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Department of Natural Resources

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AT A GLANCE

Conserve and Manage Natural Resources

- Manage 1.4 million acres of wildlife management areas, 193,000 acres of scientific and natural areas, and 4.3 million acres of state forests
- Manage fisheries in 4,400 fishing lakes and over 18,800 miles of fishable streams and rivers in Minnesota
- Manage over 1,250 groundwater observation wells

Get People Outdoors

- Operate 73 state parks and recreation areas, 53 state forest campgrounds, and nine state waysides
- Manage 2.5 million license sales and 1.3 million boat and vehicle registrations
- Provide more than 30,500 miles of trails for hiking, biking, snowmobiles, off-highway vehicles, horseback riding, and cross-county skiing
- Manage 1,700 public water accesses, 400 fishing piers, and 35 water trails

Build the Economy

- Provide recreation opportunities that support to the state's \$13.9 billion outdoor recreation economy, which contributes 2.7 percent in value to the State GDP (U.S. Bureau of Economic Analysis, 2024), including \$700 million in direct local economic impacts from state park visitors alone (Minnesota State Park Visitor Survey, 2022)
- Manage 12 million acres of state mineral rights, including those on School Trust Lands, contributing directly to the state's economy
- Contribute to Minnesota's \$25.6 billion (according to 2023 estimate) forest products economy and meet forest certification requirements through forest management on 4.3 million acres of state lands, including 2.5 million acres of School Trust Lands

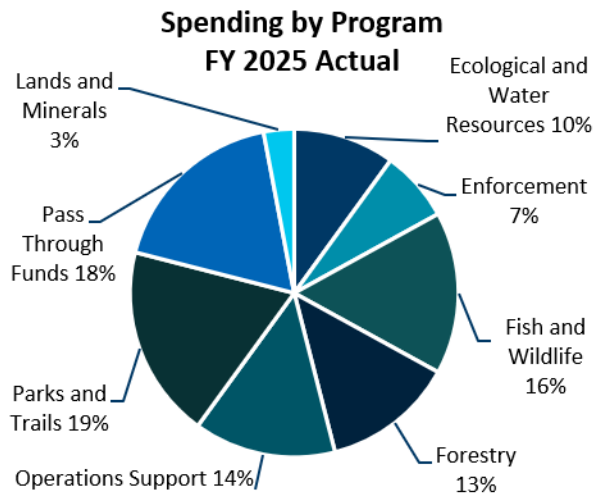
Serve the Public

- Respond to over 81,500 calls and emails from the public received by the DNR Information Center
- Ensure the health and safety of employees and visitors at nearly 3,000 facilities statewide
- Deliver information via the DNR website, which has 55 million pages viewed by 10.2 million users
- Protect people and property from wildfires and other natural disaster emergencies

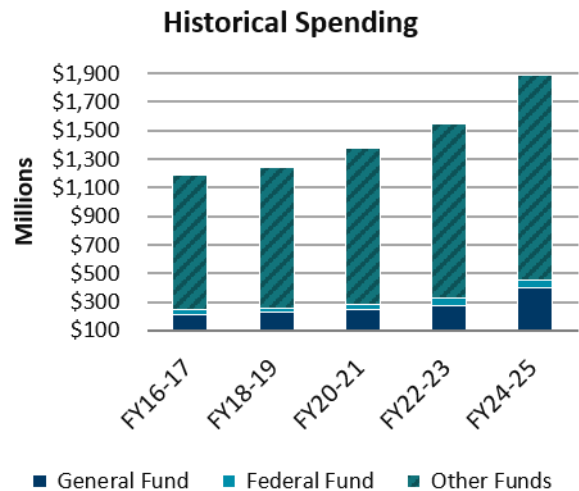
PURPOSE

The mission of the Minnesota Department of Natural Resources (DNR) is to work with Minnesotans to conserve and manage natural resources, to provide outdoor recreation opportunities, and to provide for commercial uses of natural resources in a way that creates a sustainable quality of life.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

The DNR operates out of over 50 funds, reflecting the diverse services and programs delivered by its seven divisions and four regions. Together, the Game and Fish Fund and Natural Resources Fund comprise approximately 33 percent of budgeted expenditures for fiscal years 2026-27. This spending focuses on conserving and managing natural resources so Minnesotans can enjoy the outdoors today and into the future.

In the 2026-27 biennium, the General Fund is contributing 26 percent of DNR's budgeted expenditures. From a base funding perspective, the DNR's major General Fund expenditures typically relate to operating state parks and trails, managing state forests and responding to wildfires. Additionally, the DNR makes payments on behalf of the state to counties and Tribal Nations as required by statute and legal agreements. These county and Tribal payments constitute roughly 13 percent of the DNR's General Fund spending.

Legacy Amendment funds that come to the DNR are invested for clean water, parks and trails, and outdoor heritage (e.g., fish and wildlife habitat) activities. Legacy funds account for approximately 14 percent of the DNR's budget. Environment and Natural Resources Trust Fund (ENRTF) appropriations focus on protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. In FY26-27, in alignment with statutory direction, the DNR launched a new ENRTF Community Grants Program focused on communities that have been adversely affected by pollution and environmental degradation. With this new program, ENRTF represents approximately 5 percent of the DNR's budget.

STRATEGIES

To accomplish its mission, the DNR uses the following long-term strategic framework:

1. Minnesota's waters, natural lands, and diverse fish and wildlife habitats are conserved and enhanced.

The DNR works closely with partners to achieve this goal by:

- Enhancing management of surface waters and groundwater—through monitoring, permitting, education, and compliance—to ensure sustainability and quality
- Working with farmers, landowners, local officials, and the public to promote conservation and enhancement of forests, prairies, grasslands, and wetlands
- Proactively identifying and preventing the spread of invasive species
- Inventorying and monitoring the status of natural lands, waters, wildlife, and plants

- Implementing climate change mitigation and adaptation strategies through public land management activities and assistance to private landowners
2. **Minnesota’s outdoor recreation opportunities meet the needs of new and existing participants so all benefit from nature.** The DNR seeks to engage more Minnesotans in outdoor activities to benefit health, community, and conservation by:
 - Managing the state’s parks, trails, forests, recreation areas, and other lands to provide quality, accessible visitor experiences and attract new users
 - Modernizing our world-class camping, boating access, and other water-based recreation-infrastructure through the recent \$150 million Get Out MORE (Modernize Outdoor Recreation Experiences) investment that focuses on enhancing access and welcoming new users to public lands and outdoor recreation facilities to support outdoor recreation experiences
 - Providing affordable outdoor learning experiences to beginners by implementing programs, such as the “I Can!” and “Learn to Hunt” Programs and the online Minnesota Outdoor Skills and Stewardship Series
 - Promoting user-friendly, digital recreation information, available through new websites and mobile apps
 3. **Minnesota’s natural resources contribute to strong and sustainable job markets, economies and communities.** While ensuring strong environmental stewardship, the DNR helps generate billions of dollars a year for the state through outdoor recreation, forest products, and mineral and water resources, by:
 - Maintaining diverse, healthy, and productive forests that meet third party certification standards while also providing a sustainable and predictable source of timber for Minnesota’s forest products industry
 - Continuously improving the foundation of knowledge used to provide science-based guidance for environmental review and permit decisions for mining and reclamation in Minnesota
 - Fostering sustainable communities by improving data management systems to provide better access to and analysis of groundwater and surface water data
 - Leasing mineral rights and real estate and selling land and timber from the School Trust portfolio
 - Managing public lands, fish and wildlife populations, and facilities such as public water accesses and forest roads to support outdoor recreation experiences
 4. **The DNR demonstrates operational excellence and continuous improvement in service to Minnesotans.** The DNR strives to continually improve services offered by:
 - Ensuring the health and safety of employees and visitors at DNR facilities
 - Employing a diverse workforce that reflects the communities we serve
 - Improving access to parks, trails, and other DNR facilities for people of all abilities
 - Maintaining work standards that reinforce positive and professional conduct, promote diversity and inclusion, and support staff training and development
 - Increasing energy efficiency and renewable energy use to reduce costs and reduce the environmental impact of our operations
 - Developing continuous improvement projects to improve efficiency of operations and customer satisfaction

Through the DNR’s mission, goals, and strategic priorities, we partner with Minnesotans to ensure that Minnesota’s abundant natural resources and outdoor places benefit all Minnesotans. These efforts contribute to broader outcomes for Minnesota. For example, the DNR helps to improve the health and wellbeing of Minnesota families by advancing connections to the outdoors. We also advance access and inclusion by striving to ensure our facilities, lands, and engagement processes are welcoming and accessible, and our services are equitable across economic, cultural and geographic communities.

Finally, the DNR's work is rooted in sound natural resources management. Thriving natural systems are critical for thriving communities. By managing for the sustained health of natural resources, the DNR contributes to community health and economic opportunity. In this work, the agency is committed to mitigating and adapting to climate change and enhancing the climate resiliency of natural systems and communities now and into the future. These outcomes are achieved through the agency's responsible and thoughtful use of public funds for managing Minnesota's natural resources and continual improvements that lead to improved operational efficiency and transparency.

Department of Natural Resources legal authority comes from Minnesota Statutes:

84 (<https://www.revisor.mn.gov/statutes/?id=84>)

84A-84D (<https://www.revisor.mn.gov/statutes/part/CONSERVATION>)

85-87A (<https://www.revisor.mn.gov/statutes/part/RECREATION>)

88-91 (<https://www.revisor.mn.gov/statutes/part/FORESTRY>)

92-94 (<https://www.revisor.mn.gov/statutes/part/LANDS+AND+MINERALS>)

97-102 (<https://www.revisor.mn.gov/statutes/part/GAME+AND+FISH>)

103A (<https://www.revisor.mn.gov/statutes/?id=103A>)

127A (<https://www.revisor.mn.gov/statutes/?id=127A>)

Program: Lands and Minerals**Activity: Lands and Minerals**https://www.dnr.state.mn.us/lands_minerals/**AT A GLANCE**

- Manage permits to mine, including inspections, amendments, reclamation, and financial assurance
- Develop and manage a regulatory framework for non-petroleum gas resource development
- Collect revenue from state-owned mineral resources
- Manage 12 million acres of state-owned mineral rights, including 3.5 million acres of school trust mineral assets
- Calculate in lieu of tax payments of approximately \$50 million for distribution to local governments annually
- Manage real estate activities for over 5.6 million acres of state-owned land, including 2.5 million acres of School Trust Lands
- Improve recreation opportunities and natural resource conservation efforts by optimizing the DNR-managed land portfolio through acquisition, exchange, and sale of land and interests in land
- Provide technical information about aggregate resources to local governments
- Manage and provide public access to the state's repository of drill core and geologic samples in support of research, mineral management, and education

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) ensures that permitted metal, peat and gas resource development projects are designed to protect natural resources and sites are properly reclaimed for future use once mining and gas resource development are complete. The DNR's mine and gas resource development permitting and reclamation work promotes a healthy environment with sustainable use of natural resources and contributes to a strong natural resource-based economy.

The DNR regularly evaluates ways to increase access to public lands and connects people to the outdoors by expanding close-to-home recreation opportunities and access to public waters. The DNR's real estate program manages the acquisition, sale, and exchange of public lands and ensures that Minnesota receives the best value for public funds spent to acquire lands.

The DNR's land management responsibilities include real estate services for the department such as appraisals, title work, leasing, utility licensing, and sales. Mineral management includes oversight of school and university trust lands and minerals, which generate revenue by leasing mineral rights. The beneficiaries of revenue from leases and royalties on these lands include public school districts throughout the state and the University of Minnesota and its students. In addition, the DNR manages minerals on tax-forfeited land, providing revenue to local school districts, counties, cities, and townships where the leases are located.

SERVICES PROVIDED

The DNR meets its lands and minerals goals through three bodies of work:

Permitting and Reclamation

- Administer permits to mine and gas resource development permits that are required before metallic mineral mining operations, large peat operations, or gas resource development may start on any land, ensuring that these permits include conditions to protect the environment, preserve natural resources, provide for financial assurance, govern site reclamation, and plan for future use of the land
- Administer water appropriation permits and work in public water permits required for metallic minerals mining, gas development, and peat mining, ensuring that these permits include conditions to allow reasonable use and protect the state's water resources
- Foster transparency and public participation in complex mining projects to give the public enhanced access to information, provide timely updates, and receive public comments
- Ensure compliance with state law and permit conditions by inspecting and monitoring operations
- Conduct environmental research to better understand potential water quality and other mining impacts and to evaluate new ways to reduce impacts

Minerals Management

- Gather mineral resource information for traditional metallic and nonmetallic mineral resources, as well as nonpetroleum gas such as hydrogen and helium to encourage further exploration and investment
- Maintain the state drill core library that provides access to core samples and other geological information for mineral exploration companies, academic researchers, and other interested parties
- Map the location of sand and gravel to identify future resources and aid in local planning
- Issue state mineral leases through public sales and negotiations
- Develop and implement a framework for leasing state mineral interests for the development of gases such as hydrogen and helium
- Review mineral exploration plans on state lands and oversee compliance with state requirements for all exploratory borings to protect natural resources and public safety
- Manage payments and mineral valuation claims for tax forfeit properties in accordance with 2024 legislation
- Monitor the terms and conditions of state mineral leases, including performance requirements
- Monitor iron ore removed from state lands to verify volumes, collect royalties due, and distribute revenues to the School Trust, University Trust, and local communities
- Evaluate the role of Minnesota minerals in a green economy, including green steel, critical minerals, and metals needed for electrification and carbon sequestration

Real Estate Management

- Evaluate the state's land holdings and look for ways to improve habitat, conservation, and recreation through Strategic Land Asset Management
- Acquire land through purchase or donation for outdoor recreation and natural resource protection
- Sell lands on behalf of the Permanent School Fund or to divest of other land that does not best advance the DNR's strategic priorities
- Exchange land with other units of government or private parties to consolidate landholdings or to obtain land better suited for the DNR's land management objectives, subject to final approval by the Land Exchange Board
- Manage applications for utilities and road easements for crossing state lands and waters

- Manage leases on DNR-managed lands for communication towers, agriculture, access to private property, and other purposes
- Coordinate the DNR's review and approval of proposed county sales of certain tax forfeited land
- Manage and coordinate legislative work on the DNR's annual lands bill, which may also include proposals to sell land by counties or other agencies
- Conduct surveys to identify boundary issues prior to acquisition, to accurately post the boundaries for existing outdoor recreation units, and to confirm boundaries before extensive development, such as a water access site or campground
- Monitor conservation easements and enforce the terms and conditions of the easements
- Collaborate with counties to develop land record data and calculate annual payments in lieu of taxes

