
| Resources: | | | | | | | |
| Departmental Earnings | 155 | 166 | 170 | 170 | 170 | 170 | 170 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 155 | 166 | 170 | 170 | 170 | 170 | 170 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 215 | 167 | 216 | 192 | 277 | 192 | 277 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 215 | 167 | 216 | 192 | 277 | 192 | 277 |
| Current Difference | (60) | (1) | (46) | (22) | (107) | (22) | (107) |
| Accumulated Ending Balance | (19) | (20) | (66) | (88) | (173) | (110) | (280) |

Agency: Private Detectives Board

2020-21 Departmental Earnings

Earnings Group: Private Detectives Board Licenses and Fees

Background Information:

This fee exists to pay for the cost of licensing all private detectives, investigators and protective agents doing business in Minnesota.

Forecast Basis:

It is presumed projected revenues for FY19 will prevail for fiscal years 20-21

Recent Changes:

No recent changes

Agency Analysis/Comments:

The board will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

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2020-21 Biennial Budget - Departmental Earnings

Prof Educator Licensing Std Bd
Teacher Licensing

Agency: Prof Educator Licensing Std Bd

2020-21 Departmental Earnings

Earnings Group: Teacher Licensing

Purpose: To assure those licensed to teach in Minnesota schools have achieved the minimum requirements to be a teacher of students in the classroom.

Legal Citation: M.S. 122A.21, M.S. 122A 175

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Bd Of Tchng Licens By Portfol (E370170); Teacher Licensing (E37ND01); Lic by Portfolio Control Acct (E390000); Educator Licensure Control Acct (E391000); Licensing Fees (E39ND01)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 247 | (1,071) | (3,926) | (3,926) | (4,852) | (4,852) |
| Resources: | | | | | | | |
| Departmental Earnings | 1,862 | 955 | 1,884 | 1,852 | 1,852 | 1,852 | 1,852 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,862 | 955 | 1,884 | 1,852 | 1,852 | 1,852 | 1,852 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,615 | 2,153 | 4,739 | 2,778 | 2,778 | 2,753 | 2,753 |
| Indirect Expenditures | | 120 | | | | | |
| Total Expenditures | 1,615 | 2,273 | 4,739 | 2,778 | 2,778 | 2,753 | 2,753 |
| Current Difference | 247 | (1,318) | (2,855) | (926) | (926) | (901) | (901) |
| Accumulated Ending Balance | 247 | (1,071) | (3,926) | (4,852) | (4,852) | (5,753) | (5,753) |

Background Information:

This fee is charged to candidates submitting applications for licensure as a teacher. A teacher's license is a requirement for anyone who wants to teach in a public school classroom in Minnesota school districts. The fee is intended to cover the cost of licensing activities of and the functions and activities of the Professional Educator Licensing and Standards Board (the Board). The Board, made of up 11 members appointed by the Governor (six classroom teachers, one superintendent, one school human resources director, one administrator of a cooperative unit, one principal and one public member, is responsible for ensuring a quality licensing system for Minnesota public schools and enforces the code of ethics for teachers, standards of professional conduct, and teachers' work in the classroom and their relationships with students and colleagues. The process of issuing the teacher license is performed by the Educator Licensing Division of the Board.

Forecast Basis:

The current fee is \$57 for each license. The fee for licensure via portfolio is \$300 for the original portfolio submission and \$200 for each subsequent submission. A third fee is collected on behalf of the Department of Public Safety's Bureau of Criminal Apprehension (BCA) and is the fingerprint background check fee. This fee is established by the Bureau and collected with the submission of an application for license. The background check fee is then passed through to the Bureau by the Board.

The estimate assumes the same level of activity for the biennium

Recent Changes:

The 2017 legislature created a special revenue fund for an educator licensure account. All licensure application fees received by the Professional Educator Licensing and Standards Board, the Department of Education and the Board of School Administrators must be deposited in this account. Any funds appropriated from this account that remain unexpended at the end of the biennium cancel to the educator licensure account in the special revenue fund.

It also created an educator licensure background check account in the special review fund. All payments collected by the Department of Education, the Professional Educator Licensing and Standards Board and the Board of School Administrators for criminal background checks conducted by the Bureau of Criminal Apprehension must be deposited to this account.

Agency Analysis/Comments:

See the Maintain Funding Structure in FY20 change item in the Professional Educator Licensing and Standards Board 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Psychology, Board of
Psychology Board Licensing Fees

Agency: Psychology, Board of

2020-21 Departmental Earnings

Earnings Group: Psychology Board Licensing Fees

Purpose: To recover the costs of regulating the practice of psychology.

Legal Citation: M.S. 148.88 – 148.98, 214, 319B, 16A.721 and M.R. 7200

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Psy Non Dedicated Receipts (H7V1000); Criminal Background Check Rec (H7V9210)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 926 | 991 | 1,098 | 294 | 294 | (18) | (100) |
| Resources: | | | | | | | |
| Departmental Earnings | 1,128 | 1,189 | 1,257 | 1,324 | 1,337 | 1,378 | 1,391 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 9 | 5 | 5 | 5 | 5 | 5 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,128 | 1,198 | 1,262 | 1,329 | 1,342 | 1,383 | 1,396 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 767 | 811 | 1,717 | 1,291 | 1,380 | 1,292 | 1,419 |
| Indirect Expenditures | 296 | 280 | 349 | 350 | 356 | 349 | 356 |
| Total Expenditures | 1,063 | 1,091 | 2,066 | 1,641 | 1,736 | 1,641 | 1,775 |
| Current Difference | 65 | 107 | (804) | (312) | (394) | (258) | (379) |
| Accumulated Ending Balance | 991 | 1,098 | 294 | (18) | (100) | (276) | (479) |

Background Information:

The mission of the Board of Psychology is to protect the public through licensure, regulation, and education to promote access to safe, ethical, and competent psychological services.

The Board of Psychology fees support the licensure of applicants as licensed psychologists, the regulation of applicants and licensees, and the education of the Board stakeholders to fulfill the agency mission.

- \$500 fee per applicant and current licensee that supports applicants for licensed psychologist licensure, including mobility and reciprocity.
- \$150 fee per examination applicant goes to support the development, issuance, grading, and maintenance of the Board's Professional Examination (PRE) and national Examination for Professional Practice in Psychology (EPPP).
- \$80 fee per activity supports the review and approval of continuing education activities.
- \$250 fee per applicant supports the volunteer licensure process.
- \$150 fee per applicant supports the guest licensure process, including guest licensure by temporary permit.

In general Board fees support the issuance of initial licensure and renewals for qualified professionals. Issues initial licensure and renews licenses for qualified professionals. Specifically, these fees allow the Board to screen to ensure that only applicants who meet licensure requirements are granted a license. Fees also support the Board's duty to respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees. Based on these complaints, the Board may disciplinary or corrective action against an applicant or licensee for violations of the Minnesota Psychology Practice Act.

Forecast Basis:

Fees charged to applicants, licensees, the public and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes:

The board increased its licensing and renewal fees in 2001.

Agency Analysis/Comments:

For information about the recommended fee change, see the New Fee and Move all Fees from Rule to Statute change item in the Board of Psychology 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

Public Facilities Authority

PFA Application and Loan Servicing Fees

Agency: Public Facilities Authority

2020-21 Departmental Earnings

Earnings Group: PFA Application and Loan Servicing Fees

Purpose: Pay for administration of the Authority's programs.

Legal Citation: M.S. 446A.04 Subd. 5 and M.S. 446A.086 Subd. 2 (b)

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Clean Water Revolving (8200); Drinking Water Revolving (8201); Transportation Revolving (8202)

Appropriation: Admin Credit Enhancement Fees (B240020); Admin Application Fees (B240040); Admin CWSRF Fees (B240110); Admin DWSRF Fees (B240230); Admin TRLF Fees (B240360)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 6,001 | 5,891 | 5,893 | 5,418 | 5,418 | 4,917 | 4,917 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,452 | 3,569 | 3,451 | 3,381 | 3,381 | 3,418 | 3,418 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 1 | 4 | 3 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 2,162 | 2,205 | 2,288 | 2,288 | 2,288 | 2,288 | 2,288 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,291 | 1,368 | 1,166 | 1,096 | 1,096 | 1,133 | 1,133 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,275 | 1,202 | 1,475 | 1,420 | 1,420 | 1,431 | 1,431 |
| Indirect Expenditures | 126 | 164 | 166 | 177 | 177 | 178 | 178 |
| Total Expenditures | 1,401 | 1,366 | 1,641 | 1,597 | 1,597 | 1,609 | 1,609 |
| Current Difference | (110) | 2 | (475) | (501) | (501) | (476) | (476) |
| Accumulated Ending Balance | 5,891 | 5,893 | 5,418 | 4,917 | 4,917 | 4,441 | 4,441 |

Background Information:

The Minnesota Public Facilities Authority (MPFA) collects fees (under M.S. 446A.04 Subd. 5) to pay expenses for administrative support of MPFA programs. This support includes MPFA staff, support costs of the Department of Employment and Economic Development, the Pollution Control Agency (PCA), and the Department of Health (MDH). Prior to fiscal year 2017, MDH costs were paid out of federal capitalization grants, which otherwise would have been used for drinking water loans.

The majority of the fees are derived from up to 2 percent of loan repayments. The fee is not added to the payment due by MPFA borrowers; it is simply a portion thereof. For the vast majority of MPFA loans, net loan repayments are pledged to holders of MPFA's revenue bonds. Fees taken from the repayments must be minimized to enhance the credit quality and lending capacity of the revolving funds.

A much smaller portion of the fees come from application fees on MPFA's grant programs, up to ½ of one percent of grant application amounts.

In addition, (under MS 446A.086 Subd. 2), MPFA collects fees specifically for credit enhancement applications.

Transfers-out are for PCA costs for Clean Water Revolving Fund admin plus, beginning with fiscal year 2017, MDH costs for Drinking Water Revolving Fund admin.

Forecast Basis:

For the majority of the fees, from the servicing fee portion of loan repayments, MPFA uses its cash flow projection models that show scheduled loan repayments from existing and anticipated loans.

The application fees are much smaller in amount and we use recent history to forecast receipts.

Recent Changes:

Beginning in fiscal year 2017, MDH costs are being paid with PFA Fees. Previously, a portion of federal capitalization grants had been used. By using the fees, more of the federal grant is available for program loans.

Agency Analysis/Comments:

MPFA has built up the fee balance in fund 8201 (Drinking Water Revolving Fund) with the goal of funding costs of the MDH. Through fiscal year 2016 these costs were paid from federal capitalization grants. Using these fees instead of federal grant allocations will make more federal money available for program loans, helping to strengthen credit quality and to grow program lending capacity to meet growing program demand.

PFA's goal for the fees is to reach equilibrium where approximately one year's worth of total uses will be kept on hand while annual receipts approximate uses. Available balances will support inclusion of MDH costs for several years, but annual receipts are projected to be less than uses, and other sources of funds will have to be sought to support these programs long-term. PCA sought and received a general fund appropriation for a portion of it's total Revolving Fund related costs, and MDH is preparing a similar request.

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2020-21 Biennial Budget - Departmental Earnings

Public Safety

- AGED Gambling Enforcement Fees
- AGED Liquor License Fees
- BCA Crime Alert Network Fee
- BCA Criminal Justice Data Network
- BCA Non-Criminal Information Requests
- BCA Personal Protection Pistol Permit Fee
- DVS Data Security
- DVS Driver License and Related Fees
- DVS Licensing DWI Reinstatement Fees
- DVS Licensing Motorcycle Endorsement Fees
- DVS MNLARS Technology Account
- DVS Motor Vehicle Miscellaneous - Admin and Advertising
- DVS Motor Vehicle Reg and Related Services
- DVS Public Safety Motor Vehicle Account Fee
- ECN 9-1-1 Fees
- Fire Fighters Licensing Fees
- Fire Insurance Policy Surcharge
- Fire Safety Inspection and Certification Permit Fee
- HSEM Hazardous Fees
- HSEM Interstate Compact
- HSEM Railroad and Pipeline Assessment
- Patrol Commercial MV Inspection Fee
- Patrol Contracted Service Fees
- Pipeline Safety Inspection Fees

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: AGED Gambling Enforcement Fees

Purpose: To cover the costs of background investigations of employees involved with lawful gambling. To cover the background investigation costs of Gambling Devices Manufacture and Distribution.

Legal Citation: M.S. 299L

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Gambling Bkgrnd Investigations (P079122); Indian Gaming Sp Rev (P079132); Gambling-Sales Proceeds (P079151)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 444 | 452 | 462 | 246 | 246 | 41 | 41 |
| Resources: | | | | | | | |
| Departmental Earnings | 386 | 390 | 517 | 517 | 517 | 517 | 517 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 391 | 395 | 522 | 522 | 522 | 522 | 522 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 383 | 385 | 738 | 727 | 727 | 735 | 735 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 383 | 385 | 738 | 727 | 727 | 735 | 735 |
| Current Difference | 8 | 10 | (216) | (205) | (205) | (213) | (213) |
| Accumulated Ending Balance | 452 | 462 | 246 | 41 | 41 | (172) | (172) |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: AGED Gambling Enforcement Fees

Background Information:

To cover the costs of background investigations of employees involved with lawful gambling. To cover the background investigation costs of Gambling Devices Manufacture and Distribution.

Forecast Basis:

It is assumed actual FY 19 revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: AGED Liquor License Fees

Purpose: To cover the cost of license and provide identification cards to manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Legal Citation: M.S. 340A

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: AGE License and Fees (P079161); AGE 2AM Permit Control Approp. (P0791C2); Microdistillery fees (P0791M2)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 1,967 | 4,091 | 5,629 | 5,629 | 7,262 | 7,262 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,261 | 3,402 | 3,019 | 3,019 | 3,019 | 3,019 | 3,019 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 500 | 500 | 500 | 500 | 500 | 500 | 500 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,761 | 2,902 | 2,519 | 2,519 | 2,519 | 2,519 | 2,519 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 793 | 777 | 980 | 885 | 885 | 885 | 885 |
| Indirect Expenditures | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 794 | 778 | 981 | 886 | 886 | 886 | 886 |
| Current Difference | 1,967 | 2,124 | 1,538 | 1,633 | 1,633 | 1,633 | 1,633 |
| Accumulated Ending Balance | 1,967 | 4,091 | 5,629 | 7,262 | 7,262 | 8,895 | 8,895 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: AGED Liquor License Fees

Background Information:

The various fees ranges from \$30 to \$30,000. The fees cover the licensing and regulating of manufacturers, wholesalers, importers of liquor, wine and malt beverages and to common carriers of liquor and malt beverages.

Forecast Basis:

It is assumed actual FY 19 revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The accumulated ending balance has been increasing and could offset the Gambling shortages. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Crime Alert Network Fee

Purpose: To recover a portion of the costs for sending electronic transmission of information regarding crime including missing children and crime prevention.

Legal Citation: M.S. 299A.61, Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Crime Alert Network (P073542)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 19 | 19 | 22 | 5 | 5 | | 5 |
| Resources: | | | | | | | |
| Departmental Earnings | | 3 | 5 | 5 | 5 | 5 | 5 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | 3 | 5 | 5 | 5 | 5 | 5 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 22 | 10 | 5 | 5 | 5 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 22 | 10 | 5 | 5 | 5 |
| Current Difference | | 3 | (17) | (5) | | | |
| Accumulated Ending Balance | 19 | 22 | 5 | | 5 | | 5 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Crime Alert Network Fee

Background Information:

This fee is to recover a portion of the costs of maintaining the criminal justice network. The fee is \$10.

Forecast Basis:

It is anticipated revenues decrease.

Recent Changes:

Decrease expenditures and revenues due to increased usage of social media..

