

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	602	767	760	760	760	760	760
Total Non-Dedicated Receipts	602	767	760	760	760	760	760

<u>Fund Totals:</u>							
General	602	767	760	760	760	760	760
Departmental Earnings Total	602	767	760	760	760	760	760

ACCOUNTANCY BOARD

ACCOUNTANCY PROFESSION

Fiscal Report

Revenue Category Description: Fees charged for examinations and licensing.

Requesting a Fee Change: No

Purpose: To recover cost of regulation of the industry.

Fund: GENERAL

Legal Citation(s): M.S. 326A and MN Rules 1105

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	602	767	760	760	760	760	760
Total Departmental Earnings	602	767	760	760	760	760	760
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	602	767	760	760	760	760	760
<u>Expenditures:</u>							
Direct Expenditures	549	403	719	487	493	487	499
Indirect Expenditures	49	40	32	32	32	32	32
Total Expenditures	598	443	751	519	525	519	531
Current Difference	4	324	9	241	235	241	229

ACCOUNTANCY BOARD

ACCOUNTANCY PROFESSION

Narrative

Background Information

Description of Revenue Sources

- **Disciplinary Fees**
This revenue is generated as a result of disciplinary action taken against licensees. It includes late filing fees for Continuing Professional Education (CPE), civil penalties, and recovery of administrative fees such as charges assessed by the Attorney General and the Office of Administrative Hearings.
- **Firm Licenses**
This revenue is generated by fees charged to firms for new and renewal licenses, for re-instatement late fee and civil penalties.
- **Professional Accountancy Licenses**
This revenue is generated by fees charged for individual professional licenses, including both new and renewal annual licenses, late fees, and civil penalties.
- **Examinations**
This category represents the fees from the Certified Public Accountant (CPA) examinations

Forecast Basis

The basis for the revenue estimates is historical data for the past three years. A slight drop in revenue is forecast due to slight declines in numbers of CPAs and fewer fines.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	44	0	0	0	0	0	0
Total Non-Dedicated Receipts	44	0	0	0	0	0	0

<u>Dedicated Receipts:</u>							
State Government Spec Revenue	6,558	0	0	0	0	0	0
Misc Special Revenue	1,677	503	795	705	705	706	706
Total Dedicated Receipts	8,235	503	795	705	705	706	706

<u>Fund Totals:</u>							
General	44	0	0	0	0	0	0
State Government Spec Revenue	6,558	0	0	0	0	0	0
Misc Special Revenue	1,677	503	795	705	705	706	706
Departmental Earnings Total	8,279	503	795	705	705	706	706

ADMINISTRATION DEPT

STATE BUILDING CODE

Fiscal Report

Revenue Category Description: To ensure that building codes and standards are uniformly adopted and administered at the least cost

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: The State Division of Building Codes and Standards adopts and maintains the construction standards for the state known as the State Building Code. The division is also responsible for education programs, consumer compliance assistance, plan review, and site inspection of state-owned buildings, school district buildings, licensed hospitals, nursing homes, and correctional facilities.

Appr Name: STATE BLDG CODE DEDICATED

Legal Citation(s): M.S.16B.59-75; 327.31-.35; 327B.01-.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	4,900	5,800	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	6,558	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	6,558	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	79	0	0	0	0	0	0
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	5,800	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	6,637	(5,800)	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures	5,584	0	0	0	0	0	0
Indirect Expenditures	153	0	0	0	0	0	0
Total Expenditures	5,737	0	0	0	0	0	0
Current Difference	900	(5,800)	0	0	0	0	0
Accumulated Ending Balance	5,800	0	0	0	0	0	0

ADMINISTRATION DEPT

STATE BUILDING CODE

Narrative

Background Information

The State Building Code moved to the Department of Labor and Industry in FY 2006.

ADMINISTRATION DEPT

MUN. BD/MUN BOUNDARY CREATION

Fiscal Report

Revenue Category Description: Filing fees collected for docketed proceedings regarding municipal boundaries.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Fees charged are similar to court filing fees, showing good faith and evidence of commitment to proceedings. Cases involve administration and adjudication of the uniform system of municipal boundary adjustments required by M.S. 414.

Appr Name:

Legal Citation(s): M.S. 414.01, Subd. 11

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	44	0	0	0	0	0	0
Total Departmental Earnings	44	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	44	0	0	0	0	0	0
Current Year Resources	0	0	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

ADMINISTRATION DEPT

MUN. BD/MUN BOUNDARY CREATION

Narrative

Background Information

The municipal boundary activity moved to the Administrative Hearings Office in FY 2005.

ADMINISTRATION DEPT

LMIC SERVICE BUREAU

Fiscal Report

Revenue Category Description: LMIC Service Bureau fees

Requesting a Fee Change: No

Purpose: To foster integration of environmental information and provide services in computer mapping and graphics, environmental analysis, and small systems development related to geographical information.

Fund: MISC SPECIAL REVENUE

Appr Name: LMIC SERVICE BUREAU

Legal Citation(s): M.S. 4A.05

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	177	193	143	231	231	299	299
<u>Resources:</u>							
Dedicated Receipts	543	503	785	695	695	695	695
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	543	503	785	695	695	695	695
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	543	503	785	695	695	695	695
<u>Expenditures:</u>							
Direct Expenditures	507	531	684	614	614	632	632
Indirect Expenditures	20	22	13	13	13	13	13
Total Expenditures	527	553	697	627	627	645	645
Current Difference	16	(50)	88	68	68	50	50
Accumulated Ending Balance	193	143	231	299	299	349	349

Background Information

The Land Management Information Center (LMIC) has been providing services on a cost-recovery basis since it was created in 1978. Rates are periodically adjusted as specified by state policy to ensure that projected expenses can be met by anticipated revenues. The last adjustment and the figures in this report reflect a detailed analysis performed for a comprehensive Business Plan for LMIC prepared in April 2006. The Business Plan describes LMIC's mission, analyzes its customer base, and includes a thorough analysis of strengths, weaknesses and opportunities. State agencies make up 75 to 85 percent of LMIC's client base, with federal agencies as the second largest component.

Forecast Basis

The revenue forecast assumes that the LMIC Service Bureau will be able to bill close to 65 percent of its total hours to projects at the most recently approved rate. This goal can be met as long as demand for services continues at current levels. Existing contracts for work and those being developed are adequate to sustain those levels through FY 2007.

Recent Changes

Based on the analysis contained in LMIC's FY 2007 Business Plan, and with the approval of the Department of Finance, no adjustments were made to FY 2006 rates for FY 2007.

Agency Analysis/Requested Changes

Current rates are considered adequate to maintain an appropriate balance between LMIC Special Revenue Fund receipts and expenditures unless there is a dramatic change in demand for services or assumptions made about operating expenses in the FY 2007 Business Plan. Conditions will be reassessed during the next business plan preparation cycle, scheduled to occur in the spring of 2007.

ADMINISTRATION DEPT

ELECTRIC UTILITY ASSESSMENT

Fiscal Report

Revenue Category Description: Power plant siting general, background and oversight funding

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To provide staff expertise in environmental quality issues for baseline studies, general environmental studies, development of criteria, inventory preparation, monitoring of conditions placed on site and route permits, and all other work not specific to a particular site or route designation.

Appr Name: POWER PLANT ASSESSMENT

Legal Citation(s): M.S. 216E.18, Subd 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	112	179	0	0	0	0	0
Resources:							
Dedicated Receipts	687	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	687	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	179	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	687	(179)	0	0	0	0	0
Expenditures:							
Direct Expenditures	588	0	0	0	0	0	0
Indirect Expenditures	32	0	0	0	0	0	0
Total Expenditures	620	0	0	0	0	0	0
Current Difference	67	(179)	0	0	0	0	0
Accumulated Ending Balance	179	0	0	0	0	0	0

ADMINISTRATION DEPT

ELECTRIC UTILITY ASSESSMENT

Narrative

Background Information

The electric utility assessment activity moved to the Department of Commerce in FY 2006.

ADMINISTRATION DEPT

POWER PLANT PROJECTS

Fiscal Report

Revenue Category Description: Power plant siting and transmission line routing permit project fees

Requesting a Fee Change: No

Purpose: To cover all costs incurred in processing site and route permits applied for by utilities.

Fund: MISC SPECIAL REVENUE

Appr Name: PPS APPLICATION FEES

Legal Citation(s): M.S. 216E.18, Subd. 2 and 2a

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	70	96	0	0	0	0	0
Resources:							
Dedicated Receipts	427	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	427	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	96	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	427	(96)	0	0	0	0	0
Expenditures:							
Direct Expenditures	336	0	0	0	0	0	0
Indirect Expenditures	65	0	0	0	0	0	0
Total Expenditures	401	0	0	0	0	0	0
Current Difference	26	(96)	0	0	0	0	0
Accumulated Ending Balance	96	0	0	0	0	0	0

ADMINISTRATION DEPT

POWER PLANT PROJECTS

Narrative

Background Information

The power plant projects activity moved to the Department of Commerce in FY 2006.

ADMINISTRATION DEPT

PIPELINE ROUTING PROGRAM

Fiscal Report

Revenue Category Description: Pipeline Routing Project fees

Requesting a Fee Change: No

Purpose: To cover all expenses incurred in processing pipeline routing permits applied for by utilities.

Fund: MISC SPECIAL REVENUE

Appr Name: PIPELINE ROUTING PROJECT

Legal Citation(s): M.S. 216G.02, subd. 3(b)(6)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	14	19	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	10	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	10	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	19	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	10	(19)	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures	3	0	0	0	0	0	0
Indirect Expenditures	2	0	0	0	0	0	0
Total Expenditures	5	0	0	0	0	0	0
Current Difference	5	(19)	0	0	0	0	0
Accumulated Ending Balance	19	0	0	0	0	0	0

ADMINISTRATION DEPT

PIPELINE ROUTING PROGRAM

Narrative

Background Information

The pipeline routing program moved to the Department of Commerce in FY 2006.

ADMINISTRATION DEPT

HIGH-LEVEL RAD WASTE PROGRAM

Fiscal Report

Revenue Category Description: High-Level Radioactive Waste Program

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To cover costs relating to the high-level radioactive waste disposal program.

Appr Name: HIGH LEVEL RADIOACTIVE WASTE

Legal Citation(s): M.S. 116C.712, Subd. 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	6	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	10	0	10	10	10	11	11
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	10	0	10	10	10	11	11
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	10	0	10	10	10	11	11
<u>Expenditures:</u>							
Direct Expenditures	15	0	10	10	10	11	11
Indirect Expenditures	1	0	0	0	0	0	0
Total Expenditures	16	0	10	10	10	11	11
Current Difference	(6)	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

The director of the Office of Strategic and Long-Range Planning is authorized under M.S. 116C.712, subd.5, Assessments to "report to the environment and natural resources committees of the senate and house of representatives, the Finance Division of the senate Committee on Environmental and Natural Resources, and the house of representatives Committee on Environment and Natural Resources Finance on activities under paragraph (a)". This section of the statute authorizes "A person, firm, corporation, or association in the business of owning, or operating a nuclear fission electrical generating plant in the state shall pay an assessment to cover the cost of: (5) other general studies necessary to carry out the purposes of this subdivision." The legislature had previously authorized a budget of \$40,000 for this purpose. The Environmental Quality Board (EQB) had staffed this activity for the Office of Strategic and Long-Range Planning as a function of the EQB energy facility siting responsibilities. In 2005 the legislature transferred the EQB energy facility siting functions to the Department of Commerce and the Public Utilities Commission. The high level radioactive waste activity was not included. The referenced report has not been prepared due to the transfer of responsibility noted above. The Department of Administration/EQB staff will, absent legislative action to transfer the responsibility for preparing the report to the Department of Commerce or the Public Utilities Commission, prepare and submit the required report to those legislative committees identified in statute.

Forecast Basis

The current law provides for the assessment of all actual costs associated with 116C.712, Subd. 5(a) 1-5. It also states that the assessment must not be for more than the appropriation to the Office of Strategic and Long-Range Planning for these purposes.

Recent Changes

Note discussion above in Background Information.

Agency Analysis/Requested Changes

No changes are requested and any change in the amount that is authorized would be subject to legislative approval as noted above under Forecast Basis.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	2,963	3,069	3,099	3,099	3,099	3,099	3,099
Remediation Fund	123	116	92	92	92	92	92
Total Non-Dedicated Receipts	3,086	3,185	3,191	3,191	3,191	3,191	3,191

<u>Dedicated Receipts:</u>							
Misc Special Revenue	76	89	128	98	98	98	98
Agriculture Fund	18,083	18,560	15,973	15,365	15,388	15,367	15,391
Rural Finance Administration	0	1	1	1	1	1	1
Total Dedicated Receipts	18,159	18,650	16,102	15,464	15,487	15,466	15,490

<u>Fund Totals:</u>							
General	2,963	3,069	3,099	3,099	3,099	3,099	3,099
Misc Special Revenue	76	89	128	98	98	98	98
Agriculture Fund	18,083	18,560	15,973	15,365	15,388	15,367	15,391
Remediation Fund	123	116	92	92	92	92	92
Rural Finance Administration	0	1	1	1	1	1	1
Departmental Earnings Total	21,245	21,835	19,293	18,655	18,678	18,657	18,681

AGRICULTURE DEPT

AGRICULTURAL LIMING MATERIALS

Fiscal Report

Revenue Category Description: Regulation Of Ag-Liming Products and Distributors

Requesting a Fee Change: No

Fund: GENERAL

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

Appr Name:

Legal Citation(s): M.S. 18C.551, Subd. 1-4; M.S. 18C.555

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	40	36	37	26	26	14	14
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	50	48	49	49	49	49	49
Total Departmental Earnings	50	48	49	49	49	49	49
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	50	48	49	49	49	49	49
Expenditures:							
Direct Expenditures	54	47	60	61	61	63	63
Indirect Expenditures							
Total Expenditures	54	47	60	61	61	63	63
Current Difference	(4)	1	(11)	(12)	(12)	(14)	(14)
Accumulated Ending Balance	36	37	26	14	14	0	0

Background Information

Fees are assessed to producers and distributors of agriculture liming materials to support the regulatory program, which provides economic protection to farmers who purchase and use soil buffering products. Revenues are based on distributor's license fees, inspection fees on tonnage sold and sample/analysis fees. The fees are set by Minnesota Statutes 2006, Chapter 18C.551.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are calculated by taking the average revenue for each revenue source for the last five years, dropping the highest and lowest years and averaging the remaining three years. This value may be further adjusted based on program knowledge of industry or revenue trends.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT**AGRIC CHEMICAL SUPERFUND ACCNT****Fiscal Report**

Revenue Category Description: Agricultural Chemical Superfund Account

Requesting a Fee Change: No

Fund: REMEDIATION FUND

Purpose: This program ensures that facilities that desire to conduct a voluntary cleanup of agricultural chemical contamination, frequently as a condition of sale for a property, may be cleaned up in a timely manner that is protective of human health and the environment. Costs for state staff time and expenses to oversee the cleanup are reimbursed so the cleanups are conducted at no cost to the state, although there may be a lag time between when the state costs are incurred and when they are reimbursed.