RESULTS

Part A: Performance Data

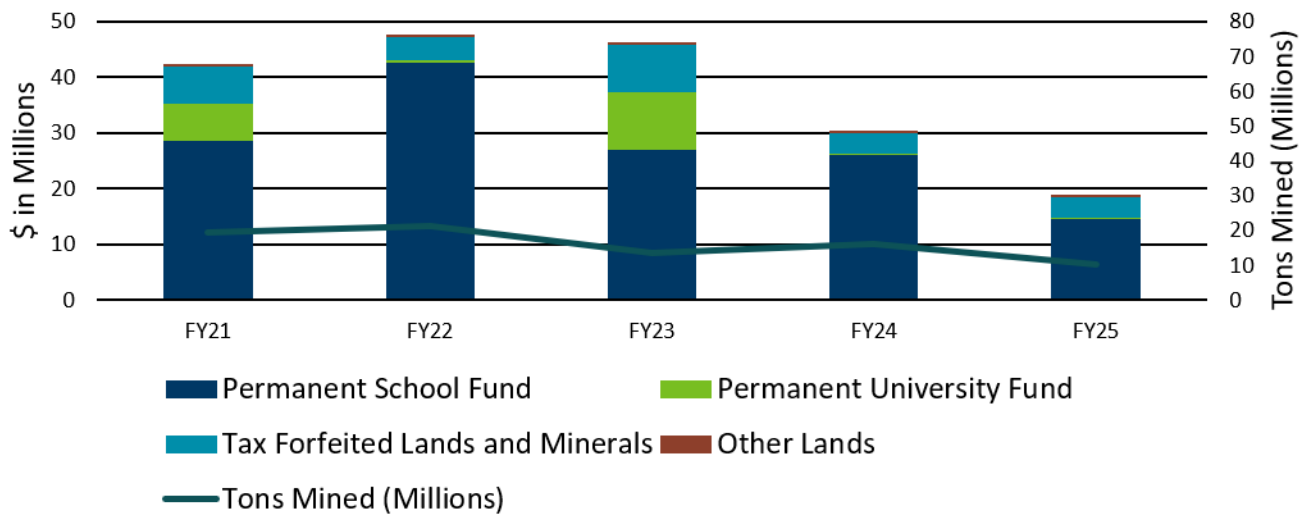
Results Performance Measure: Mine land Reclamation

Currently, there are 28 permits to mine covering almost 150,000 acres. Approximately 500 acres of previously mined taconite lands are reclaimed each year. Post-reclamation and formal release from the controlling permit to mine, these lands are ready to support future, non-mining uses.

Quantity Performance Measure: Minerals Management – Annual Mineral Leasing Revenue

Mineral lease revenue fluctuates based on iron mining and steel production and closely tracks economic conditions and global markets. As the graph below illustrates, the total tonnage of state ore mined is not the sole factor in determining revenue. Long-term lease agreements are designed to adjust rates to fluctuating commodity values for iron ore and steel. Fiscal years 2024 and 2025 generated revenue below the 10-year average of \$31.4 million per year, continuing a declining trend that began in FY22. This relatively low royalty revenue trend is influenced by both lower prices for iron ore and less production of state-owned taconite ore. This downturn in the domestic steel industry resulted in capacity being idled at the Minorca mine and scaled back at the Hibbing Taconite mine, both controlled by Cleveland-Cliffs. Another significant impact on state mineral revenue during this period is the amount of state-owned ore being mined at US Steel operations due to mining logistics and other factors.

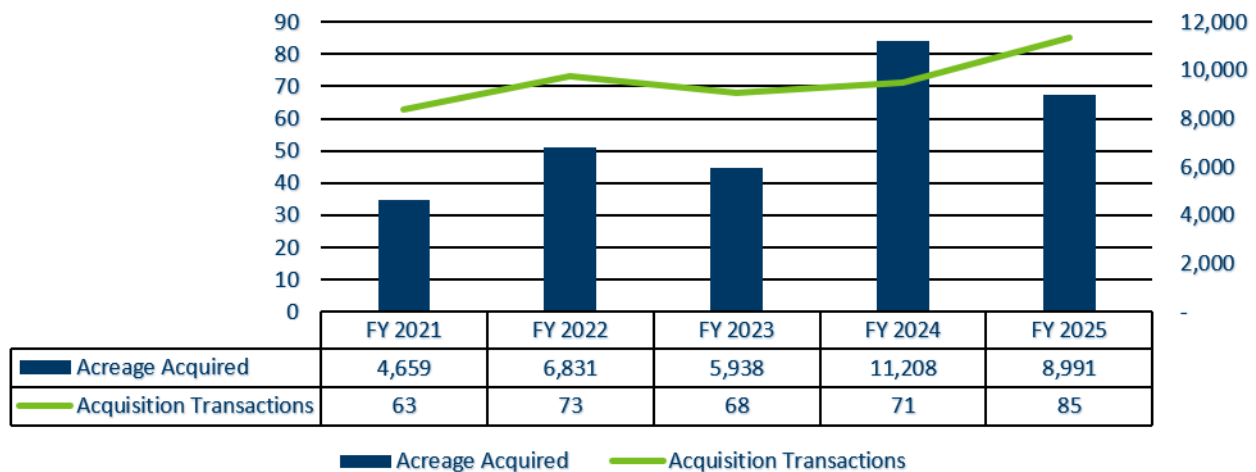
State Mineral Leasing Revenue by Land Type (millions of dollars)



Quantity Performance Measure: Real Estate Management

The DNR advances recreation opportunities and conservation efforts through its real estate management of the public lands it is charged with administering. This includes acquisitions, sales, and exchanges of both fee title and other real estate interests. The graph below shows the number of fee title and easement acquisitions from fiscal year 2021 through fiscal year 2025. In FY26, the DNR completed 98 acquisition transactions that include both fee title and easement interest, involving over 25,000 acres of land.

Land Acquisition Activity



Part B: Evidence of Effectiveness

The DNR uses evidence-based practices to ensure environmentally responsible mineral development, effective stewardship of state lands, and sound management of public assets. Its work is grounded in scientific evaluation, transparent decision-making, and rigorous monitoring to protect natural resources and support sustainable use.

The legal authority for the Division of Lands and Minerals Program come from Minnesota Statutes:

84 (<https://www.revisor.mn.gov/statutes/?id=84>)
84A (<https://www.revisor.mn.gov/statutes/?id=84A>)
84C (<https://www.revisor.mn.gov/statutes/?id=84C>)
85 (<https://www.revisor.mn.gov/statutes/?id=85>)
86A (<https://www.revisor.mn.gov/statutes/?id=86A>)
89 (<https://www.revisor.mn.gov/statutes/?id=89>)
92-94 (<https://www.revisor.mn.gov/statutes/part/LANDS+AND+MINERALS>)
97A (<https://www.revisor.mn.gov/statutes/?id=97A>)
103G (<https://www.revisor.mn.gov/statutes/cite/103G>)
103I (<https://www.revisor.mn.gov/statutes/?id=103I>)
477A (<https://www.revisor.mn.gov/statutes/?id=477A>)

Program: Ecological and Water Resources**Activity: Ecological and Water Resources**<https://www.dnr.state.mn.us/ewr/index.html>**AT A GLANCE**

- Help manage state waters and protect public safety during flood events by monitoring water flow in 291 streams and rivers throughout Minnesota
- Help ensure sustainable growth and development while protecting public waters by reviewing and making decisions on 657 public waters permit applications and change requests (FY26)
- Support drinking water and other water uses, ecosystem protection, and groundwater sustainability by monitoring groundwater levels in over 1,250 wells, and reviewing and making decisions on 902 water appropriation permit applications and change requests (FY26)
- Help communities and businesses grow in a sustainable way by developing County Geologic Atlases that profile groundwater resources (38 counties completed to-date)
- Keep people safe and reduce property damage by providing technical support and trainings to 640 communities enrolled in the National Flood Insurance Program
- Sustain rare native plant and animal populations, and provide places for people to enjoy them by managing over 193,300 acres of land in 171 Scientific and Natural Areas (SNAs), including 2 new SNAs added since 2024
- Restore and protect Minnesota's remaining native prairies by managing 15,840 acres (489 acres of which have been added since 2024) in prairie easements
- Map more than 180,000 native plant communities covering over 5.5 million acres, survey over 12,500 native vegetation plots, record 12,576 sites of biodiversity significance covering more than 13.8 million acres, and maintain over 145,000 records of listed species observations since 1987
- Help businesses and communities grow without damaging Minnesota's rare resources by surveying for rare native plants, animals, and habitats throughout the state
- Prevent, monitor, and manage terrestrial and aquatic invasive species that threaten Minnesota's natural resources and cause economic damage, including zebra mussels, Eurasian watermilfoil, invasive carp, common buckthorn, and emerald ash borer

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) helps realize a vision of healthy lands and waters throughout Minnesota by delivering integrated land and water resource conservation.

The DNR supports sustainable economic development, manages ground and surface water resources, provides outdoor recreation opportunities, enhances rare wildlife and native plant populations, and protects aquatic and terrestrial ecosystems from the negative impacts of invasive species.

In seeking to ensure healthy lands and waters, the DNR works with individuals, landowners, businesses, outdoor recreation enthusiasts, Tribal Nations, local governments, conservation groups, and others who live in Minnesota and those who visit the state. These efforts support thriving communities and healthy Minnesotans.

SERVICES PROVIDED

The DNR's ecological and water resources work is organized into three main service categories, as highlighted below. Services benefit all Minnesotans, and the DNR has worked to center equity and inclusion in its delivery of services – whether working to ensure that conservation information is available in multiple formats and languages to reach traditionally underrepresented Minnesotans, incorporating early and meaningful engagement with Minnesota's Tribal Nations in regulatory work, or assessing equity impacts of groundwater permitting across the state.

Conservation Assistance and Regulation Services

- Foster sustainable use of public groundwater and surface water resources
- Oversee and ensure accuracy of the Public Waters Inventory (PWI) for Minnesota's waterbasins and watercourses, including a statewide update to the PWI occurring through 2032
- Ensure development activities affecting public waters meet state standards and are sustainable
- Support local governments' management of shorelands and floodplains
- Ensure the safe operation of state-regulated dams and provide dam safety technical assistance to local government and other dam owners as needed
- Review potential environmental impacts of proposed projects and ensure the public has an opportunity to understand and comment on those projects

Ecosystem Management and Protection Services

- Prevent the spread of terrestrial and aquatic invasive species that can have negative impacts on Minnesota's ecosystems and local economies
- Implement and manage the SNA Program, which protects the state's rarest geological features, wildlife and native plant populations, the ecosystem services they provide, and allows people to visit and enjoy these unique places
- Help landowners protect and manage remnant native prairies
- Conserve and enhance wildlife diversity and provide expanded opportunities to enjoy these extraordinary wildlife resources, through efforts such as the Minnesota Loon Monitoring Program and the EagleCam
- Provide biological diversity data and information on native plant and animal species (including threatened and endangered species), native plant communities, and natural features, so that natural resource management and economic development activities can proceed while also protecting unique and valuable resources

Inventory, Monitoring, and Analysis Services

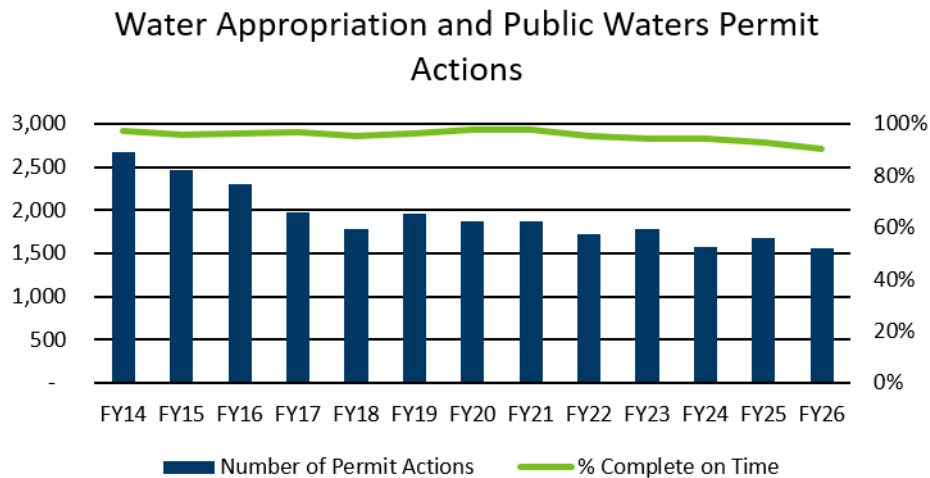
- Collect and deliver data on groundwater resources, surface water resources, lake and stream habitats, watershed features, and flood-warning gauges
- Provide critical information to regulatory decision-makers so they can make effective and efficient decisions about proposed development activities and projects
- Support access and use of DNR-collected resource data and information by state and local government agencies, conservation organizations, and other interested individuals and organizations
- Coordinate and oversee a \$10 million Get Out MORE (Modernize Outdoor Recreation Experiences) investment in projects to restore streams and modernize water-related infrastructure to support outdoor recreation and climate resilience

RESULTS

Part A: Performance Data

Quantity Performance Measure: Number of water appropriation and public water-related permit actions and percent acted on within 90 days or 150 days

As reflected in this graph, the number of water appropriation and public water-related permit applications the DNR receives varies annually. Regardless of the application volume, the DNR seeks to review and act timely upon all applications, while recognizing that incomplete or more complex applications may take more time. Tier 1 permits, which include less complex General Permit Authorizations and permit renewals that do not require site inspection, have a 90-day goal to reach a permitting decision. The remaining Individual Permits, which are more complex, have a 150-day goal to reach a permitting decision. The DNR makes the vast majority of its permit decisions well within these time goals.