Agency Analysis/Comments:

Fees cover costs.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Criminal Justice Data Network

Purpose: To recover a portion of the costs of maintaining the criminal justice network

Legal Citation: M.S. 299C.46, Subd. 3; M.S. 299C.48

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Criminal Justice Data Network (P073002); Non Dedicated Receipts (P073421)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 38 | 1,398 | 960 | 957 | 957 | 953 | 953 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,502 | 1,506 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,502 | 1,506 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 142 | 1,932 | 1,561 | 1,562 | 1,562 | 1,503 | 1,503 |
| Indirect Expenditures | | 12 | 12 | 12 | 12 | 12 | 12 |
| Total Expenditures | 142 | 1,944 | 1,573 | 1,574 | 1,574 | 1,515 | 1,515 |
| Current Difference | 1,360 | (438) | (3) | (4) | (4) | 55 | 55 |
| Accumulated Ending Balance | 1,398 | 960 | 957 | 953 | 953 | 1,008 | 1,008 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Criminal Justice Data Network

Background Information:

This fee is to recover a portion of the costs of maintaining the criminal justice network. The fee is \$150 per quarter for connection and \$120 per quarter for unit for a total of \$270 per quarter.

Forecast Basis:

It is assumed actual FY 19 revenues will prevail for fiscal years 20-21.

Recent Changes:

None.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Non-Criminal Information Requests

Purpose: To recover the costs of processing requests for criminal history record information for non-criminal justice use.

Legal Citation: M.S. 299C.10; M.S. 13.87

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Non-Criminal Background (P073232)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 3,464 | 4,889 | 1,562 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 2,870 | 3,442 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | 16 | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,870 | 3,442 | 2,984 | 3,000 | 3,000 | 3,000 | 3,000 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,423 | 6,742 | 4,515 | 2,969 | 2,969 | 2,969 | 2,969 |
| Indirect Expenditures | 22 | 27 | 31 | 31 | 31 | 31 | 31 |
| Total Expenditures | 1,445 | 6,769 | 4,546 | 3,000 | 3,000 | 3,000 | 3,000 |
| Current Difference | 1,425 | (3,327) | (1,562) | | | | |
| Accumulated Ending Balance | 4,889 | 1,562 | | | | | |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Non-Criminal Information Requests

Background Information:

This fee is to recover the costs of processing requests for criminal history record information for non-criminal justice use. The fee is \$8 for personal and non-profit background checks and \$15 for business background checks.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Personal Protection Pistol Permit Fee

Purpose: To recover the costs of BCA providing permit status via a connection to the Criminal Justice Data Communications Network.

Legal Citation: M.S. 624.717, Subd. 3(f)

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P073431)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 531 | 1,116 | 1,605 | 1,605 | 2,094 | 2,094 |
| Resources: | | | | | | | |
| Departmental Earnings | 642 | 696 | 600 | 600 | 600 | 600 | 600 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 642 | 696 | 600 | 600 | 600 | 600 | 600 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 111 | 111 | 111 | 111 | 111 | 111 | 111 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 111 | 111 | 111 | 111 | 111 | 111 | 111 |
| Current Difference | 531 | 585 | 489 | 489 | 489 | 489 | 489 |
| Accumulated Ending Balance | 531 | 1,116 | 1,605 | 2,094 | 2,094 | 2,583 | 2,583 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: BCA Personal Protection Pistol Permit Fee

Background Information:

This fee is to recover the costs of BCA providing permit status via a connection to the Criminal Justice Data Communications Network. The fee is \$10.

Forecast Basis:

It is assumed actual FY 19 revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. The accumulated ending balance has been increasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Data Security

Purpose: To implement a system of providing bulk data requests and to insure safeguards are adequate.

Legal Citation: M.S. 3.9741, Subd. 5.; M.S. 168.327

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Vehicle Serv. Control Acct (P077102); Driver Serv. Control Acct. (P077112); DVS Data Security Account (P077DS2)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 620 | 1,073 | 1,429 | 1,913 | 1,913 | 2,397 | 2,397 |
| Resources: | | | | | | | |
| Departmental Earnings | 453 | 426 | 576 | 576 | 576 | 576 | 576 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 453 | 426 | 576 | 576 | 576 | 576 | 576 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | 70 | 92 | 92 | 92 | 92 | 92 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | 70 | 92 | 92 | 92 | 92 | 92 |
| Current Difference | 453 | 356 | 484 | 484 | 484 | 484 | 484 |
| Accumulated Ending Balance | 1,073 | 1,429 | 1,913 | 2,397 | 2,397 | 2,881 | 2,881 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Data Security

Background Information:

The laws of 2014 chapter 293 implement a system to provide driver records on a subscription system and to provide bulk motor vehicle records.

Forecast Basis:

The agency projects revenue to remain at the previous actual levels.

Recent Changes:

N/A

Agency Analysis/Comments:

The fee appears to cover the cost.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Driver License and Related Fees

Purpose: To license all drivers of motorized vehicles and related fees to recover of providing data on licenses. Applicants paying license fees under the International Fuel Tax Agreement, shall pay a fuel tax license fee and an annual application filing fee to cover the costs of the program.

Legal Citation: M.S. 168D.06; 168D.12 M.S. 168.327; 168.33; 169.09 subd 13(e); 169.345 subd 3; 171.06; 171.07; 171.13 subd 5; 171.20 subd 4; 171.29; 171.324; and 171.36

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Non DWI Reinstatement Post Bd (P077072); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077711); Non Dedicated Receipts (P077811)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 16,969 | 19,961 | 11,624 | (1,226) | (1,226) | (2,078) | (2,078) |
| Resources: | | | | | | | |
| Departmental Earnings | 31,515 | 31,073 | 31,387 | 31,387 | 35,297 | 31,387 | 35,652 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 1,695 | 1,049 | 1,142 | 1,128 | 1,128 | 1,128 | 1,128 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 343 | 8,804 | 8,736 | 466 | 466 | 466 | 466 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 32,867 | 23,318 | 23,793 | 32,049 | 35,959 | 32,049 | 36,314 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 29,653 | 31,379 | 36,366 | 32,624 | 36,534 | 32,624 | 36,781 |
| Indirect Expenditures | 222 | 276 | 277 | 277 | 277 | 277 | 277 |
| Total Expenditures | 29,875 | 31,655 | 36,643 | 32,901 | 36,811 | 32,901 | 37,058 |
| Current Difference | 2,992 | (8,337) | (12,850) | (852) | (852) | (852) | (744) |
| Accumulated Ending Balance | 19,961 | 11,624 | (1,226) | (2,078) | (2,078) | (2,930) | (2,822) |

Background Information:

Fees are listed in M.S. 171.06.

The fees are to cover the costs of licensing drivers and related activities. The fuel tax fee varies based on the Minnesota miles driven. The fees charged are to cover the cost of the program.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21. Non-Fee related transfers could have a negative impact on this group.

Recent Changes:

Real ID Surcharges are for the short term. Non-Fee related transfers in FY18 and FY19.

Agency Analysis/Comments:

For information about the Governor's recommended fee changes see the DVS Staffing Initiative change item in the Department of Public Safety – Transportation 2020-21 Governor's Budget Recommendations book.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Licensing DWI Reinstatement Fees

Purpose: To recover cost of revoking and suspending drivers licenses and related costs of reinstatement.

Legal Citation: M.S. 171.29, Subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: DWI Reinstatement-Sp Rev (P077062); DWI Reinstatement 1st Half plus 25 (P077082); DWI Reinstatement 2nd Pymt (P077092); Driver Serv. Control Acct. (P077112); Non Dedicated Receipts (P077811)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 1,000 | 4,896 | 7,774 | 11,148 | 11,148 | 14,647 | 14,647 |
| Resources: | | | | | | | |
| Departmental Earnings | 14,591 | 14,389 | 15,236 | 15,236 | 15,236 | 15,236 | 15,236 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 10,184 | 10,774 | 10,929 | 10,798 | 10,798 | 10,798 | 10,798 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,407 | 3,615 | 4,307 | 4,438 | 4,438 | 4,438 | 4,438 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 435 | 657 | 859 | 865 | 865 | 895 | 895 |
| Indirect Expenditures | 76 | 80 | 74 | 74 | 74 | 74 | 74 |
| Total Expenditures | 511 | 737 | 933 | 939 | 939 | 969 | 969 |
| Current Difference | 3,896 | 2,878 | 3,374 | 3,499 | 3,499 | 3,469 | 3,469 |
| Accumulated Ending Balance | 4,896 | 7,774 | 11,148 | 14,647 | 14,647 | 18,116 | 18,116 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Licensing DWI Reinstatement Fees

Background Information:

The DWI Reinstatement Fee is \$680. The fee is to of revoking and suspending drivers licenses and related costs of reinstatement.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is result of having non-dedicated fee revenues without corresponding General Fund expenditures..

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Licensing Motorcycle Endorsement Fees

Purpose: To cover the costs of the motorcycle safety education programs and to license motorcycle drivers.

Legal Citation: M.S. 171.06, Subd 2a

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Non Dedicated Receipts (P077811); Motorcycle Safety (P079222)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 865 | 1,548 | 1,729 | 2,363 | 2,363 | 2,997 | 2,997 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,679 | 1,578 | 1,641 | 1,641 | 1,641 | 1,641 | 1,641 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,679 | 1,578 | 1,641 | 1,641 | 1,641 | 1,641 | 1,641 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 989 | 1,388 | 999 | 999 | 999 | 899 | 899 |
| Indirect Expenditures | 7 | 9 | 8 | 8 | 8 | 8 | 8 |
| Total Expenditures | 996 | 1,397 | 1,007 | 1,007 | 1,007 | 907 | 907 |
| Current Difference | 683 | 181 | 634 | 634 | 634 | 734 | 734 |
| Accumulated Ending Balance | 1,548 | 1,729 | 2,363 | 2,997 | 2,997 | 3,731 | 3,731 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Licensing Motorcycle Endorsement Fees

Background Information:

The Motorcycle endorsement fee is \$18.50 for the first issue and \$13 for renewal. The fees cover the costs of the motorcycle safety education program and the licensing of motorcycle drivers.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been increasing. The fees appear to be covering the cost of the activity. Surplus is caused by Non-Dedicated Revenues to the General Fund

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS MNLARS Technology Account

Purpose: Impose a technology surcharge on driver's license, identification cards, and vehicle registration and ownership transactions to recover the cost and development of the Minnesota Licensing and Registration System (MNLARS) information system.

Legal Citation: MS 299.705, Subd. 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: DVS Technology Acct (P077172)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 44,560 | 26,712 | 18,721 | | | | 2,085 |
| Resources: | | | | | | | |
| Departmental Earnings | 359 | 2,054 | 350 | 350 | 15,017 | 350 | 16,350 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 1,554 | 17,726 | 9,550 | 1,550 | 1,550 | 1,550 | 1,550 |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,913 | 19,780 | 9,900 | 1,900 | 16,567 | 1,900 | 17,900 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 19,687 | 27,754 | 28,621 | 1,900 | 14,482 | 1,900 | 17,960 |
| Indirect Expenditures | 74 | 17 | | | | | |
| Total Expenditures | 19,761 | 27,771 | 28,621 | 1,900 | 14,482 | 1,900 | 17,960 |
| Current Difference | (17,848) | (7,991) | (18,721) | | 2,085 | | (60) |
| Accumulated Ending Balance | 26,712 | 18,721 | | | 2,085 | | 2,025 |

Agency: Public Safety - Transportation

2020-21 Departmental Earnings

Earnings Group: DVS MNLARS Technology Account

Background Information:

The driver and vehicle services technology account is created in the special revenue fund, consisting of the technology surcharge collected as specified in chapters 168, 168A, and 171; the filing fee revenue collected under section M.S. 168.33, subdivision 7; and any other money otherwise donated, allotted, appropriated, or legislated to this account. Money in the account is to support the research, development and deployment of the driver and vehicle information system.

Forecast Basis:

It is assumed the accumulated balance forward and revenues will cover the deployment of the driver and vehicle information system.

Recent Changes:

Technology surcharge is scheduled to expire on June 30, 2016. Filing fees will continue to cover the costs of this activity. Appropriation of 16 million from Driver Services Control Account and Motor Vehicle Services Control Account.

Agency Analysis/Comments:

For information about the Governor's recommended fee changes, see the MNLARS Vehicle and Driver Systems Maintenance and Operation change item in the Department of Public Safety – Transportation 2020-21 Governor's Budget Recommendations book.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Motor Vehicle Miscellaneous - Admin and Advertising

Purpose: Fees from advertising

Legal Citation: M.S. 299A.01B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Advertising Revenues MV/DL (P077022)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 235 | 226 | 228 | 163 | 163 | 163 | 163 |
| Resources: | | | | | | | |
| Departmental Earnings | | 2 | | | | | |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | | 2 | | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | 9 | | 65 | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 9 | | 65 | | | | |
| Current Difference | (9) | 2 | (65) | | | | |
| Accumulated Ending Balance | 226 | 228 | 163 | 163 | 163 | 163 | 163 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Motor Vehicle Miscellaneous - Admin and Advertising

Background Information:

Fees from advertising per M.S. 299A.01B

Forecast Basis:

Very little activity

Recent Changes:

N/A

Agency Analysis/Comments:

Very little activity anticipated.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Motor Vehicle Reg and Related Services

Purpose: To title vehicles for the purpose of providing consumer protection. To recover the costs of administrating the registration for vehicles in a fleet. Administrative and miscellaneous motor vehicle fees for tax exempt vehicles. To cover the costs of issuing Motor Vehicle Dealer License and to provide consumer protection.

Legal Citation: M.S. 168A.29; M.S. 168.54 M.S. 169.127 subd 6 M.S. 168.581;168.012;168.013, Subd 12; 168.017; 168.018; 168.10; 168.12; 168.29;168.31;168A.152; 299A.01; and 299A.802 M.S. 168.27 subd 11 & 22

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: Non Dedicated Receipts (P075647); Vehicle Serv. Control Acct (P077102); DVS Technology Acct (P077172); Non Dedicated Receipts (P077711)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 17,108 | 24,563 | 29,768 | 39,692 | 39,692 | 52,417 | 52,463 |
| Resources: | | | | | | | |
| Departmental Earnings | 36,953 | 33,965 | 35,846 | 35,846 | 38,944 | 35,846 | 39,226 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 56 | 7,032 | 2,055 | 32 | 32 | 32 | 32 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 36,897 | 26,933 | 33,791 | 35,814 | 38,912 | 35,814 | 39,194 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 29,282 | 21,514 | 23,652 | 22,874 | 25,926 | 22,874 | 26,165 |
| Indirect Expenditures | 160 | 214 | 215 | 215 | 215 | 215 | 215 |
| Total Expenditures | 29,442 | 21,728 | 23,867 | 23,089 | 26,141 | 23,089 | 26,380 |
| Current Difference | 7,455 | 5,205 | 9,924 | 12,725 | 12,771 | 12,725 | 12,814 |
| Accumulated Ending Balance | 24,563 | 29,768 | 39,692 | 52,417 | 52,463 | 65,142 | 65,277 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Motor Vehicle Reg and Related Services

Background Information:

The fees are to cover the costs of registration, and related services related to motor vehicles

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is result of non-dedicated fee revenues.

For information about the Governor's recommended fee changes see the DVS Staffing Initiative change item in the Department of Public Safety – Transportation 2020-21 Governor's Budget Recommendations book.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Public Safety Motor Vehicle Account Fee

Purpose: To cover the costs of Public Safety Law Enforcement Motor Vehicles.