Appr Name:

Legal Citation(s): M.S. 115B.17, Subd. 14

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	123	116	92	92	92	92	92
Total Departmental Earnings	123	116	92	92	92	92	92
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	123	116	92	92	92	92	92
Expenditures:							
Direct Expenditures							
Indirect Expenditures	123	116	92	92	92	92	92
Total Expenditures	123	116	92	92	92	92	92
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

The state provides administrative funding for technical support to review and approve voluntary investigations and cleanups of sites contaminated by agricultural chemical contamination. These voluntary cleanups frequently are conducted as a condition for the sale of a property. Minnesota Statutes 2006, Chapter 115B authorizes the state to be reimbursed for the costs for the oversight of these voluntary environmental investigations and cleanups.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if any reasonable and necessary expenses incurred by the agency is recovered. Revenue projections are calculated by taking the average revenue for each revenue source for the last five years, dropping the highest and lowest years and averaging the remaining three years. This value may be further adjusted based on program knowledge of industry or revenue trends.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

WASTE PESTICIDE COLLECTION

Fiscal Report

Revenue Category Description: Waste Pesticide Collection Program

Requesting a Fee Change:

Fund:

Appr Name:

Purpose: Remove very old and dangerous products previously stored in Minnesota. Collections have reduced the occurrence of DDT, mercury-based arsenicals, and other old pesticides. Still, many other waste pesticides possessing hazardous characteristics remain.

Aged containers are susceptible to spilling. Removing waste pesticides eliminates the dangers stored waste pesticides pose.

Legal Citation(s): M.S. 18B.065, Subd. 2; M.R. 1509.0030

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	231	231	0	0	0	0	0
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	231	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	0	(231)	0	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	(231)	0	0	0	0	0
Accumulated Ending Balance	231	0	0	0	0	0	0

Background Information

The waste pesticide collection program was established to collect waste pesticides from pesticide end users whose waste generating occurs in this state. Goals of the program include reducing the potential for adverse human health and environmental impacts from waste pesticides. Disposal costs are based on the assessment schedule in Minnesota Rules, Chapter 1509.

Forecast Basis

No revenues are anticipated in the account.

Recent Changes

This program has been merged back into the pesticide regulatory program. Laws of 2005, First Special Session, Chapter 1, Article 1, Sections 2 and 98, canceled the balance in the waste pesticide account to the pesticide regulatory account and repealed the separate waste pesticide account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

COMMERCIAL FEED INSPECTION

Fiscal Report

Revenue Category Description: Commercial Feed Regulation

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Ensure that the feed industry is capable of producing safe feed, that customers receive a uniform quality of feed nutrients and ingredients per the label guarantee, and that adulterated and misbranded feed is removed from the marketplace.

Appr Name: FEED REGULATORY

Legal Citation(s): M.S. 25.39, Subd. 1 - 4 M.S. 25.341, Subd. 1 - 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	827	928	1,558	1,549	1,549	1,519	1,519
Resources:							
Dedicated Receipts	960	1,472	929	929	929	929	929
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	960	1,472	929	929	929	929	929
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	22	23	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	982	1,495	949	949	949	949	949
Expenditures:							
Direct Expenditures	762	755	880	848	848	848	848
Indirect Expenditures	119	110	78	131	131	131	131
Total Expenditures	881	865	958	979	979	979	979
Current Difference	101	630	(9)	(30)	(30)	(30)	(30)
Accumulated Ending Balance	928	1,558	1,549	1,519	1,519	1,489	1,489

Background Information

Commercial feed inspection fees are assessed on the basis of tonnage distributed in the state, except lower volume higher value products distributed only in packages of ten pounds or less net weight are assessed an annual fee in lieu of that based on weight sold. The revenues support the regulatory program aimed at reducing the risk of contaminants in human food as a result of adulterated animal feed; providing truthful labeling for purchaser protection and providing fair trade practices protection for the feed manufacturing industry. Minnesota Statutes 2006, Chapter 25 establishes licensing and inspection fee rates.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are calculated by taking the average revenue for each revenue source for the last five years, dropping the highest and lowest years and averaging the remaining three years. This value may be further adjusted based on program knowledge of industry or revenue trends.

Recent Changes

Feed free sale certificate fees, distribution tonnage fees and commercial feed late fees were changed in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

FERTILIZER INSPECTION ACCOUNT

Fiscal Report

Revenue Category Description: Fertilizer Regulation

Requesting a Fee Change: No

Purpose: Regulation of fertilizer nutrients to ensure product quality in the sale of fertilizers as well as assessment and development of management practices. Guide the proper application for economic benefit and environmental protection. Provide funding for fertilizer facility, emergency incident response, and cleanup.

Fund: AGRICULTURE FUND

Appr Name: INSP STATE PROGRAM FERT

Legal Citation(s): M.S. 18C.131, 141, 205, 305, and 425

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	492	733	721	512	512	496	496
<u>Resources:</u>							
Dedicated Receipts	910	1,093	1,198	1,198	1,198	1,198	1,198
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	910	1,093	1,198	1,198	1,198	1,198	1,198
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	69	77	73	73	73	73	73
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	979	1,170	1,271	1,271	1,271	1,271	1,271
<u>Expenditures:</u>							
Direct Expenditures	623	1,082	1,379	1,186	1,186	1,186	1,186
Indirect Expenditures	115	100	101	101	101	101	101
Total Expenditures	738	1,182	1,480	1,287	1,287	1,287	1,287
Current Difference	241	(12)	(209)	(16)	(16)	(16)	(16)
Accumulated Ending Balance	733	721	512	496	496	480	480

Background Information

The fertilizer inspection activity provides uniform regulation of fertilizer nutrients and ensures product quality in the sale of fertilizers and the assessment and development of best management practices. Best management practices are designed to promote nutrient management for both economic benefit and environmental protection. Fees collected also support fertilizer facility inspection, emergency incident response, and cleanup costs. Fees are assessed on the basis of tonnage of agricultural fertilizer sold, specialty fertilizer, soil and plant amendment products registered, and fertilizer facility licensing and permitting. The fees are set by Minnesota Statutes 2006, Chapter 18C.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are calculated by taking the average revenue for each revenue source for the last five years, dropping the highest and lowest years and averaging the remaining three years. This value may be further adjusted based on program knowledge of industry or revenue trends.

Recent Changes

Fertilizer inspection fees and manure lab certification fees were changed in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

It is proposed that bulk fertilizer storage permits be required only for storage in amounts greater than 6,000 gallons. This change would have a negligible effect on revenues.

AGRICULTURE DEPT

PESTICIDE REGULATORY ACCOUNT

Fiscal Report

Revenue Category Description: Pesticide Registration, Regulation, Licensing and Environmental Protection

Requesting a Fee Change: Yes

Fund: AGRICULTURE FUND

Purpose: Ensures that pesticide products can be used in a safe and environmentally protective manner and respond to unsafe products, misuse and incident situations. Provides for registration of products, licensing and/or certification of dealers and applicators, regulation of bulk storage and handling, investigation of misuse, emergency response, environmental cleanup, development of best management practices and environmental monitoring and assessment.

Appr Name: INSP STATE PROGRAM PEST

Legal Citation(s): M.S.18B.05, 08, 14, 26, 27, 28, 31, 32, 33, 34, 36

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3,809	3,943	4,133	2,704	2,704	1,641	1,639
Resources:							
Dedicated Receipts	5,050	5,241	5,009	5,009	5,007	5,009	5,007
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	5,050	5,241	5,009	5,009	5,007	5,009	5,007
Other Resources:							
Earnings Transferred In	0	231	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts	400	353	327	327	327	327	327
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,450	5,825	5,336	5,336	5,334	5,336	5,334
Expenditures:							
Direct Expenditures	4,658	4,938	6,027	5,669	5,669	5,669	5,669
Indirect Expenditures	658	697	738	730	730	730	730
Total Expenditures	5,316	5,635	6,765	6,399	6,399	6,399	6,399
Current Difference	134	190	(1,429)	(1,063)	(1,065)	(1,063)	(1,065)
Accumulated Ending Balance	3,943	4,133	2,704	1,641	1,639	578	574

Background Information

The pesticide regulatory activity provides protection of the public, the environment and facilitates commerce through the registration of pesticide products, licensing and certification of pesticide dealers and applicators, regulation of bulk fertilizer storage and handling, and investigating unsafe product use as well as responding to emergency incidents and environmental concerns. Pesticide product registration fees are based on product registration and gross sales. Applicator license certification and dealer license fees are renewed annually. The fees are set by Minnesota Statutes 2006, Chapter 18B.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are calculated by taking the average revenue for each revenue source for the last five years, dropping the highest and lowest years and averaging the remaining three years. This value may be further adjusted based on program knowledge of industry or revenue trends.

Recent Changes

Pesticide fees were last changed in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

Separate aquatic pest control licenses are proposed to be repealed. Licensing of these activities would then be covered under commercial pesticide applicator licensing.

AGRICULTURE DEPT

AGR CHEMICAL RESPONSE & REIMB

Fiscal Report

Revenue Category Description: Agricultural Chemical Response and Reimbursement

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Protects the public health and environment from hazards posed by releases involving agricultural chemicals. Little to no private insurance is currently available for environmental releases. Allows small and critical agricultural businesses to continue serving Minnesota while financing past, current, and future incidents.

Appr Name: AG CHEM RESPONSE AND REIMB ACC

Legal Citation(s): M.S. 18E.03, Subd. 4 and 6; M.S. 18C.425, Subd. 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,765	1,994	2,147	2,147	2,147	2,147	2,147
Resources:							
Dedicated Receipts	2,329	2,440	2,380	2,380	2,380	2,380	2,380
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,329	2,440	2,380	2,380	2,380	2,380	2,380
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	42	97	75	75	75	75	75
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,371	2,537	2,455	2,455	2,455	2,455	2,455
Expenditures:							
Direct Expenditures	2,118	2,356	2,427	2,427	2,427	2,427	2,427
Indirect Expenditures	24	28	28	28	28	28	28
Total Expenditures	2,142	2,384	2,455	2,455	2,455	2,455	2,455
Current Difference	229	153	0	0	0	0	0
Accumulated Ending Balance	1,994	2,147	2,147	2,147	2,147	2,147	2,147

Background Information

Agricultural Chemical Response and Reimbursement Account (ACRRA) provides a formal process to allow reimbursement of cleanup costs incurred by responsible parties, land owners, and prospective landowners attempting to remediate the effects of agricultural chemical releases. Fees, as a surcharge, are collected based on pesticide and fertilizer sales and applicator licenses. The fees are set by Minnesota Statutes 2006, Chapter 18E.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are based on the revenues collected in FY2006.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

SEED INSPECTION FUND

Fiscal Report

Revenue Category Description: Seed Regulatory Program

Requesting a Fee Change: No

Purpose: Efficient crop production would not be possible without high quality and truthfully labeled seed. Agricultural, vegetable, flower, tree, and shrub seed sales in Minnesota exceed \$500 million annually. The seed law makes truthful labeling the focus of competition for the seed industry in that they strive to have higher seed quality than competitors and at the same price. Purchasers can rely on the label claims.

Fund: AGRICULTURE FUND

Appr Name: LABORATOR/SERVICES A/ITC, SEED REGULATORY

Legal Citation(s): M.S. 21.80 - 21.92

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	603	869	996	853	853	703	703
Resources:							
Dedicated Receipts	1,235	1,234	1,075	1,075	1,075	1,075	1,075
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,235	1,234	1,075	1,075	1,075	1,075	1,075
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	18	40	30	25	25	20	20
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,253	1,274	1,105	1,100	1,100	1,095	1,095
Expenditures:							
Direct Expenditures	923	1,081	1,135	1,137	1,137	1,155	1,155
Indirect Expenditures	64	66	113	113	113	113	113
Total Expenditures	987	1,147	1,248	1,250	1,250	1,268	1,268
Current Difference	266	127	(143)	(150)	(150)	(173)	(173)
Accumulated Ending Balance	869	996	853	703	703	530	530

Background Information

The seed program provides inspection and sampling of retail seed to determine label compliance and truthfulness so that purchasers of seed can rely on the label claims. Fees are assessed on seed sold in the State of Minnesota, brand registration, registration of hybrid seed corn varieties, sampling of export seed, and testing of submitted seed samples. The fees are set by Minnesota Statutes 2006, Chapter 21.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are based on the revenue collected in FY2006. The requirement for the registration of Hybrid Seed Corn, and associated revenues, will sunset in FY2007 per legislation passed in 2003.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

APIARIES

Fiscal Report

Revenue Category Description: Certifies the health of honey bee colonies.

Requesting a Fee Change: No

Fund: GENERAL, AGRICULTURE FUND

Purpose: To issue, on demand, certificates of inspection, that certify that beekeepers are maintaining healthy honey bee colonies to ensure that the interstate shipment of honey bees is regulated.

Appr Name: APIARY

Legal Citation(s): MS 19.64, Subd 1; MS 19.64 Subd 4a; MS 19.58

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	7	7	7	7	7
Non-Dedicated Receipts	13	11	0	0	0	0	0
Total Departmental Earnings	13	11	7	7	7	7	7
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	13	11	7	7	7	7	7
<u>Expenditures:</u>							
Direct Expenditures	13	11	7	7	7	7	7
Indirect Expenditures							
Total Expenditures	13	11	7	7	7	7	7
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

Healthy honeybee populations in the state contribute to the production of fruits, vegetables and seeds through their pollination activities. Prior to 2006, the apiary program included registration and inspection activities designed to prevent the spread of diseases, exotic parasites and exotic bee strains, to protect colonies from misuse of pesticides and/or medications, and to regulate the import of colonies into the state and export of colonies out of the state. All fee revenue was deposited in the General Fund but did not cover the costs of the program.