Results Performance Measure: Number of aquatic invasive species (AIS) inspectors trained, and number of AIS inspections completed

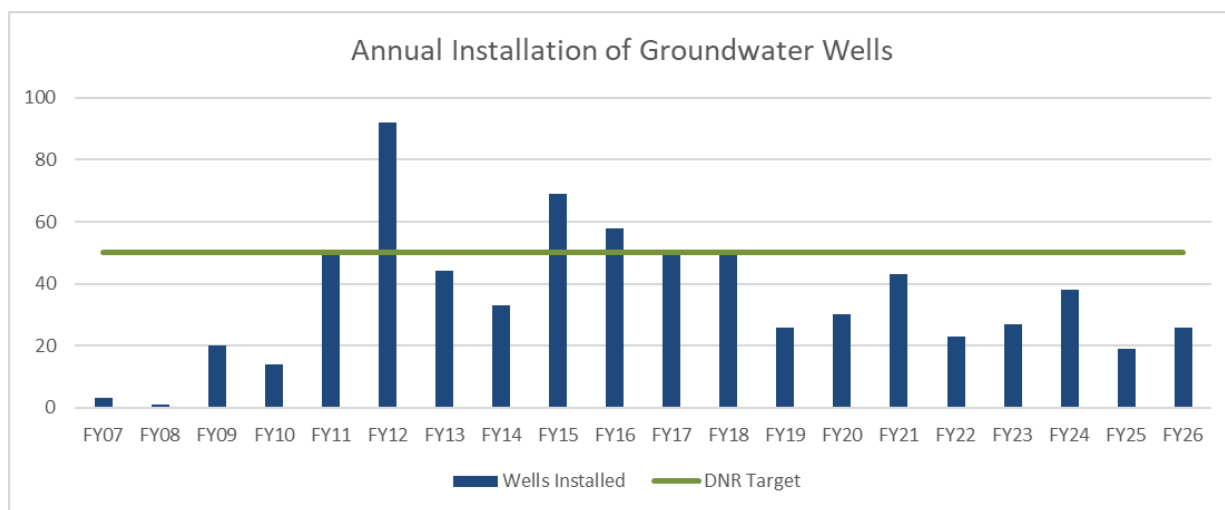
Since 2011, the DNR has partnered with local government units (LGUs) to provide watercraft inspection for AIS around the state. The number of local government partners with authorized inspectors has grown annually, with a large increase in 2015, after Minnesota counties started receiving state AIS Prevention Aid. These important partnerships have substantially increased watercraft inspections around the state. In calendar year 2025, the DNR and authorized local inspectors completed 451,349 watercraft inspections, which makes Minnesota's watercraft inspection program one of the largest in the nation. Our hybrid online and in-person training program for DNR and local government inspection staff trained 831 watercraft inspectors in 2025.

Statewide Inspections and Inspectors



Quantity Performance Measure: Number of new groundwater monitoring well installations (50-per-year goal)

The DNR continues to pursue a goal to install 50 new groundwater monitoring wells annually. Information gathered from monitoring wells is critical for efforts to maintain the sustainability of Minnesota's groundwater systems. This information allows the DNR to make timely and informed permit decisions and to help local governments make important public water supply management decisions. Although we have not recently met the goal, each year we continue to make progress towards our overall target of approximately 1,500 total observation wells across the state. The number of new wells drilled each year is affected by total available funding and by the cost of each individual well. Individual well cost is largely determined by the depth and complexity of the installation.



Part B: Evidence of Effectiveness

The DNR's Ecological and Waters Resources Division leads a variety of evidence-based programs and practices in its effort to realize a vision of healthy lands and waters throughout Minnesota by delivering integrated land and water resource conservation and management. Robust monitoring programs and networks support scientific evaluation and transparent decision-making to conserve and protect natural resources and support sustainable use. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the Ecological and Water Resources Program comes from Minnesota Statutes:

84 (<https://www.revisor.mn.gov/statutes/?id=84>)
84D (<https://www.revisor.mn.gov/statutes/?id=84D>)
86A (<https://www.revisor.mn.gov/statutes/?id=86A>)
97A (<https://www.revisor.mn.gov/statutes/?id=97A>)
103B-H (<https://www.revisor.mn.gov/statutes/part/WATER>)
115B (<https://www.revisor.mn.gov/statutes/?id=115B>)
116G (<https://www.revisor.mn.gov/statutes/?id=116G>)

Program: Forestry**Activity: Forest Management**<https://www.dnr.state.mn.us/forestry/>**AT A GLANCE**

- Manage 60 state forests, covering 4.3 million acres, for clean water, wildlife habitat, quality timber, outdoor recreation, biological diversity and carbon sequestration and storage
- Provide 24 percent of the Minnesota-sourced wood fiber that keeps the state's forest products industry strong and supports approximately 73,000 jobs statewide
- Maintain 2,384 miles of forest roads that provide access for recreation, general public use, fire protection and other emergency response, forest management, and timber production
- Plant more than 2 million trees on DNR-managed lands per year
- Maintain forest management certification on 5 million acres of DNR-managed lands by meeting criteria established by the independent Forest Stewardship Council and Sustainable Forestry Initiative and audited by a third-party contractor
- Prepare forest stewardship plans for private landowners on 70,000 acres annually through a network of DNR, county, and private consulting foresters, and provide cost share for tree planting and other management projects
- Support communities in addressing harmful pests and maintaining a healthy tree canopy, and the associated health, climate mitigation, and economic benefits
- Engage 55,000 students annually in outdoor education activities statewide at 1,600 school forest sites

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) aims to help sustain community well-being and quality of life by improving the health, species diversity, productivity, accessibility, and use of forests. Healthy forests provide clean water, carbon sequestration and storage, wildlife habitat, biodiversity, outdoor recreation, and forest-related products.

Active forest management helps ensure DNR-managed forest lands remain productive, ecologically healthy, and resilient in the face of wildfires, changes in surrounding land use, climate change, invasive plants, insect pests, and diseases. These lands play a key role in protecting water quality and mitigating greenhouse gas emissions, and provide low-cost, accessible recreation opportunities for all Minnesotans to connect to the outdoors.

Minnesota's forest products industry relies on a sustainable state timber supply. DNR-managed forest lands are the largest wood fiber supplier to Minnesota's mills. The industry provides 73,000 jobs and economic benefits worth \$25.6 billion, according to a 2023 estimate. Well-managed forests also provide economic benefits from tourism and outdoor recreation activities like hunting, hiking, horseback riding, birdwatching, snowshoeing, off-highway vehicle riding, and more.

Many Minnesotans benefit from the state's forest management, including hunters, anglers, outdoor enthusiasts, schoolteachers and students, loggers, forestry industry employees, forest managers, and landowners.

SERVICES PROVIDED

The DNR achieves the state's forestry goals by:

- Improving the health and productivity of DNR-managed forest lands, so they provide economic and community benefits, including clean water, carbon sequestration and storage, abundant wildlife habitat, biological diversity, a sustainable supply of timber, and outdoor recreation opportunities
- Maintaining forest roads and trails for sustainable commercial use of and public recreation in Minnesota's forests, while providing emergency access to difficult-to-reach locations
- Leading forest management and policy development to sustain and enhance Minnesota's public and private forest lands
- Understanding and valuing tribal perspectives and goals when making forest management decisions, while also following laws, rules, directives, and other legal requirements or obligations imposed by state or federal law
- Providing technical assistance to communities and private landowners through training sessions, printed and online materials, one-on-one visits, cost-share opportunities, and stewardship plans
- Supporting landowners and communities to maintain healthy forests, and all the benefits they provide, in the face of pressure from development, climate change, and invasive species
- Guiding Minnesotans to prevent and address insect and disease infestations
- Advancing public knowledge of the social, economic, and environmental benefits of forest resources
- Implementing the Sustainable Forest Resources Act in partnership with the Minnesota Forest Resources Council to gather and incorporate diverse perspectives on forest management
- Managing School Trust Lands for long-term economic returns to the Permanent School Fund based on sound natural resource decisions and practices
- Collaborating with conservation groups, the forest products industry, forest landowners, and others to support a robust forest products industry critical to sustainable forest management and Minnesota's economic health

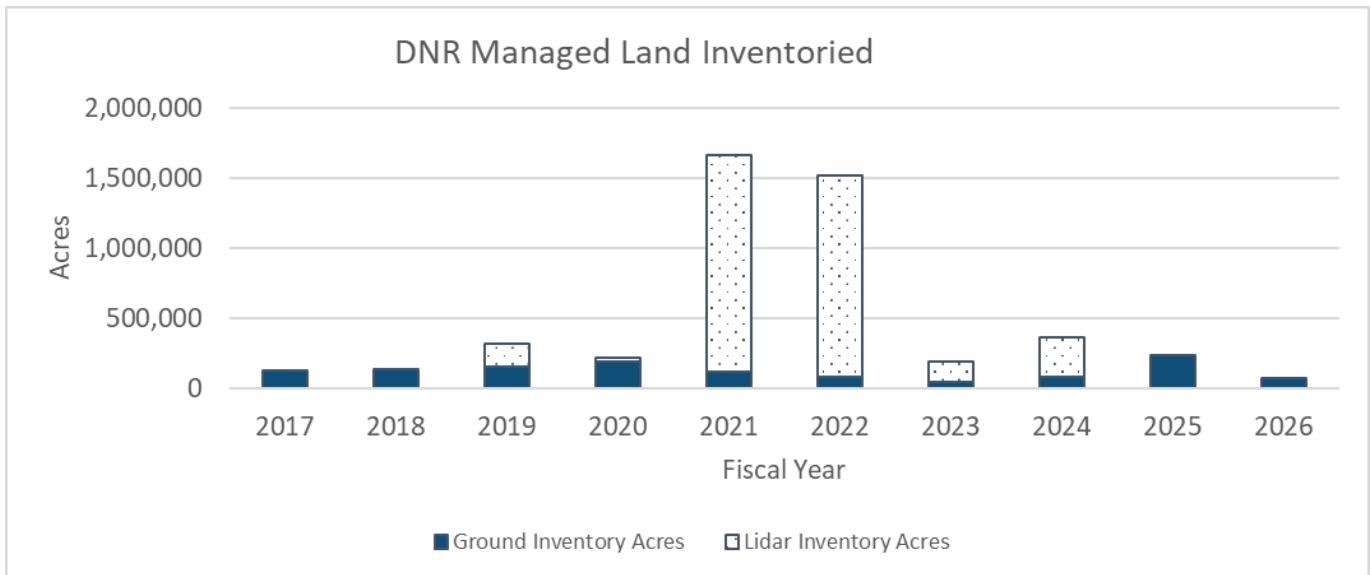
RESULTS

Part A: Performance Data

Quantity Performance Measure: Acres of DNR Managed Forest Land Inventoried

The DNR's forest inventory provides detailed information about species, volume, and condition of trees across Minnesota to help land managers understand how forests are changing over time and support informed, sustainable decision-making. By combining advanced remote-sensing technology (lidar) with precise plot-based ground measurements, the DNR creates high-resolution forest data across Minnesota's 17.4 million acres of diverse and evolving forest landscapes. This modernized approach allows for advanced analysis of tree density, forest changes, and carbon storage, which are critical in understanding options for climate change mitigation, sustainable forest management, and forest health and invasive species response across all forests in the state.

Statewide lidar collection occurs approximately every 10 years and is followed by ground plots to create companion data sets to inform and pair with lidar data. Since the initial lidar cycle beginning in FY2021, the DNR has updated inventory on 75% of DNR-managed lands. The DNR's progressive, lidar-based approach will reduce from the previous 20-year inventory cycle to a 10-year cycle creating an up-to-date statewide forest inventory that costs 50% less than the previous method while boosting confidence and accuracy in forest management planning and decision making.



Quantity Performance Measure: Acres of DNR-Managed Forest Lands Offered for Timber Permits to Achieve Landscape-Level Forest Management Goals

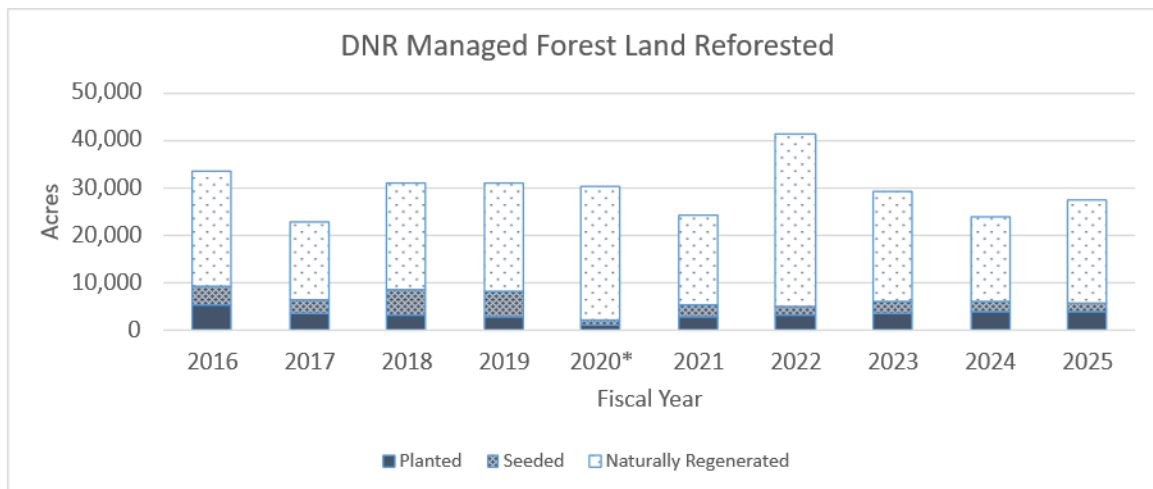
The DNR manages for multiple forest benefits over time, with recognition that “optimal balance” varies across different lands managed by the DNR. Forest benefits include wildlife habitat, biodiversity, wood supply and healthy natural resource economies, carbon storage, recreation, and water quality and quantity. Different tree species and forest cover types, along with young, intermediate, and mature forests, each provide different benefits. Thus, it is important to maintain diverse forests with a mix of forest ages across the landscape.

Timber harvest, in many cases, is a cost-effective approach for initiating the disturbance necessary to create and maintain diverse forests. Not all timber harvests are the same; while some are final harvests followed by tree planting or natural regeneration, others are thinnings designed to remove select trees to promote growth of other trees, create habitat openings, address forest health considerations, and advance other management goals. The extent of disturbance achieved by a harvest can be measured in the amount of timber offered for sale that is ultimately sold and harvested. On average, 30,000 of the 5 million acres of forestland managed by the DNR are offered for harvest each year. While timber harvest only impacts less than one percent of DNR-managed lands annually, it is an important tool to help the DNR achieve its mandate to sustainably manage the state’s forest resources to achieve economic, environmental, and social goals (M.S. 89A) in support of other natural resource laws and land statutes.



Quantity Performance Measure: Acres Reforested of DNR Managed Forest Land

To meet sustainability and conservation objectives and comply with state law, the DNR must reforest harvested sites. Reforestation is also needed on sites damaged by catastrophic disturbances such as wildfires, storms, drought, pests, or disease. Reforestation approaches include planting seedlings, spreading seed and, where possible, tending forest as it grows back on its own (natural regeneration). In addition to reforesting state lands, the DNR provides technical and financial support (via cost-share and grants) to Tribal, county and private forest landowners, as well as to Minnesota communities. Enhancing reforestation efforts across all landowner groups provides carbon storage, water quality, clean air, wildlife habitat, and other environmental and economic benefits.