Legal Citation: M.S. 168A.29, Subd. 1(b); M.S. 299A.70

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: DPS Motor Vehicle Account MSP (P075052)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,611 | 3,658 | 1,950 | 1,118 | 1,118 | 1,118 | 1,118 |
| Resources: | | | | | | | |
| Departmental Earnings | 4,937 | 4,746 | 4,800 | 4,800 | 4,800 | 4,800 | 4,800 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 28 | 19 | 30 | 30 | 30 | 30 | 30 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4,965 | 4,765 | 4,830 | 4,830 | 4,830 | 4,830 | 4,830 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,883 | 6,428 | 5,617 | 4,785 | 4,785 | 4,785 | 4,785 |
| Indirect Expenditures | 35 | 45 | 45 | 45 | 45 | 45 | 45 |
| Total Expenditures | 3,918 | 6,473 | 5,662 | 4,830 | 4,830 | 4,830 | 4,830 |
| Current Difference | 1,047 | (1,708) | (832) | | | | |
| Accumulated Ending Balance | 3,658 | 1,950 | 1,118 | 1,118 | 1,118 | 1,118 | 1,118 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: DVS Public Safety Motor Vehicle Account Fee

Forecast Basis:

It is presumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: ECN 9-1-1 Fees

Purpose: The 911 emergency telephone number is designed to provide immediate access to emergency services. The surcharge is used to cover the costs of providing this service to every Minnesotan.

Legal Citation: M.S. 403.11 and M.S. 403.113

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: 911 Emergency (4900)

Appropriation: Non Dedicated Receipts (G900918); 911 Emergency Phone Service (P075309); 911 Enhanced Service (P075319); 911 Emergency Svs Control Acct (P079629)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 25,157 | 35,084 | 50,446 | 58,317 | 58,317 | 62,686 | 62,686 |
| Resources: | | | | | | | |
| Departmental Earnings | 77,621 | 79,549 | 78,644 | 78,644 | 78,644 | 78,644 | 78,644 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 10 | 11 | 4 | 4 | 4 | 4 | 4 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 34,182 | 34,710 | 35,319 | 35,025 | 35,025 | 35,025 | 35,025 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 43,449 | 44,850 | 43,329 | 43,623 | 43,623 | 43,623 | 43,623 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 33,506 | 29,458 | 35,437 | 39,233 | 39,233 | 39,333 | 39,333 |
| Indirect Expenditures | 16 | 30 | 21 | 21 | 21 | 21 | 21 |
| Total Expenditures | 33,522 | 29,488 | 35,458 | 39,254 | 39,254 | 39,354 | 39,354 |
| Current Difference | 9,927 | 15,362 | 7,871 | 4,369 | 4,369 | 4,269 | 4,269 |
| Accumulated Ending Balance | 35,084 | 50,446 | 58,317 | 62,686 | 62,686 | 66,955 | 66,955 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: ECN 9-1-1 Fees

Background Information:

The 911 emergency telephone number is designed to provide immediate access to emergency services. The surcharge is used to cover the costs of providing this service to every Minnesotan. The charge is \$.95 per line per month.

Forecast Basis:

The agency projects no substantial increase in revenues in fiscal years 2020 and 2021.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees covers the projected costs

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Fighters Licensing Fees

Purpose: This fee exists to pay for the cost of licensing all Fire Fighters in the State of Minnesota

Legal Citation: Laws 2009, Ch. 153, Sec. 3 and 4
M.S. 299N.02, subdivision 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Firefighter Licensing (P079722)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 120 | 236 | 133 | 38 | 38 | 173 | 173 |
| Resources: | | | | | | | |
| Departmental Earnings | 257 | 37 | 20 | 250 | 250 | 37 | 37 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 257 | 37 | 20 | 250 | 250 | 37 | 37 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 129 | 124 | 100 | 100 | 100 | 100 | 100 |
| Indirect Expenditures | 12 | 16 | 15 | 15 | 15 | 15 | 15 |
| Total Expenditures | 141 | 140 | 115 | 115 | 115 | 115 | 115 |
| Current Difference | 116 | (103) | (95) | 135 | 135 | (78) | (78) |
| Accumulated Ending Balance | 236 | 133 | 38 | 173 | 173 | 95 | 95 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Fighters Licensing Fees

Background Information:

The laws of 2009 chapter 153 established the licensing of Fire Fighters

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

N/A

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Insurance Policy Surcharge

Purpose: Surcharges to cover the cost of the State Fire Marshal Division; MN Board of Firefighters; and other fire service programs

Legal Citation: M.S. 2971.06

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Fire Safety Account (P074012)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 11,330 | 5,711 | 8,633 | 2,008 | 2,008 | 3,126 | 3,126 |
| Resources: | | | | | | | |
| Departmental Earnings | 13,311 | 13,693 | 13,000 | 13,000 | 13,000 | 13,000 | 13,000 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 39 | 43 | 43 | 43 | 43 | 43 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 1,250 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 12,061 | 13,732 | 13,043 | 13,043 | 13,043 | 13,043 | 13,043 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 17,628 | 10,706 | 19,575 | 11,817 | 11,817 | 11,817 | 11,817 |
| Indirect Expenditures | 52 | 104 | 93 | 108 | 108 | 108 | 108 |
| Total Expenditures | 17,680 | 10,810 | 19,668 | 11,925 | 11,925 | 11,925 | 11,925 |
| Current Difference | (5,619) | 2,922 | (6,625) | 1,118 | 1,118 | 1,118 | 1,118 |
| Accumulated Ending Balance | 5,711 | 8,633 | 2,008 | 3,126 | 3,126 | 4,244 | 4,244 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Insurance Policy Surcharge

Background Information:

A surcharge of one-half of one percent on the gross fire premiums and assessments, less return premiums, on all direct business received by the insurer or agents of the insurer in Minnesota, in cash or otherwise, during the year.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes. The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees are covering the cost of the activity. The accumulated ending balance has been increasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Safety Inspection and Certification Permit Fee

Purpose: To inspect daycare facilities and hotels for Fire Safety; license fire protection system contractors; issue permits to fireworks display operators.

Legal Citation: M.S. 299M.04; M.S. 624.22, Subd 3 & 7; M.S. 245A.151

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Fire Standard Compl Cigarettes (P074022); School Inspection & Plan Revie (P074032); Day Care Inspection Fees (P074112); Hotel Fire Safety Inspection (P074122); Non Dedicated Receipts (P074511); Fire Protection Certification (P074522)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,591 | 2,191 | 3,028 | 3,489 | 3,489 | 3,928 | 3,928 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,492 | 1,628 | 1,428 | 1,428 | 1,428 | 1,568 | 1,568 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,492 | 1,628 | 1,428 | 1,428 | 1,428 | 1,568 | 1,568 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 890 | 788 | 962 | 984 | 984 | 990 | 990 |
| Indirect Expenditures | 2 | 3 | 5 | 5 | 5 | 5 | 5 |
| Total Expenditures | 892 | 791 | 967 | 989 | 989 | 995 | 995 |
| Current Difference | 600 | 837 | 461 | 439 | 439 | 573 | 573 |
| Accumulated Ending Balance | 2,191 | 3,028 | 3,489 | 3,928 | 3,928 | 4,501 | 4,501 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Fire Safety Inspection and Certification Permit Fee

Background Information:

To inspect daycare facilities and hotels for Fire Safety; license fire protection system contractors; issue permits to fireworks display operators.

Forecast Basis:

It is presumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The fees appear to be covering the cost of the activity. Surplus is result of having non-dedicated fee revenues without corresponding General Fund expenditures..

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Hazardous Fees

Purpose: To recover the costs of data management, the operation of the Emergency Mgmt. Center and maintaining regional Hazardous Incident Response Teams.

Legal Citation: M.S. 299K.09; M.S. 299K.095; M.R. 7507.0500

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (P072351)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 78 | 43 | (8) | (121) | (121) | (213) | (213) |
| Resources: | | | | | | | |
| Departmental Earnings | 650 | 646 | 610 | 610 | 610 | 610 | 610 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 650 | 646 | 610 | 610 | 610 | 610 | 610 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 685 | 697 | 723 | 702 | 702 | 702 | 702 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 685 | 697 | 723 | 702 | 702 | 702 | 702 |
| Current Difference | (35) | (51) | (113) | (92) | (92) | (92) | (92) |
| Accumulated Ending Balance | 43 | (8) | (121) | (213) | (213) | (305) | (305) |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Hazardous Fees

Background Information:

This fee is to recover a portion of the costs of maintaining for hazardous materials data management and incident teams. The fees are \$75 per facility; \$200 annual fee for zero releases and transfers annually; \$400 more than zero releases and transfers not exceeding 25,000 pounds; \$800 for releases and transfers exceeding 25,000 annually.

Forecast Basis:

It is assumed revenues for fiscal years 20-21 will stay about the same as fiscal year 18 receipts.

Recent Changes:

The current fee structure appears to be covering the costs.

Agency Analysis/Comments:

The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Interstate Compact

Purpose: The Interstate Management Assistance Compact is entered into with other participating member states to provides materials and assistance to declared disasters, when requested. The Department of Public Safety is the governor's designated state official for this compact.

Legal Citation: M.S. 192.89

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Emer Mgmt Assist Coop Agree (P072222)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | 5 | 5 | 5 | 5 | 5 | 5 |
| Resources: | | | | | | | |
| Departmental Earnings | 252 | | | | | | |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 252 | | | | | | |
| Expenditures: | | | | | | | |
| Direct Expenditures | 247 | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 247 | | | | | | |
| Current Difference | 5 | | | | | | |
| Accumulated Ending Balance | 5 | 5 | 5 | 5 | 5 | 5 | 5 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Interstate Compact

Background Information:

The Interstate Management Assistance Compact is entered into with other participating member states to provides materials and assistance to declared disasters, when requested. The Department of Public Safety is the governor's designated state official for this compact.

Forecast Basis:

None

Recent Changes:

None

Agency Analysis/Comments:

One-time miscellaneous governmental earning

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Railroad and Pipeline Assessment

Purpose: This fee exists to pay for the cost of licensing all Fire Fighters in the State of Minnesota

Legal Citation: Laws 2009, Ch. 153, Sec. 3 and 4
M.S. 299N.02, subdivision 3

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Railroad & Pipeline Safety (P072RP2)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 4,992 | 6,717 | 5,579 | 1,427 | 1,427 | 614 | 614 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,500 | | | | 2,500 | | 2,500 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 104 | 704 | 704 | 104 | 354 | 104 | 354 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,396 | (704) | (704) | (104) | 2,146 | (104) | 2,146 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 653 | 411 | 3,423 | 684 | 2,934 | 485 | 2,735 |
| Indirect Expenditures | 18 | 23 | 25 | 25 | 25 | 25 | 25 |
| Total Expenditures | 671 | 434 | 3,448 | 709 | 2,959 | 510 | 2,760 |
| Current Difference | 1,725 | (1,138) | (4,152) | (813) | (813) | (614) | (614) |
| Accumulated Ending Balance | 6,717 | 5,579 | 1,427 | 614 | 614 | | |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: HSEM Railroad and Pipeline Assessment

Background Information:

The laws of 2009 chapter 153 established the licensing of Fire Fighters

Forecast Basis:

Expenditures equal revenues collected for the program.

Recent Changes:

N/A

Agency Analysis/Comments:

For information about the Governor's recommended change, see the Railroad and Pipeline Safety Assessment Reinstatement change item in the Department of Public Safety – Public Safety 2020-21 Governor's Budget Recommendations book.

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Patrol Commercial MV Inspection Fee

Purpose: To recover the costs of certifying Commercial Vehicle Inspectors and issue Inspection Certification Decals.

Legal Citation: M.S. 169.781, Subd. 3 & 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Non Dedicated Receipts (P075647)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | (15) | (33) | 7 | 7 | 47 | 47 |
| Resources: | | | | | | | |
| Departmental Earnings | 45 | 42 | 100 | 100 | 100 | 100 | 100 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 45 | 42 | 100 | 100 | 100 | 100 | 100 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Current Difference | (15) | (18) | 40 | 40 | 40 | 40 | 40 |
| Accumulated Ending Balance | (15) | (33) | 7 | 47 | 47 | 87 | 87 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Patrol Commercial MV Inspection Fee

Background Information:

This fee is to recover the costs of certifying Commercial Vehicle Inspectors and issue Inspection Certification Decals. The fee for two year Commercial Vehicle Inspector is \$10 and the fee for the 12 inspection decal is \$2.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees are covering the cost of the activity. The accumulated ending balance has been decreasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Patrol Contracted Service Fees

Purpose: To recover costs related to State Patrol Escort activities and State Patrol Flight Activities

Legal Citation: M.S 299D.03, subd.1 (12); M.S. 299D.09

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001)

Appropriation: Capitol Area Events - Non-stat (P075022); Captiol Area After Hours Event (P075021); Air Patrol Service non-state (P075082); Air Patrol Service State Agenc (P075081); St Patrol Escort Svc Non-state (P075122)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,797 | 2,029 | 2,229 | 2,226 | 2,226 | 2,225 | 2,225 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,085 | 859 | 707 | 722 | 722 | 722 | 722 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 21 | 18 | 21 | 21 | 21 | 21 | 21 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,106 | 877 | 728 | 743 | 743 | 743 | 743 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 874 | 677 | 730 | 743 | 743 | 745 | 745 |
| Indirect Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 874 | 677 | 731 | 744 | 744 | 746 | 746 |
| Current Difference | 232 | 200 | (3) | (1) | (1) | (3) | (3) |
| Accumulated Ending Balance | 2,029 | 2,229 | 2,226 | 2,225 | 2,225 | 2,222 | 2,222 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Patrol Contracted Service Fees

Background Information:

For FY2019 the fee for Patrol Escort Services Rate is \$89.06 per hour with a vehicle and \$67.26 per hour without a vehicle. For Flight services the range per hour is \$140 an hour to \$560 depending on the flight vehicle.

Forecast Basis:

It is presumed fiscal year 20-21 revenues will increase from estimated FY19 revenues.

Recent Changes:

The Patrol Escort Services Rates are updated annually.

Agency Analysis/Comments:

.The accumulated ending balance has been increasing. Public Safety will monitor revenues and expenditures to determine if a change is needed in the future to bring revenues in balance with expenditures

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Pipeline Safety Inspection Fees

Purpose: To recover the state's share of all costs related to the Office of Pipeline Safety.

Legal Citation: M.S. 299F.631; M.S. 299J.12; M.S. 16D.08

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Pipeline Safety Control Approp (P0794C2)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 249 | 468 | 554 | | | 22 | 22 |
| Resources: | | | | | | | |
| Departmental Earnings | 832 | 852 | 1,439 | 1,439 | 1,439 | 1,439 | 1,439 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 163 | 78 | 26 | 26 | 26 | 26 | 26 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 995 | 930 | 1,465 | 1,465 | 1,465 | 1,465 | 1,465 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 776 | 844 | 2,016 | 1,440 | 1,440 | 1,440 | 1,440 |
| Indirect Expenditures | | | 3 | 3 | 3 | 3 | 3 |
| Total Expenditures | 776 | 844 | 2,019 | 1,443 | 1,443 | 1,443 | 1,443 |
| Current Difference | 219 | 86 | (554) | 22 | 22 | 22 | 22 |
| Accumulated Ending Balance | 468 | 554 | | 22 | 22 | 44 | 44 |

Agency: Public Safety

2020-21 Departmental Earnings

Earnings Group: Pipeline Safety Inspection Fees

Background Information:

On a quarterly basis Pipeline Operators are charged the state share of the costs of the Office of Pipeline Safety. The quarterly costs apportioned according to a formula set by rules.

Forecast Basis:

It is assumed actual revenues will prevail for fiscal years 20-21.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

The fees cover the state share costs of the Office of Pipeline Safety.

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2020-21 Biennial Budget - Departmental Earnings

Public Utilities Commission

Administrative Hearings Cost Recovery

Energy Cost Assessments

Telephone Assistance Program

Telephone Regulation Cost Assessment

Agency: Public Utilities Commission

2020-21 Departmental Earnings

Earnings Group: Administrative Hearings Cost Recovery

Purpose: To recover the costs of regulating the rates and services provided by energy utility companies.