In 2006, this program was changed to focus specifically on export certification. Minnesota Statutes 2006, Chapter 17, authorizes the state to be reimbursed for the costs for inspections for sales of bees, bee equipment or appliances, or other necessary services requested. All fee revenue is now deposited in the Agricultural Fund. Appropriate use of pesticides is still regulated under the pesticide regulatory program.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if any reasonable and necessary expenses incurred by the agency is recovered. Revenue projections are based on the revenues collected in FY2006.

Recent Changes

Inspection fees of \$10 per colony were repealed in 2006. Beginning in fiscal year 2007, revenues for export certification are deposited in the Agricultural Fund.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

NURSERY INSPECTION

Fiscal Report

Revenue Category Description: Nursery Inspection Program

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Interstate shipments of nursery stock have been documented to be one of the most important avenues of spread for exotic plants and plant pests. Through the nursery inspection program, this source of pest migration is monitored annually. The program also helps ensure pest and disease free nursery stock for the direct benefit of consumers.

Appr Name: NURSERY/PHYTOSANITARY

Legal Citation(s): M.S. 18H.07; M.S. 18H.17

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	143	329	484	537	537	571	571
<u>Resources:</u>							
Dedicated Receipts	595	722	612	612	612	612	612
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	595	722	612	612	612	612	612
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	12	19	0	0	0	0	0
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	607	741	612	612	612	612	612
<u>Expenditures:</u>							
Direct Expenditures	361	509	503	522	522	542	542
Indirect Expenditures	60	77	56	56	56	56	56
Total Expenditures	421	586	559	578	578	598	598
Current Difference	186	155	53	34	34	14	14
Accumulated Ending Balance	329	484	537	571	571	585	585

Background Information

The nursery inspection program ensures that only pest and disease free nursery stock is available for sale in the State of Minnesota through inspection of nursery stock growers, dealers receiving out-of-state plant material, and nursery stock storage facilities. Fees are assessed on production acreage of nursery stock growers, sales of nursery stock by dealers and landscapers, and as a flat rate on greenhouse operations shipping out of state. The fees are set by Minnesota Statutes 2006, Chapter 18H.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are based on revenue collected in FY2006.

Recent Changes

Nursery fees were last changed in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

PHYTOSANITARY

Fiscal Report

Revenue Category Description: Agricultural Export
(Phytosanitary) Certification /Elevator Inspections

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: The USDA currently delegates agricultural export (phytosanitary) certification solely to state agriculture regulatory agencies. Through the certification process, Minnesota agriproducts can quickly move into and through the international market, coordinate grain elevator inspections and issue certificates to expedite corn shipments.

Appr Name: NURSERY/PHYTOSANITARY

Legal Citation(s): M.S. 18G.10; 18H.17

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(21)	(10)	(53)	(53)	(102)	(102)
Resources:							
Dedicated Receipts	118	143	125	125	125	125	125
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	118	143	125	125	125	125	125
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	0	0	10	10	10	10	10
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	118	143	135	135	135	135	135
Expenditures:							
Direct Expenditures	119	132	157	163	163	167	167
Indirect Expenditures	20	0	21	21	21	21	21
Total Expenditures	139	132	178	184	184	188	188
Current Difference	(21)	11	(43)	(49)	(49)	(53)	(53)
Accumulated Ending Balance	(21)	(10)	(53)	(102)	(102)	(155)	(155)

Background Information

The USDA currently delegates agricultural export (phytosanitary) certification solely to state agriculture regulatory agencies. Through the certification process Minnesota agriproducts can move quickly into and through the international market. Fees are assessed on seed production firms for field inspection and phytosanitary certification; grain handling facilities and exporters for inspection and phytosanitary certification. The fees are set by Minnesota Statutes 2006, Chapter 18G.

Forecast Basis

An annual review of revenues and expenditures is conducted to determine if a fee change is appropriate. Revenue projections are based on revenue collected in FY2006. FY2007 license fees now cover 93% of the program direct expenditures. The other 7% is covered by General Funds.

Recent Changes

Phytosanitary fees were last changed in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

WHOLESALE PRODUCE DEALERS

Fiscal Report

Revenue Category Description: Wholesale produce dealers who purchase perishable agricultural produce require license and bonds.

Requesting a Fee Change: No

Fund: GENERAL

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

Appr Name:

Legal Citation(s): MS 27.041, Subd 2.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	46	91	121	121	150	150
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	115	116	104	104	104	104	104
Total Departmental Earnings	115	116	104	104	104	104	104
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	115	116	104	104	104	104	104
<u>Expenditures:</u>							
Direct Expenditures	69	71	74	75	75	75	75
Indirect Expenditures							
Total Expenditures	69	71	74	75	75	75	75
Current Difference	46	45	30	29	29	29	29
Accumulated Ending Balance	46	91	121	150	150	179	179

Background Information

By licensing and monitoring wholesale produce risks are minimized for producers encouraging the continued production and sale of wholesale produce for industrial and consumer use. Fresh produce is a major food source for consumers and a relied upon agricultural product for the state.

Services Provided:

- Licensing
- Setting of required wholesale produce dealer bonds
- Produce market monitoring
- List of licensed wholesale produce dealers
- Investigation of claims against wholesale produce dealers

Services Provided to Whom:

- Minnesota growers of wholesale produce
- Minnesota wholesale produce dealers

The fees are set by Minnesota Statutes 2006, Chapter 27.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. There is one set of licensing fees that is assessed; all revenue collected goes to the general fund. General funds are allocated to pay for the administration, licensing and inspection functions of this program. The fees from this licensing program are recovering costs.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

SEED POTATO INSPECTION FUND

Fiscal Report

Revenue Category Description: Inspection/Certification of Seed Potatoes

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: To recover the costs of field inspection, post harvest test, seed certification, yield and storage survey, promotion and advertisement, without which the sale as certified seed would not be possible.

Appr Name: SEED POTATO INSPECTION

Legal Citation(s): M.S. 21.115

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	132	97	139	106	106	74	74
<u>Resources:</u>							
Dedicated Receipts	233	304	299	299	299	299	299
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	233	304	299	299	299	299	299
<u>Other Resources:</u>							
Earnings Transferred In	24	23	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts	2	4	1	1	1	1	1
<u>Resource Reductions:</u>							
Earnings Transferred Out	36	35	34	33	33	31	31
Rev Collected for Other Agency							
Current Year Resources	223	296	266	267	267	269	269
<u>Expenditures:</u>							
Direct Expenditures	220	221	255	255	255	255	255
Indirect Expenditures	38	33	44	44	44	44	44
Total Expenditures	258	254	299	299	299	299	299
Current Difference	(35)	42	(33)	(32)	(32)	(30)	(30)
Accumulated Ending Balance	97	139	106	74	74	44	44

Background Information

The regulation and certification of seed potatoes is a nearly \$20,000,000 business which supports a \$150,000,000 potato growing business in Minnesota. This does not include the value added by in-state processing and sales companies in money or additional employment. Seed stock is shipped from Minnesota to other states and countries. This program ensures a supply of one of the world's most basic foods. The seed growers have noted their clear preference for the state to continue this work due to the high level of skill, assistance and integrity. This is recognized by their customers.

Services provided include field inspection; winter test; laboratory tests; issuance of seed potato tags signifying certified seed stock; issuance of state phytosanitary certificates for export; publication of the Minnesota Certified Seed Potato directory; and promotion and marketing of Minnesota Certified Seed Potatoes.

Services are provided to Minnesota seed potato growers; potato processors and wholesalers; all potato producers for processing and table-stock; Minnesota consumers; and national and international producers, processors and consumers.

Minnesota Statutes 2006, Chapter 21 authorizes the agency to set fees to pay seed potato inspection expenses.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Acreage fees have been held at \$17.00 per acre due to the depressed market and disease. Program cuts have been used to aid the program. While the market has shown some improvement, disease and virus concerns continue to hold down program enrollment. These problems are affecting seed potato programs nationwide. Projections are based on current fees.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

FRUIT&VEGETABLE INSPECTION DED

Fiscal Report

Revenue Category Description: Fruit/Vegetable Inspection-Dedicated

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: To provide terminal market and processing plant inspections. This activity is voluntary and ensures a free equitable market with appropriate price and end use of these commodities. The Department provides services under agreement with the USDA.

Appr Name: FRUIT & VEG INSPECTION

Legal Citation(s): M.S. 27.07

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	143	133	148	167	167	182	182
<u>Resources:</u>							
Dedicated Receipts	755	717	793	793	793	793	793
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	755	717	793	793	793	793	793
<u>Other Resources:</u>							
Earnings Transferred In	0	0	148	0	0	0	0
Rev Collected at Other Agency							
Other Receipts	4	7	4	4	4	4	4
<u>Resource Reductions:</u>							
Earnings Transferred Out	24	23	171	22	22	21	21
Rev Collected for Other Agency							
Current Year Resources	735	701	774	775	775	776	776
<u>Expenditures:</u>							
Direct Expenditures	649	588	651	656	656	657	657
Indirect Expenditures	96	98	104	104	104	104	104
Total Expenditures	745	686	755	760	760	761	761
Current Difference	(10)	15	19	15	15	15	15
Accumulated Ending Balance	133	148	167	182	182	197	197

Background Information

Fruit and vegetable inspections enhance the movement through commercial channels of highly perishable commodities. Consumers benefit by having a readily available supply of fresh produce. Minnesota growers benefit by having increased opportunities to market their produce throughout the United States and Canada. The customers prefer the credibility and integrity of the state inspection process. It is widely recognized by consumers, processors and other governmental jurisdictions.

Services provided include sampling of fruits and vegetables; inspection of fruits and vegetables; certifying sampling and inspection results; and shipping point inspection of potato stock.

Services are provided to citizens of Minnesota; potato producers and processors; brokers and exporters; fruit and vegetable wholesalers and retailers; fruit and vegetable shippers and domestic consumers.

NOTE: This account has both dedicated and general fund expenditures.

Minnesota Statutes 2006, Chapter 27 authorizes the agency to set fees to pay fruit and vegetable inspection expenses.

Forecast Basis

A review of revenue and expenditures is conducted twice per year to determine if a fee change is appropriate. No significant changes are anticipated. Revenue for this program fluctuates with customer demand as affected by weather, market, crop condition, and trade policy. These considerations are not subject to advance notice. Projections are based on current fees.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

GRAIN INSPECTION & WEIGHING AC

Fiscal Report

Revenue Category Description: Grain Inspection & Weighing

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: To recover the costs of consistent, professional grain sampling, inspection, testing, and weighing per the US Grain Standards to facilitate trade and ensure fair market conditions.

Appr Name: GRAIN INSPECTION, GRAIN INSPECTION & WE/ITC

Legal Citation(s): M.S. 17B

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	228	3	0	0	0	0
Resources:							
Dedicated Receipts	2,498	2,108	608	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,498	2,108	608	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	8	158	0	0	0	0	0
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,506	2,266	608	0	0	0	0
Expenditures:							
Direct Expenditures	1,842	1,793	611	0	0	0	0
Indirect Expenditures	436	698	0	0	0	0	0
Total Expenditures	2,278	2,491	611	0	0	0	0
Current Difference	228	(225)	(3)	0	0	0	0
Accumulated Ending Balance	228	3	0	0	0	0	0

Background Information

State grain inspection allows trading parties to utilize a third party of high integrity and skill to arrive at a fair price based on the quality and quantity of the grain. This ensures a fair market price for producers and enhances demand for export. Domestically, grain inspection ensures fair marketing. Producers, traders and consumers benefit by official determinations of grain quality and quantity, which enhances the fair market system.

Grain inspection services may include sampling, inspection, and certification of grain; mycotoxin testing; weighing grain by barge, rail, ship lot, and truck; protein, oil and starch testing; and other official services.

Forecast Basis

A review of revenue and expenditures is conducted twice per year to determine if a fee change is appropriate. Revenue is controlled by grain trade movement, which is affected by foreign and domestic policy; foreign economies and crop and weather conditions, among other factors.

Recent Changes

In October, 2005, the agreement between the US Department of Agriculture and the State of Minnesota to provide grain inspection services for grain shipped to other states was terminated. The inspection of domestic grain shipments is voluntary, and the volume of inspections requested had dropped considerably in recent years. One reason for this was more grain being processed within the state of Minnesota, but other market conditions also contributed.

In January, 2007, the agreement between the US Department of Agriculture and the state of Minnesota to provide grain inspection services for grain shipped out of the US was also terminated. While the inspection of export grain shipments is mandatory, market conditions have also reduced the volume of this activity greatly in recent years. One factor is that more grain is shipped west on rail cars, with Asian destinations, than east on the lakes, with European destinations, than in the past. Minnesota Department of Agriculture grain inspections will discontinue in April of 2007, at which time the USDA will assume responsibility.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

CONSOLIDATED FOOD LICENSE

Fiscal Report

Revenue Category Description: License fees paid by retail, wholesale, wholesale manufacturers/processors.

Requesting a Fee Change: No

Fund: GENERAL, AGRICULTURE FUND

Appr Name: CONSOLIDATED FOOD & EGG LAW

Purpose: This program is a comprehensive food inspection program for retail stores, wholesale warehouses, wholesale manufacturers - processors who handle food, and certain food brokers in order to assure safe and wholesome production of food. This law protects the public from health hazards, fraudulent practices, improper labeling claims and misinformation. Facility inspections, special surveys, foodborne outbreaks, recalls, training, consultations and complaint investigations are carried out. Sample collection helps identify food safety trends and supports enforcement and compliance efforts. Certificates of free sale are issued upon request to exporters in compliance with food safety laws and rules (no significant non-compliance). Delegation agreements with eligible local health agencies are administered. State and local staff are standardized for a uniform inspection approach.

Legal Citation(s): M.S. 28A; M.S. 17.353

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	51	(301)	(629)	(1,287)	(1,287)	(1,689)	(1,689)
Resources:							
Dedicated Receipts	6	1	3	3	3	3	3
Non-Dedicated Receipts	2,584	2,688	2,710	2,710	2,710	2,710	2,710
Total Departmental Earnings	2,590	2,689	2,713	2,713	2,713	2,713	2,713
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,590	2,689	2,713	2,713	2,713	2,713	2,713
Expenditures:							
Direct Expenditures	2,942	3,017	3,371	3,115	3,115	3,115	3,115
Indirect Expenditures							
Total Expenditures	2,942	3,017	3,371	3,115	3,115	3,115	3,115
Current Difference	(352)	(328)	(658)	(402)	(402)	(402)	(402)
Accumulated Ending Balance	(301)	(629)	(1,287)	(1,689)	(1,689)	(2,091)	(2,091)

Background InformationBenefit to the State

Consumers are assured a safe food supply. Food handlers are regulated uniformly. Food standards and labeling are regulated to protect the public. Action is taken to prevent fraud and deception in the sale of food. Enables the department to handle weather related and other emergencies and complaints relating to food. Information is provided to clientele and consumers. Providing assistance to food facilities assures that they conform to state laws relating to sanitation, facilities, food labeling and standards.