**2020 totals were adversely affected by the COVID-19 pandemic*

Part B: Evidence of Effectiveness

The DNR's Forestry Division highly values evidence-based research to inform our work and decisions to support healthy, vibrant forests for all Minnesotans today and tomorrow. The DNR applies active forest management and reforestation strategies, cutting-edge inventory monitoring, and private landowner assistance approaches grounded in Minnesota-specific research to create diverse forests that provide diverse benefits. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the forest management activity comes from Minnesota Statutes:

88 (<https://www.revisor.mn.gov/statutes/?id=88>)

89 (<https://www.revisor.mn.gov/statutes/?id=89>)

89A (<https://www.revisor.mn.gov/statutes/?id=89A>)

90 (<https://www.revisor.mn.gov/statutes/?id=90>)

103B-H (<https://www.revisor.mn.gov/statutes/part/WATER>)

115B (<https://www.revisor.mn.gov/statutes/?id=115B>)

116G (<https://www.revisor.mn.gov/statutes/?id=116G>)

Program: Forestry**Activity: Firefighting**<https://www.dnr.state.mn.us/forestry/>**AT A GLANCE**

- Protect people, property, and natural resources by responding to an average of 1,091 wildfires per year, averaging 26,430 acres per year (based on 20-year average)
- Issue approximately 70,000 burning permits annually
- Respond in 20 minutes or less to wildfires where the DNR is the first responder
- Maintain 18 county and local Community Wildfire Protection Plans (CWPP) through the Firewise program to help 633 communities reduce wildfire risk and potential impacts
- Coordinate emergency response activities and equipment, and maintain cooperative agreements with national, state, Tribal, and local partners
- Provide reimbursable, out-of-state firefighting assistance through the Minnesota Interagency Fire Center and mutual aid agreements

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) provides wildfire protection for 45.5 million acres of public and private land. This includes:

- Protecting against loss of life
- Reducing property loss and damage to natural resources
- Responding to fire and natural disaster emergencies in Minnesota and cooperating with federal and regional firefighting organizations by staffing national fire incidents through established mutual aid arrangements
- Preventing wildfires through education, regulation, and a burning-permit system
- Administering prescribed burning for the department and using prescribed fires to reduce burnable materials in natural areas

Wildfire is a natural part of the environment; however, it can cause significant damage. Wildfire protection is critical to protecting people, property, and natural resources in rural and suburban areas. The DNR's protection efforts serve residents, landowners, businesses, rural fire departments, other emergency response partners, and natural resource managers.

State authority over wildfire management began in the early 1900s, after devastating wildfires destroyed Hinckley, Baudette, Chisholm, and Cloquet. Minnesota law mandates that the DNR suppress wildfire throughout the state. Since 1976, the Legislature has made appropriations to ensure funds are available to meet Minnesota's preparedness and suppression needs.

SERVICES PROVIDED

The DNR protects against the loss of life, property, and natural resources from wildfire and enhances natural resource management through:

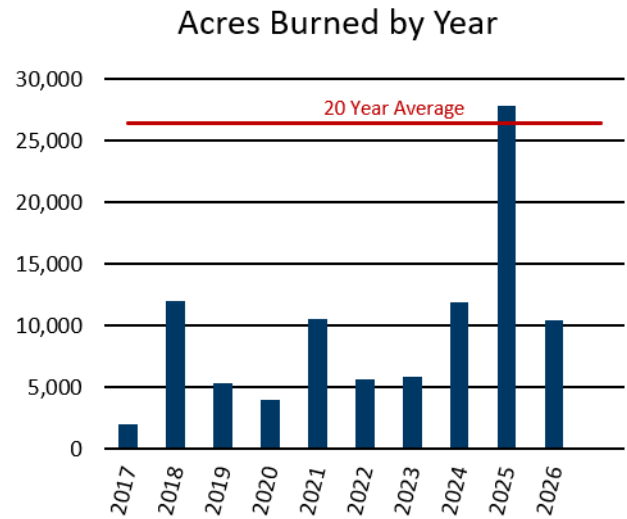
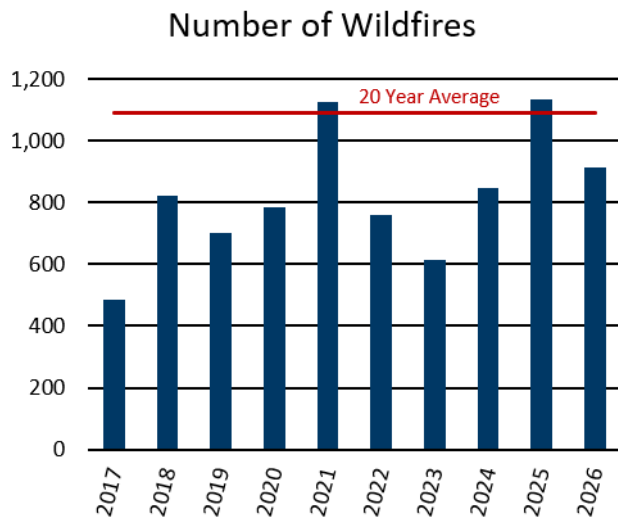
- **Prevention**—Providing educational information and activities, regulating open burning; enforcing state wildfire and open-burning laws; investigating wildfire arson; and helping residents, developers, and local officials identify and reduce the risk of wildfires around homes and communities through the Firewise program
- **Pre-suppression**—Training firefighters and support personnel, operating the Minnesota Interagency Fire Center, maintaining partnerships and aid agreements with other fire protection agencies, tracking and positioning specialized ground and aerial suppression equipment across the state for efficient response, and maintaining an emergency communications network
- **Suppression**—Using trained firefighters, support personnel, public reports, and aerial and ground-based equipment to locate wildfires, control the spread of and extinguish wildfires to minimize damage; cooperating and coordinating with law enforcement agencies and fire departments for evacuations and structure protection; and participating in national and international fire mobilizations with firefighting resource agreements
- **Prescribed burning**—Using fire intentionally to prepare sites for reforestation; improve wildlife habitat; maintain natural plant communities; reduce the risk and severity of wildfires; provide valuable fire suppression training; and control insects, diseases, and invasive plants

RESULTS

Part A: Performance Data

Quantity Performance Measure: Number of wildfires and acres burned per year

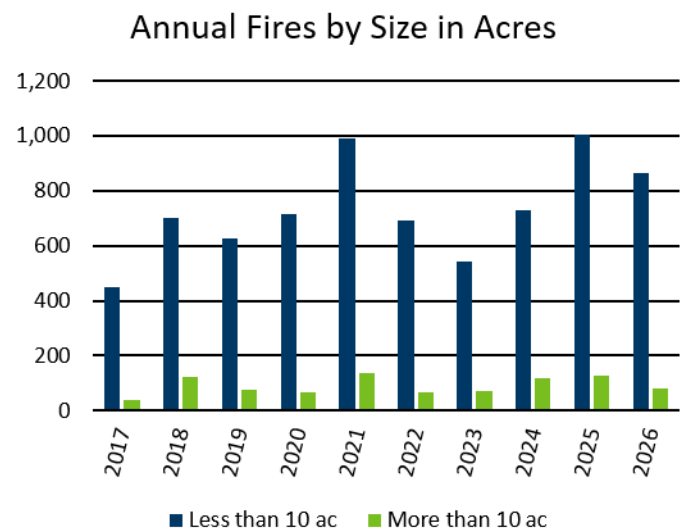
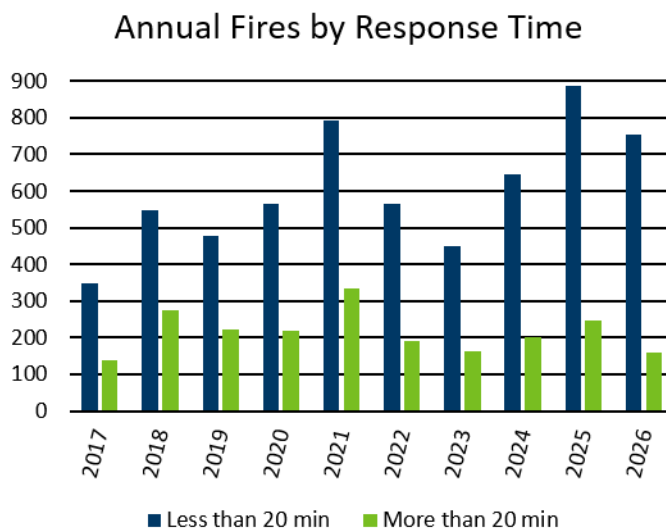
Wildfire risk levels relate to the weather and other underlying conditions. The need for wildfire protection can vary from year to year and workloads increase significantly when weather patterns are dry. In 2025 and 2026, drought continued and intensified across northern Minnesota, with corresponding increased wildfire risk culminating in several large wildfires in May 2026, including the Flanders and Stewart Trail fires. Although the number of fires in FY2025 and FY2026 were close to the 20-year average, the wildfire risk in the latter half of FY2025 and all of FY2026 was elevated. The DNR's wildfire prevention, preparedness, and quick-response efforts were key contributors in keeping many ignitions from becoming larger fires. Although the current fiscal year, FY2027, is not yet captured in the charts below, substantial wildfire activity has occurred including more than 73,000 acres burned as of August 1, 2026, significantly above the 20-year average.



Quality Performance Measure: Wildfire Size and Response Times

The DNR employs a strategy of responding aggressively to fire starts with the goal of quickly containing the fire. This strategy is key to the success of the DNR’s wildfire suppression efforts. The DNR aims to respond to wildfires quickly (within 20 minutes of report) and keep them small—less than 10 acres. Over the last 10 years, the DNR has responded to 72% of wildfires within 20 minutes on average, and 90% of fires were kept under 10 acres. Once a wildfire escapes an initial attack, suppression costs and damages can increase rapidly.

Maintaining a highly skilled and experienced firefighter workforce and pre-positioning equipment is critical to ensuring quick and effective response, as well as reducing overall suppression costs. The graphs below illustrate the DNR’s timely response rate and overall low wildfire size even in periods of high wildfire risk when fires spread faster, burn hotter, and are more likely to result in significant impacts.



Part B: Evidence of Effectiveness

For wildfire, keeping Minnesotans safe is the DNR's top priority. To protect people, property, and natural resources, the DNR employs evidence-based research to guide our work in effective wildfire prevention education, understanding wildfire risk, and wildfire suppression response. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the firefighting activity comes from Minnesota Statutes:

88.01-88.46 (<https://www.revisor.mn.gov/statutes/?id=88>)

Program: Parks and Trails**Activity: Parks and Trails Management**https://www.dnr.state.mn.us/parks_trails/**AT A GLANCE**

- Operate and maintain 64 state parks, nine state recreation areas, nine state waysides, and 29 state forest day-use areas
- Maintain more than 1,500 miles of state trails and 3,400 miles of hiking/biking/motorized trails in state parks, recreation areas and forest lands, and manage 22,300 miles of snowmobile trails
- Operate and maintain 160 campgrounds with more than 5,000 campsites, including 102 campgrounds within state parks, 53 within state forests, and five within state recreation areas
- Maintain 1,700 public water accesses, 400 fishing piers, and 35 state water trails
- Provide recreation opportunities that support the state's \$13.9 billion outdoor recreation economy, which contributes 2.7 percent in value to the State's GDP (U.S. Bureau of Economic Analysis, 2024)
- Restore and maintain about 250,000 acres of natural lands and help preserve over 350 rare species
- Steward 45 historic districts and landmarks, over 600 historic structures and resources listed in the National Register of Historic Places, and more than 800 archaeological and cemetery sites
- Deliver 8,600 outdoor educational programs to almost 200,000 participants each year

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) aspires to create unforgettable park, trail, and water recreation experiences that inspire people to pass along the love of the outdoors to current and future generations.

State parks and trails improve the lives of Minnesotans by connecting them to nature, supporting mental, emotional, and physical health, strengthening local communities and economies, and conserving Minnesota's special places and resources. The importance of state parks and trails to Minnesotans was demonstrated by especially high use in 2020 and 2021. Ongoing numbers of visits to state parks and trails have since remained strong and above historic averages.

The DNR serves Minnesotans and out-of-state visitors alike. There is a state park, trail, recreation area or forest campground within 30 miles of most people in the state. The DNR serves:

- 11.5 million state park visitors each year (85 percent of whom are Minnesotans), including 1.15 million overnight visitors
- 2.3 million state trail visitors (90 percent of whom are Minnesotans)
- Recreational users of the 188,000 snowmobiles, 347,000 off highway vehicles, and 780,000 watercraft registered in Minnesota
- Local communities, whose economies benefit from \$740 million in state park visitor spending and \$84 million in state trail visitor spending each year (Minnesota State Park Visitor Survey, 2022 and Minnesota State Trail Visitor Survey, 2024).

SERVICES PROVIDED

The DNR's parks and trails work falls into four major categories.

The DNR connects people to the outdoors through state parks, trails, forest recreation areas, and water recreation. DNR naturalist and outreach programs serve both experienced and beginner outdoor enthusiasts. Skill-building programs enable first-timers to explore the outdoors in a safe, engaging way. Outdoor enthusiasts enjoy innovative facilities, services, and amenities, and popular recreational opportunities like hiking, camping, mountain biking and paddleboarding. Several state parks and trails have won national awards in the last decade, including Gooseberry Falls State Park being named the country's best state park by USA Today in 2026.

The DNR acquires land and creates new recreational and conservation opportunities. Acquisition and development efforts focus on conserving the state's rich natural and cultural history and meeting future recreation demand. The DNR plans ahead to meet the emerging needs of outdoor enthusiasts and uses technology to attract and retain outdoor recreation users. Recent projects to enhance recreation accessibility include expanding all-terrain track chairs in state parks, accessible campsites, adaptive bike trails, and audio and sensory visitor center exhibits for people with vision impairment. Other projects include new shore-fishing facilities and acquisitions of key state park inholdings.

The DNR takes care of facilities and outdoor infrastructure and the people it serves. Visitors want high-quality customer service, facilities, and amenities. With this in mind, the DNR improves aging infrastructure and reinvigorates visitor services. The DNR is also updating and improving Minnesota's aging outdoor recreation system. This includes modernizing camping and related infrastructure as well as boat accesses. The DNR also manages unique natural resources for public enjoyment and long-term conservation.

The DNR works with partners. The DNR connects with outdoor recreation partners to provide a seamless outdoor recreation system at the local, regional, state and federal level. About 25 percent of the parks and trails budget is devoted to grant programs that pass funding through to local governments to provide near-home outdoor recreation opportunities (see Parks and Trails Community Partnerships narrative).