Legal Citation: M.S. 216B.62, subd. 2 and M.S. 216B.62

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Administrative Hearings (B82ALJ0); Non-Dedicated Receipts (B82NDR0)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 21 | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 495 | 658 | 550 | 550 | 550 | 550 | 550 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 495 | 658 | 550 | 550 | 550 | 550 | 550 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 474 | 679 | 550 | 550 | 550 | 550 | 550 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 474 | 679 | 550 | 550 | 550 | 550 | 550 |
| Current Difference | 21 | (21) | | | | | |
| Accumulated Ending Balance | 21 | | | | | | |

Background Information:

The assessment of administrative hearings costs recovers the costs to the Public Utilities Commission for contested case hearings held by the Office of Administrative Hearings. M.S. 216B.62, Subd. 6 and M.S. 237.295 require that administrative hearing costs for contested cases be paid from a special revolving fund and subsequently assessed to the utilities involved. Receipts are deposited into the revolving fund. Expenditures and receipts vary with contested case activity.

Forecast Basis:

The Forecast assumes expanded services will be provided by the Office of Administrative Hearings to the Public Utilities Commission due to the increasing controversy surrounding utility construction projects (e.g., oil and gas pipelines, transmission lines and power plant siting and routing decisions).

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers 100% of the costs of Administrative Hearings and deposits the funds into a revolving account. Utility billings occur after expenditures have been made. As a result, the annual "balance" in the account may appear to be over or under recovered. The account is made whole annually once all invoiced costs have been received.

Cash flow for this account has been a concern for the past several years due to an increase in the number of Certificate of Need Cases requiring direct billing during the regular assessment process. Direct billings only occur twice each year, and the account can run a negative balance until the next full assessment is processed. The agency has received cash flow assistance from MMB to mitigate this effect.

Agency: Public Utilities Commission

2020-21 Departmental Earnings

Earnings Group: Energy Cost Assessments

Purpose: To recover the costs of regulating the rates and services provided by energy utility companies

Legal Citation: M.S. 216B.62, subd. 2 and M.S. 216B.62

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non-Dedicated Receipts (B82NDR0)

Fee Change?

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 5,758 | 5,158 | 6,552 | 6,552 | 6,552 | 6,552 | 6,552 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,758 | 5,158 | 6,552 | 6,552 | 6,552 | 6,552 | 6,552 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 5,758 | 5,158 | 6,552 | 6,552 | 6,552 | 6,552 | 6,552 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 5,758 | 5,158 | 6,552 | 6,552 | 6,552 | 6,552 | 6,552 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

To recover the costs of regulating the rates and services provided by gas and electric utility companies. M.S. 216B.62 subd. 2 and M.S. 216B.62 permit the PUC to recover its direct and indirect regulatory expenses from regulated energy utilities. The PUC typically recovers nearly all of its direct and indirect energy regulation costs. M.S. 216B.62 limits the assessment of costs to no more than two-fifths of one percent of the gross jurisdictional revenues regulated energy utilities reported for the previous year.

Forecast Basis:

The Forecast assumes FY 2019 staffing levels and minimal salary adjustments for the FY 2020-21 biennium .

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers nearly all of the costs of utility regulation annually and deposits receipts as non-dedicated receipts to the general fund. Utility billings occur after expenditures have been made. As a result, the annual “balance” in the account may appear to be over or under recovered depending on the billing cycle. The account is made whole for the previous fiscal year in the third quarter of each year.

Purpose: The Telephone Assistance Program (TAP) fund assists low income Minnesotans, senior citizens and the disabled to maintain telephone service by funding a monthly telephone bill credit.

Legal Citation: M.S. 237.70, subd. 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Telephone Assistance Plan - IT (B82TAP0)

Fee Change?

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 1,172 | 1,057 | 913 | 900 | 900 | 750 | 750 |
| Resources: | | | | | | | |
| Departmental Earnings | 670 | 638 | 608 | 578 | 578 | 548 | 548 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 12 | 17 | 18 | 18 | 18 | 18 | 18 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 682 | 655 | 626 | 596 | 596 | 566 | 566 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 797 | 799 | 639 | 746 | 746 | 716 | 716 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 797 | 799 | 639 | 746 | 746 | 716 | 716 |
| Current Difference | (115) | (144) | (13) | (150) | (150) | (150) | (150) |
| Accumulated Ending Balance | 1,057 | 913 | 900 | 750 | 750 | 600 | 600 |

Background Information:

The TAP fund assists low income Minnesotans, senior citizens and the disabled to maintain telephone service by funding a monthly telephone bill credit. M.S. 237.70, subd. 6, authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. M.S. 237.70, subd. 6, authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. Currently, the program is funded by a three cent monthly surcharge. TAP provides monthly credits to low-income subscribers who also qualify for the federal Lifeline program. The monthly credit is presently set at \$3.50 by the Commission. Qualification is based on a) Income at or below 135 percent of the federal poverty guidelines, or b) participation in at least one of designated federal assistance programs (e.g., Food Stamps). The continued migration to wireless telecommunications service has resulted in a decline in TAP revenues, which also is expected to continue.

Recent Changes:

No recent changes

Agency Analysis/Comments:

Telephone Assistance Program revenues and expenditures are evaluated annually to ensure that benefits provided to low income Minnesotans are more closely match with available revenues. The account has over-recovered costs in previous fiscal years. In FY 2014, the Commission reduced the surcharge paid by utilities to 3 cents per wired line and increased the benefits to \$3.50 to better balance revenues and expenditures.

Agency: Public Utilities Commission

2020-21 Departmental Earnings

Earnings Group: Telephone Regulation Cost Assessment

Purpose: To recover the costs of regulating the rates and services provided by telephone utility companies

Legal Citation: M.S. 237.295

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non-Dedicated Receipts (B82NDR0)

Fee Change?

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 1,282 | 895 | 926 | 941 | 941 | 941 | 941 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,282 | 895 | 926 | 941 | 941 | 941 | 941 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,282 | 895 | 926 | 941 | 941 | 941 | 941 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,282 | 895 | 926 | 941 | 941 | 941 | 941 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

To recover the costs of regulating the rates and services provided by telephone companies pursuant to M.S. 237.295. In the past, the Public Utilities Commission (PUC) has recovered nearly all (approximately 98%) of its expenditures associated with the regulation of telecommunications utilities. It recovered its statewide indirect costs and the telecommunications regulatory costs of the staff of the Attorney General's office assigned to the PUC as well. M.S. 237.295 sets the maximum limitations for assessment of telephone costs at three-eighths of one percent of the gross jurisdictional revenues it reported for the previous year. As of July 1, 2005, M.S. 237.295 was revised to allow the PUC to recover all of its telecommunications regulation expenses for each fiscal year from telecommunications companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year on a quarterly basis. Also, a filing fee for new authority applications was established effective July 1, 2005 and has been set at \$570 per applicant since that date.

Forecast Basis:

The Forecast assumes FY 2019 staffing levels and minimal salary adjustments for the FY2020-21 the biennium.

Recent Changes:

No recent changes

Agency Analysis/Comments:

The Commission recovers nearly all of the costs of telephone utility regulation annually and deposits receipts as non-dedicated receipts to the general fund. Utility billings occur after expenditures have been made. As a result, the annual "balance" in the account may appear to be over or under recovered depending on the billing cycle. The account is made whole for the previous fiscal year in the third quarter of each year.

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2020-21 Biennial Budget - Departmental Earnings

Racing Commission

Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Agency: Racing Commission

2020-21 Departmental Earnings

Earnings Group: Pari-Mutual Horse Racing Licenses, Racetrack Owner/Operator License Class A

Purpose: To recover a portion of the cost of regulating the industry.

Legal Citation: M.S. 240.10, M.S. 240.15 subd. 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Racing Association Control (G05CTRL)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 644 | 1,207 | 882 | 799 | 799 | 711 | 711 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,213 | 517 | 830 | 825 | 825 | 830 | 830 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,213 | 517 | 830 | 825 | 825 | 830 | 830 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 650 | 820 | 886 | 886 | 886 | 886 | 886 |
| Indirect Expenditures | | 22 | 27 | 27 | 27 | 27 | 27 |
| Total Expenditures | 650 | 842 | 913 | 913 | 913 | 913 | 913 |
| Current Difference | 563 | (325) | (83) | (88) | (88) | (83) | (83) |
| Accumulated Ending Balance | 1,207 | 882 | 799 | 711 | 711 | 628 | 628 |

Background Information:

As outlined in M.S. 240.03 (10), the Minnesota Racing Commission (MRC) has the power and duty to impose fees on the racing and card playing industries sufficient to recover the operating costs of the commission with the approval of the legislature according to M.S. 16A.1283.

All fees collected by the MRC are used to fund the agency's statutory duties as outlined in M.S. 240.03 and also to support its mission to ensure the integrity of horse racing and card playing, oversee the proper distribution of funds back into the industry, and provide for the safety and welfare of the human and equine participants. Additionally, the MRC works to promote the horse racing and breeding industry in Minnesota in order to provide economic stimulus, offer residents and visitors an exciting entertainment option, and support agriculture and rural agribusiness.

The MRC has the authority to issue four classes of licenses, A, B, C, and D per M.S. 240.05 subd.1:

- Class A license fees are \$253,000 each and are submitted annually on July 1. Only two Class A licenses are currently approved, one for Canterbury Park Entertainment L.L.C. (Canterbury Park) and one for North Metro Harness Initiative L.L.C. (Running Aces).
- Class B license fees are \$500 per live racing day and \$100 per simulcast racing day. The MRC has approved 119 live racing days for 2017 and 728 simulcast racing days between the two Class A licensees.
- Class C occupational licenses are issued to individuals who are engaged in horse racing/card room-related activities and all other persons and vendors who by rule require licensing to ensure the integrity of racing (M.S. 240.08). These license fees range from \$5 to \$100 as outlined in Minnesota Rule 7877.120.
- Class C Advance Deposit Wagering (ADW) Provider license fees are \$10,000 for an initial license and \$2,500 each year thereafter per M.S. 240.10 (c).
- Class D pari-mutuel county fair license fees are \$50 for each assigned racing day on which pari-mutuel county fair racing is conducted per M.S. 240.10. No class D licenses have been applied for or awarded since 2001.

New legislation enacted in 2016 will allow the MRC to collect a regulatory fee of 1.25% on all wagers placed by Minnesota residents via Advance Deposit Wagering (ADW) providers. These fees will be used in part to both fund the regulation of these specific activities and offset costs associated with the administration of the Minnesota Breeders Fund.

Forecast Basis:

In forecasting fee revenue for the upcoming biennium, the agency reviewed historical data and considered recent changes to legislation affecting these revenues.

There are currently only two licensed racing facilities in the State of Minnesota that require Class B licenses and no additional applications have been filed since 2008. Both facilities' license fees have varied little in the past decade and based on recent filings for race dates. No change is anticipated.

The annual number of Class C licenses issued has remained stagnant only varying less than 5% over the last four fiscal years. Additionally, Class C license fees only account for 23% of anticipated license fees collected. Modest fee increases for certain Class C occupational licenses and larger increases for racing/gaming vendors are anticipated for FY21 along with reduction and elimination of other occupational licenses. Any proposed changes would be revenue neutral.

Recent Changes:

None

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2020-21 Biennial Budget - Departmental Earnings

Revenue

- Assessor's Education and Licensing
- Revenue Department Filing Fees
- Revenue Recapture Fee

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Assessor's Education and Licensing

Purpose: Assessor's Licensing

Legal Citation: M.S. 270.44

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Restrict Misc Special Revenue (2000)

Appropriation: Prop Tax Board of Assessors Li (G676353); Non Dedicated Receipts (G900900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (53) | (48) | (48) | (48) | (48) | (48) |
| Resources: | | | | | | | |
| Departmental Earnings | 73 | 101 | 100 | 100 | 100 | 100 | 100 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 73 | 101 | 100 | 100 | 100 | 100 | 100 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 126 | 96 | 100 | 100 | 100 | 100 | 100 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 126 | 96 | 100 | 100 | 100 | 100 | 100 |
| Current Difference | (53) | 5 | | | | | |
| Accumulated Ending Balance | (53) | (48) | (48) | (48) | (48) | (48) | (48) |

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Assessor's Education and Licensing

Background Information:

Fees are set to recover the costs of the State Board of Assessors.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

1Sp2017 Chapter 4, Article 2 Subd. 34 increased the license fees. Subd. 35 changed the disposition of this fee to a Special Revenue Fund, appropriated directly to the department.

Agency Analysis/Comments:

Effective with FY 2018, revenues are dedicated and appropriated to the department to fund the annual operating board costs.

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Revenue Department Filing Fees

Purpose: Tax preparers that file a paper tax return must pay a fee to compensate the state for the added cost of processing paper filings versus electronic submission.

Legal Citation: M.S. 289A.08, Subd 16

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | 13 | 36 | 54 | 54 | 72 | 72 |
| Resources: | | | | | | | |
| Departmental Earnings | 13 | 23 | 18 | 18 | 18 | 18 | 18 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 13 | 23 | 18 | 18 | 18 | 18 | 18 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 13 | 23 | 18 | 18 | 18 | 18 | 18 |
| Accumulated Ending Balance | 13 | 36 | 54 | 72 | 72 | 90 | 90 |

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Revenue Department Filing Fees

Background Information:

Tax preparers that file a paper tax return must pay a fee of \$5.00 to compensate the state for the added cost of processing paper filings versus electronic submission.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's general fund.

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Revenue Recapture Fee

Purpose: Administrative fee to customers when refunds are recaptured for debt owed.

Legal Citation: M.S. 270A.07

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Revenue Recapture 110 (G677110); Revenue Recapture (G677750)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 834 | 1,253 | 1,299 | 900 | 900 | 900 | 900 |
| Resources: | | | | | | | |
| Departmental Earnings | 851 | 860 | 900 | 900 | 900 | 900 | 900 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 851 | 860 | 900 | 900 | 900 | 900 | 900 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 432 | 814 | 1,299 | 900 | 900 | 900 | 900 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 432 | 814 | 1,299 | 900 | 900 | 900 | 900 |
| Current Difference | 419 | 46 | (399) | | | | |
| Accumulated Ending Balance | 1,253 | 1,299 | 900 | 900 | 900 | 900 | 900 |

Agency: Revenue

2020-21 Departmental Earnings

Earnings Group: Revenue Recapture Fee

Background Information:

DOR charges an administrative fee to customers when refunds are recaptured for debt owed to state agencies, county governments, and certain federal agencies. The current fee is \$15.00, \$11.00 going to the State's General Funds and \$4.00 going to the DOR for administration.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

DOR maximizes the use of these funds to recover debt owed to governmental agencies.

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2020-21 Biennial Budget - Departmental Earnings

Secretary of State

Business Services Filing, Copy and Certification Fees
Computer Info Fees Direct Access
Election Fees - Candidate Filing, Copy and Certification Fees
Notary Commission and Renewal Fee
Uniform Commercial Code Filing and Copy Fees

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Business Services Filing, Copy and Certification Fees

Purpose: Central depository for the general public to register and obtain information related to businesses

Legal Citation: Chapters 333, 302A, 303, 308A, 308B, 322B, 323A, 321, 317A

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 10,863 | 22,607 | 34,982 | 34,982 | 47,369 | 47,369 |
| Resources: | | | | | | | |
| Departmental Earnings | 12,101 | 12,715 | 13,357 | 13,291 | 13,291 | 13,361 | 13,361 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 12,101 | 12,715 | 13,357 | 13,291 | 13,291 | 13,361 | 13,361 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,238 | 971 | 982 | 904 | 904 | 904 | 904 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,238 | 971 | 982 | 904 | 904 | 904 | 904 |
| Current Difference | 10,863 | 11,744 | 12,375 | 12,387 | 12,387 | 12,457 | 12,457 |
| Accumulated Ending Balance | 10,863 | 22,607 | 34,982 | 47,369 | 47,369 | 59,826 | 59,826 |

Background Information:

The Office of the Secretary of State is the central depository for the general public, law firms, and service companies to register and obtain information related to businesses operating in Minnesota. Business Services fees include statutorily set filing fees to file documents for domestic, foreign & non-profit corporations, limited liability companies, limited partnerships, assumed names, trademarks and all related documents including Annual Business Renewals. Annual Business Renewals do not require a fee unless it requires a Reinstatement or the foreign (out of state) ones. Fees are also collected for obtaining copies and certificates. There are a number of various filing & order fees set forth in statutes.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Computer Info Fees Direct Access

Purpose: Fees are to cover the costs of providing services online including database requests or other supplemental services for our customers. Fees are also deposited into this account to pay all credit card fees for the agency.