Services Provided

- | | |
|--|---|
| <ul style="list-style-type: none">• Inspect all licensed food facilities• Sample foods• Inspect vending machines | <ul style="list-style-type: none">• Inspect unlicensed (exempt) food handlers• Investigate complaints• Respond to emergencies |
|--|---|

Services Provided to Whom

- | | |
|--|---|
| <ul style="list-style-type: none">• Food handlers and food vendors• Fur farmers• USDA, FDA, USDC | <ul style="list-style-type: none">• Food trade associations• Other state and local agencies• General public |
|--|---|

Minnesota Statutes 2006, Chapter 28A authorizes the agency to set fees to pay consolidated food license expenses.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No changes are anticipated to the amount of revenue currently generated from fees paid by retail, wholesale, wholesale manufacturers/processors yet the costs of providing the inspection program continue to increase with inflation and other unanticipated costs of doing business. FY2007 license fees now cover 81% of the program direct expenditures. The other 19% is covered by General Funds.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

FOOD HANDLER PLAN REVIEW

Fiscal Report

Revenue Category Description: Fees paid by retail food handler establishments for building and equipment plan reviews

Requesting a Fee Change: Yes

Fund: AGRICULTURE FUND

Appr Name: FOOD HANDLER PLAN REVIEW

Purpose: Plan reviews for retail food facilities (grocery and convenience stores) are a component of a comprehensive food inspection program and are conducted so that facilities and equipment meet nationally recognized food safety standards for construction and design to ensure safe and sanitary preparation, storage, and sale of food. Facilities must meet minimum standards for utensil and handwashing equipment, for hot and cold storage, for ventilation, for smooth and easily cleanable surfaces which all have an impact on the safety and wholesomeness of food handled there. Properly constructed food facilities reduce the potential for food borne illness. The Minnesota Food Code contains the design and construction standards applicable to the program.

Legal Citation(s): M.S. 31.11; M.S. 28A.082; M.R.1560.9000

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	8	(96)	(200)	(279)	(279)	(348)	(335)
Resources:							
Dedicated Receipts	46	42	51	51	64	52	65
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	46	42	51	51	64	52	65
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	46	42	51	51	64	52	65
Expenditures:							
Direct Expenditures	143	139	123	113	113	114	114
Indirect Expenditures	7	7	7	7	7	6	6
Total Expenditures	150	146	130	120	120	120	120
Current Difference	(104)	(104)	(79)	(69)	(56)	(68)	(55)
Accumulated Ending Balance	(96)	(200)	(279)	(348)	(335)	(416)	(390)

Background Information
Benefit to the State

- Reduces the potential for foodborne illness due to poor facility design
- Eliminates code violations prior to construction
- Establishes an organized and efficient flow of food
- Creates greater enforcement uniformity
- Saves time on routine inspections and on enforcement actions since plan review ensures that food establishments are built or renovated according to current regulations
- Provides uniform design and construction standards for food facilities.

Services Provided

- Provide technical assistance on proper construction and installation standards resulting in greater uniformity in enforcing food code requirements.
- Act as a “clearinghouse” for questions, clarifications and final approval on the project.
- Save money by spotting potential problems in the planning stage before costly purchases, installation and construction have taken place.

Services Provided to Whom

- Owners/operators of retail food establishments
- Architects and Design Engineers
- Citizens of Minnesota
- Equipment manufactures and distributors
- Building and equipment contractors

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. This program is regulated by Minnesota Statutes 2006, Chapter 28A, which states in part that the commissioner shall set fees that approximate the cost to the Department. FY2007 license fees now cover 41% of the program direct expenditures. The other 59% is covered by General Funds.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

Fees for food handler plan reviews are proposed to increase by approximately 26%.

AGRICULTURE DEPT

COMMERCIAL CANNERIES INSPECTN

Fiscal Report

Revenue Category Description: Fees paid by commercial canneries for inspections and laboratory analysis.

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: The commercial cannery inspection program conducts inspections at all commercial canning and frozen food plants within the state. The Food Inspection Section inspects these facilities several times during the canning season, collects samples of product and containers and reviews records to verify processing methods. Inspections focus on process control, a HACCP style approach which ensures the safety and integrity of hermetically sealed containers. Complaints are investigated and certificates of free sale issued to exporters upon request.

Appr Name: COMMERCIAL CANNERIES INSPECT

Legal Citation(s): M.S. 28A.08; M.S. 31.39

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	242	302	336	295	295	254	254
Resources:							
Dedicated Receipts	109	109	110	110	110	110	110
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	109	109	110	110	110	110	110
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	109	109	110	110	110	110	110
Expenditures:							
Direct Expenditures	42	69	131	130	130	130	130
Indirect Expenditures	7	6	20	21	21	21	21
Total Expenditures	49	75	151	151	151	151	151
Current Difference	60	34	(41)	(41)	(41)	(41)	(41)
Accumulated Ending Balance	302	336	295	254	254	213	213

Background InformationBenefit to the State

This inspection program assures that all canned product sold is commercially sterile and that processing plants are operated under sanitary conditions. This ensures that the consumers receive safe food products and increases markets worldwide.

Services Provided

- Inspection Services
- Laboratory Services

Services Provided to Whom

- Commercial Canning Plants
- Commercial Freezing Facilities
- Consumers

The fees are set by Minnesota Statutes 2006, Chapter 28A.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No further changes are anticipated to the amount of revenue generated from fees paid by commercial canning plants and commercial freezing facilities.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

EGG LAW INSPECTION FUND

Fiscal Report

Revenue Category Description: Fees paid by egg producers, packers and wholesale egg handlers.

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: The Egg Inspection Program ensures that all eggs offered for sale are graded using equal standards. Plant inspections cover sanitation, egg handling practices, candling, grading, special sampling surveys for Salmonella Enteritidis (SE) and additional responsibilities which include cholesterol checks and label checks for dating and accuracy. This helps ensure that all producers have an equal marketing opportunity. The program also provides egg safety information to consumers and processors.

Appr Name: CONSOLIDATED FOOD & EGG LAW

Legal Citation(s): M.S. 29.22; 28A.08

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	83	109	110	98	98	88	88
Resources:							
Dedicated Receipts	48	48	45	45	45	45	45
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	48	48	45	45	45	45	45
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	48	48	45	45	45	45	45
Expenditures:							
Direct Expenditures	20	44	50	46	46	46	46
Indirect Expenditures	2	3	7	9	9	9	9
Total Expenditures	22	47	57	55	55	55	55
Current Difference	26	1	(12)	(10)	(10)	(10)	(10)
Accumulated Ending Balance	109	110	98	88	88	78	78

Background InformationBenefit to the State

This inspection program ensures that a uniform grading system is used for all shell eggs that are sold at wholesale and retail in Minnesota. The consumer benefits because all eggs have standardized grades, are wholesome and are handled in a manner designed to maximize safety of the eggs.

Services Provided

- Egg Grading Services

Services Provided to Whom

- | | |
|---|--|
| <ul style="list-style-type: none">• Egg Producers• Egg Packers | <ul style="list-style-type: none">• Wholesale Egg Handlers• Consumers |
|---|--|

The fees are set by Minnesota Statutes 2006, Chapter 28A.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No further changes are anticipated to the amount of revenue generated from fees paid by egg producers, egg packers and wholesale egg handlers.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

BEVERAGE INSPECTION FUND

Fiscal Report

Revenue Category Description: Fees paid by beverage manufacturing plant licensees

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Beverage inspections focus on sanitation and product inspections at all beverage processing plants. This program ensures that all beverage plants operate under safe and sanitary conditions. Beverages include carbonated or still beverages, natural and mineral waters, apple or fruit ciders, fresh or reconstituted fruit juices, or cereal beverages and other finished beverages.

Appr Name: BEVERAGE INSPECTION

Legal Citation(s): M.S. 28A.08; M.S. 34.07

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	55	61	57	51	51	45	45
<u>Resources:</u>							
Dedicated Receipts	20	23	24	24	24	24	24
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	20	23	24	24	24	24	24
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	20	23	24	24	24	24	24
<u>Expenditures:</u>							
Direct Expenditures	13	25	26	26	26	26	26
Indirect Expenditures	1	2	4	4	4	4	4
Total Expenditures	14	27	30	30	30	30	30
Current Difference	6	(4)	(6)	(6)	(6)	(6)	(6)
Accumulated Ending Balance	61	57	51	45	45	39	39

Background InformationBenefit to the State

This inspection program ensures that all consumable beverages are wholesome and manufactured in facilities that are sanitary. Random samples obtained from firms ensure that the products are safe for consumption.

Services Provided

- Sanitation inspections

Services Provided to Whom

- Beverage Manufacturing Plants
- Consumers

The fees are set by Minnesota Statutes 2006, Chapter 28A.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No further changes are anticipated to the amount of revenue generated from fees paid by beverage manufacturing plants.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

LIVESTOCK LICENSES

Fiscal Report

Revenue Category Description: License and bond requirements for companies and people to purchase animals from farmers/producers.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To assure that farmers are paid for their livestock, and to recover the costs of the regulation of livestock buyers and their agents.

Appr Name:

Legal Citation(s): MS 17A.04, Subd 5.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	74	60	45	30	30	15	15
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	43	44	47	47	47	47	47
Total Departmental Earnings	43	44	47	47	47	47	47
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	43	44	47	47	47	47	47
<u>Expenditures:</u>							
Direct Expenditures	57	59	62	62	62	62	62
Indirect Expenditures							
Total Expenditures	57	59	62	62	62	62	62
Current Difference	(14)	(15)	(15)	(15)	(15)	(15)	(15)
Accumulated Ending Balance	60	45	30	15	15	0	0

Background Information

By licensing and monitoring livestock dealers, markets and their agents risks are minimized for producers encouraging the continued production of livestock for industrial and consumer use. Livestock is a major agricultural product for the state.

Services Provided:

- Licensing
- Trustee of required livestock bonds
- Livestock market monitoring
- List of licensed operators
- Investigation of claims against livestock dealers and markets

Services Provided to Whom:

- Livestock producers
- Livestock markets and dealers

The fees are set by Minnesota Statutes 2006, Chapter 17A.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. There are five licensing fees that are assessed; all revenue collected goes to the general fund. General funds are allocated to pay for the licensing and inspection functions of this program. The fees from this licensing program are recovering costs.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

MILK/CREAM BUYERS & TESTER

Fiscal Report

Revenue Category Description: License fees paid by milk graders & testers

Requesting a Fee Change: No

Fund: GENERAL

Purpose: The Bulk Milk Haulers Inspection program provides a service to both the purchaser and producer of raw milk by ensuring proper equipment is used and procedures are followed by bulk milk haulers moving milk from the dairy farm to the plant. Bulk milk haulers are licensed annually based on these inspections. Licensed haulers can pick milk up from the farms and collect milk samples necessary for quality analysis.

Appr Name:

Legal Citation(s): M.S. 32.075; 32.071

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(190)	(353)	(508)	(508)	(665)	(665)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	28	26	31	31	31	31	31
Total Departmental Earnings	28	26	31	31	31	31	31
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	28	26	31	31	31	31	31
<u>Expenditures:</u>							
Direct Expenditures	218	189	186	188	188	188	188
Indirect Expenditures							
Total Expenditures	218	189	186	188	188	188	188
Current Difference	(190)	(163)	(155)	(157)	(157)	(157)	(157)
Accumulated Ending Balance	(190)	(353)	(508)	(665)	(665)	(822)	(822)

Background InformationBenefit to the State

This inspection assures dairy farmers that their bulk milk samples have been properly obtained and analyzed. Samples must be handled and analyzed consistently and accurately because dairy producers receive payments based on those results. Plants and facilities are assured of the integrity and quality of the raw milk purchased. This program is necessary to allow Minnesota to freely ship dairy products interstate.

Services Provided

- Bulk Hauler Inspections
- Licenses Verified
- Equipment Calibrated for Accuracy
- Response to Emergencies/Disasters

Services Provided to Whom

- Bulk Milk Haulers
- Dairy Producers
- Domestic Consumers
- Citizens of Minnesota

The fees are set by Minnesota Statutes 2006, Chapter 32.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No changes are anticipated to the amount of revenue currently generated from fees paid by milk graders and testers yet the costs of providing the inspection program continue to increase with inflation and other unanticipated costs of doing business. FY2007 license fees now cover 16% of the program direct expenditures. The other 84% is covered by General Funds.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

DAIRY FOOD LICENSES

Fiscal Report

Revenue Category Description: License fees paid by manufacturers/retailers/wholesalers of dairy products in Minnesota.

Requesting a Fee Change: No

Fund: GENERAL

Appr Name:

Purpose: The purpose of this program is to license dairy processing and distributing plants by conducting thorough inspections that ensure compliance with state and federal laws and regulations. This service enables Minnesota dairy products to move freely in both domestic and international markets and ensures healthy and wholesome dairy foods for Minnesota consumers. This program also ensures dairy producers a market for their products.

Legal Citation(s): M.S. 28A.08; 32.59; 32.392

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(1,054)	(1,970)	(2,826)	(2,826)	(3,692)	(3,692)
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	128	115	154	154	154	154	154
Total Departmental Earnings	128	115	154	154	154	154	154
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	128	115	154	154	154	154	154
Expenditures:							
Direct Expenditures	1,182	1,031	1,010	1,020	1,020	1,020	1,020
Indirect Expenditures							
Total Expenditures	1,182	1,031	1,010	1,020	1,020	1,020	1,020
Current Difference	(1,054)	(916)	(856)	(866)	(866)	(866)	(866)
Accumulated Ending Balance	(1,054)	(1,970)	(2,826)	(3,692)	(3,692)	(4,558)	(4,558)

Background InformationBenefit to the State

This program ensures Minnesota manufacturers/retailers/wholesalers are producing safe and wholesome products that meet all state and federal laws and regulations. This program is necessary to maintain and keep Minnesota's leadership in the global market. Minnesota dairy processors can freely market their products and contribute to the state economy, while consumers are assured of the quality and wholesomeness of dairy products produced in Minnesota.