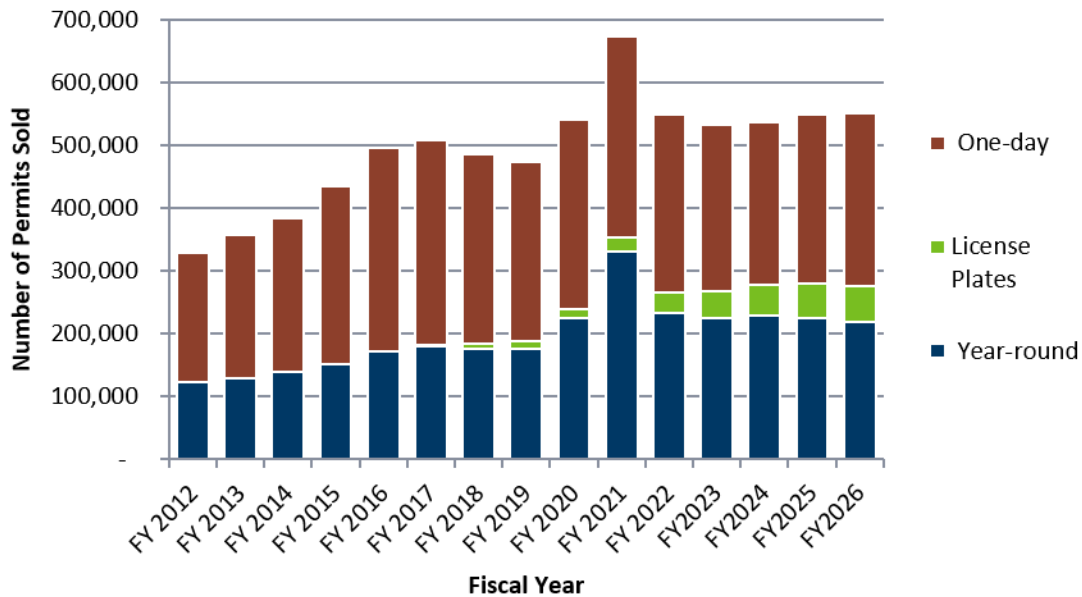
RESULTS

Part A: Performance Data

Quantity Performance Measure: Number of State Park and Recreation Area Vehicle Permit Sales

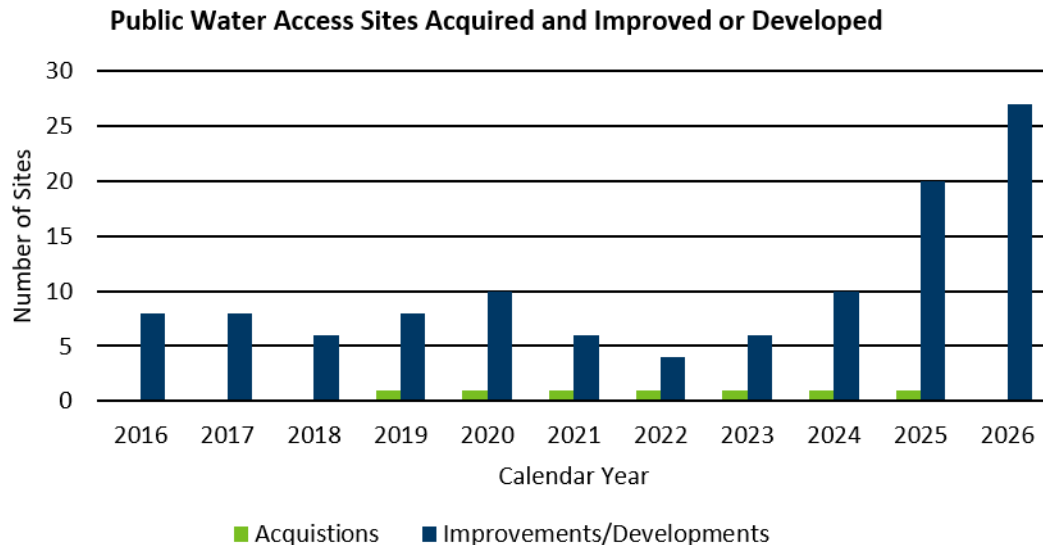
The popularity of state outdoor recreation is on the rise, as illustrated by the increase in state park and recreation area vehicle permits and license plate sales (below). State parks and trails are crucial in supporting healthy communities. State park vehicle permit sales in fiscal years 2020 and 2021 were record-breaking. While more recent sales volume has decreased from that peak, they continue to remain strong. For example, vehicle permit sales were 67 percent higher in fiscal year 2026 than they were in Fiscal Year 2012, and Parks and Trails license plate sales have grown to more than 57,000 annually.

Minnesota State Parks and Recreation Area Permits Sales



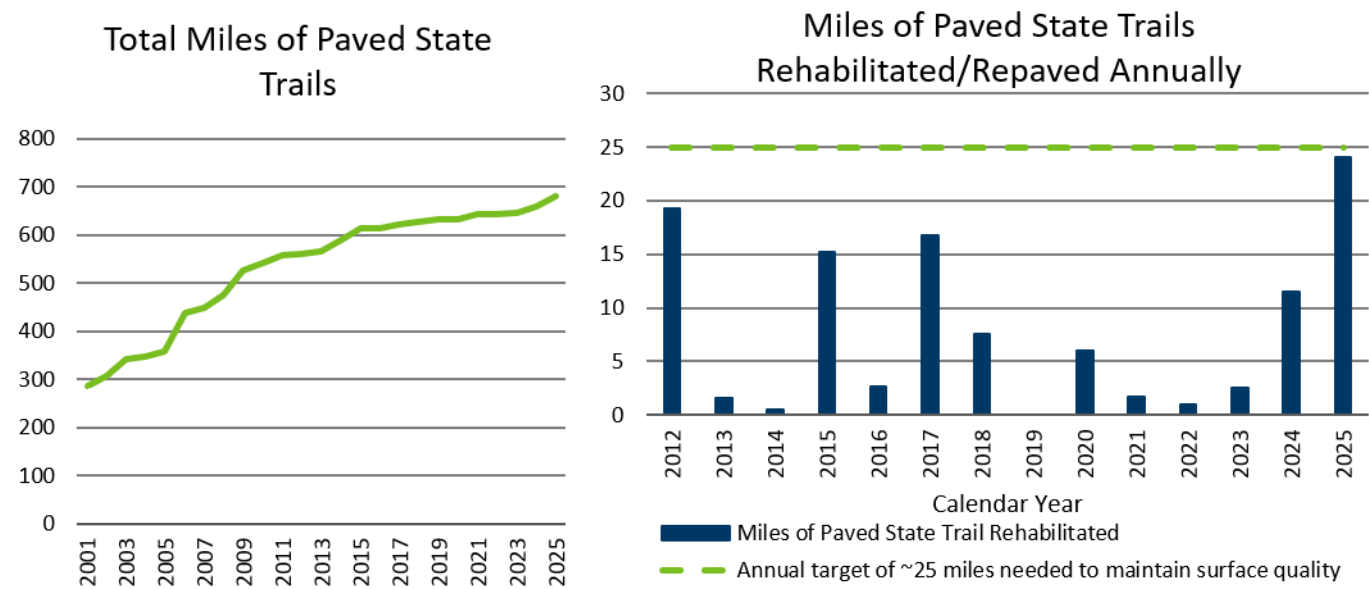
Quantity Performance Measure: Number of Public Water Access Sites Acquired, Developed, or Improved

The DNR acquires, develops, and maintains/improves public water accesses for recreational boating, paddling, and angling opportunities. Program focus has shifted from acquiring new public water access sites to developing and improving existing sites. The major goals of the program are to enhance public safety, increase accessibility, reduce stormwater runoff, and provide aquatic invasive species (AIS) boat-cleaning areas. Improvements on public water access sites from Get Out MORE funding has allowed for significant increase in projects, accelerating this work, which continues through 2029.



Quantity Performance Measure: Miles of Paved State Trails and Miles Rehabilitated/Repaved

Miles of paved trails for bicycling and other uses have more than doubled since 2000, increasing from 271 in 2000 to 681 in 2025. The expanding state trails system provides social, health and economic benefits to local communities.

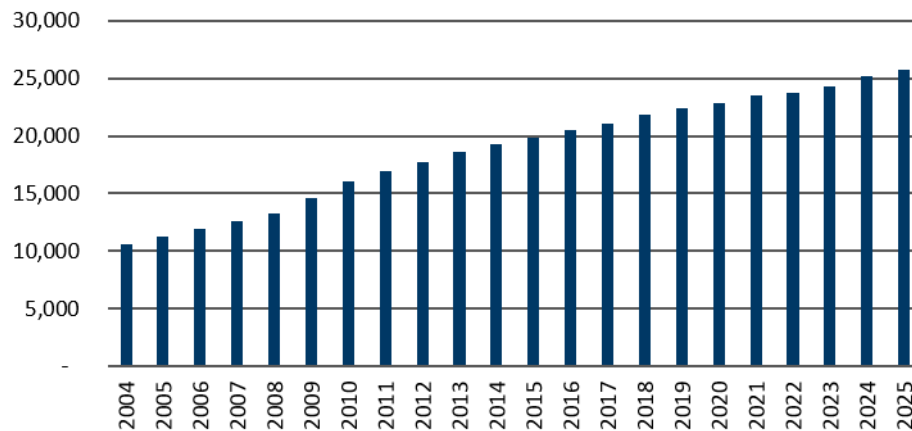


The growth of the state trail system has placed pressure on DNR’s resources for operation and maintenance of existing trails. Regular maintenance helps increase visitor satisfaction, keeps trails accessible and safe, and decreases rehabilitation costs. The annual deferred maintenance catch-up need (2025-2033) for DNR trails is \$33 million (DNR 10-year Capital Asset Need Report, 2025).

Results Performance Measure: Acres of Ecological Restorations in State Parks

The DNR protects, restores and maintains native plant communities and wildlife in state parks through active management. The DNR conducts ecological restorations, prescribed burns, and invasive species management activities on about 20,000 acres every year. Since 2004, 16,000 acres of prairies, wetlands, and forests have been enhanced, with the goal to restore/enhance an additional 5,400 acres by 2034.

Cumulative Acres of Ecological Restorations in State Parks



These measures illustrate just a handful of the outcomes the DNR achieves through its parks and trails management and operations. More measures and trends can be found at: State Parks and Trails Studies (<http://www.dnr.state.mn.us/aboutdnr/reports/pat/index.html>)

Part B: Evidence of Effectiveness

The DNR uses evidence-based practices to ensure the effectiveness of parks and trails management, including visitor participation and satisfaction, stewardship of state lands, and sound management of outdoor recreation assets (e.g., campgrounds, buildings, trails, and public water accesses). The DNR conducts visitor surveys on a regular schedule to understand who visits state parks and trails, inform critical management decisions, and plan for the future. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the Parks and Trails Management Budget Program comes from Minnesota Statute: 86A.05 (<https://www.revisor.mn.gov/statutes/?id=86A.05>)

Program: Parks and Trails**Activity: Community Partnerships**<https://www.dnr.state.mn.us/grants/recreation/>**AT A GLANCE**

Delivered 374 grants in FY26 totaling \$29.6 million to local governments and organizations for parks and trails, including:

- 70 grants for acquisition and development of local and regional parks and trails
- 177 grants for snowmobile trail maintenance and grooming
- 90 grants for off-highway vehicle trail development and maintenance
- 37 grants for ski trail maintenance and grooming

Aid in the development of local trail systems throughout Minnesota by administering grants to volunteer organizations. These trails systems currently include:

- 21,500 miles of snowmobile trails
- 3,300 miles of off-highway vehicle trails
- 640 miles of cross-country ski trails

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) provides grants to organizations and local governments to help create and maintain parks and trails across Minnesota. These local and regional parks and trails complement the state system, creating a seamless system of outdoor recreation that expands Minnesota's outdoor recreation opportunities and contributes to community well-being.

Community partnerships benefit:

- Community members who spend time in local and regional parks and trails and experience the health and wellness benefits these spaces provide
- Recreational users of the 188,000 snowmobiles and 347,000 off-highway vehicles (OHVs) registered in Minnesota, as well as the about 7,400 cross-country ski passes purchased in 2026

Community parks and trails partnerships help support thriving local economies. Outdoor recreation contributes 2.7 percent in value to the State's GDP (U.S. Bureau of Economic Analysis, 2024) and generates \$13.9 billion for Minnesota's economy. Local and regional parks and trails are an important part of the state's outdoor recreation system.

SERVICES PROVIDED

The DNR provides grants to local governments and organizations for parks and trails acquisition, development, rehabilitation, grooming, maintenance, and operations. These grants are provided via a variety of grant programs focusing on outdoor recreation, regional parks and trails, and local trail connections, as well as grant-in-aid (GIA) programs for snowmobile, off-highway vehicle, and cross-country ski trails. The DNR also distributes federal funding from programs such as the Federal Recreational Trail Program and the Land and Water Conservation Fund.

The DNR's grant administration services include managing the grant programs, providing information and customer service to grant recipients, ensuring a fair and efficient process for awarding grants, ensuring financial accountability and desired outcomes, and building partnerships with local, regional, state, and federal programs.

RESULTS

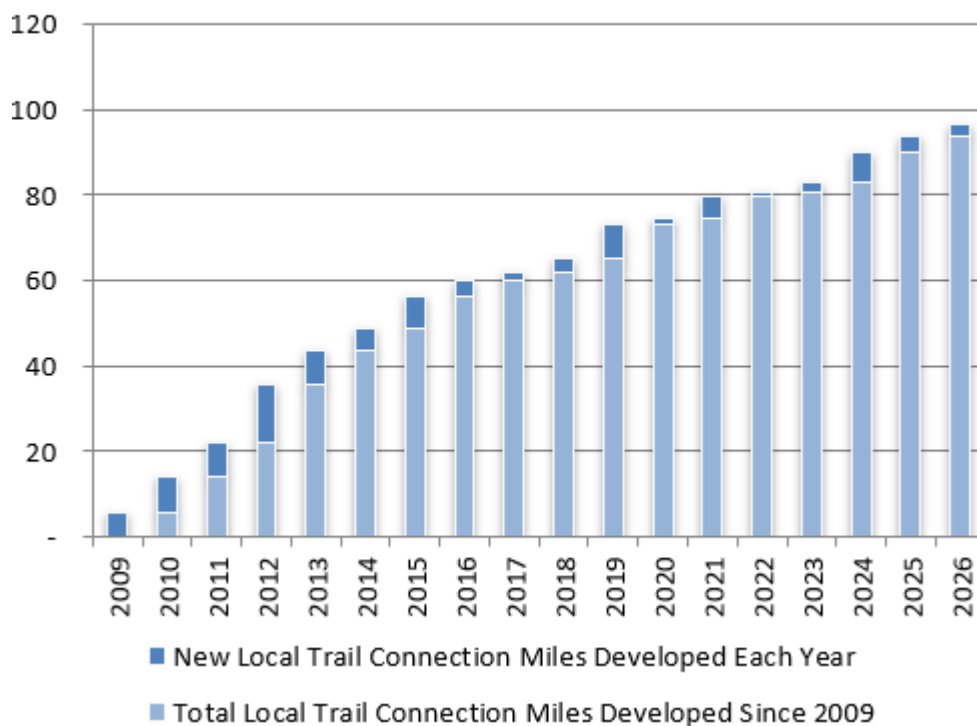
Part A: Performance Data

Quality Performance Measure: New Local Trail Connections

The Local Trail Connections Program supports connecting people to trails. These trail segments are often relatively short in length, but crucial to creating a seamless trail system that meets local needs. Many of these segments connect a trail corridor to where people live (such as residential areas within cities or entire communities) or to significant public resources (such as historical areas, parks and/or other trails). In this way, the Local Trail Connections Program enhances the utility of existing trail systems and Minnesotans' access to trail-based recreational opportunities.