Legal Citation: M.S. 338.9-418, M.S. 336.9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Direct Access (G531000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 2,936 | 2,758 | 2,807 | 2,000 | 2,000 | 780 | 780 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,602 | 3,827 | 3,640 | 3,965 | 3,965 | 4,250 | 4,250 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,602 | 3,827 | 3,640 | 3,965 | 3,965 | 4,250 | 4,250 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,780 | 3,778 | 4,447 | 5,185 | 5,185 | 5,030 | 5,030 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3,780 | 3,778 | 4,447 | 5,185 | 5,185 | 5,030 | 5,030 |
| Current Difference | (178) | 49 | (807) | (1,220) | (1,220) | (780) | (780) |
| Accumulated Ending Balance | 2,758 | 2,807 | 2,000 | 780 | 780 | | |

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Computer Info Fees Direct Access

Background Information:

Fees are charged to offset the costs of providing services including online. The costs involved are IT and operational unit staff salaries, software/hardware equipment & maintenance costs, lease and other additional expenses.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects Direct Access/Uniform Commercial Code Acct. revenue to offset the costs of providing services and products to our customers, the majority in the form of technology. We are continually adding new functionality and updating our applications to best serve our customers. These funds are also utilized towards providing the best security possible for our applications.

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Election Fees - Candidate Filing, Copy and Certification Fees

Purpose: To have official notification of candidates running for office to be placed on the ballot. Provide orders including copies, certification of copies, voter registration orders, fees for related items and possible recount fees.

Legal Citation: M.S. 204B.11, 207A.02, 204C.35, 16A.48

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | (3,783) | (7,211) | (11,175) | (11,175) | (14,918) | (14,918) |
| Resources: | | | | | | | |
| Departmental Earnings | 19 | 75 | 23 | 69 | 69 | 30 | 30 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 19 | 75 | 23 | 69 | 69 | 30 | 30 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 3,802 | 3,503 | 3,987 | 3,812 | 3,812 | 3,812 | 3,812 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 3,802 | 3,503 | 3,987 | 3,812 | 3,812 | 3,812 | 3,812 |
| Current Difference | (3,783) | (3,428) | (3,964) | (3,743) | (3,743) | (3,782) | (3,782) |
| Accumulated Ending Balance | (3,783) | (7,211) | (11,175) | (14,918) | (14,918) | (18,700) | (18,700) |

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Election Fees - Candidate Filing, Copy and Certification Fees

Background Information:

Filing fees from individuals who run for public office. Includes fees for providing copies, district maps, Voter Registration orders, or for other election related items and a fee for doing recount of an election. The majority of candidate filing fees come in during the heavy general election years, FY18 and FY20.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Notary Commission and Renewal Fee

Purpose: When making application for a commission the applicant must submit, along with the information required a nonrefundable fee.

Legal Citation: M.S. 359.01, Subd. 3

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 1,245 | 2,502 | 3,825 | 3,825 | 7,854 | 7,854 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,658 | 1,581 | 1,650 | 4,330 | 4,330 | 1,648 | 1,648 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,658 | 1,581 | 1,650 | 4,330 | 4,330 | 1,648 | 1,648 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 413 | 324 | 327 | 301 | 301 | 301 | 301 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 413 | 324 | 327 | 301 | 301 | 301 | 301 |
| Current Difference | 1,245 | 1,257 | 1,323 | 4,029 | 4,029 | 1,347 | 1,347 |
| Accumulated Ending Balance | 1,245 | 2,502 | 3,825 | 7,854 | 7,854 | 9,201 | 9,201 |

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Notary Commission and Renewal Fee

Background Information:

The Office of the Secretary of State handles the notary function for the State of Minnesota. Fees are collected for new notary commissions, renewals and other notary related filings. The fee is \$120 for a new commission or renewal and is set forth in statute.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

Agency: Secretary of State

2020-21 Departmental Earnings

Earnings Group: Uniform Commercial Code Filing and Copy Fees

Purpose: Central depository for business and financial institutions to obtain information on liens recorded against businesses across the state.

Legal Citation: M.S. 336.9(-403- 409), -413, M.S. 5.12, M.S. 336A.04, M.S. 336A.09

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: OSS General Fund Revenue (G539900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 2,866 | 5,829 | 9,032 | 9,032 | 12,344 | 12,344 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,279 | 3,287 | 3,530 | 3,613 | 3,613 | 3,649 | 3,649 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,279 | 3,287 | 3,530 | 3,613 | 3,613 | 3,649 | 3,649 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 413 | 324 | 327 | 301 | 301 | 301 | 301 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 413 | 324 | 327 | 301 | 301 | 301 | 301 |
| Current Difference | 2,866 | 2,963 | 3,203 | 3,312 | 3,312 | 3,348 | 3,348 |
| Accumulated Ending Balance | 2,866 | 5,829 | 9,032 | 12,344 | 12,344 | 15,692 | 15,692 |

Background Information:

The Office of the Secretary of State is the central depository for business and financial institutions to register and obtain information on liens recorded against businesses across the state. Fees are collected for filing UCC documents, farm liens, state and federal liens. Fees are also collected for obtaining searches, copies and CNS buyers lists. There are a number of various filing and order fees set forth in statutes.

Forecast Basis:

A review of the previous fiscal years, current fiscal year as well as any statute changes that may impact the revenue.

Recent Changes:

None.

Agency Analysis/Comments:

The Office of the Secretary of State collects general fund revenue far in excess of general fund expenditures. When broken down by separate earnings groups and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self-supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

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2020-21 Biennial Budget - Departmental Earnings

Social Work, Board of
Social Work Board Licensing Fees

Agency: Social Work, Board of
Earnings Group: Social Work Board Licensing Fees

2020-21 Departmental Earnings

Purpose: To recover the costs of regulating the social work profession.

Legal Citation: M.S. 148E, 148D.061-148D.063, 214, 319B

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Soc Wk Non Dedicated Receipts (H7L1000); Criminal Background Checks (H7L3000)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 511 | 407 | 305 | (234) | (234) | (617) | (333) |
| Resources: | | | | | | | |
| Departmental Earnings | 1,362 | 1,421 | 1,434 | 1,460 | 1,923 | 1,483 | 1,954 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 17 | 11 | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,379 | 1,432 | 1,434 | 1,460 | 1,923 | 1,483 | 1,954 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,150 | 1,160 | 1,473 | 1,314 | 1,472 | 1,316 | 1,439 |
| Indirect Expenditures | 333 | 374 | 500 | 529 | 550 | 547 | 571 |
| Total Expenditures | 1,483 | 1,534 | 1,973 | 1,843 | 2,022 | 1,863 | 2,010 |
| Current Difference | (104) | (102) | (539) | (383) | (99) | (380) | (56) |
| Accumulated Ending Balance | 407 | 305 | (234) | (617) | (333) | (997) | (389) |

Background Information:

The mission of the Minnesota Board of Social Work (BOSW) is to ensure residents of Minnesota quality social work services by establishing and enforcing professional standards. Fifteen volunteer Board Members, including five public members, provide oversight to make certain we meet the needs of citizens and promote a diverse and qualified workforce. Currently, the Board has a staff of 12.6 FTE serving 15,226 licensees. Annually, staff process over 2,000 applications for licensure, over 6,000 applications for license renewal, and over 400 complaints. The Board keeps Minnesotans safe by licensing qualified social workers and investigating and resolving complaints when services do not meet standards. Conducting regular strategic planning and continuous process and service delivery improvements sets outcome-based priorities and results, and promotes efficient and accountable services.

Board of Social Work Services and Statutory Mandate:

The Board accomplishes its core public safety and regulatory mission by 1) licensing and regulating qualified social work professionals; 2) investigating and resolving complaints against licensed social workers' practice in a fair and timely manner; 3) providing education, outreach, strategic communications, and building collaborative partnerships through the following services.

- Establish and enforce requirements for initial and continued licensure, including ethical practice standards, education, national examination, criminal background checks, supervised practice experience, and continuing education.
- Issue and renew bachelor and graduate degree licenses: Licensed Social Worker (LSW); Licensed Graduate Social Worker (LGSW); Licensed Independent Social Worker (LISW); and Licensed Independent Clinical Social Worker (LICSW).
- Set and enforce standards of ethical practice to ensure that licensed social workers meet professional standards, practice safely and competently, and are accountable to the people they serve. Results show that when the Board takes action against a licensee, a future complaint is rare.
- Investigate and resolve complaints of alleged violations of statutes, hold educational and disciplinary conferences with licensees; take legal action, when appropriate, against licensees who fail to meet minimum standards of social work practice.
- Educate the public, social work students and faculty, licensed professionals, applicants, employers, diverse communities, and organizations about professional licensing responsibilities, ethical practice standards, and the complaint resolution process through in-person and web-based methods.
- Partner with local, state, and national organizations to improve public safety policies, regulatory practices, and mental health workforce issues, including social work licensing mobility and portability.

Board of Social Work Fees:

- The Board is entirely fee supported and receives no General Fund dollars to provide services.
- Minnesota Statutes, section 214.06, subdivision 1(a) compels the Board to collect fees in the amount sufficient to cover direct and indirect expenditures. Funds are deposited as non-dedicated revenue into the state government special revenue fund.
- From this fund, the Board receives a direct appropriation to pay for operations and program services provided by the agency, including licensing, complaint investigation and resolution, education and outreach, salaries, rent, and technology costs. Statewide indirect costs are also paid through the direct appropriation.
- Fees are approved and enacted by the Legislature, as identified in Minnesota Statutes, Sections 148E.175 and 148E.180.

Forecast Basis:

- Revenues are forecasted based on demonstrated trends, including analysis of actual revenue collected in previous years, number of applicants seeking initial licensure and renewing licenses, any statutory fee changes, and anticipated changes in statewide indirect costs.

- Expenditures are forecasted based on demonstrated trends, including analysis of actual direct and indirect expenditures in previous years and anticipated increases, identified increased costs of doing business, costs for new Board-identified critical strategic initiatives to ensure our public safety mission, and to meet the dramatic increase in the demand for Board services.

Recent Changes:

- **FY 2018 – 2019 Fee Increase Approved and Not Enacted Into Law:** The Board of Social Work requested a fee increase in the FY 2018 - 2019 biennial budget proposal, which was vetted, approved, and included in the Governor's FY 2018 - 2019 Budget. Despite approval by both the Governor and Legislature, the fee increase was not enacted into law during the 2017 legislative session due to a technical legislative drafting omission. During the 2018 legislative session, the House of Representatives introduced a bill to correct the 2017 technical legislative error. Once again, despite approval by the Governor and the Legislature, the fee increase failed due to the Governor's veto of the comprehensive State Omnibus bill following the 2018 legislative session.
- **Fee Change Increased Revenue:** The projected \$463,000 revenue increase in FY 2020, and projected \$471,000 revenue increase in FY 2021, would be an approximate increase of \$1.21 per month to \$3.60 per month depending on license type, which is an approximate increase of 35%. The fee amounts requested for the FY 2020 – 2021 budget are still lower than the fees authorized in 2000.

Agency Analysis/Comments:

- The need for a fee increase was determined critical by the Board, Governor and Legislature during the last FY 2018 – 2019 budget cycle.
- Failure to receive the additional revenue approved two years ago, due to events that had no bearing on the merit and need for the fee increase, has increased and sped up the anticipated budget deficit. The combination of lack of additional revenue, and the very real increase in the cost of doing business and demand for services, has resulted in a more precarious current budget position.
- Fees have not been raised since 2000, and have been reduced by 30% since 2009. In addition, the Board intentionally decreased fees by 20% in FY 2006, and an additional 10% in FY 2009, to reduce revenues and implement a "cost of doing business" fiscal management model. Until recently, the Board has been successful in maintaining its core services and operations with an overall 30% reduction in fees since 2009, even with the dramatic increase in the demand for services.
- The Legislature transferred a total of \$1,432,787 from the Board's SGRSF accumulated balance from FY 2004-2012. The unanticipated Legislative transfer of 55% of the Board's SGRSF accumulated balance, at the same time as the Board's intentional fee reductions, significantly reduced the Board's accumulated balance.
- Licensed social workers provide services to some of the most vulnerable, underserved, and diverse populations in our state. Without additional funding for direct operational expenses, there are predictable negative consequences to all members of our State, including: 1) residents of Minnesota who rely on the Board to license and regulate qualified professionals in a timely manner to meet workforce needs; 2) individuals who seek assistance from the Board when filing a complaint when services provided are below standards; 3) vulnerable and underserved populations who may be at risk of harm if the Board does not have the needed resources to investigate and resolve complaints and substandard practice in a timely manner; and 4) individuals who are members of diverse groups and populations who receive services from the Board.

Agency: Social Work, Board of

2020-21 Departmental Earnings

Earnings Group: Social Work Board Licensing Fees

For information about the recommended fee change, see the Fee Change item in the Board of Social Work 2020-21 Governor's Budget Recommendations book.

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2020-21 Biennial Budget - Departmental Earnings

State Academies

Minnesota State Academies Fees

Agency: State Academies

2020-21 Departmental Earnings

Earnings Group: Minnesota State Academies Fees

Purpose: To recover the cost for utilizing utilities and miscellaneous services received while renting office space at Minnesota State Academies. These dollars are used for Staff Development purposes for employees at the Academies.

Legal Citation: M.S. 125A.71

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Faribault Acad Rental Income (E447203)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 203 | 210 | 221 | 172 | 172 | 128 | 128 |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 5 | 5 | 8 | 8 | 10 | 10 |
| Other Resources: | | | | | | | |
| Earning Transferred In | 3 | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | 6 | 6 | 8 | 8 | 10 | 10 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | 33 | 33 | 33 | 33 | 33 |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7 | 11 | (22) | (17) | (17) | (13) | (13) |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 27 | 27 | 27 | 27 | 27 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 27 | 27 | 27 | 27 | 27 |
| Current Difference | 7 | 11 | (49) | (44) | (44) | (40) | (40) |
| Accumulated Ending Balance | 210 | 221 | 172 | 128 | 128 | 88 | 88 |

Agency: State Academies

2020-21 Departmental Earnings

Earnings Group: Minnesota State Academies Fees

Background Information:

The Minnesota State Academies Fees account has two revenue sources. One is for the rental of farmland which reverts to the General Fund and the other is for the rental of office space which goes to the Academies to support staff development efforts for employees.

Forecast Basis:

The forecast is based on the established lease that was set up for the farmland as well as the anticipated dollars that are to come in for the rental of vacant office space.

Recent Changes:

None.

Agency Analysis/Comments:

The Department of Administration is responsible for doing the bidding out of the farmland as needed.

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2020-21 Biennial Budget - Departmental Earnings

State Auditor
Audit Charges

Agency: State Auditor

2020-21 Departmental Earnings

Earnings Group: Audit Charges

Purpose: To recover all costs of the audit examination of local governments.