Services Provided

- | | |
|-----------------------------------|---|
| • Facility Inspections | • Laboratory Testing |
| • Promotion of MN Dairy Products) | • Issuance of Certificates of Free Sale |
| • IMS Ratings | |

Services Provided to Whom

- | | |
|---|------------------------|
| • Consumers of Minnesota Dairy Products | • Wholesalers |
| • Brokers and Exporters | • Retailers |
| • FDA/USDA | • Processors/Producers |

The fees are set by Minnesota Statutes 2006, Chapter 28A.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. It is anticipated that the amount of revenue currently generated from fees paid by manufacturers/retailers/wholesalers of dairy products will continue to decline yet the costs of providing the inspection program continue to increase with inflation and other unanticipated costs of doing business. FY2007 license fees now cover 15% of the program direct expenditures. The other 85% is covered by General Funds.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

LIVESTOCK WEIGHING FUND

Fiscal Report

Revenue Category Description: Weighing of livestock at meat packing plants

Requesting a Fee Change: No

Purpose: To provide voluntary state weighing services of livestock sold by farmer/producers at meat packing plants.

Fund: AGRICULTURE FUND

Appr Name: LIVESTOCK WEIGH AG CERT

Legal Citation(s): MS 17A.11; MR 1515.2550

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,007	1,246	1,406	1,253	1,253	1,081	1,081
Resources:							
Dedicated Receipts	549	571	264	264	264	264	264
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	549	571	264	264	264	264	264
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	549	571	264	264	264	264	264
Expenditures:							
Direct Expenditures	247	352	341	360	360	380	380
Indirect Expenditures	63	59	76	76	76	78	78
Total Expenditures	310	411	417	436	436	458	458
Current Difference	239	160	(153)	(172)	(172)	(194)	(194)
Accumulated Ending Balance	1,246	1,406	1,253	1,081	1,081	887	887

Background Information

By providing voluntary, official livestock weighing services at meat packing plants the department assures the producer that initial weight of the livestock the producer delivers is accurate. An unbiased weight may encourage in producers the idea that they are getting fairly treated by the packing plant. This assurance may encourage the producer to continue production of livestock for industrial and consumer use. Livestock is a major agricultural product for the state.

Services Provided:

- Official livestock weighing services

Services Provided to Whom:

- Livestock producers
- Livestock packing plants

Minnesota Statutes 2006, Chapter 17A authorizes the agency to set fees necessary to cover the cost of state weighing.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. There is a weighing fee for each head of livestock weighed. All revenue collected goes to the livestock weighing account in the agricultural fund. Money is appropriated from this fund to pay for the official livestock weighing services. The fees from this weighing program are recovering costs.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

DAIRY SERVICES ACCOUNT

Fiscal Report

Revenue Category Description: Fees paid by Grade A and Grade B dairy producers and processors

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Dairy Services include routine farm inspection, uniform ratings of farms and dairy processing facilities, inspection of farm to pick-up trucks, testing of farm pick-up haulers to ensure accurate samplings for producer payment and quality, routine sampling of milk and milk products, reviewing plans and blueprints for farm and plant modifications, reviewing product labels for content and claims, maintaining current producer affidavits and producer lists of BST "free" herds and organic farms for segregated processing and package labeling, testing and sealing all pasteurizer units, responding to emergencies and disasters and consultations on equipment and processing. Dairy inspectors also inspect bottled water, juice processing and other food operations in dairy plants.

Appr Name: DAIRY SERVICES D&F, DAIRY SERVICES LAB

Legal Citation(s): M.S. 32.394, Subd 8 & 9

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	855	1,309	1,562	1,480	1,480	1,388	1,388
<u>Resources:</u>							
Dedicated Receipts	1,864	1,637	1,648	1,648	1,648	1,648	1,648
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,864	1,637	1,648	1,648	1,648	1,648	1,648
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	26	66	49	49	49	49	49
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,890	1,703	1,697	1,697	1,697	1,697	1,697
<u>Expenditures:</u>							
Direct Expenditures	1,238	1,262	1,579	1,542	1,542	1,542	1,542
Indirect Expenditures	198	188	200	247	247	247	247
Total Expenditures	1,436	1,450	1,779	1,789	1,789	1,789	1,789
Current Difference	454	253	(82)	(92)	(92)	(92)	(92)
Accumulated Ending Balance	1,309	1,562	1,480	1,388	1,388	1,296	1,296

Background InformationBenefit to the State

These inspections ensure adherence to the Pasteurized Milk Ordinance and confirm Minnesota producers are providing healthy and wholesome dairy foods that can be transported interstate as well as sold in the global market. This allows Minnesota to remain a dairy leader and provide wholesome dairy products that can be marketed domestically and internationally. Those dairy products contribute to a strong economy and a favorable balance of trade.

Services Provided

- | | |
|---|---|
| <ul style="list-style-type: none">• Field Inspections• IMS Surveys | <ul style="list-style-type: none">• Laboratory Testing• Serve as consultants in matters of equipment and structure changes |
|---|---|

Services Provided to Whom

- | | |
|---|--|
| <ul style="list-style-type: none">• Grade A and B dairy producers.• General Public• Domestic Consumers• Industry | <ul style="list-style-type: none">• Dairy Processors• Foreign purchasers and consumers• FDA/USDA |
|---|--|

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. In an effort to recover costs of providing services and to maintain staffing levels required to make these inspections, Minnesota Statutes 2006, Chapter 32 authorized the agency to charge the fee not less than five cents and not more than nine cents per hundredweight to processors. Currently the fee charged per hundredweight is 7 cents.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

LABORATORY SERVICES ACCOUNT

Fiscal Report

Revenue Category Description: Fees paid by DNR, USDA, EPS and various local and state agencies

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Provides analyses supporting programs for DNR, USDA, EPA and various local and state agencies for a fee. These are cooperative efforts that benefit both parties involved and are in support of state, federal or local laws. Provides legal and scientifically defensible data in a timely manner to the program manager. Provides consultation on analytical issues to the Program Manager, or others involved with the program.

Appr Name: LABORATOR/SERVICES A/ITC

Legal Citation(s): M.S. 17.85; M.S. 21.85; M.S. 32.394

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	211	207	171	116	116	58	58
<u>Resources:</u>							
Dedicated Receipts	146	62	80	80	80	80	80
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	146	62	80	80	80	80	80
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	193	173	207	207	207	207	207
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	339	235	287	287	287	287	287
<u>Expenditures:</u>							
Direct Expenditures	315	250	327	327	327	327	327
Indirect Expenditures	28	21	15	18	18	18	18
Total Expenditures	343	271	342	345	345	345	345
Current Difference	(4)	(36)	(55)	(58)	(58)	(58)	(58)
Accumulated Ending Balance	207	171	116	58	58	0	0

Background InformationBenefit to the State

Scientifically defensible information is generated for contracted work that allows for sound decision making. This data is used to enforce the federal and state laws and is in support of programs that affect a wide spectrum of Minnesota citizens.

Services Provided

- Chemical Analyses
- Analytical Method Development
- Consultation on Technical issues related to program
- Consultation on analytical issues to regulated community.
- Provide additional analyses as requested.

Services Provided to Whom

- Minnesota Department of Natural Resources
- USDA
- Private consultants performing cleanup under MDA direction
- USEPA/Native American Tribes
- Other State Departments of Agriculture
- Minnesota Counties as part of MDA initiatives

Minnesota Statutes 2006, Chapter 32 authorizes the agency to set fees to cover laboratory services.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No changes are anticipated to the amount of revenue generated from fees paid by the DNR, USDA, and other customers.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

GRAIN LICENSING & AUDIT

Fiscal Report

Revenue Category Description: Grain Licensing and auditing earnings include a variety of inspection and licensing fees.

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: To license general storage, grain storage, and grain buyers and to set bond limits in conjunction with these licenses.

Appr Name: GRAIN BUYERS & STORG

Legal Citation(s): M.S. 223.17; 231.16; 232.22; 233.08; 236.02

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	499	484	504	504	504	504	504
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	499	484	504	504	504	504	504
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	499	484	504	504	504	504	504
<u>Expenditures:</u>							
Direct Expenditures	421	417	436	433	433	448	448
Indirect Expenditures	78	67	68	71	71	56	56
Total Expenditures	499	484	504	504	504	504	504
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information**Benefits to the State:**

By licensing and auditing grain elevators and grain buyers, market risks are reduced for producers, encouraging the continued production of grain for industrial and consumer use. This program supports the licensing and examination activities for grain buyers, grain storage and general merchandise warehousing.

Services Provided:

- Licensing
- Setting of required bond amounts
- Grain inventory measurement
- List of licensed operators
- Approval and measurement of new storage space

Services Provided to Whom:

- Grain producers
- General merchandise storage operators
- Grain elevator operators
- General merchandise storage customers

The fees are set by Minnesota Statutes 2006, Chapters 223, 231, 232 and 236.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Consolidation in the grain industry in recent years has seen an overall reduction in the number of grain licenses applied for and an increase in the average volume each entity handles. Increased legal expenses for contested case hearings have also increased the expenditures from this account.

Recent Changes

Grain buyer and storage fees were increased in Laws of 2005, First Special Session, Chapter 1.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

ADVERTISING REVENUE

Fiscal Report

Revenue Category Description: Advertising revenue from publications, events, and advertising partnerships.

Requesting a Fee Change: No

Purpose: To develop, expand and promote Minnesota's agricultural industries through promotional activities, events, advertising partnerships, and printing and distributing educational and promotional materials.

Fund: MISC SPECIAL REVENUE, AGRICULTURE FUND

Appr Name: ADVERTISING REVENUE, MINN
CERTIFICATION ITC

Legal Citation(s): MS 17.03, Subd. 10; Laws 92 Ch. 513.13

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	15	5	3	0	0	0	0
Resources:							
Dedicated Receipts	72	84	122	92	92	93	93
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	72	84	122	92	92	93	93
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	72	84	122	92	92	93	93
Expenditures:							
Direct Expenditures	82	86	125	92	92	93	93
Indirect Expenditures							
Total Expenditures	82	86	125	92	92	93	93
Current Difference	(10)	(2)	(3)	0	0	0	0
Accumulated Ending Balance	5	3	0	0	0	0	0

Background Information

Advertising revenue is used to coordinate participation in regional and national trade shows, publish directories, and promote Minnesota products through advertising and education.

Minnesota Statutes 2006, Chapter 17 authorizes the agency to set fee to cover all or part of the cost of providing services.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Revenue is based on participation of Minnesota agricultural producers and processors.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

MINNESOTA GROWN ACCOUNT

Fiscal Report

Revenue Category Description: License to use the Minnesota Grown logo or labeling with revenue dedicated to these purposes.

Requesting a Fee Change: Yes

Fund: AGRICULTURE FUND

Purpose: To increase producer use of the Minnesota Grown logo, increase consumer awareness of the logo and increase demand for Minnesota Grown agricultural products.

Appr Name: MINN GROWN LABLING

Legal Citation(s): MS 17.102, Subd. 3-4.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3	1	2	2	2	2	2
Resources:							
Dedicated Receipts	4	5	5	5	17	5	18
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	4	5	5	5	17	5	18
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4	5	5	5	17	5	18
Expenditures:							
Direct Expenditures	5	3	4	4	16	4	17
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	6	4	5	5	17	5	18
Current Difference	(2)	1	0	0	0	0	0
Accumulated Ending Balance	1	2	2	2	2	2	2

Background Information

The Minnesota Grown Account promotes the Minnesota Grown Program by use of its logo and labeling which helps agricultural production, processing and distribution. The state provides these services in order to create and strengthen markets for existing crops, to increase profitability of producers and agribusinesses, and to encourage the development of new crops and formation of new business and jobs in the state.

Minnesota Statutes 2006, Chapter 17 authorizes the agency to set fee to cover all or part of the cost of providing services.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. All revenue is from license fees, which enable growers and producers to use the Minnesota Grown logo and labeling.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

The license fee for using the Minnesota Grown logo or labeling is proposed to increase from \$5 to \$20.

AGRICULTURE DEPT

PROMOTION COUNCILS

Fiscal Report

Revenue Category Description: Service fees under contractual agreements with the commodity research and promotion councils.

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: Provide funds by reimbursement to defray the necessary expenses incurred by the commissioner and the council in formulating, submitting to referendum, issuing, administering and enforcing a promotional order.

Appr Name: COMMODITIES RSCH & PR

Legal Citation(s): MS 17.59

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	34	47	62	44	44	26	26
<u>Resources:</u>							
Dedicated Receipts	90	93	105	105	105	105	105
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	90	93	105	105	105	105	105
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	1	3	2	2	2	2	2
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	91	96	107	107	107	107	107
<u>Expenditures:</u>							
Direct Expenditures	67	70	112	108	108	108	108
Indirect Expenditures	11	11	13	17	17	17	17
Total Expenditures	78	81	125	125	125	125	125
Current Difference	13	15	(18)	(18)	(18)	(18)	(18)
Accumulated Ending Balance	47	62	44	26	26	8	8

Background Information

The Minnesota Department of Agriculture provides administrative oversight of Commodity Councils. Minnesota Statutes 2006, Chapter 17 authorizes the agency to set fee to recovery the cost of providing services.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Revenue is based on projected costs and is allocated to each promotion council through an annual income contract.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

ALIEN FARM REGISTRATION

Fiscal Report

Revenue Category Description: Alien Farmland Registration

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To regulate ownership of Minnesota farm land by foreign individuals and non-American corporations by enforcing annual registration requirements.

Appr Name:

Legal Citation(s): M.S. 500.221

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	1	2	3	3	4	4
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1	1	1	1	1	1	1
Total Departmental Earnings	1	1	1	1	1	1	1
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	1	1	1	1	1	1
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	1	1	1	1	1	1	1
Accumulated Ending Balance	1	2	3	4	4	5	5

Background Information

All foreign individuals and non-American corporations must register their ownership position in farmland within the State of Minnesota. Minnesota Statutes 2006, Chapter 500 established an annual filing fee of \$50.00 plus \$10.00 for each additional quarter section of land owned to cover administrative expenses.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Revenue is based on current filings with no anticipated increase in either number of filers or acreage reported.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

STATISTICAL SERVICES ACCOUNT

Fiscal Report

Revenue Category Description: Fee to provide statistical data as requested by outside organizations and individuals.

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: To allow Minnesota Agriculture Statistical Services to respond to requests for statistical information and charge for costs incurred in gathering and reporting the information which may cross fiscal years.