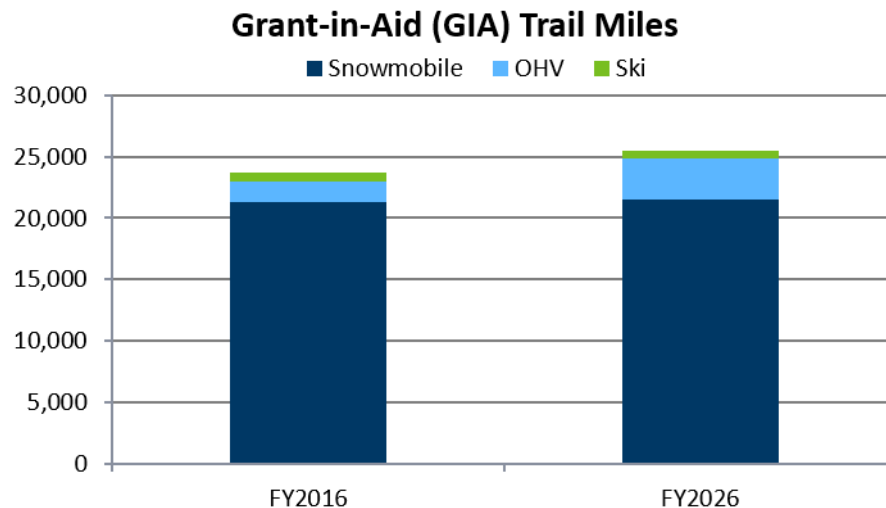
Since 2009, about 96 miles of new local trail connections have been developed.

Local Trail Connections Program (2009-2026)



Quantity Performance Measure: Grant-in-Aid Trail Miles Cooperatively Developed and Maintained

The GIA trail system has grown by about 1,740 miles in recent years, from 23,700 miles in fiscal year 2016 to 25,440 miles in fiscal year 2026. The primary source of this growth is in locally initiated OHV GIA trails. This program relies on the volunteer efforts of groups or clubs with support and participation from local governments. The DNR provides financial and technical assistance and overall GIA program management. Together, the program partners develop and maintain a much larger trail system than any one group could deliver.



Part B: Evidence of Effectiveness

Grants through the Parks and Trails Community Partnerships Program provide financial support to local communities for parks, trails, and related infrastructure. These efforts are effective at leveraging additional investments in outdoor recreation infrastructure through matching funds and volunteer and in-kind contributions. There is evidence that outdoor recreation investments generate recurring economic and social returns in communities across Minnesota (Minnesota's Outdoor Recreation Industry Partnership, 2025). The DNR also ensures these funds are used effectively through best practices in grant administration and accountability. This program has not been evaluated using randomized control or quasi-experimental design methods. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the Parks and Trails Community Partnerships Program comes from Minnesota Statutes:

- 84.83 (<https://www.revisor.mn.gov/statutes/cite/84.83>)
- 84.794 (<https://www.revisor.mn.gov/statutes/cite/84.794>)
- 84.803 (<https://www.revisor.mn.gov/statutes/cite/84.803>)
- 84.927 (<https://www.revisor.mn.gov/statutes/cite/84.927>)
- 85.019 (<https://www.revisor.mn.gov/statutes/cite/85.019>)
- 85.43 (<https://www.revisor.mn.gov/statutes/cite/85.43>)
- 85.535 (<https://www.revisor.mn.gov/statutes/cite/85.535>)

Program: Fish and Wildlife**Activity: Fish and Wildlife**<https://dnr.state.mn.us/fishwildlife/><https://www.dnr.state.mn.us/rfp/>**AT A GLANCE**

- Manage more than 1.4 million acres of wildlife management areas and more than 48,000 acres of aquatic management areas
- Manage fisheries in 4,400 fishing lakes and over 18,800 miles of fishable streams and rivers
- Manage more than 60 wildlife, 37 game fish, and 26 native rough fish species
- Provide quality outdoor opportunities to 1.3 million licensed anglers, 528,000 licensed hunters, more than 6,000 licensed trappers, and 1.6 million wildlife watchers
- Build local conservation capacity by providing \$11 million of outdoor heritage funds to nonprofit organizations or local governments through competitive matching grants
- Manage 2.5 million license sales transactions for hunting, fishing, and other activities, and 1.3 million registrations for recreational boats and vehicles

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) strives to sustain healthy populations of fish and wildlife, high quality recreational opportunities, and vibrant local economies. The DNR manages fish and wildlife populations, their habitats, and use of these public resources, including fishing, hunting, and trapping. The DNR provides licensing and recreational vehicle services through use of the Electronic Licensing System (ELS) in an efficient and cost-effective manner, including web, telephone, and mobile-device options. To fulfill this work, it also supports licensing agents and deputy registrars throughout the state.

The DNR provides information on hunting and fishing seasons and harvest regulations to the public through webpages, printed regulations booklets in five languages, as well as newsletters and news releases. We introduce hunting and fishing to new participants through programs ranging from Learn-to-Hunt and Learn-to-Fish to capacity-building grants for partner groups delivering programs. In partnership with conservation organizations and volunteers, the DNR protects and restores natural lands, lakes and streams, monitors harvested species, and promotes the state's diverse hunting, fishing, and trapping traditions. Hunters, anglers, wildlife viewers, photographers, and the public benefit from diverse and abundant wildlife, accessible public lands, and high-quality recreational experiences.

Access to natural lands and participation in outdoor recreation benefits personal health and Minnesota's economic health. Fish and wildlife activities in Minnesota support the state's \$13.9 billion outdoor recreation economy (U.S. Bureau of Economic Analysis, 2024).

SERVICES PROVIDED

The DNR organizes its fish and wildlife work across four categories.

Monitor and manage fish and wildlife populations. To ensure sustainable fish and wildlife and to provide high quality fishing, hunting, trapping, and wildlife watching opportunities, the DNR monitors and manages fish and wildlife populations for the benefit of the public by:

- Conducting surveys to 1) monitor fish and wildlife population trends; 2) inform management decisions, including harvest regulations; and 3) assess values and attitudes of anglers, hunters and landowners and evaluate changes in participation and resource use
- Using research to understand and predict changes in fish and wildlife populations and to inform management decisions
- Raising and stocking walleye, muskellunge, northern pike, trout, and other fish species to enhance or restore fish populations in lakes and streams or to establish new fishing opportunities
- Monitoring and managing diseases to reduce risk of outbreaks and high fish and wildlife losses
- Reducing human-wildlife conflicts by helping property owners and agricultural producers prevent or mitigate wildlife-caused damage

Protect, restore and enhance key fish and wildlife lands. To help sustain healthy, productive fish and wildlife populations, the DNR protects, restores, and enhances key fish and wildlife lands by:

- Managing more than 1.4 million acres of wildlife and aquatic habitat
- Contributing to improved habitat management on public and private lands through technical and financial assistance
- Acquiring lands through purchase or donation to add high-priority parcels to the system's land base
- Acquiring conservation easements on quality trout streams to provide angler access and habitat restoration opportunities
- Conducting prescribed burns and removing woody vegetation to enhance grasslands and prairies, restoring and enhancing wetlands, managing forest stands, conducting wildlife lake assessments, and protecting and enhancing aquatic habitats
- Providing public awareness of and access to state lands through posting boundaries, providing parking lots and walking trails, and providing maps (digital and paper) and other user information
- Enhancing accessibility at wildlife management areas through the Get Out MORE investments

Connect people to the outdoors through hunting, fishing and engagement. Public understanding and support are critical to healthy environments. The DNR is committed to stakeholder engagement through webinars, roundtables, workshops, public input, county and state fairs, customer surveys, web surveys, and other tools. The department learns about public values by listening in different forums. It works with partners to provide information and educational opportunities that encourage outdoor recreation and sustain or increase participation in fishing and hunting. This work includes mentored hunts, increasing accessibility to wildlife management areas, the National Archery in the Schools program, skills-based training, youth and women's programs, direct engagement of under-represented communities, Becoming an Outdoors Woman/Family program, and Fishing In the Neighborhood. To reach diverse communities, the DNR is now providing fishing and hunting regulations in Hmong, Karen, Somali and Spanish. In addition, the DNR manages the popular No Child Left Inside program, which provides programs to engage families and adults through direct experiences of outdoor recreation and teaches new outdoor skills.

The DNR shares large volumes of information about fish and wildlife populations, habitats, and recreational opportunities. This information is communicated through print media, the DNR website, social media, mobile devices, and video.

Administer hunting and fishing licenses and recreational vehicle titles and registrations. The DNR is responsible for the development, implementation, and maintenance of a statewide electronic licensing system (ELS). The DNR launched a new ELS in June 2026, which provides easy access for outdoors enthusiasts to purchase hunting and fishing licenses in-person, online, or through a mobile phone-based app. This makes it easier for customers to buy licenses, register their harvests, and sign up for safety training. Commercial licenses are issued for businesses such as minnow dealers, game farms, and shooting preserves, and the DNR manages the lottery system for turkey, antlerless deer, bear, and elk licenses.

The DNR issues all watercraft registration and titles and administers the registration of all-terrain vehicles (ATVs), snowmobiles, off road vehicles (ORVs), and off-highway motorcycles (OHMs) through the web-based ELS, serving customers in person and online.

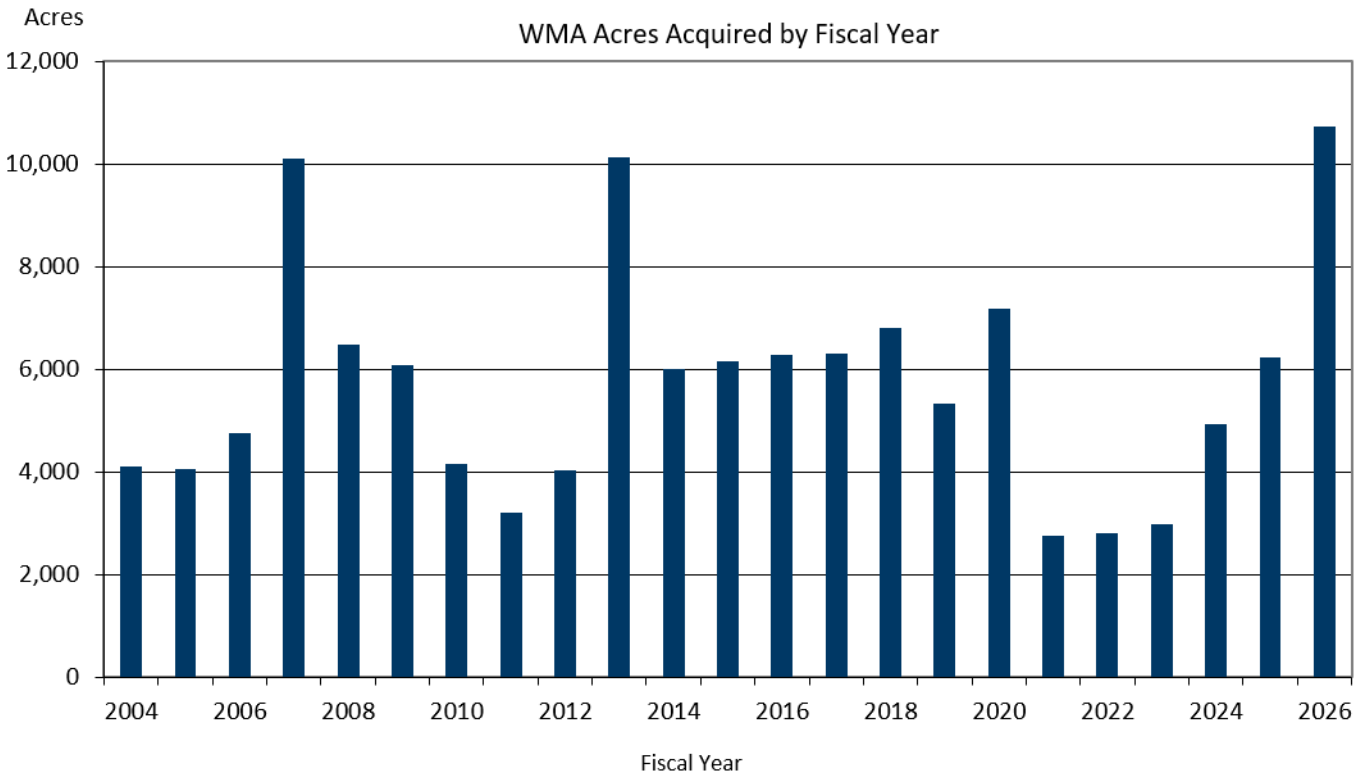
The DNR has a walk-in service counter in St. Paul that provides service to customers for all types of licenses, registration, and titling transactions.

RESULTS

Part A: Performance Data

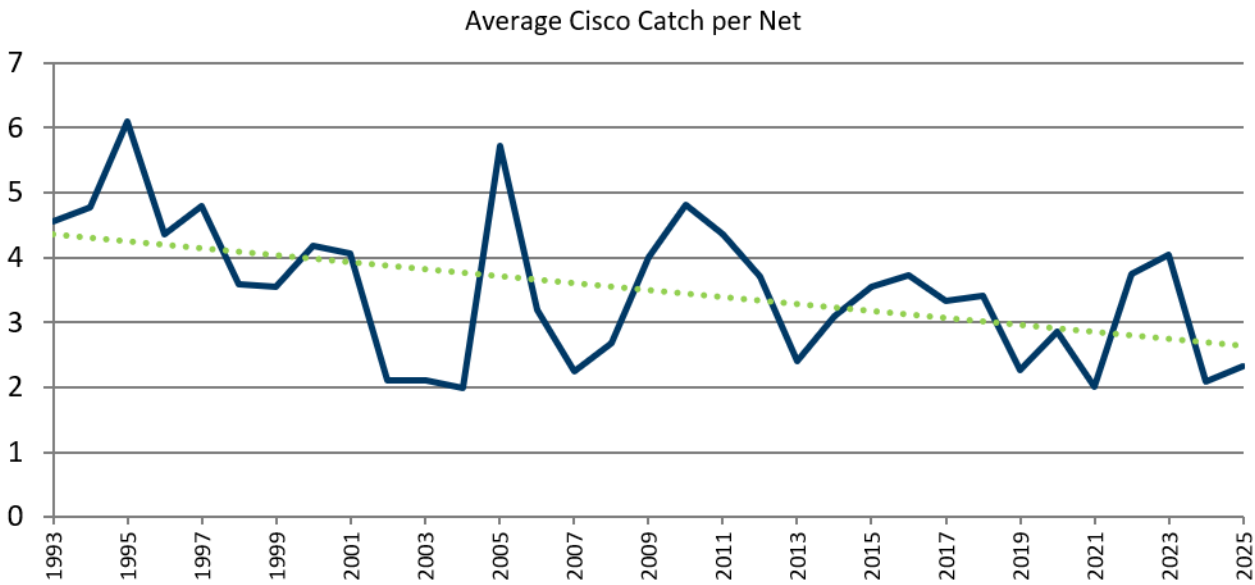
Results Performance Measure: Acres Protected in Wildlife Management Areas

The Wildlife Management Area (WMA) system serves as the backbone of the DNR’s wildlife program. WMAs provide for public recreation and wildlife production and ecological benefits, such as carbon and water storage. With partners, the DNR generally acquires between 3,000 and 6,000 acres of WMA land each year. Acres acquired in 2026 reflect a multiyear project between DNR, non-profit partners, Lessard-Sams Outdoor Heritage Fund, and county governments to protect northern forest lands.