Legal Citation: M.S. 6.581

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000); Audit Practice Enterprise (4650)

Appropriation: Audit Practice (G611001); Non-Dedicated Audit Receipts (G611999)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,059 | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 6,778 | 4,980 | 6,730 | 4,990 | 4,990 | 5,090 | 5,090 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 978 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,800 | 4,980 | 6,730 | 4,990 | 4,990 | 5,090 | 5,090 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 6,859 | 4,980 | 6,730 | 4,990 | 4,990 | 5,090 | 5,090 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 6,859 | 4,980 | 6,730 | 4,990 | 4,990 | 5,090 | 5,090 |
| Current Difference | (1,059) | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

The Audit Practice Division plays a primary role in the Office of the State Auditor's performance of its oversight functions by auditing local governments. Under Minn. Stat. § 6.581, all costs of the audit examination must be recovered through fees, generating a significant reimbursement for the state. These fees are non-dedicated revenue deposited in the General Fund. Audit work is billed on an hourly basis, plus reimbursable travel expenses. The Office of the State Auditor is committed to providing quality audit services to local governments in Minnesota at fees that recover the costs of the audits. Audit staff work closely with local governments to reduce audit costs wherever possible.

Forecast Basis:

The current departmental earnings forecast is based on the assumption that the amount of audit work will be similar to 2018.

Recent Changes:

As required by law, the State Auditor reviews fees annually to verify the appropriateness of the fee structure and to ensure that total costs and expenses for examinations are recovered. As approved in conjunction with the Commissioner of Minnesota Management and Budget, a fee increase for calendar year 2019 was deemed necessary to keep the cost recovery formula in balance.

Agency Analysis/Comments:

Fees are sufficient to recover the cost of audit examinations.

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2020-21 Biennial Budget - Departmental Earnings

Supreme Court

Civil Legal Services Fees

Courts Data Practices / Cost of Copies

Fees for Filing Appeals

Fees from Users of the Minnesota Court Information System

Miscellaneous Court Fees

Testing/Training for Court Interpreters

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Civil Legal Services Fees

Purpose: To provide partial funding for legal services for the poor by assessing MN attorneys.

Legal Citation: M.S. 481.01 and Court Rules

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Civil Legal Services-Ded (J650CLD)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 614 | 595 | 529 | 352 | 352 | 175 | 175 |
| Resources: | | | | | | | |
| Departmental Earnings | 2,016 | 2,014 | 2,100 | 2,100 | 2,100 | 2,100 | 2,100 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,016 | 2,014 | 2,100 | 2,100 | 2,100 | 2,100 | 2,100 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,035 | 2,080 | 2,277 | 2,277 | 2,277 | 2,275 | 2,275 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 2,035 | 2,080 | 2,277 | 2,277 | 2,277 | 2,275 | 2,275 |
| Current Difference | (19) | (66) | (177) | (177) | (177) | (175) | (175) |
| Accumulated Ending Balance | 595 | 529 | 352 | 175 | 175 | | |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Civil Legal Services Fees

Background Information:

Fees charged to MN attorneys to support legal services for the poor.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Courts Data Practices / Cost of Copies

Purpose: To reimburse the cost of providing copies to patrons

Legal Citation: M.S. 480.09 Subd. 5

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non dedicated receipt (J659900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Courts Data Practices / Cost of Copies

Background Information:

Reimbursement for copies.

Forecast Basis:

None

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Fees for Filing Appeals

Purpose: Filing fees are established by statute for appeals presented to the Supreme Court and Court of Appeals. These filing fees are not intended to directly finance the costs of the Supreme Court or the Court of Appeals, but rather to discourage the filing of frivolous appeals after cases have been decided in the District Courts. These fees are deposited as non-dedicated receipts to the General Fund and do not accumulate to a specific account.

Legal Citation: M.S. 357.08

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non dedicated receipt (J659900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | | 469 | 962 | 1,455 | 1,455 | 1,948 | 1,948 |
| Resources: | | | | | | | |
| Departmental Earnings | 469 | 493 | 493 | 493 | 493 | 493 | 493 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 469 | 493 | 493 | 493 | 493 | 493 | 493 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 469 | 493 | 493 | 493 | 493 | 493 | 493 |
| Accumulated Ending Balance | 469 | 962 | 1,455 | 1,948 | 1,948 | 2,441 | 2,441 |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Fees for Filing Appeals

Background Information:

Filing fees for appeals.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Fees from Users of the Minnesota Court Information System

Purpose: To cover costs for the MNCIS database access for non-court users.

Legal Citation: M.S. 13.03

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: MNCIS Access (J650SC3)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 33 | 64 | 97 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 31 | 33 | 35 | 35 | 35 | 35 | 35 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 31 | 33 | 35 | 35 | 35 | 35 | 35 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 132 | 35 | 35 | 35 | 35 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 132 | 35 | 35 | 35 | 35 |
| Current Difference | 31 | 33 | (97) | | | | |
| Accumulated Ending Balance | 64 | 97 | | | | | |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Fees from Users of the Minnesota Court Information System

Background Information:

Fees from users of state computer system.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Court Fees

Purpose: To cover the cost of certifying mediators and arbitrators, disseminating a roster statewide, and supporting the activities of the Board.

Legal Citation: M.S. 481.01

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Alter Dispute Resolution (J650ADR)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 33 | 22 | 9 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 47 | 43 | 47 | 47 | 47 | 47 | 47 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 47 | 43 | 47 | 47 | 47 | 47 | 47 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 58 | 56 | 56 | 47 | 47 | 47 | 47 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 58 | 56 | 56 | 47 | 47 | 47 | 47 |
| Current Difference | (11) | (13) | (9) | | | | |
| Accumulated Ending Balance | 22 | 9 | | | | | |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Miscellaneous Court Fees

Background Information:

Alternative dispute resolution registration fee.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Testing/Training for Court Interpreters

Purpose: To supplement funding available to train and test court interpreters through a user fee

Legal Citation: M.S. 481.175

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Interpreter (J650INT)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 24 | 19 | 13 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 8 | 7 | 10 | 10 | 10 | 10 | 10 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 8 | 7 | 10 | 10 | 10 | 10 | 10 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 13 | 13 | 23 | 10 | 10 | 10 | 10 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 13 | 13 | 23 | 10 | 10 | 10 | 10 |
| Current Difference | (5) | (6) | (13) | | | | |
| Accumulated Ending Balance | 19 | 13 | | | | | |

Agency: Supreme Court

2020-21 Departmental Earnings

Earnings Group: Testing/Training for Court Interpreters

Background Information:

Fee for testing and training court interpreters.

Forecast Basis:

Forecasted revenue was based on history.

Recent Changes:

No recent changes.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

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2020-21 Biennial Budget - Departmental Earnings

Tax Aids, Credits and Refunds

Cigarette and Tobacco Licensure

Conditional Use Fees

Motor Fuels License Fee

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Cigarette and Tobacco Licensure

Purpose: Cigarette Sale Regulation

Legal Citation: M.S. 297F.03, Subd. 5-6 & 297F.24 Subd 1

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 7,313 | 14,365 | 21,566 | 21,566 | 28,788 | 28,788 |
| Resources: | | | | | | | |
| Departmental Earnings | 7,337 | 7,054 | 7,225 | 7,225 | 7,225 | 7,225 | 7,225 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 7,337 | 7,054 | 7,225 | 7,225 | 7,225 | 7,225 | 7,225 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 24 | 2 | 24 | 3 | 3 | 30 | 30 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 24 | 2 | 24 | 3 | 3 | 30 | 30 |
| Current Difference | 7,313 | 7,052 | 7,201 | 7,222 | 7,222 | 7,195 | 7,195 |
| Accumulated Ending Balance | 7,313 | 14,365 | 21,566 | 28,788 | 28,788 | 35,983 | 35,983 |

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Cigarette and Tobacco Licensure

Background Information:

Cigarette and tobacco licensure is to regulate the sale of cigarette and tobacco products. Cigarette and tobacco fees are a 2 year license that is issued on January 1 of the even number year and runs through Dec 31 of the odd number year. There is a significant increase in applications in November/December of odd number years.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's General Fund.

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Conditional Use Fees

Purpose: Administration of Conditional Use Fees

Legal Citation: M.S. 282.01, Subd. 1g

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Conditional Use Fees (G905004)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 48 | 57 | 70 | 87 | 87 | 104 | 104 |
| Resources: | | | | | | | |
| Departmental Earnings | 9 | 13 | 18 | 18 | 18 | 18 | 18 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 9 | 13 | 18 | 18 | 18 | 18 | 18 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | 1 | 1 | 1 | 1 | 1 |
| Current Difference | 9 | 13 | 17 | 17 | 17 | 17 | 17 |
| Accumulated Ending Balance | 57 | 70 | 87 | 104 | 104 | 121 | 121 |

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Conditional Use Fees

Background Information:

A governmental subdivision of the state applying for a conditional use deed must submit a \$250 fee with the application. If denied, \$150 is refunded. Proceeds from the fees deposited in conditional use deed revolving fund for making refunds and for administering the conditional use deed laws.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None

Agency Analysis/Comments:

No expenditure's have been made from this fund from FY12-FY19. Funds collected have been maintained in a separate appropriation in G90.

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Motor Fuels License Fee

Purpose: Fuel Regulation

Legal Citation: M.S. 296A.03; M.S. 296A.04

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: General (1000)

Appropriation: Non Dedicated Receipts (G900900)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (10) | (21) | (36) | (36) | (51) | (51) |
| Resources: | | | | | | | |
| Departmental Earnings | 15 | 14 | 15 | 15 | 15 | 15 | 15 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 15 | 14 | 15 | 15 | 15 | 15 | 15 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 25 | 25 | 30 | 30 | 30 | 30 | 30 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 25 | 25 | 30 | 30 | 30 | 30 | 30 |
| Current Difference | (10) | (11) | (15) | (15) | (15) | (15) | (15) |
| Accumulated Ending Balance | (10) | (21) | (36) | (51) | (51) | (66) | (66) |

Agency: Tax Aids, Credits and Refunds

2020-21 Departmental Earnings

Earnings Group: Motor Fuels License Fee

Background Information:

No person shall produce, manufacture, or refine petroleum products in this state, or receive, distribute, sell, or use in this state petroleum products which have not been received in this state by a licensed distributor.

No person, except a licensed distributor, shall engage in the business of selling or delivering special fuel, upon which no tax has been imposed, as a special fuel dealer without having applied for and secured from the commissioner a special fuel dealer's license.

Forecast Basis:

Forecasted figures were trend based.

Recent Changes:

None.

Agency Analysis/Comments:

Revenues are non-dedicated and deposited in the State's general fund.

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2020-21 Biennial Budget - Departmental Earnings

Transportation

- Advertising Permits
- Air Transportation Revolving Account
- Airports, Commercial Operations, and Aircraft Dealer License
- DOT: Miscellaneous
- Highway Toll Revenue
- Motor Carrier Permits and Fees
- Motor Vehicle Miscellaneous Fee
- Tower Leases Rental Income
- Transportation Permits

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Advertising Permits

Purpose: Permits fees collected for the placement of advertising devices (signs, etc.) along interstate and primary systems of highways.

Legal Citation: MS 173.13 4

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 166 | 229 | 301 | 301 | 373 | 373 |
| Resources: | | | | | | | |
| Departmental Earnings | 692 | 263 | 300 | 300 | 300 | 300 | 300 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 692 | 263 | 300 | 300 | 300 | 300 | 300 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 486 | 160 | 188 | 188 | 188 | 188 | 188 |
| Indirect Expenditures | 40 | 40 | 40 | 40 | 40 | 40 | 40 |
| Total Expenditures | 526 | 200 | 228 | 228 | 228 | 228 | 228 |
| Current Difference | 166 | 63 | 72 | 72 | 72 | 72 | 72 |
| Accumulated Ending Balance | 166 | 229 | 301 | 373 | 373 | 445 | 445 |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Advertising Permits

Background Information:

To promote the safety of the traveling public and conserve the natural beauty of areas adjacent to highways, permits are issued to regulate and control placement and characteristics of advertising devices along highways. This revenue results in a positive adjustment to the Trunk Highway fund balance. Rates are stated in law and were last changed in 1997.

Forecast Basis:

Revenues and costs are dependent on customer orders.

Recent Changes:

None

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Air Transportation Revolving Account

Purpose: Fees collected from air transportation users to cover direct operating costs excluding pilot salary and aircraft acquisition.

Legal Citation: MS 360.024

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Air Transportation Revolving (2722)

Appropriation: Air Transport Servic (T790041)

Fee Change? Yes

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 533 | 573 | 597 | 515 | 515 | 433 | 1,135 |
| Resources: | | | | | | | |
| Departmental Earnings | 629 | 912 | 900 | 900 | 1,102 | 900 | 1,102 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | 500 | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 629 | 912 | 900 | 900 | 1,602 | 900 | 1,102 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 589 | 888 | 982 | 982 | 982 | 982 | 982 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 589 | 888 | 982 | 982 | 982 | 982 | 982 |
| Current Difference | 40 | 24 | (82) | (82) | 620 | (82) | 120 |
| Accumulated Ending Balance | 573 | 597 | 515 | 433 | 1,135 | 351 | 1,255 |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Air Transportation Revolving Account

Background Information:

MnDOT aircraft are available for government officials traveling for state business. A per mile fee is charged for the service to recover the direct cost of operating the aircraft. This account operates as a revolving account. The last rate change was in 2008.

Forecast Basis:

Forecast is based on historic and current trends along with fuel cost projections and plane usage. As stated in law, fees are collected for direct operating cost only.

Recent Changes:

None

Agency Analysis/Comments:

An increase in expenditures is estimated for FY 18 through FY21 due to major aircraft maintenance cost.

For information about the recommended fee change, see the State Airplane Replacement change item in the Department of Transportation 2020-21 Governor's Budget Recommendations book.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Airports, Commercial Operations, and Aircraft Dealer License

Purpose: Fees for licensing of aviation dealers in the business of buying and selling aircraft (MS 360.63). Also for aircraft registration and licensing of pilots engaged in commercial operations (MS 360.018).

Legal Citation: MS 360.63 and MS 360.018

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: State Airports (2720)

Appropriation: Non-Ded Aeronautics - 2720 (T799008)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (22) | (41) | (62) | (62) | (83) | (83) |
| Resources: | | | | | | | |
| Departmental Earnings | 12 | 15 | 13 | 13 | 13 | 13 | 13 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 12 | 15 | 13 | 13 | 13 | 13 | 13 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 33 | 33 | 33 | 33 | 33 | 33 | 33 |
| Indirect Expenditures | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Expenditures | 34 | 34 | 34 | 34 | 34 | 34 | 34 |
| Current Difference | (22) | (19) | (21) | (21) | (21) | (21) | (21) |
| Accumulated Ending Balance | (22) | (41) | (62) | (83) | (83) | (104) | (104) |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Airports, Commercial Operations, and Aircraft Dealer License

Background Information:

MnDOT issues licenses to any person engaged in commercial aviation or who deals in the buying and selling of aircraft, as well as airports, restricted landing sites, and other air navigation facilities. In addition provides registration for aircraft. This promotes safety and compliance to standards. The fees for licenses are set in statute and have not changed since 1993.

Forecast Basis:

Forecast is based on historic and current data.

Recent Changes:

Beginning in 2016 FAA regulations includes the regulations and licensing of drones as aircraft.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: DOT: Miscellaneous

Purpose: Miscellaneous revenue includes rent collection on use of highway right of way, revenues for agreements with other governments for construction and maintenance, sale of sand, gravel, and salt at cost to other governmental units, and sign fabrication cost recovery to external customers.