Appr Name: AGRICULTURAL STATISTICS

Legal Citation(s): M.S. 17.038

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	15	8	6	5	5	5	5
Resources:							
Dedicated Receipts	1	3	2	2	2	2	2
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1	3	2	2	2	2	2
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	3	2	2	2	2	2
Expenditures:							
Direct Expenditures	7	4	3	2	2	2	2
Indirect Expenditures	1	1	0	0	0	0	0
Total Expenditures	8	5	3	2	2	2	2
Current Difference	(7)	(2)	(1)	0	0	0	0
Accumulated Ending Balance	8	6	5	5	5	5	5

Background Information

Minnesota Agricultural Statistics provides collection, analysis and reporting of statistical information concerning the agricultural economy in the State of Minnesota on an individual basis as requested by internal and external customers.

Minnesota Statutes 2006, Chapter 17 authorizes the agency to set fees to cover statistical services expenses.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. Fees are based on the actual costs incurred in gathering and reporting statistical information. Revenue is based on the demand for service from our customers.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

AGRICULTURAL DEVELOPMENT BOND

Fiscal Report

Revenue Category Description: Agricultural Development Bond Program

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Program earnings include loan application and origination fees to defray the administrative cost of providing below market interest rate loans to beginning farmers through the use of tax-exempt, private activity bonds.

Appr Name:

Legal Citation(s): M.S. 41C.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	1	21	24	24	27	27
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1	20	3	3	3	3	3
Total Departmental Earnings	1	20	3	3	3	3	3
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	20	3	3	3	3	3
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	1	20	3	3	3	3	3
Accumulated Ending Balance	1	21	24	27	27	30	30

Background Information

- Applications to the Agricultural Development Bond Loan Program were first accepted in October 1991. The program provides first time beginning farmers with lower interest rates on loans through the issuance of tax-exempt private activity bonds under the Internal Revenue Code.
- Departmental earnings are generated by the collection of a \$50 loan application fee and a loan origination fee of 1.5%. Competition for an allocation of private activity bonds is high and it is currently projected that loans issued will not exceed the \$5,000,000 reservation, under law, in the small issue pool. This will provide funding for approximately 40 loans under the program and generate \$77,000 in departmental earnings.
- Services provided: Access to private activity bonds that provide a federal tax exemption for banks on interest income and federal and state tax exemption on interest income to an individual seller.
- Services provided to: Eligible young farmers, lending institutions, and sellers of agricultural land and depreciable assets.
- Benefits to the state: This provides affordable financing to younger, low equity persons who wish to engage in farming as their principal occupation, thus creating agricultural production units that will stimulate economic activity in the local area.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for loans.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

LOAN RESTRUCTURING ADMINISTRN

Fiscal Report

Revenue Category Description: Loan Restructuring
Program Administration

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Program earnings include loan application fees to defray the administrative costs of providing below market interest loan participations to assist Minnesota farmers to reorganize their agricultural debt.

Appr Name: RESTRICTED LOAN ADMIN/ITC

Legal Citation(s): M.S. 41B.04, subd. 17

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	153	140	84	66	66	50	50
Resources:							
Dedicated Receipts	1	1	1	1	1	1	1
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1	1	1	1	1	1	1
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	1	1	1	1	1	1
Expenditures:							
Direct Expenditures	7	52	17	15	15	15	15
Indirect Expenditures	7	5	2	2	2	2	2
Total Expenditures	14	57	19	17	17	17	17
Current Difference	(13)	(56)	(18)	(16)	(16)	(16)	(16)
Accumulated Ending Balance	140	84	66	50	50	34	34

Background Information

- The Loan Restructuring Program was suspended in June 2006 in order to preserve the remaining general obligation bond authorization for the Beginning Farmer Loan Program. Additional bonding authority will be requested in the next Legislative Session.
- Departmental earnings are generated from the collection of a \$50 loan application fee from loan participants.
- Services provided: Below market interest loan participations in partnership with local lending institutions.
- Services provided to: Minnesota farmers in need of reorganizing their agricultural debt.
- Benefits to the state: Provides the opportunity for farmers who have suffered losses caused by conditions beyond their control to restructure their debt into a viable cash flow and maintain their farming operation as a base economic unit.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for loans. Forecast loan principal and interest payments are based upon individual amortization schedules for each loan.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

AGRICULTURAL IMPRVMT LOAN ADM

Fiscal Report

Revenue Category Description: Agricultural Improvement
Loan Program Administration

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Program earnings include loan application fees to defray the cost of providing below market interest rate loans to farmers making improvements to a farm.

Appr Name: AG IMPROVMT LOAN RFA

Legal Citation(s): M.S. 41B.043, subd. 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	21	22	23	23	23	23	23
<u>Resources:</u>							
Dedicated Receipts	1	1	1	1	1	1	1
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1	1	1	1	1	1	1
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	1	1	1	1	1	1
<u>Expenditures:</u>							
Direct Expenditures	0	0	1	1	1	1	1
Indirect Expenditures							
Total Expenditures	0	0	1	1	1	1	1
Current Difference	1	1	0	0	0	0	0
Accumulated Ending Balance	22	23	23	23	23	23	23

Background Information

- The Agricultural Improvement Loan Program was established in 1992. This program was suspended in June 2006 in order to preserve the remaining general obligation bond authorization for the Beginning Farmer Loan Program. Additional bonding authority will be requested in the next Legislative Session.
- Departmental earnings are generated from the collection of a \$50 loan application fee from loan participants.
- Services provided: Below market interest loan participations in partnership with local agricultural lenders.
- Services provided to: Farmers desiring to purchase and construct or install improvements to land, buildings and other permanent structures which are useful for and intended to be used for the purpose of farming.
- Benefits to the state: These improvements contribute to the financial well being and safety of operating farmers, with some improvements also helping to protect the environment.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for loans. Forecasted loan principal and interest payments are based upon individual amortization schedules for each loan.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

RFA LOAN ADMIN

Fiscal Report

Revenue Category Description: Beginning Farmer and Seller Sponsored Loan Programs Administration

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Program earnings include loan application fees to defray the cost of providing low interest rate loans to qualifying beginning farmers through the participation in these loans with lending institutions.

Appr Name: RFA LOAN APPLICATION

Legal Citation(s): M.S. 41B.03, subd. 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	52	54	49	49	49	49	49
<u>Resources:</u>							
Dedicated Receipts	2	3	5	5	5	5	5
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2	3	5	5	5	5	5
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2	3	5	5	5	5	5
<u>Expenditures:</u>							
Direct Expenditures	0	7	5	5	5	5	5
Indirect Expenditures	0	1	0	0	0	0	0
Total Expenditures	0	8	5	5	5	5	5
Current Difference	2	(5)	0	0	0	0	0
Accumulated Ending Balance	54	49	49	49	49	49	49

Background Information

- The Beginning Farmer Loan Program was established in 1987 and the Seller Sponsored Loan Program in 1988. A \$50 non-refundable application fee is collected from participants in both programs. There is no loan origination fee.
- Services provided: Below market interest rate loan participations in partnership with local agricultural lenders.
- Services provided to: Younger, lower equity individuals who intend, over time, to become a full time farmer.
- Benefits to the state: Helps to establish younger families who create considerable economic activity within the local area and promotes stability to rural society.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for loans. Forecasted loan principal and interest payments are based upon individual amortization schedules for each loan.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

RFA REVOLVING LOAN ACCOUNT

Fiscal Report

Revenue Category Description: RFA Revolving Loan Account

Requesting a Fee Change: No

Fund: RURAL FINANCE ADMINISTRATION

Purpose: To defray the administrative costs of participating in low-interest rate loans to farmers for the RFA Revolving Loan Program. The RFA Revolving Loan Program has several loan programs including the Value Added Agricultural Loan Program, the Methane Digester Loan Program and the Livestock Equipment Pilot Loan Program.

Appr Name: RFA REVOLVING LOAN PROGS

Legal Citation(s): M.S. 41B.06

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	1,386	386	386	386	386
Resources:							
Dedicated Receipts	0	1	1	1	1	1	1
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	1	1	1	1	1	1
Other Resources:							
Earnings Transferred In	0	1,465	0	0	0	0	0
Rev Collected at Other Agency	0	165	147	147	147	147	147
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	1,631	148	148	148	148	148
Expenditures:							
Direct Expenditures	0	245	1,148	148	148	148	148
Indirect Expenditures							
Total Expenditures	0	245	1,148	148	148	148	148
Current Difference	0	1,386	(1,000)	0	0	0	0
Accumulated Ending Balance	0	1,386	386	386	386	386	386

Background Information

- The Rural Finance Authority Revolving Loan Program was created by M.S. 41B.06. This law authorized the remaining balances and future revenues from the previous Value Added Agricultural Product and Methane Digester Loan Programs to be deposited into the new RFA Revolving Loan Program. At the same time, the Livestock Equipment Pilot Loan Program was added to be included in this RFA Revolving Loan Program.
- Within the RFA Revolving Loan Program, the Value Added Agricultural Product Loan Program provides financing to farmers for the purchase of stock in a cooperative proposing to build or purchase and operate an agricultural product processing facility.
- Within the RFA Revolving Loan Program, the Methane Digester Loan Program provides funding to farmers to finance the purchase and construction of a system that will utilize manure to produce electricity.
- Within the RFA Revolving Loan Program, the Livestock Equipment Pilot Loan Program provides funding to farmers to finance the first purchase of livestock-related equipment and make livestock facility improvements.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for value-added agricultural product loans. Forecasted principal and interest payments are based upon individual amortization schedules for each loan.

Recent Changes

Other than those identified above, there are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

LIVESTOCK EXPANSION ADMIN

Fiscal Report

Revenue Category Description: Livestock Expansion Loan Program Administration

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Program earnings include loan application fees to defray the administrative cost of providing below market interest rate loan participations to livestock producers as an incentive to adopt and implement up-to-date and efficient livestock systems.

Appr Name: LIVSTK EXPANSN LOAN

Legal Citation(s): M.S. 41B.045, subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	61	62	48	40	40	31	31
<u>Resources:</u>							
Dedicated Receipts	1	1	1	1	1	1	1
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1	1	1	1	1	1	1
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	1	1	1	1	1	1
<u>Expenditures:</u>							
Direct Expenditures	0	15	9	10	10	10	10
Indirect Expenditures							
Total Expenditures	0	15	9	10	10	10	10
Current Difference	1	(14)	(8)	(9)	(9)	(9)	(9)
Accumulated Ending Balance	62	48	40	31	31	22	22

Background Information

- The 1994 Legislature passed legislation to establish this program with fees initially set at \$50 for application fee and a 1.5% loan origination fee.
- Services provided: Below market rate interest on loan participations in partnership with local lenders.
- Services provided to: Eligible livestock farmers planning to construct state-of-the-art facilities to improve their efficiency and expand total farm production.
- Benefits to the state: Livestock provides a value-added market for the states grain producers. The processing of livestock and livestock products provides a large number of jobs and creates considerable associated economic activity.
- The Rural Finance Authority Board reviewed the fee structure in April 1996. They determined that the loan origination fee could be reduced to 0.5% for Livestock Expansion loans amortized over 10 years or less and to 1.0% for those loans amortized greater than 10 years. In June 2000, the Rural Finance Authority Board reduced the loan origination fee to zero.

Forecast Basis

An annual review of revenue and expenditures is conducted. Future departmental earnings are forecasted on expected demand for loans. Forecasted loan principal and interest payments are based upon individual amortization schedules for each loan.

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

REINSPECTION FEES

Fiscal Report

Revenue Category Description: Fees paid by food handler firms for additional reinspection costs for non-compliance offenses

Requesting a Fee Change: No

Fund: AGRICULTURE FUND

Purpose: This program provides for recovery of expenses for licensed firms that have major violations, foodborne outbreaks, recalls, food safety emergencies, and sanitary notices.

Appr Name: FOOD HANDLER REINSP FEE/ITC

Legal Citation(s): M.S. 28A.05 Subd. 1

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	109	117	123	143	143	163	163
<u>Resources:</u>							
Dedicated Receipts	17	7	95	95	95	95	95
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	17	7	95	95	95	95	95
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	3	6	5	5	5	5	5
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	20	13	100	100	100	100	100
<u>Expenditures:</u>							
Direct Expenditures	12	7	79	79	79	79	79
Indirect Expenditures	0	0	1	1	1	1	1
Total Expenditures	12	7	80	80	80	80	80
Current Difference	8	6	20	20	20	20	20
Accumulated Ending Balance	117	123	143	163	163	183	183

Background InformationBenefit to the State

Prompt reinspections are made to correct violation observations and to ensure that Minnesota processors/wholesalers/manufacturers produce safe and sanitary products that meet state and federal laws and regulations. It also allows Minnesota products to compete in the global market.

Services Provided

- Facility Reinspections
- Warning Letters
- Sampling
- Education of Customers
- Response to emergencies
- Compliance Oversight
- Regulatory/Administrative Hearings

Services Provided to Whom

- Industry
- General Public
- Processors
- Wholesalers/Retailers
- FDA
- USDA

Minnesota Statutes 2006, Chapter 28A establishes reinspection fees.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if a fee change is appropriate. No further changes are anticipated to the amount of revenue generated from fees paid by non-compliant Minnesota processors/wholesalers/manufacturers/retailers. Revenue fluctuates according to number of compliance violations and severity of violations which may require more re-inspections or costs associated with ensuring the correction of violations

Recent Changes

There are no recent changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

AGRICULTURE DEPT

AG BMP LOAN PROGRAM

Fiscal Report

Revenue Category Description: Best Management Practices loan application fees

Requesting a Fee Change:

Purpose: Earnings are loan application fees used to defray the cost of providing the Best Management Practices loan program.

Fund:

Appr Name:

Legal Citation(s): M.S. 17.117, Subd. 5(c)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	0	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

The Agriculture Best Management Practices (BMP) Loan Program established an application fee in 2005 to cover the costs of increased administration at the state level. Minnesota Statutes 2006, Section 17.117 provides that a \$50 application fee may be charged to cover the cost of administrative functions and provide for more effective program delivery. This fee has not been implemented as of fiscal year 2007.

Forecast Basis

An annual review of revenue and expenditures is conducted to determine if any fee change is appropriate. The legislature approved this fee during the 2005 Legislative Session. The AgBMP loan program was already in existence.

Recent Changes

Since 2005, there are no changes in fees or legislation that would affect revenues for this account.