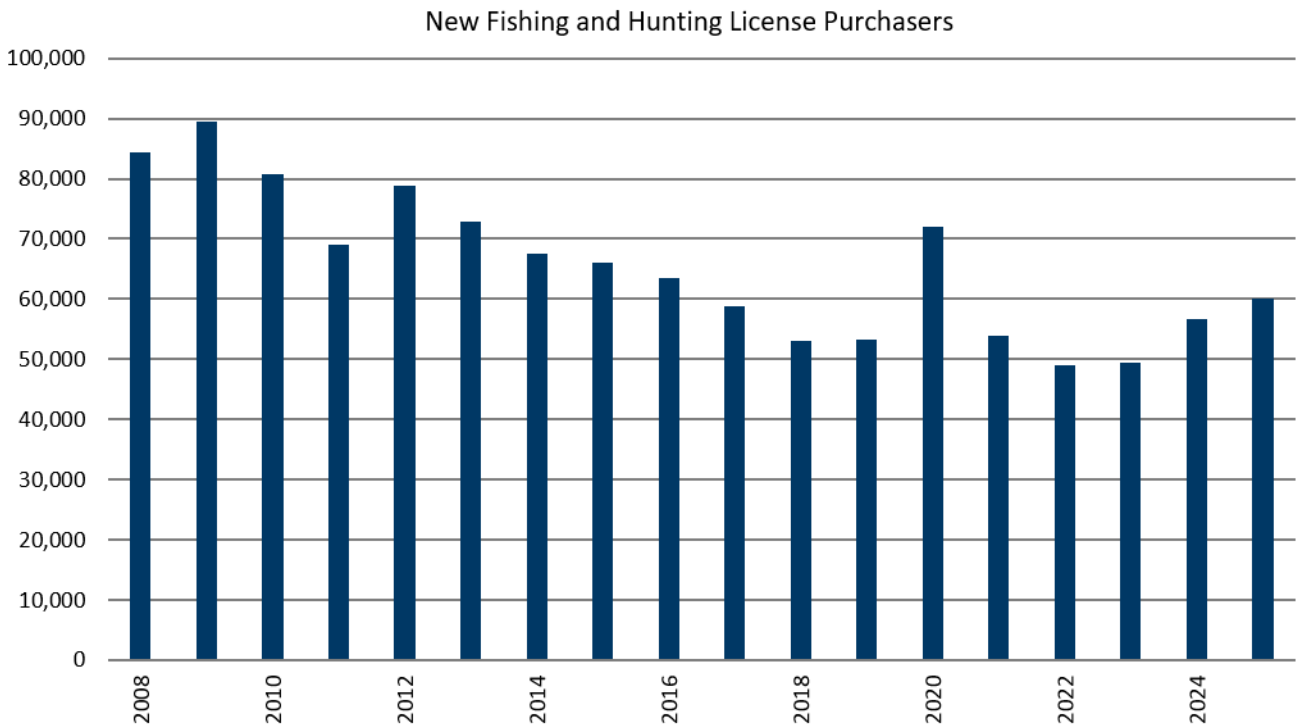
Results Performance Measure: Cisco Catch per Net Since 1993

Cisco (or tullibee) are an important forage fish for walleye, northern pike, and muskellunge. Cisco are an early indicator of environmental changes impacting cool water lakes due to their sensitivity to water temperatures and oxygen levels.



Quantity Performance Measure: New License Purchases

Angling and hunting activities directly fund state fish and wildlife management through license purchases and federal equipment excise taxes. Outreach efforts focus on recruiting and retaining hunters and anglers to support healthy fish and wildlife populations, habitat, and recreation.



Part B: Evidence of Effectiveness

The DNR uses evidence-based practices to sustain healthy fish and wildlife populations, enhance outdoor recreation opportunities, and support strong local communities. Its work is guided by scientific research, structured monitoring, and transparent decision-making that ensure programs are adaptive, effective, and grounded in the best available information. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the Fish and Wildlife program comes from Minnesota Statutes:

17 (<https://www.revisor.mn.gov/statutes/?id=17>)
84 (<https://www.revisor.mn.gov/statutes/?id=84>)
84C (<https://www.revisor.mn.gov/statutes/?id=84C>)
84D (<https://www.revisor.mn.gov/statutes/?id=84D>)
86A (<https://www.revisor.mn.gov/statutes/?id=86A>)
97A (<https://www.revisor.mn.gov/statutes/?id=97A>)
97B (<https://www.revisor.mn.gov/statutes/?id=97B>)
97C (<https://www.revisor.mn.gov/statutes/?id=97C>)
103G.301-315 (<https://www.revisor.mn.gov/statutes/cite/103G>)

Program: Enforcement**Activity: Enforcement**<https://www.dnr.state.mn.us/enforcement/index.html>**AT A GLANCE**

- Provide outreach, safety education training, and law enforcement related to our state's natural resources across Minnesota in collaboration with local, Tribal, state, and federal partners
- Engage in more than 500 public outreach opportunities annually
- Certify more than 51,000 students annually in safety education programs by working with 6,000 volunteer instructors across the state
- Administer nearly 300 annual state and federal grants to user groups and local law enforcement partners for outreach, safety education, and enforcement of motorized recreational vehicle laws and regulations
- Work with more than 100 nonprofit shooting sports organizations to increase capacity for high-school shooting sports and recreational shooting through infrastructure improvements and expansions
- Provide 1,200 hours of flight operations to support public safety and resource management, including fish and wildlife surveys and censuses, forestry assessments, wetland protection, and water quality/shoreline management

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) provides the primary conservation law enforcement in the state. The Enforcement Division plays an important role in connecting people to the outdoors and conserving and enhancing Minnesota's natural resources by providing outreach, safety training, and law enforcement throughout the state. Protecting public safety in the outdoors has been the division's highest priority since it was established in 1887, and its role in protecting natural resources has grown from traditional game and fish enforcement to broader natural resource protection responsibilities that affect natural systems, quality of life, and economic sustainability now and into the future. It achieves compliance with laws and regulations through outreach, safety education, and law enforcement.

Enforcement's strategic plan addresses how it will accomplish its work in a changing context. A decline in revenue for some recreational motor vehicle accounts and historical downward trends in fishing and hunting license sales are affecting traditional funding sources for enforcement activities related to these areas. At the same time, there are increasing demands for enforcement related to invasive species, water quality and quantity, and other natural resource protection laws. Additionally, the number of users of natural resources who do not directly pay for those experiences (such as hikers, mountain bikers, and photographers/bird watchers) has increased markedly. Whether people are required to have licenses or permits for the ways they enjoy the outdoors, conservation officers remain committed to helping all people do it safely, legally, and with preservation of the resources in mind.

In recent years, the division has created, expanded, and modified specialty units to meet the current needs of the state. The division has a nine-member K9 Unit – the largest since its inception – that allows conservation officers to apprehend game and fish poachers effectively, helps slow the spread of invasive species by detecting zebra mussels, and assists our partner agencies in solving crimes and locating lost people. A new Marine Unit maintains a visible presence on Minnesota's busiest waterways to keep them safe, assists local agencies in locating victims of drowning and water-related accidents using cutting-edge technology, and handles abandoned boat investigations and removals. The division's Aviation Unit locates and rescues lost and injured people, increases the

effectiveness and efficiency of fish and game surveys and studies that inform management strategies, and provides fire detection and mapping to help fight wildfires and reduce fire-related losses.

In addition to our traditional natural resource enforcement activities, the DNR is frequently called upon to assist partnering agencies with planning and staffing law enforcement public safety responses unrelated to natural resources. This activity has placed increased demands on local and state law enforcement resources to uphold people's First Amendment rights while ensuring public safety and, as necessary, address criminal behavior. The DNR is not resourced to do this type of work through its normal funding channels and thus has had to seek reimbursement and special appropriations to pay for this work.

For more than a decade, the division has focused on hiring a workforce that more closely reflects the diverse communities across Minnesota and placed an increased focus on hiring minorities, women, people with disabilities, and recently-separated veterans. The Conservation Officer (CO) Prep program, aimed at attracting non-traditional candidates and providing them a path to obtain their required law enforcement training, has been an important part of these efforts. The division achieved most of its affirmative action goals in 2023 and strives for continued improvement. At the broader hiring level, the division, like other law enforcement agencies in Minnesota and across the nation, faces a shrinking pool of applicants as fewer people are pursuing careers in law enforcement.

The DNR has established programs to ensure its conservation officers have access to mental and physical health-related resources, because law enforcement officers encounter unique demands and stresses as part of their jobs. The DNR also has established a new mobile app for current and former conservation officers and their families to help ensure overall wellbeing. Additionally, the DNR has instituted ongoing cultural awareness training, mental health awareness training, and First Amendment rights training, and has updated its use of force training to ensure all people with whom officers come in contact are treated with the utmost courtesy, respect, and professionalism.

Conservation officers are many Minnesotans' main point of contact with the DNR and are representative of the agency as a whole. As part of the Enforcement Division's strategic plan, it continues to emphasize the importance and prioritization of community relations in its work.

SERVICES PROVIDED

Our enforcement work includes outreach, safety education and law enforcement in four main areas.

Fish and Game Education and Protection

- Work with recreational and commercial users, as well as public stakeholder groups, to protect fish and game populations through understanding of, and compliance with, applicable laws and regulations
- Deliver youth and adult hunting safety education programs
- Recruit, retain, and reactivate hunters and anglers through outreach opportunities

Recreational Safety and Enforcement

- Work with motorized and non-motorized recreational user groups to educate the public on relevant laws, responsible trail riding, and respect for private landowners
- Enforce recreational laws and regulations
- Deliver safety education regarding motorized recreational vehicle operation for children and adults

Natural Resource Protection

- Enforce regulations related to invasive species, wetland protection, water appropriation, water quality, solid waste, timber theft, and air quality
- Work with partner regulatory agencies and public stakeholder groups to educate user groups on the state's natural resource laws and regulations
- Protect Minnesota's wild animals by working to stop the spread of diseases, such as chronic wasting disease

Public Safety

- Work within the emergency management system to provide mutual aid assistance in response to disasters, search and rescue, and law enforcement needs

RESULTS

Part A: Performance Data

Quantity Performance Measure: Creating a conservation officer workforce that more closely matches Minnesota's diverse population.

In traditional and CO Prep recruiting, outreach efforts continue to increase the number of minorities, women, disabled people, and veterans in the DNR's conservation officer corps. Of the 77 individuals who have gone through our past five academies, 23 were women, 17 were people of color, 8 were disabled, and 21 were recently separated veterans.

Five most recent Conservation Officer Academies

		Female	Minority	Disability	Veteran	Total
Academy 20	Prep	3	3	0	2	7
	Traditional	1	2	1	2	6
	Total	4	5	1	4	13
Academy 21	Prep	3	1	0	4	12
	Traditional	1	2	0	0	7
	Total	4	3	0	4	19
Academy 22	Prep	2	0	2	3	7
	Traditional	2	3	0	2	7
	Total	4	3	2	5	14
Academy 23	Prep	3	1	1	3	8
	Traditional	3	1	1	3	8
	Total	6	2	2	6	16
Academy 24	Prep	3	1	1	1	8
	Traditional	2	3	2	1	7
	Total	5	4	3	2	15

Part B: Evidence of Effectiveness

The DNR's Enforcement Division carries out various activities encompassing the day-to-day compliance, education, and outreach duties of conservation officers and are budgeted in the full portfolio of conservation and public safety duties rather than by each individual activity. Its work is grounded in scientific evaluation, transparent decision-making, and rigorous monitoring to protect natural resources and support sustainable use

but has not been evaluated using randomized control or quasi-experimental design methods. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the Enforcement Program comes from Minnesota Statutes:

84.028 (<https://www.revisor.mn.gov/statutes/?id=84.028>)

84.081 (<https://www.revisor.mn.gov/statutes/?id=84.081>)

97A.201 (<https://www.revisor.mn.gov/statutes/?id=97A.201>)

103G.2372 (<https://www.revisor.mn.gov/statutes/?id=103G.2372>)

115.071 (<https://www.revisor.mn.gov/statutes/?id=115.071>)

116.073 (<https://www.revisor.mn.gov/statutes/?id=116.073>)

138.40 (<https://www.revisor.mn.gov/statutes/?id=138.40>)

626.84 (<https://www.revisor.mn.gov/statutes/?id=626.84>)

Program: Operations Support**Activity: Operations Support**<https://www.dnr.state.mn.us/aboutdnr/index.html>**AT A GLANCE**

- Provide leadership, strategic direction, operational services and coordination for the department's seven divisions and four regions to ensure efficient and effective service delivery
- Engage local governments, Tribal nations, partner organizations, stakeholder groups, and individual Minnesotans in the natural resources decisions that affect them
- Maintain strong, collaborative relationships with the 11 federally recognized Tribal Nations in Minnesota
- Lead budgeting, accounting, and fiscal reporting to ensure effective use of the department's budget
- Provide a strategy for embedding access and inclusion into the overall work of the department, including language access services, an inclusive hiring plan, diversity education and training, and the Pathways to Environment Careers program for STEM students; the program has had 78 participants since its inception in 2019
- Maintain nearly 3,000 owned or leased buildings statewide that vary in age, construction, use, and condition
- Manage nearly 5,000 pieces of land-operated fleet equipment, 1,327 watercraft, and 12 aircraft
- Provide support for the DNR website, which had over 63 million webpages viewed in FY26
- Respond to an average of 81,500 calls and emails annually received by the DNR Information Center
- Develop and distribute an average of 300 news releases annually, that inform the media about DNR achievements, programs, events, and community efforts throughout Minnesota - each news release is delivered to more than 600 reporters, newspapers, online news organizations, and TV and radio stations
- Coordinate with MN.IT Services @DNR to host 237 business-enhancing information technology (IT) applications for the DNR

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) receives departmental and regional leadership services as well as department-wide operational services from the Operations Support program. The program employs department-wide coordination and integrated decision-making, strategic goal-setting, partner and stakeholder engagement, and a commitment to operational excellence to advance the DNR's mission and serve Minnesotans.