Legal Citation: MS 222.63 8; MS 160.298; MS 161.391; MS 161.231; MS 174.02 6

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Other Misc Special Revenue (2001); Trunk Highway (2700); State Airports (2720)

Appropriation: Rail Bank Maintenance (T790019); Rail Safety Inspection (T790053); Land Conveyance (T790094); WI/DOT Dresbach Bridge (T790108); Metro Emerg - Motorola SSA (T790172); Carver Cty Sheriffs Office (T790176); WI Dot - MN & WI Bridge 00511 (T790249); Central Corridor LRT (T790300); WI St.Croix Bridge 93891P (T790329); ABC Ramp Operations (T790550); Pavement Stripe Rev Acct (T790580); WI Border Bridge 83476-P (T790618); Mn/DOT- Duluth Shared OAC (T790624); Excess R/W Rent (T790668); Saab Sensis Corp (T790736); ND Border Bridge 89463-P (T790742); Highway Sign Revolving Account (T790765); Central Corr LRT R/W Parcels (T791041); Ctrl Corr LRT R/W Parcel Incid (T791042); WI St.Croix Mitigation 92152P (T791118); Southwest LRT 01938 (T791153); MET COUNCIL SALT 2012-17#02190 (T791155); City of Nth Branch Salt #02266 (T791156); City Cass Lk WelcomeCtr87418PL (T791169); WI StCroix Bridge Coop 02732 (T791171); Chaska TS Fuel/Utilities 01859 (T791193); City of Richfield-Salt #04565 (T791198); Canadian Natl Railway Co 05122 (T791207); Richfield CedarAve TS Fuel4963 (T791212); RCTC MnSCU #06881 (T791228); Blue Line Ext LRT #06737 (T791231); WI/DOT Blatnik Bridge #07092 (T791232); Intercomp Co. #07021 (T791233); DNR-D2-Office Space #07142 (T791237); Grandma's Marathon #1000533 (T791238); North Shore In-Line #1000537 (T791239); WY DOT NW Passage #1000639 (T791240); Scott County TH 169 #1000184 (T791242); Auburn University #1000887 (T791248); Army Corps Engineers#1001318 (T791249); AZ/DOT Clear Rds #1001484 (T791253); City of Virginia #1001136 (T791255); City of VA-Utilities #1001482 (T791257); WI/DOT-Empire Phase I #1001892 (T791261); RCRRA Empire Phase I #1001893 (T791262); Auburn Univ Pave Pres #1002232 (T791265); WI/DOT Blatnick Repair #100228 (T791267); NRRRA Associate Dues #1002993 (T791270); WI/DOT NRRRA Pool Fund #1003283 (T791275); WI/DOT-36/64 St Croix #06253R (T791281); WI/DOT #9030 Blatnik #1003008 (T791282); WY/DOT Clear Rds #1026447 (T791289); AASHTO/NTPEP #1025949 (T791292); Paster Properties #1026682 (T791294); Washington Co #03553WO3 (T791297); KDOT TPIMS Tiger Grant #100440 (T791298); ND I-94 Bridge Paint #1026218 (T791299); ND DOT Kennedy Bridge #06131R (T791300); LAPC-TCMC 2nd Empire #1027313 (T791301); WI/DOT RedWing Bridge #1026157 (T791302); Dakota Cty-City Rosemount #102 (T791303); Washington-Johnson #03553WO04 (T791304); Ramsey Cty-LiDAR #1000036 WO03 (T791305); Willmar Bike & Ped#03500WO01 (T791309); ND/DOT I-94 Red Rvr #1027428 (T791312); Eden Prairie Signal #1027721 (T791313); Hennepin Cty Signal #1027722 (T791314); Utah DOT Research #1027913 (T791315); Henn

I35W/Lk #1027480 (T791316); Mpls I35W/Lake #1027509 (T791317); Metro Transit I35W/Lk #1027528 (T791318); Carlton County #1027347 (T791321); Hinckley City #1027348 (T791322); Lake Cty ROW 02463 WO2 (T791324); Project for Pride #1028607 (T791352); WI/DOT Osceola Const #1028574 (T791354); WA/DOT Clear Roads #1028425 (T791355); Suburban Auto Body #1027227 (T791357); CO/DOT-Auto Veh Proj#1029061 (T791363); Jim's Apple Farm #1029381 (T791367); Min Transp Ontario #98621A01 (T791371); Lake Cty 1028589W02 (T791373); Sherburne Cty 1028413W01 (T791374); Henn Cty Auto Bus 1030407 (T791375); RCRRA #1029758 WO1 (T791378); RCRRA #1029758 WO2 (T791379); Kandiyohi ROW Acq #1028342WO1 (T791382); WA NW Passage Pool Fund1031010 (T791383); Lake County #1028589W03 (T791384); Anoka County #1028103W03 (T791385); County Partnership Constr (T796300); County Partnership Maint (T796301); County Partnership DepSup (T796303); Non-Ded Construction - 2700 (T799000); Non-Ded Dept Support - 2700 (T799007); Non-Ded Aeronautics - 2720 (T799008)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | 27,193 | 26,991 | 52,063 | 52,312 | 52,312 | 53,577 | 53,577 |
| Resources: | | | | | | | |
| Departmental Earnings | 55,429 | 79,074 | 76,665 | 76,046 | 76,046 | 78,179 | 78,179 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 5,800 | 2,669 | 4,613 | 4,613 | 4,613 | 4,613 | 4,613 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | 3,537 | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 57,692 | 81,743 | 81,278 | 80,659 | 80,659 | 82,792 | 82,792 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 57,894 | 56,671 | 81,029 | 79,394 | 79,394 | 80,573 | 80,573 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 57,894 | 56,671 | 81,029 | 79,394 | 79,394 | 80,573 | 80,573 |
| Current Difference | (202) | 25,072 | 249 | 1,265 | 1,265 | 2,219 | 2,219 |
| Accumulated Ending Balance | 26,991 | 52,063 | 52,312 | 53,577 | 53,577 | 55,796 | 55,796 |

Background Information:

MnDOT Leases, External

MnDOT will continue to utilize available resources (vacant land and buildings) in a fiscally responsible manner until the resource is needed for construction. Many leases are long-term such as parking for churches or hay cutting along state roads. Also, some lease collections are for inter-governmental co-operation property utilization. These earnings are collected as miscellaneous income and are not identified with specific operating expenditures in the department. Vacant right-of-way is also leased to interested parties until needed by MnDOT.

MnDOT Agreement with other Governments

These agreements are with other units of government including bordering states for provision of MnDOT expertise in project engineering and construction.

Sale of Gravel, Sand, and Salt

MnDOT sells gravel, sand, and salt to other units of government where locations are convenient, and supplies are adequate at an at cost basis.

Rail Safety Inspection Assessment

Reimbursements are received for Rail Safety Inspector's inspection of rail tracks, rail right-of-way, review of maintenance and repair records, and review of railroad security measures.

Forecast Basis:

Forecast is based on historic and current cost of above activities. Amounts collected in these accounts are established within each written agreement.

Recent Changes:

Effective July 2015, MS 161.231 language changed Land conveyance revenues to dedicated funds and made them available for maintain the program.

Agency Analysis/Comments:

These department earnings are a mix of dedicated and non-dedicated receipts established for cost recovery.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Highway Toll Revenue

Purpose: User fees collected for single passenger vehicles traveling in the high occupancy vehicle lanes (MnPASS)

Legal Citation: MS 160.93

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: MnPass_Receipts Maintenance (T790679); Mn/Pass Unearned Receipts (T791177); Non-Ded Construction - 2700 (T799000)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 1,717 | 3,065 | 4,903 | 5,985 | 5,985 | 6,983 | 6,983 |
| Resources: | | | | | | | |
| Departmental Earnings | 3,798 | 4,465 | 4,200 | 4,230 | 4,230 | 4,262 | 4,262 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 3,798 | 4,465 | 4,200 | 4,230 | 4,230 | 4,262 | 4,262 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,450 | 2,627 | 3,118 | 3,232 | 3,232 | 3,253 | 3,253 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 2,450 | 2,627 | 3,118 | 3,232 | 3,232 | 3,253 | 3,253 |
| Current Difference | 1,348 | 1,838 | 1,082 | 998 | 998 | 1,009 | 1,009 |
| Accumulated Ending Balance | 3,065 | 4,903 | 5,985 | 6,983 | 6,983 | 7,992 | 7,992 |

Background Information:

Fees are collected from single passenger vehicles utilizing High Occupancy Toll (HOT) MnPass lanes. Customers are issued a free vehicle sticker that scans when entering a MnPass lane, or they may purchase a switchable tag for \$15.00. Fees collected are used to maintain current operations and improve the toll infrastructure.

Forecast Basis:

Forecast is based on historic and current data, along with projected future expansion of toll system. Toll lanes were established as a traffic management tool. Fees vary and are imposed as needed to effectively manage traffic flow.

Recent Changes:

I-35E HOT lane began operation January 2016 generating additional revenues and costs. The I-35E HOT lane fees are deposited in the Trunk Highway fund for repayment.

Agency Analysis/Comments:

The system requires customers to maintain a minimum account balance. This balance is unearned until the vehicle uses a toll lane and tolls are charged (earned). These account balances are deposited into a MnDOT Special Revenue fund account. Unearned receipts equal approximately \$550,000 of the rolled forward balances and non-dedicated receipts to the Trunk Highway fund from I-35E HOT lane fees add an \$600,000 each year to the balance. Revenue in the Special Revenue fund is used to maintain and expand the current system. Expenditures include revenue sharing agreement payments to Metropolitan Council.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Motor Carrier Permits and Fees

Purpose: Fees collected through licensing, permitting, and registration of MN for-hire property, special transportation service providers, passenger carriers and commercial vehicles engaged in intrastate commerce.

Legal Citation: MS 221.131 and Laws 2015 Ch. 71 Art. 11, Sec. 5, Subd. 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Trunk Highway (2700)

Appropriation: Spec Trans Providers Inspecti (T791279); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | (54) | (97) | (144) | (144) | (191) | (191) |
| Resources: | | | | | | | |
| Departmental Earnings | 1,794 | 1,425 | 1,550 | 1,550 | 1,550 | 1,550 | 1,550 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,794 | 1,425 | 1,550 | 1,550 | 1,550 | 1,550 | 1,550 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,848 | 1,468 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 1,848 | 1,468 | 1,597 | 1,597 | 1,597 | 1,597 | 1,597 |
| Current Difference | (54) | (43) | (47) | (47) | (47) | (47) | (47) |
| Accumulated Ending Balance | (54) | (97) | (144) | (191) | (191) | (238) | (238) |

Background Information:

Motor carrier permits and fees ensure compliance with state laws, rules, and regulations governing Minnesota intrastate motor carrier operations, so that transportation of persons and property on Minnesota's public highways is safe and meets the needs of carriers, shippers, passengers, and the traveling public. Permit are established in law were last changed in 1994.

Commercial Motor Vehicles (CMVs):

Fees are collected through the Unified Carrier Registration (UCR) system for registering the operators of commercial motor vehicles (CMVs) engaged in interstate travel. Revenues are deposited into the Trunk Highway Fund.

Other vehicle fees:

Revenue for these activities is received into the Trunk Highway Fund through direct payments by applicants who apply for authority and/or vehicle identifiers such as, Limousine Program (Limo), Household Goods (HHG), Building Movers (BMH), Motor Carriers of Passengers

Special Transportation Services Providers Fee:

Annual inspections of Special Transportation Services Provider (STS) vehicles and equipment are required by law. A inspection fee is collected and deposited into a dedicated Trunk Highway account and used to maintain this program. A decal is issued to the STS to display on inspected vehicle.

Forecast Basis:

Forecast is based on historic and current data. Fees for these activities vary per type of commercial vehicle and type of registrations (annual or renewal).

Recent Changes:

Beginning in FY17, fees for Special Transportation Provider vehicle and equipment inspections are required by law. Provider is issued a decal to display on inspected vehicle and fees are deposited into a dedicated account for use of maintaining this program.

Agency Analysis/Comments:

Revenue for Unified Carriers permits are received into the Trunk Highway Fund through the Unified Carriers Registration System. This system is used by all states in the United States. Congress determined state caps based on 2004 receipts. Any revenue received by MnDOT that is over Minnesota's cap, \$1,137,132.30, is returned to the program in following years for distribution to other states.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Motor Vehicle Miscellaneous Fee

Purpose: Fees on short term vehicle rentals.

Legal Citation: MS 297A.64 Subd 2 and 5, MS 297A.94d

Dedicated Receipts: No **Non-Dedicated Receipts:** Yes

Fund: Highway Users Tax Distribution (2710)

Appropriation: Non-Ded Agy Service -2710 (T799012)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | | 1,545 | 2,951 | 4,439 | 4,439 | 5,927 | 5,927 |
| Resources: | | | | | | | |
| Departmental Earnings | 1,545 | 1,406 | 1,488 | 1,488 | 1,488 | 1,488 | 1,488 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 1,545 | 1,406 | 1,488 | 1,488 | 1,488 | 1,488 | 1,488 |
| Expenditures: | | | | | | | |
| Direct Expenditures | | | | | | | |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | | | | | | | |
| Current Difference | 1,545 | 1,406 | 1,488 | 1,488 | 1,488 | 1,488 | 1,488 |
| Accumulated Ending Balance | 1,545 | 2,951 | 4,439 | 5,927 | 5,927 | 7,415 | 7,415 |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Motor Vehicle Miscellaneous Fee

Background Information:

Fees are collected on vehicles rented for less than 28 days if the fee is greater than the motor vehicle registration tax, the excess is deposited in the Highway User Tax Distribution Fund. These non-dedicated receipts are collected by Public Safety and are used to support the overall transportation system. This fee was initiated in FY 2009.

Forecast Basis:

Forecast is based on historic and current trends. Revenues are distributed for use as directed by law.

Recent Changes:

Revenue distribution was changed in 2014, Chapter 312, Sec. 29 Subd.3.

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Tower Leases Rental Income

Purpose: Lease receipts for use of statewide communication tower space.

Legal Citation: MS 174.70

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Trunk Highway (2700)

Appropriation: Tower Leases (T790532)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 731 | 862 | 1,526 | 1,296 | 1,296 | 1,066 | 1,066 |
| Resources: | | | | | | | |
| Departmental Earnings | 941 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 941 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 | 1,020 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 810 | 356 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 810 | 356 | 1,250 | 1,250 | 1,250 | 1,250 | 1,250 |
| Current Difference | 131 | 664 | (230) | (230) | (230) | (230) | (230) |
| Accumulated Ending Balance | 862 | 1,526 | 1,296 | 1,066 | 1,066 | 836 | 836 |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Tower Leases Rental Income

Background Information:

Lease agreements established with commercial wireless providers or other tower owners to install privately owned equipment on state-owned buildings or structures. Revenues are collected and deposited in the Trunk Highway Fund. Revenue is used for developing and maintaining the statewide communications systems that serves state agencies. In lieu of a site use fee, the commissioner may make agreements with commercial wireless service providers or other tower owners to place state equipment on privately owned towers and may accept improvements such as tower reinforcement, reconstruction, site development, or other site improvements to the state's communications system facilities or real or personal property.

Forecast Basis:

Forecast is based on historic and current trends. Fees collected are based on the value of the real property or structure made available.

Recent Changes:

None

Agency Analysis/Comments:

The revenues derived are used to reduce the overall cost of operating the Statewide Radio Communication systems, but do not cover all cost incurred.