Agency Analysis/Requested Changes

No fee change is recommended at this time.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	2	9	4	4	4	4	4
Total Non-Dedicated Receipts	2	9	4	4	4	4	4

<u>Dedicated Receipts:</u>							
Misc Special Revenue	51	45	50	50	50	50	50
Total Dedicated Receipts	51	45	50	50	50	50	50

<u>Fund Totals:</u>							
General	2	9	4	4	4	4	4
Misc Special Revenue	51	45	50	50	50	50	50
Departmental Earnings Total	53	54	54	54	54	54	54

ANIMAL HEALTH BOARD

LIVESTOCK & POULTRY HEALTH LIC

Fiscal Report

Revenue Category Description: Fees and registrations for brands, kennels, and penalties levied against violators.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To enforce health standards relating to kennels and pounds which are used to house companion animals. These standards are set by the Board of Animal Health.

Appr Name:

Legal Citation(s): M.S. 35.824, M.S. 35.95, M.S. 347.33, M.S. 35.71

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2	(34)	(64)	(100)	(100)	(137)	(137)
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2	9	4	4	4	4	4
Total Departmental Earnings	2	9	4	4	4	4	4
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2	9	4	4	4	4	4
Expenditures:							
Direct Expenditures	38	39	40	41	41	42	42
Indirect Expenditures							
Total Expenditures	38	39	40	41	41	42	42
Current Difference	(36)	(30)	(36)	(37)	(37)	(38)	(38)
Accumulated Ending Balance	(34)	(64)	(100)	(137)	(137)	(175)	(175)

ANIMAL HEALTH BOARD

LIVESTOCK & POULTRY HEALTH LIC

Narrative

Background Information

The Board of Animal Health routinely collects fees and levies penalties as part of its operations. Fees are collected for the following services: registering brands, licensing kennels and licensing institutions. Penalties are levied against violators of board rules. The amounts of fees and the maximum amount of penalties are set in statute.

Forecast Basis

We have reviewed and analyzed the cost factors associated with the employee time and agency assets consumed in issuing licenses and brands. We have also compared the projected costs and cost factors for the coming biennium (FY 2008 – 2009) to those of the current biennium.

Our review and analysis showed no significant changes in either the costs or cost factors between the two biennia. Therefore, we have no proposals to expand, or increase, fees and penalties during the next two years.

Recent Changes

None

Agency Analysis/Requested Changes

None

ANIMAL HEALTH BOARD

CHRONIC WASTING INSPECTION

Fiscal Report

Revenue Category Description: Fees and registrations for farmed cervidae herds.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Fees collected to cover the partial cost of an annual inspection of farmed cervidae, farmed cervidae facilities, and farmed cervidae records.

Appr Name: CHRONIC WASTING DISEASE RCPTS

Legal Citation(s): MS 17.452

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	51	102	146	96	96	46	46
<u>Resources:</u>							
Dedicated Receipts	51	45	50	50	50	50	50
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	51	45	50	50	50	50	50
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	51	45	50	50	50	50	50
<u>Expenditures:</u>							
Direct Expenditures	0	1	100	100	100	100	100
Indirect Expenditures							
Total Expenditures	0	1	100	100	100	100	100
Current Difference	51	44	(50)	(50)	(50)	(50)	(50)
Accumulated Ending Balance	102	146	96	46	46	(4)	(4)

ANIMAL HEALTH BOARD

CHRONIC WASTING INSPECTION

Narrative

Background Information

The Board of Animal Health routinely collects fees for the inspection of farmed cervidae, farmed cervidae facilities, and farmed cervidae records. For each herd, the owner or owners must pay an annual inspection fee equal to \$10 for each cervid in the herd as reflected in the most recent inventory submitted to the Board of Animal Health up to a maximum fee of \$100.

Forecast Basis

We have reviewed and analyzed the cost factors associated with the employee time and agency assets consumed in inspection of farmed cervidae, farmed cervidae facilities, and farmed cervidae records. We have also compared the projected costs and cost factors for the coming biennium (FY 2008 – 2009) to those of the current biennium.

Our review and analysis showed no significant changes in either the costs or cost factors between the two biennia. Therefore, we have no proposals to expand, or increase, fees and penalties during the next two years.

Recent Changes

None

Agency Analysis/Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	973	1,773	975	1,775	1,775	975	975
Total Non-Dedicated Receipts	973	1,773	975	1,775	1,775	975	975

<u>Fund Totals:</u>							
General	973	1,773	975	1,775	1,775	975	975
Departmental Earnings Total	973	1,773	975	1,775	1,775	975	975

ARCHITECTURE, ENGINEERING BD

AELSLAGID

Fiscal Report

Revenue Category Description: Fees charged for examinations and licensing.

Requesting a Fee Change: No

Purpose: To recover cost of regulation of the industry.

Fund: GENERAL

Legal Citation(s): M.S. 326.02 and MN Rules 1800

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	973	1,773	975	1,775	1,775	975	975
Total Departmental Earnings	973	1,773	975	1,775	1,775	975	975
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	973	1,773	975	1,775	1,775	975	975
<u>Expenditures:</u>							
Direct Expenditures	797	721	1,111	785	795	785	805
Indirect Expenditures	57	36	40	40	40	40	40
Total Expenditures	854	757	1,151	825	835	825	845
Current Difference	119	1,016	(176)	950	940	150	130

ARCHITECTURE, ENGINEERING BD

ARCHITECTURE, ENGINEERING BD

Narrative

Background Information

The board generates revenue from license exam fees, (which are a pass through), initial license application fees, license renewal fees, and fines or penalties.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	460	466	465	465	465	465	465
Total Non-Dedicated Receipts	460	466	465	465	465	465	465

<u>Fund Totals:</u>							
General	460	466	465	465	465	465	465
Departmental Earnings Total	460	466	465	465	465	465	465

ATTORNEY GENERAL

ATTORNEY GENERAL

Fiscal Report

Revenue Category Description: Registration fees paid by clubs, charities, charitable trusts and professional fund raisers.

Requesting a Fee Change: No

Purpose: Registration fees.

Fund: GENERAL

Legal Citation(s): 325G.27, 309.52, 309.53, 309.531, 501B.37, 501B.38

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	14	34	53	53	72	72
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	460	466	465	465	465	465	465
Total Departmental Earnings	460	466	465	465	465	465	465
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	460	466	465	465	465	465	465
<u>Expenditures:</u>							
Direct Expenditures	446	446	446	446	446	446	446
Indirect Expenditures							
Total Expenditures	446	446	446	446	446	446	446
Current Difference	14	20	19	19	19	19	19
Accumulated Ending Balance	14	34	53	72	72	91	91

Background Information

The Attorney General has oversight responsibility for charitable assets and has the authority to enforce Minnesota's laws governing nonprofit charitable organizations. The registration function for soliciting charitable organizations and professional fund-raisers was transferred to the Attorney General in 1997, consolidating it with the Attorney General's charitable trust registry. The purpose of the registration function is to make charities' financial information available to the public. In addition, the office conducts public education activities about charitable giving; it serves to protect money dedicated for charitable purposes and is a public resource for information about nonprofit charitable organizations in Minnesota.

Under Minnesota Statutes §§ 309.52 and 309.53, charitable organizations that solicit contributions from the public file registration documents, annual reports, financial statements with a \$25.00 registration and annual fee. There is a \$50.00 late fee for past due filings. Charitable trusts and foundations must also register and file annually pursuant to Minnesota Statutes section 501B.38. These documents and data are made accessible to the public by providing individual photocopies, copies of the computerized database via the office website. More than 7,800 charitable organizations and charitable trusts are currently registered.

Under Minnesota Statutes section 309.531, professional fundraisers must register each year with the Attorney General. The registration fee is \$200. There is a \$300 late fee for past due filings.

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

Forecast Basis

The number of charitable organizations that register with the Attorney General's Office continues to increase.

Recent Changes

None

Agency Analysis/Requested Changes

No Change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	1,426	1,456	1,555	1,555	1,555	1,555	1,555
Total Non-Dedicated Receipts	1,426	1,456	1,555	1,555	1,555	1,555	1,555

<u>Fund Totals:</u>							
General	1,426	1,456	1,555	1,555	1,555	1,555	1,555
Departmental Earnings Total	1,426	1,456	1,555	1,555	1,555	1,555	1,555

BARBER/COSMETOLOGIST EXAM BD**COSMETOLOGY/BARBER****Fiscal Report**

Revenue Category Description: Fees for licenses and operating permits.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To protect the public by insuring that cosmetology practitioners comply with established standards of education, training, hygiene, and practice.

Appr Name:

Legal Citation(s): M.S. 155A

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,426	1,456	1,555	1,555	1,555	1,555	1,555
Total Departmental Earnings	1,426	1,456	1,555	1,555	1,555	1,555	1,555
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	1	0	0	0	0	0	0
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,427	1,456	1,555	1,555	1,555	1,555	1,555
<u>Expenditures:</u>							
Direct Expenditures	629	536	1,216	729	1,343	729	1,145
Indirect Expenditures	12	6	0	0	0	0	0
Total Expenditures	641	542	1,216	729	1,343	729	1,145
Current Difference	786	914	339	826	212	826	410

Background Information

The mission of the Board is to promote, preserve and protect the public health, safety, and welfare by ensuring that all licensees provided competent barber and cosmetologist care.

Services provided under this program include:

- ☐ Initial licensing of qualified applicants. This includes reviewing applicant's education training and test scores for compliance with board requirements for licensure.
- ☐ Renewal Licensure of qualified applicants.
- ☐ Conduct inspection of salons, barber shops and schools to ensure compliance with that state Statutes and Rules.
- ☐ Respond to the public and other inquires, complaints, and reports regarding licensure and conduct or licensees and unlicensed individuals.

Forecast Basis

The Board budget is exclusively generated from fees charged to applicants and licensees. These fees are set to cover all direct and indirect costs the board has. Revenues are projected based on actual revenue collected last year. No major changes are anticipated to the amount of revenue generated from licensing and renewal activities. Further the Board does not anticipate any significant changes in the amount of licensees.

Recent Changes

None

Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	77	443	443	443	476	443	476
Total Non-Dedicated Receipts	77	443	443	443	476	443	476

Fund Totals:							
State Government Spec Revenue	77	443	443	443	476	443	476
Departmental Earnings Total	77	443	443	443	476	443	476

BEHAVIORAL HLTH & THERAPY BD**BEHAVIORAL HEALTH/THERAPY BD****Fiscal Report****Revenue Category Description:** Licensing Fees**Requesting a Fee Change:** Yes**Purpose:** To recover the costs of regulating the licensed professional counselor profession.**Fund:** STATE GOVERNMENT SPEC REVENUE**Appr Name:****Legal Citation(s):** M.S. 148B.53, subd. 3: M.S. 148B.59(b)(7)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(201)	(491)	(581)	(715)	(715)	(1,016)	(779)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	77	73	73	73	106	73	106
Total Departmental Earnings	77	73	73	73	106	73	106
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	0	0	2	0	2
Rev Collected for Other Agency							
Current Year Resources	77	73	73	73	104	73	104
<u>Expenditures:</u>							
Direct Expenditures	276	128	177	355	149	355	149
Indirect Expenditures	91	35	30	19	19	20	20
Total Expenditures	367	163	207	374	168	375	169
Current Difference	(290)	(90)	(134)	(301)	(64)	(302)	(65)
Accumulated Ending Balance	(491)	(581)	(715)	(1,016)	(779)	(1,318)	(844)

Background Information

The Board of Behavioral Health and Therapy was established on 7-1-03. On 7-1-05, the Alcohol and Drug Counselor Licensing Program transferred from the Minnesota Department of Health to the Board of Behavioral Health and Therapy.

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

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

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The Board of Behavioral Health and Therapy fees were initially set in May 2004.

Requested Changes

The board is requesting to increase fees charged to licensed professional counselors and licensed alcohol and drug counselors, which will increase the board's annual revenue \$33,000.

BEHAVIORAL HLTH & THERAPY BD

A & D COUNSELORS

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: Yes

Purpose: To recover the costs of regulating the alcohol and drug counselor profession.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148C.03, Subd. 1, 148C.12

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(1,050)	(1,044)	(938)	(889)	(889)	(907)	(832)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	370	370	370	370	370	370
Total Departmental Earnings	0	370	370	370	370	370	370
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	350	0	0	0	2	0	2
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	350	370	370	370	372	370	372
<u>Expenditures:</u>							
Direct Expenditures	344	197	250	345	272	345	272
Indirect Expenditures	0	67	71	43	43	43	43
Total Expenditures	344	264	321	388	315	388	315
Current Difference	6	106	49	(18)	57	(18)	57
Accumulated Ending Balance	(1,044)	(938)	(889)	(907)	(832)	(925)	(775)

Background Information

The Board of Behavioral Health and Therapy was established on 7-1-03. On 7-1-05, the Alcohol and Drug Counselor Licensing Program transferred from the Minnesota Department of Health to the Board of Behavioral Health and Therapy.

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

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

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

In 2003 there was a \$99 annual surcharge imposed on alcohol and drug counselors to cover the current deficit. The surcharge is effective until 2013.

Requested Changes

The board is requesting to increase fees charged to licensed professional counselors and licensed alcohol and drug counselors, which will increase the board's annual revenue \$33,000.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	616	632	637	637	637	637	637
Total Non-Dedicated Receipts	616	632	637	637	637	637	637

Fund Totals:							
State Government Spec Revenue	616	632	637	637	637	637	637
Departmental Earnings Total	616	632	637	637	637	637	637

CHIROPRACTORS BOARD

CHIROPRACTIC LICENSING

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 148.07, 148.08, 148.10, 319B & MN Rules 2500

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(166)	(48)	61	67	67	85	49
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	599	614	619	619	619	619	619
Total Departmental Earnings	599	614	619	619	619	619	619
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	17	18	18	18	18	18	18
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	2	3	0	0	0	0	0
Current Year Resources	614	629	637	637	637	637	637
<u>Expenditures:</u>							
Direct Expenditures	395	414	443	423	459	423	456
Indirect Expenditures	101	106	188	196	196	196	196
Total Expenditures	496	520	631	619	655	619	652
Current Difference	118	109	6	18	(18)	18	(15)
Accumulated Ending Balance	(48)	61	67	85	49	103	34

Background Information

The mission of the board is to promote, preserve and protect the public's health, safety, and welfare by providing reasonable assurance that the individuals who practice are competent, ethical practitioners with the necessary knowledge and skills appropriate to their title and role.