SERVICES PROVIDED

The DNR's Operations Support program includes both leadership services and operational services, and serves the DNR and Minnesota in the following ways:

Leadership services

- Provide leadership and direction for the department as a whole and for regional offices, which enable interdisciplinary delivery of DNR services at the local level
- Lead the development of the DNR's strategic priorities and goals
- Lead DNR efforts in government relations
- Lead consultation and collaboration with Tribal governments
- Lead ongoing efforts to ensure the DNR's workforce, programs, and services are increasingly inclusive, equitable, and accessible to all Minnesotans and visitors
- Provide legal support to DNR programs

Operational Services

- Administer financial operations and budget processes for the department, including tracking revenues and expenditures, conducting internal audits, and providing procurement services
- Support staff through human resources services, including labor relations, ethics, employee development, payroll, and hiring and onboarding
- Manage safety, emergency preparedness, and non-fire emergency and disaster response
- Maintain the fleet, buildings, and infrastructure that advance the DNR's mission
- Report condition of built assets—including buildings, roads, trails, bridges, dams, public water accesses and water control structures— to identify repair and reinvestment needs and manage capital investment efforts to preserve state assets
- Provide policy development, project management, and planning services
- Engage the public through communication services that build awareness, trust, and support
- Provide management, coordination and leadership of the MN.IT Services-DNR partnership that supports daily work
- Administer engineering, architectural, and construction management services for the department

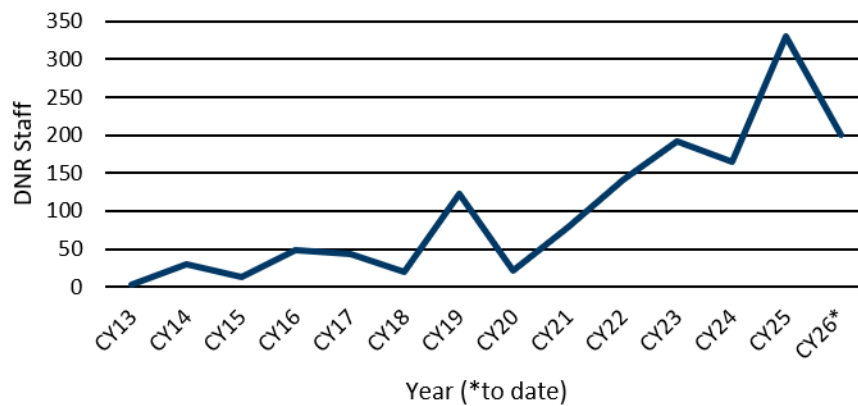
RESULTS

Part A: Performance Data

Quantity Performance Measure: Commitment to Tribal-State Relations Training

The DNR has government-to-government relationships with all federally recognized Tribal Nations located in Minnesota. Working with Tribes to co-manage natural and cultural resources requires staff to understand the origins and operations of Tribal Nations. In May 2025, our Tribal Relations Team launched DNR-specific training that has substantially increased our number of staff trained.

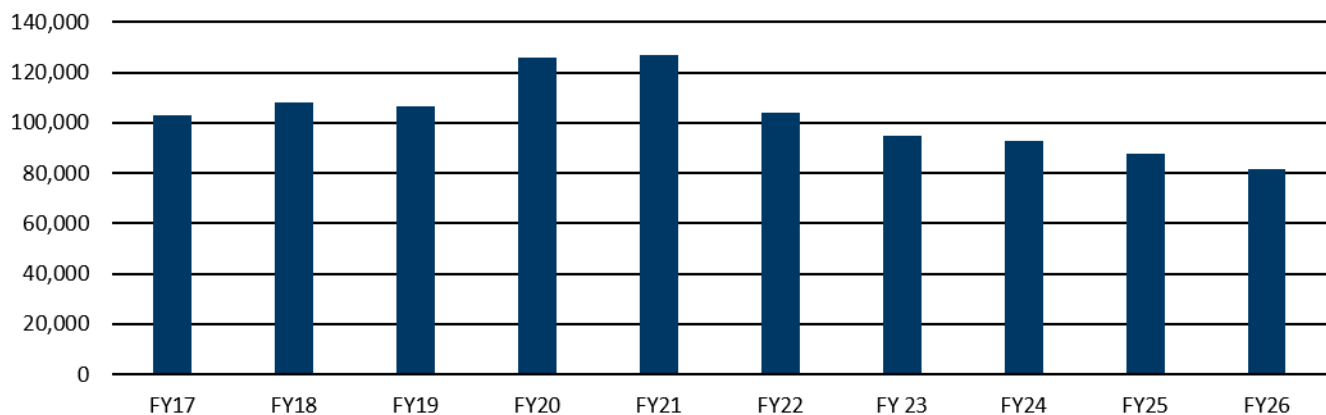
DNR attendance at Tribal State Relations Training



Results Performance Measure: DNR Customer Service

The Information Center handled over 81,500 contacts in FY26, and staff responded quickly to a wide variety of inquiries from the public. The average speed to answer calls was 8 seconds. Approximately 70 percent of calls were resolved without being transferred to a subject matter expert. The majority of emails received Monday-Saturday were responded to within 24 hours.

DNR Information Center Calls & Emails Handled



Part B: Evidence of Effectiveness

The DNR uses evidence-based practices to provide coordinated leadership and essential operational services that ensure efficient, accountable delivery of natural resource management statewide. Operations Support aligns strategic priorities, strengthens government and tribal relations, and supports transparent, inclusive decision-making. Core functions, including financial and human resource management, safety and emergency preparedness, infrastructure stewardship, communications, and technology services ensure that DNR programs, staff, and assets are managed effectively to advance the agency's mission for Minnesotans. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for Operations Support comes from Minnesota Statutes and the Minnesota Constitution:

84 (<https://www.revisor.mn.gov/statutes/cite/84>)

16A (<https://www.revisor.mn.gov/statutes/cite/16A>)

Article 11 (https://www.revisor.mn.gov/constitution/#article_11)

Program: Community Grants**Activity: Community Grants**<https://www.dnr.state.mn.us/aboutdnr/enrtf-community-grant-program.html>**AT A GLANCE**

- Administer the Environment and Natural Resources Trust Fund (ENRTF) Community Grant program as established in Minnesota Statutes 116X. This program received appropriations of \$28.2 million in both FY26 and FY27.
- Provide outreach, applicant support, technical assistance, grantee training, grant monitoring and reporting
- Coordinate the ENRTF Community Grant Program Advisory Council and support public transparency, accessibility, and continuous program improvement
- Develop outcome and impact measures for each statutory project area through Advisory Council input, DNR technical expertise, stakeholder engagement, and lessons from initial grant rounds

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources administers the Environment and Natural Resources Trust Fund (ENRTF) Community Grant Program to help Minnesotans protect, conserve and enhance the state's environment and natural resources by expanding access to ENRTF resources. In accordance with Minnesota Statutes 116X, this program focuses on communities that have been adversely affected by pollution and environmental degradation.

The Community Grant Program may fund eligible projects in five statutory areas:

- Helping adversely impacted communities respond to environmental degradation and related health concerns
- Education and awareness related to stewardship of air, land, water, forests, fish, wildlife, and other natural resources
- Preserving or enhancing air, land, water, forests, fish, wildlife, and other natural resources
- Trail maintenance and improvement on existing state, regional, or local trails
- Aquatic invasive species management

This program received appropriations in FY26 and FY27.

SERVICES PROVIDED

The DNR administers the Community Grant Program through the following functions.

Grant program administration

- Develop and publish grant opportunities
- Establish eligibility, application, review, scoring, award, reporting, monitoring, and closeout processes
- Coordinate grant agreements, payment processes, amendments, records, and grant files
- Maintain compliance with state grant management, accounting, data practices, and fiscal control requirements

Outreach and applicant support

- Conduct outreach to build awareness of the program
- Provide plain language guidance, training, office hours, and application support
- Help prospective applicants understand eligible uses, application requirements, grant timelines, and project readiness expectations
- Support applicants that may be new to state grant funding

Technical assistance and project support for grantees

- Connect grantees with DNR and external technical expertise
- Provide grantee training on state grant requirements, reporting, reimbursement, documentation, and closeout
- Identify common implementation challenges and needs; when appropriate, update guidance, templates, and training as the program matures

Monitoring, accountability, and risk management

- Conduct pre-award risk assessments and develop risk mitigation strategies when needed
- Monitor grant progress, financial documentation, and performance
- Review grantee reports, payment requests, work plan changes, and project closeout materials
- Identify grantees that may need additional support, intervention, or corrective action
- Maintain records needed for transparency, auditability, legislative reporting, and program improvement

Advisory council coordination

- Support the ENRTF Community Grant Program Advisory Council as established in Minnesota Statutes 116X
- Prepare materials for advisory council review and recommendations
- Coordinate meeting materials, member onboarding, conflict-of-interest documentation, and records
- Use advisory council recommendations to inform program improvement, accessibility, transparency, and effective allocation of resources

RESULTS

Part A: Performance Data

Because the ENRTF Community Grant Program is a new activity, we have no performance data to share. The DNR is developing an initial outcome framework for the five statutory project areas before release of the first Request for Proposal (RFP), which is expected by the end of the first quarter of FY27. The framework will align application materials, review criteria, work plans, reporting, monitoring, and closeout expectations. Performance expectations will be scaled by grant type and project complexity, with simpler outputs for smaller grants and more substantial outcome measures for standard or future collaborative grants. The DNR will update the framework as needed through advisory council input, DNR technical expertise, stakeholder engagement, grantee experience, monitoring results, and lessons from each funding round.

Part B: Evidence of Effectiveness

The Environment and Natural Resources Trust Fund Community Grant Program will use evidence-informed grant management practices to ensure responsible stewardship of public funds while expanding access to grant opportunities across Minnesota. The program will combine competitive application review, technical assistance,

pre-award risk assessment, financial oversight, performance monitoring, and continuous program improvement to help applicants develop successful projects and support grantees throughout the grant lifecycle. This program has not been evaluated using randomized control or quasi-experimental design methods.

The legal authority for the Environment and Natural Resources Trust Fund Community Grants Program comes from Minnesota Statutes:

116X (<https://www.revisor.mn.gov/statutes/cite/116X>)

Program: Pass-Through Funds**Activity: Pass-Through Funds****AT A GLANCE**

- Provide approximately \$50 million each year to counties for payment in lieu of taxes
- Provide approximately \$9 million in natural resource payments each year to Tribal Nations
- Manage about 540 grant contracts totaling over \$827 million of Environment and Natural Resources Trust Fund and Outdoor Heritage Legacy funds
- Award approximately \$14 million to local governments from the Parks and Trails Legacy Fund
- Provide \$510,000 to the Duluth and Como Zoos each year

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) administers pass-through funds including funds directed to non-state entities by statute, law, or agreement, as well as appropriations to the Office of School Trust Lands. Since the DNR does not determine who receives the funds and cannot use them for its own operations, it commonly refers to these as “pass-through funds.”

Recipients of these funds are partners in promoting and advancing the broader goals of protecting and preserving the state’s natural resources. Pass-through funds include:

- Payment in Lieu of Taxes (PILT)
- Payments to Tribal nations per natural resource agreements
- Environment and Natural Resource Trust Fund grants to non-state entities
- Outdoor Heritage Fund grants to non-state entities
- Parks and Trails Legacy Fund grants to local units of government
- Lottery-in-lieu grants to the Duluth and Como Zoos
- Other grants as specified by law
- Appropriations to the Office of School Trust Lands

The DNR is responsible for being fiscal stewards of these funds. To this end, the DNR establishes sound business management practices that are consistent with state law, statewide grant management policies, and internal policies. The costs to administer the pass-through funds are shown in the various division budgets that manage these funds.

SERVICES PROVIDED

The DNR calculates the annual distribution for county PILT payments—currently estimated to be around \$50 million. PILT is a local government aid payment made by the state to counties for tax-exempt natural resource lands, according to Minnesota Statutes 477A.10-14 and 17. Most of the payments are for state-owned land and School Trust Land that is administered by the DNR and for county-administered tax forfeited land. While the Minnesota Department of Revenue (DOR) makes the actual PILT payments, the money comes from General Fund appropriations to the DNR.

The DNR makes payments each year to Tribal Nations per legal agreements under which the Tribes have agreed to forgo certain treaty rights. As is the case with PILT payments, DOR makes the actual payments to Tribes, but the funding comes from money appropriated to the DNR. According to Minnesota Statutes 97A.151 subd. 4 and

97A.155 subd. 1, the Leech Lake Band receives five percent of specific game and fish proceeds. Per Minnesota Statutes 97A.157 subd. 2 and related agreements, the Grand Portage Band and Bois Forte Band each receive \$1.6 million annually plus additional funds equal to any amount in excess of \$1.5 million paid to the Leech Lake Band in the previous fiscal year.

In FY26, the DNR managed approximately 540 grants totaling over \$827 million dollars to non-state recipients identified by the legislature from the Environment and Natural Resources Trust Fund (ENRTF) and the Outdoor Heritage Fund (OHF). The purpose of the ENRTF is for the protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. The purpose of the OHF is to restore, protect, and enhance wetlands, prairies, forests, and habitat for fish, game and wildlife.

The DNR provides about \$13 million annually to local units of government from the Parks and Trails Legacy Fund for acquisition, development, restoration, and maintenance of park and trail facilities of regional or statewide significance.

The DNR serves as the fiscal agent for the Office of School Trust Lands, an independent office, whose charge is to advocate for sustainable asset management strategies that maximize revenue for Minnesota's public schools from State School Trust Lands and the Permanent School Fund.

RESULTS

Part A: Performance Data

Quantity Performance Measure: Total Pass-Through Dollars Each Year

The DNR provides responsible management for all dollars appropriated for use by non-state entities. The table below demonstrates the amount that has been disbursed in the recent past.

TOTAL AMOUNT OF PASS-THROUGH FUNDS BY YEAR
Data source: Statewide Integrated Financial Tools System
(dollars in thousands)

2021	2022	2023	2024	2025
106,384	145,018	147,178	183,710	177,864

Part B: Evidence of Effectiveness

The DNR uses evidence-based financial governance practices to responsibly steward public funds and oversee pass-through funds. Its work involves pre-award risk assessments for all grants requiring review, statewide internal control standards, continuous monitoring, and independent audits which drive early risk mitigation and consistently high compliance, safeguarding public resources. The DNR will be prepared to talk at a program level on these topics as they are raised at the Legislature.

The legal authority for the grants management process comes from Minnesota Statute: 16B.98 (<https://www.revisor.mn.gov/statutes/?id=16B.98>)