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Transportation Permits

Purpose: To regulate the movement of oversized/overweight vehicles on the trunk highway system and to compensate for damage to the highways

Legal Citation: MS 169.865

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Restrict Misc Special Revenue (2000); Trunk Highway (2700)

Appropriation: CVO Permit Program Admin (T790078); Forest Prod Hauler - Local (T790701); Non-Ded Comm Vehicle - 2700 (T799011)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 2,194 | 5,262 | 9,259 | 12,259 | 12,259 | 15,259 | 15,259 |
| Resources: | | | | | | | |
| Departmental Earnings | 5,254 | 5,394 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 5,254 | 5,394 | 5,350 | 5,350 | 5,350 | 5,350 | 5,350 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 1,186 | 397 | 1,350 | 1,350 | 1,350 | 1,350 | 1,350 |
| Indirect Expenditures | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 | 1,000 |
| Total Expenditures | 2,186 | 1,397 | 2,350 | 2,350 | 2,350 | 2,350 | 2,350 |
| Current Difference | 3,068 | 3,997 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Accumulated Ending Balance | 5,262 | 9,259 | 12,259 | 15,259 | 15,259 | 18,259 | 18,259 |

Agency: Transportation

2020-21 Departmental Earnings

Earnings Group: Transportation Permits

Background Information:

Special permit fees are assessed and collected for vehicles that exceed height, width or load for which the vehicle is registered, or otherwise not in conformity. The last time the fees were changed was in 1993.

Non-dedicated revenue is deposited in the Trunk Highway Fund and used to maintain and repair the trunk highway system.

Dedicated revenue, (M.S. 169.8261) is deposited in a special revenue account and used for the inspection, and erection of weight-posting signs on local bridges.

Forecast Basis:

Forecast is based on historic and current trends. Fees are stated in law.

Recent Changes:

None

Agency Analysis/Comments:

Accumulated balance forward and ending balances do not necessarily represent amounts in an account balance, but are shown to illustrate a five-year trend of cost recovery.

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- Veterans Home Lease Fees for Domiciliary
- Veterans Homes Maintenance Fee for Adult Day Care
- Veterans Homes Per Diem for Domiciliary Care
- Veterans Homes Per Diem for Skilled Nursing Care
- Veterans Homes Resident Maintenance Charges for Domiciliary
- Veterans Homes Resident Maintenance Charges for Skilled Nursing

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Cemetery Burial Fees

Purpose: Fees charged to cover the cost of burials for eligible veteran family members.

Legal Citation: M.S. 197.236, subd. 9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Duluth Cem Develop & Maint (H751DL2); Little Falls Cem Dev & Maint-i (H751LF2); Preston Cem Develop & Maint (H751PN2)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 836 | 833 | 819 | 540 | 540 | 567 | 567 |
| Resources: | | | | | | | |
| Departmental Earnings | 144 | 125 | 149 | 165 | 165 | 172 | 172 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 248 | 335 | 440 | 480 | 480 | 510 | 510 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 392 | 460 | 589 | 645 | 645 | 682 | 682 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 390 | 469 | 864 | 612 | 612 | 572 | 572 |
| Indirect Expenditures | 5 | 5 | 4 | 6 | 6 | 6 | 6 |
| Total Expenditures | 395 | 474 | 868 | 618 | 618 | 578 | 578 |
| Current Difference | (3) | (14) | (279) | 27 | 27 | 104 | 104 |
| Accumulated Ending Balance | 833 | 819 | 540 | 567 | 567 | 671 | 671 |

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Cemetery Burial Fees

Background Information:

The Commissioner of Veterans Affairs shall establish a fee schedule, which may be adjusted from time to time, for the interment of eligible spouses and dependent children. The fees shall cover as nearly as practicable the actual costs of interment, excluding the value of the plot.

Forecast Basis:

Estimate based on prior year's activity and other factors. No new fee increases expected at this time.

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Home Lease Fees for Domiciliary

Purpose: Rental and lease fees charged to tenants to cover building maintenance and utility costs .

Legal Citation: M.S. 198.003, subd.3 and 4

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Rental Property-Hastings (H752H11); Lease Property-Hastings (H752H12)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 184 | 263 | 155 | 175 | 175 | 175 | 175 |
| Resources: | | | | | | | |
| Departmental Earnings | 202 | 193 | 183 | 183 | 183 | 183 | 183 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 205 | 196 | 186 | 186 | 186 | 186 | 186 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 125 | 303 | 164 | 184 | 184 | 184 | 184 |
| Indirect Expenditures | 1 | 1 | 2 | 2 | 2 | 2 | 2 |
| Total Expenditures | 126 | 304 | 166 | 186 | 186 | 186 | 186 |
| Current Difference | 79 | (108) | 20 | | | | |
| Accumulated Ending Balance | 263 | 155 | 175 | 175 | 175 | 175 | 175 |

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Home Lease Fees for Domiciliary

Background Information:

The Hastings Veterans Home leases campus buildings to the Dakota County Detox Facility and the Department of Transportation. It also receives rent from veterans who have transitioned from domiciliary care to a supportive housing unit.

Forecast Basis:

Estimate based on prior year's activity. No new fee increases expected at this time.

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Maintenance Fee for Adult Day Care

Purpose: Maintenance fees charged to Adult Daycare Residents to cover the cost of their care.

Legal Citation: M.S. 198.03, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Adult Day (H752MAD)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------------|---------------------------------|------------------------------------|--------------------------------------|----------------------------------|--------------------------------------|----------------------------------|
| Accumulated Balance: | 39 | | 1 | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 73 | 42 | 50 | 52 | 52 | 54 | 54 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | 355 | 383 | 550 | 572 | 572 | 595 | 595 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 428 | 425 | 600 | 624 | 624 | 649 | 649 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 465 | 420 | 601 | 624 | 624 | 649 | 649 |
| Indirect Expenditures | 2 | 4 | | | | | |
| Total Expenditures | 467 | 424 | 601 | 624 | 624 | 649 | 649 |
| Current Difference | (39) | 1 | (1) | | | | |
| Accumulated Ending Balance | | 1 | | | | | |

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Maintenance Fee for Adult Day Care

Background Information:

Adult Daycare maintenance fees charged to Veteran residents to support the cost of their care.

Forecast Basis:

The estimated increase in ADC Maintenance Fees are estimated to increase 4% per year in FY20 and FY21.

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Domiciliary Care

Purpose: Veterans homes VA per diem reimbursements for domiciliary care of veteran residents to pay for the cost of their care.

Legal Citation: M.S. 198.34

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Hastings Ops (H752H10); Veterans Home Mpls Operations (H752M10); MPLS DOMS CARE (H752M13)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 2,951 | 3,004 | 3,000 | 3,120 | 3,120 | 3,245 | 3,245 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,951 | 3,004 | 3,000 | 3,120 | 3,120 | 3,245 | 3,245 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,951 | 3,004 | 3,000 | 3,120 | 3,120 | 3,245 | 3,245 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 2,951 | 3,004 | 3,000 | 3,120 | 3,120 | 3,245 | 3,245 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Domiciliary Care

Background Information:

VA per diem for domiciliary care is paid for any Veteran resident who is eligible for such care in a VA or State Veterans Care facility (38 U.S.C. 1741).

Forecast Basis:

The estimated increase in VA reimbursements is expected to increase 4% each year in FY20 and FY21.

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Skilled Nursing Care

Purpose: VA per diem reimbursements received for veteran residents in a skilled nursing facility to pay for the cost of their care.

Legal Citation: M.S. 198.34 and 38 U.S.C. 1741

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Fergus Falls Ops (H752F10); Veterans Home Luverne Ops (H752L10); Veterans Home Mpls Operations (H752M10); Veterans Home Silver Bay Ops (H752S10)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 27,444 | 29,134 | 30,499 | 31,719 | 31,719 | 32,987 | 32,987 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 27,444 | 29,134 | 30,499 | 31,719 | 31,719 | 32,987 | 32,987 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 27,444 | 29,134 | 30,499 | 31,719 | 31,719 | 32,987 | 32,987 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 27,444 | 29,134 | 30,499 | 31,719 | 31,719 | 32,987 | 32,987 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Per Diem for Skilled Nursing Care

Background Information:

VA per diem reimbursements for nursing home care is paid for any Veteran resident who is eligible for such care in a VA or State Veterans Care facility (38 U.S.C. 1741).

Forecast Basis:

VA per diem reimbursements are expected to increase 4% per year in FY20 and FY21

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Resident Maintenance Charges for Domiciliary

Purpose: Maintenance fees charged to domiciliary residents to cover the cost of their care.

Legal Citation: M.S. 198.03 subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Hastings Ops (H752H10); Veterans Home Mpls Operations (H752M10); MPLS DOMS CARE (H752M13)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 2,083 | 1,903 | 2,000 | 2,080 | 2,080 | 2,163 | 2,163 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 2,083 | 1,903 | 2,000 | 2,080 | 2,080 | 2,163 | 2,163 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 2,083 | 1,903 | 2,000 | 2,080 | 2,080 | 2,163 | 2,163 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 2,083 | 1,903 | 2,000 | 2,080 | 2,080 | 2,163 | 2,163 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for domiciliary care residents. The cost are determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, along with food and lodging costs. The amount charged each resident for maintenance, if anything, is based on the appropriate average cost of care calculation and the assets and income of the resident which must not exceed the appropriate average cost of care.

Forecast Basis:

The estimated increase in Domiciliary Maintenance Fees are estimated to increase 4% per year in FY20 and FY21.

Agency: Veterans Affairs

2020-21 Departmental Earnings

Earnings Group: Veterans Homes Resident Maintenance Charges for Skilled Nursing

Purpose: Maintenance fees charged to skilled nursing residents to cover the cost of their care.

Legal Citation: M.S. 198.03, subd. 2

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Other Misc Special Revenue (2001)

Appropriation: Veterans Home Fergus Falls Ops (H752F10); Veterans Home Luverne Ops (H752L10); Veterans Home Mpls Operations (H752M10); Veterans Home Silver Bay Ops (H752S10)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|-------------------|-------------------|----------------------|------------------------|--------------------|------------------------|--------------------|
| Accumulated Balance: | | | | | | | |
| Resources: | | | | | | | |
| Departmental Earnings | 14,178 | 14,277 | 14,250 | 14,820 | 14,820 | 15,413 | 15,413 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 14,178 | 14,277 | 14,250 | 14,820 | 14,820 | 15,413 | 15,413 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 14,178 | 14,277 | 14,250 | 14,820 | 14,820 | 15,413 | 15,413 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 14,178 | 14,277 | 14,250 | 14,820 | 14,820 | 15,413 | 15,413 |
| Current Difference | | | | | | | |
| Accumulated Ending Balance | | | | | | | |

Background Information:

The commissioner sets out in rules the method of calculating the average cost of care for skilled nursing care residents. The cost are determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, and food and lodging costs. The amount charged each resident for maintenance, if anything, is based on the appropriate average cost of care calculation and the assets and income of the resident but must not exceed the appropriate average cost of care.

Forecast Basis:

The estimated increase in Domiciliary Maintenance Fees are estimated to increase 4% per year in FY20 and FY21.

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2020-21 Biennial Budget - Departmental Earnings

Veterinary Medicine, Board of
Veterinary Medicine Licensing Fees

Agency: Veterinary Medicine, Board of

2020-21 Departmental Earnings

Earnings Group: Veterinary Medicine Licensing Fees

Purpose: To recover the costs of regulating the veterinary medicine profession.

Legal Citation: M.S. 156, 214, 319B and M.R. 9100

Dedicated Receipts: Yes **Non-Dedicated Receipts:** Yes

Fund: Health Related Boards (1201); Restrict Misc Special Revenue (2000)

Appropriation: Vet Med Non Dedicated Receipts (H7R1000); Criminal Background Check Rec (H7R9210)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|---|---------------------------|---------------------------|------------------------------|--------------------------------|----------------------------|--------------------------------|----------------------------|
| Accumulated Balance: | 309 | 299 | 340 | 217 | 217 | 163 | 145 |
| Resources: | | | | | | | |
| Departmental Earnings | 397 | 400 | 429 | 441 | 441 | 452 | 452 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | | | | | |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 397 | 400 | 429 | 441 | 441 | 452 | 452 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 293 | 259 | 395 | 338 | 351 | 345 | 360 |
| Indirect Expenditures | 114 | 100 | 157 | 157 | 162 | 157 | 162 |
| Total Expenditures | 407 | 359 | 552 | 495 | 513 | 502 | 522 |
| Current Difference | (10) | 41 | (123) | (54) | (72) | (50) | (70) |
| Accumulated Ending Balance | 299 | 340 | 217 | 163 | 145 | 113 | 75 |

Background Information:

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing the practice of veterinary medicine to ensure a standard of competent and ethical practice.

The Board of Veterinary Medicine provides the following services:

- Issue initial licensure and renew licenses for qualified professionals.
- Ensure that only applicants who meet licensure requirements are granted a license.
- Respond to public and agency inquiries, complaints, and reports regarding licensure and conduct of applicants and licensees.
- Take disciplinary or corrective action against an applicant or licensee for misconduct.
- Set standards of practice and professional conduct for licensees.
- Set educational standards for initial licensure and continuing education requirements for maintaining licensure.
- Review applicant's education and training to determine compliance with the board's licensure requirements.
- Provide information about licensure requirements and standards of practice to citizens and other interested persons or agencies.
- Evaluate and review continuing education programs.

Forecast Basis:

Fees charged to applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous years, revenue trends and the number of applicants seeking initial licensure.

Recent Changes:

There are no recent changes. The board last increased fees for licensure and renewal in 1997.

Agency Analysis/Comments:

None.

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2020-21 Biennial Budget - Departmental Earnings

Water and Soil Resources, Board of

Water and Soil Resources Board Departmental Earnings

Agency: Water and Soil Resources, Board of

2020-21 Departmental Earnings

Earnings Group: Water and Soil Resources Board Departmental Earnings

Purpose: (1) Wetland Banking Program Fees and (2) Wetland Conservation Act Appeal Fees

Legal Citation: (1) MS 103G.2242.15 and (2) MS 103G.2242.9

Dedicated Receipts: Yes **Non-Dedicated Receipts:** No

Fund: Restrict Misc Special Revenue (2000)

Appropriation: Wetland Banking Fees (R9PBNK0); WBNK Easement Fee (R9PBNKE); WBNK Stewardship (R9PBNKS); WCA - Appeal - Fee (R9PWCA0)

Fee Change? No

| Group Summary (Dollars in Thousands) | Actual FY 2017 | Actual FY 2018 | Estimated FY 2019 | Current Law FY 2020 | Gov Rec FY 2020 | Current Law FY 2021 | Gov Rec FY 2021 |
|--|--------------------------|--------------------------|-----------------------------|-------------------------------|---------------------------|-------------------------------|---------------------------|
| Accumulated Balance: | 8 | 22 | 337 | 383 | 383 | 428 | 428 |
| Resources: | | | | | | | |
| Departmental Earnings | 411 | 674 | 653 | 653 | 653 | 653 | 653 |
| Other Resources: | | | | | | | |
| Earning Transferred In | | | | | | | |
| Revenue Collected by Another Agency | | | | | | | |
| Other Receipts | | | 6 | 6 | 6 | 6 | 6 |
| Resource Reductions: | | | | | | | |
| Earnings Transferred Out | | | | | | | |
| Revenue Collected for Another Agency | | | | | | | |
| Total Resources | 411 | 674 | 659 | 659 | 659 | 659 | 659 |
| Expenditures: | | | | | | | |
| Direct Expenditures | 397 | 359 | 613 | 614 | 614 | 614 | 614 |
| Indirect Expenditures | | | | | | | |
| Total Expenditures | 397 | 359 | 613 | 614 | 614 | 614 | 614 |
| Current Difference | 14 | 315 | 46 | 45 | 45 | 45 | 45 |
| Accumulated Ending Balance | 22 | 337 | 383 | 428 | 428 | 473 | 473 |

Agency: Water and Soil Resources, Board of

2020-21 Departmental Earnings

Earnings Group: Water and Soil Resources Board Departmental Earnings

Background Information:

99% of Departmental Earnings are through the Wetland Banking Program. Only 1% is for Wetland Conservation Act (WCA) Appeal fees.

Forecast Basis:

Revenue projections are based on recent history.

Recent Changes:

None.