The Board of Chiropractic Examiners provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

None

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	108,460	152,058	105,213	105,536	106,534	105,311	106,501
Total Non-Dedicated Receipts	108,460	152,058	105,213	105,536	106,534	105,311	106,501

<u>Dedicated Receipts:</u>							
Misc Special Revenue	17,533	19,942	13,713	19,325	19,325	20,020	20,020
Total Dedicated Receipts	17,533	19,942	13,713	19,325	19,325	20,020	20,020

<u>Fund Totals:</u>							
General	108,460	152,058	105,213	105,536	106,534	105,311	106,501
Misc Special Revenue	17,533	19,942	13,713	19,325	19,325	20,020	20,020
Departmental Earnings Total	125,993	172,000	118,926	124,861	125,859	125,331	126,521

COMMERCE DEPT

COLLECTIONS

Fiscal Report

Revenue Category Description: Fees paid by collection agencies and debt collectors.

Requesting a Fee Change: No

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL

Legal Citation(s): M.S. 332

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	491	1,262	1,821	1,821	2,376	2,342
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	924	1,164	1,001	966	976	966	976
Total Departmental Earnings	924	1,164	1,001	966	976	966	976
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	924	1,164	1,001	966	976	966	976
<u>Expenditures:</u>							
Direct Expenditures	337	323	344	324	367	328	376
Indirect Expenditures	96	70	98	87	88	87	89
Total Expenditures	433	393	442	411	455	415	465
Current Difference	491	771	559	555	521	551	511
Accumulated Ending Balance	491	1,262	1,821	2,376	2,342	2,927	2,853

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

FINANCIAL INSTITUTIONS

Fiscal Report

Revenue Category Description: Fees charged for the regulation of financial institutions.

Requesting a Fee Change: Yes

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

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: MORTGAGE ORIG CONS EDUC-ITC

Legal Citation(s): M.S.

46,47,48,52,53,53A,55,56,58,59,168,332

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	239	524	2,331	2,639	2,639	3,664	3,585
Resources:							
Dedicated Receipts	34	172	100	100	100	100	100
Non-Dedicated Receipts	5,209	6,636	5,773	6,098	6,417	5,773	6,212
Total Departmental Earnings	5,243	6,808	5,873	6,198	6,517	5,873	6,312
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,243	6,808	5,873	6,198	6,517	5,873	6,312
Expenditures:							
Direct Expenditures	4,233	4,317	4,664	4,384	4,771	4,391	4,904
Indirect Expenditures	725	684	901	789	800	789	812
Total Expenditures	4,958	5,001	5,565	5,173	5,571	5,180	5,716
Current Difference	285	1,807	308	1,025	946	693	596
Accumulated Ending Balance	524	2,331	2,639	3,664	3,585	4,357	4,181

Background Information

The department as required by statute recovers 103% of the cost of examining financial institutions, including banks, credit unions, trust companies, and consumer credit companies. The department recovers the direct cost of each examination by charging an hourly rate. Institutions also pay transaction fees for services and certifications provided by the department. At the end of each fiscal year, all costs that have not been recovered are assessed to the institutions.

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

CURRENCY EXCHANGE

Fiscal Report

Revenue Category Description: Fees collected from currency exchange licensees.

Requesting a Fee Change: No

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL

Legal Citation(s): M.S. 53A

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	68	138	207	207	280	274
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	91	92	94	94	94	94	94
Total Departmental Earnings	91	92	94	94	94	94	94
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	91	92	94	94	94	94	94
<u>Expenditures:</u>							
Direct Expenditures	18	18	20	17	22	18	23
Indirect Expenditures	5	4	5	4	5	4	5
Total Expenditures	23	22	25	21	27	22	28
Current Difference	68	70	69	73	67	72	66
Accumulated Ending Balance	68	138	207	280	274	352	340

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

FRANCHISE

Fiscal Report

Revenue Category Description: Fees charged for franchise offerings.

Requesting a Fee Change: No

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL

Legal Citation(s): M.S. 80C

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	196	407	579	579	758	747
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	394	412	397	397	397	397	397
Total Departmental Earnings	394	412	397	397	397	397	397
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	394	412	397	397	397	397	397
<u>Expenditures:</u>							
Direct Expenditures	157	163	174	173	184	177	190
Indirect Expenditures	41	38	51	45	45	45	46
Total Expenditures	198	201	225	218	229	222	236
Current Difference	196	211	172	179	168	175	161
Accumulated Ending Balance	196	407	579	758	747	933	908

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

INSURANCE AGENTS

Fiscal Report

Revenue Category Description: Fees charged for licensing insurance adjusters, agencies, agents and reinsurance intermediaries.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover the cost of regulation of the industry.

Appr Name:

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

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	4,805	10,661	15,906	15,906	21,094	20,998
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	5,932	6,904	6,400	6,270	6,270	6,270	6,270
Total Departmental Earnings	5,932	6,904	6,400	6,270	6,270	6,270	6,270
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,932	6,904	6,400	6,270	6,270	6,270	6,270
Expenditures:							
Direct Expenditures	895	848	902	858	951	867	973
Indirect Expenditures	232	200	253	224	227	224	229
Total Expenditures	1,127	1,048	1,155	1,082	1,178	1,091	1,202
Current Difference	4,805	5,856	5,245	5,188	5,092	5,179	5,068
Accumulated Ending Balance	4,805	10,661	15,906	21,094	20,998	26,273	26,066

COMMERCE DEPT

INSURANCE AGENTS

Narrative

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

INSURANCE COMPANY

Fiscal Report

Revenue Category Description: Fees paid by insurance companies.

Requesting a Fee Change: No

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL, MISC SPECIAL REVENUE

Legal Citation(s): M.S. 60A

Appr Name: INS EXAM REV FUND, INSURANCE FRAUD PREVENTION

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	25	1,170	6,551	4,298	4,298	3,858	3,523
<u>Resources:</u>							
Dedicated Receipts	5,174	7,336	4,405	5,905	5,905	5,905	5,905
Non-Dedicated Receipts	4,278	7,137	3,553	3,553	3,553	3,553	3,553
Total Departmental Earnings	9,452	14,473	7,958	9,458	9,458	9,458	9,458
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	9,452	14,473	7,958	9,458	9,458	9,458	9,458
<u>Expenditures:</u>							
Direct Expenditures	7,288	8,160	9,018	8,839	9,163	8,795	9,165
Indirect Expenditures	1,019	932	1,193	1,059	1,070	1,059	1,081
Total Expenditures	8,307	9,092	10,211	9,898	10,233	9,854	10,246
Current Difference	1,145	5,381	(2,253)	(440)	(775)	(396)	(788)
Accumulated Ending Balance	1,170	6,551	4,298	3,858	3,523	3,462	2,735

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

REAL ESTATE

Fiscal Report

Revenue Category Description: Fees paid by the real estate industry.

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

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

Appr Name: RE EDUC, RESEARCH, & RECOV ITC

Legal Citation(s): M.S. 82, 82B, 386

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	895	2,503	4,066	5,462	5,462	6,825	6,726
<u>Resources:</u>							
Dedicated Receipts	569	462	455	455	455	455	455
Non-Dedicated Receipts	2,170	1,961	1,928	1,828	1,828	1,928	1,928
Total Departmental Earnings	2,739	2,423	2,383	2,283	2,283	2,383	2,383
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,739	2,423	2,383	2,283	2,283	2,383	2,383
<u>Expenditures:</u>							
Direct Expenditures	857	684	740	694	791	705	815
Indirect Expenditures	274	176	247	226	228	226	230
Total Expenditures	1,131	860	987	920	1,019	931	1,045
Current Difference	1,608	1,563	1,396	1,363	1,264	1,452	1,338
Accumulated Ending Balance	2,503	4,066	5,462	6,825	6,726	8,277	8,064

Background Information

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

SECURITIES

Fiscal Report

Revenue Category Description: Fees paid for investment offering registrations and securities licensing.

Requesting a Fee Change: No

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 80A, 80B

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	31,893	65,675	97,189	97,189	128,729	129,285
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	32,360	34,253	32,038	32,038	32,638	32,038	32,638
Total Departmental Earnings	32,360	34,253	32,038	32,038	32,638	32,038	32,638
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	32,360	34,253	32,038	32,038	32,638	32,038	32,638
<u>Expenditures:</u>							
Direct Expenditures	369	382	408	396	439	406	454
Indirect Expenditures	98	89	116	102	103	102	104
Total Expenditures	467	471	524	498	542	508	558
Current Difference	31,893	33,782	31,514	31,540	32,096	31,530	32,080
Accumulated Ending Balance	31,893	65,675	97,189	128,729	129,285	160,259	161,365

Background Information

As required by statute, the department licenses securities agents and brokers, and collects registration and amendment fees for all investment offerings in Minnesota. Registration fees are set at 1/20 of 1% of the offering price, with an annual revenue cap of \$25 million. The department also generates revenue from fines and penalties. All fees collected are deposited as non-dedicated revenue to the General Fund and any amount collected in excess of the \$25M cap is refunded on a pro-rata basis.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

UNCLAIMED PROPERTY

Fiscal Report

Revenue Category Description: Unclaimed Property remitted to the state on behalf of Minnesota owners.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover and return abandoned property to rightful owners or heirs.

Appr Name:

Legal Citation(s): M.S. 345

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	46,508	134,349	182,859	182,859	231,386	231,385
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	47,100	88,306	49,000	49,000	49,000	49,000	49,000
Total Departmental Earnings	47,100	88,306	49,000	49,000	49,000	49,000	49,000
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	47,100	88,306	49,000	49,000	49,000	49,000	49,000
Expenditures:							
Direct Expenditures	467	357	349	349	349	349	349
Indirect Expenditures	125	108	141	124	125	124	127
Total Expenditures	592	465	490	473	474	473	476
Current Difference	46,508	87,841	48,510	48,527	48,526	48,527	48,524
Accumulated Ending Balance	46,508	134,349	182,859	231,386	231,385	279,913	279,909

Background Information

Holders of unclaimed property (except real property) are required to remit the abandoned property to the department. The department holds the unclaimed property indefinitely until it is claimed by the rightful owner or heir. Cash and liquidated assets are deposited as non-dedicated revenue to the General Fund.

Forecast Basis

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

Recent Changes

M.S. 345 was amended in 2005 to allow the department to liquidate securities after holding for one year. Previously we were required to hold them three years before liquidation.

Agency Analysis/Requested Changes

The department has seen dramatic increases in its collection of unclaimed property over the last three years. The vast majority of this increase resulted from the demutualization of multiple national insurance companies, (e.g., MetLife and Prudential). Our estimates for the future suggest a return to relatively normal collections in the current fiscal year and next biennium.

COMMERCE DEPT

WC/SI

Fiscal Report

Revenue Category Description: Fees paid by entities interested in self insuring auto and workers compensation liability.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover the cost of regulation of the industry.

Appr Name:

Legal Citation(s): M.S. 65B, 70A, 79, 176

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(45)	(167)	(358)	(358)	(546)	(546)
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	675	528	469	469	469	469	469
Total Departmental Earnings	675	528	469	469	469	469	469
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	675	528	469	469	469	469	469
Expenditures:							
Direct Expenditures	642	613	621	619	619	619	619
Indirect Expenditures	78	37	39	38	38	38	38
Total Expenditures	720	650	660	657	657	657	657
Current Difference	(45)	(122)	(191)	(188)	(188)	(188)	(188)
Accumulated Ending Balance	(45)	(167)	(358)	(546)	(546)	(734)	(734)

Background Information

Companies that self-insure for workers' compensation are required to pay application and filing fees to operate in Minnesota. Revenue from these fees is usually not sufficient to recover the cost of regulation as can be seen by the deficit position on the fiscal page.

As a result, the department has historically reviewed this revenue category along with the Insurance Agents and Insurance Company categories. Surplus positions in these categories will off-set the deficit in WC/SI over the next biennium. All fees collected are deposited as non-dedicated revenue to the General Fund.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

ENERGY COST ASSESSMENT

Fiscal Report

Revenue Category Description: Assessment of Regulatory costs to Gas and Electric Utilities

Requesting a Fee Change: No

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

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: E-FILING, ENERGY PLANNING & SYSTEMS

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

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(61)	758	1,023	114	114	114	109
Resources:							
Dedicated Receipts	506	300	0	0	0	0	0
Non-Dedicated Receipts	3,610	3,071	2,700	2,963	3,032	2,963	3,104
Total Departmental Earnings	4,116	3,371	2,700	2,963	3,032	2,963	3,104
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,116	3,371	2,700	2,963	3,032	2,963	3,104
Expenditures:							
Direct Expenditures	2,793	2,416	2,864	2,263	2,331	2,263	2,404
Indirect Expenditures	504	690	745	700	706	700	708
Total Expenditures	3,297	3,106	3,609	2,963	3,037	2,963	3,112
Current Difference	819	265	(909)	0	(5)	0	(8)
Accumulated Ending Balance	758	1,023	114	114	109	114	101

Background Information

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

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

Assessments are limited by statute. These limitations include:

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

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

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

Forecast Basis

Forecast is based on requested funding for gas and electric utility regulation and for the Reliability Administrator. The department assumes 100% of the appropriation will be expended and 100% of the cost will be recovered.

Recent Changes

The Reliability Administrator program was transferred to the Public Utilities Commission on July 1, 2005.

A one-time assessment of \$300,000 was authorized to establish an e-filing system that allows documents filed with the Public Utilities Commission to be filed and retrieved via the Internet.

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

TELEPHONE COSTS ASSESSMENT

Fiscal Report

Revenue Category Description: Telephone Cost Assessment

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

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

Appr Name: TELEPHONE INVESTIGATION

Legal Citation(s): M.S. 237.295; 237.30

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(512)	(162)	(33)	(61)	(61)	(61)	(63)
<u>Resources:</u>							
Dedicated Receipts	1,714	1,324	1,407	1,406	1,406	1,406	1,406
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,714	1,324	1,407	1,406	1,406	1,406	1,406
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,714	1,324	1,407	1,406	1,406	1,406	1,406
<u>Expenditures:</u>							
Direct Expenditures	985	925	1,076	1,066	1,066	1,066	1,066
Indirect Expenditures	379	270	359	340	342	340	344
Total Expenditures	1,364	1,195	1,435	1,406	1,408	1,406	1,410
Current Difference	350	129	(28)	0	(2)	0	(4)
Accumulated Ending Balance	(162)	(33)	(61)	(61)	(63)	(61)	(67)

Background Information

The department assesses the full cost of telephone regulation to the regulated companies. Approximately 480 regulated telephone companies are assessed for the regulatory costs incurred by the Department of Commerce and the Attorney General. In addition, statewide indirect costs are assessed.

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

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

- a) The department, as required by statute, bills in advance for indirect costs.
- b) The department completes a make-whole settlement after the close of the fiscal year.
- c) There are statutory limitations on assessments.
- d) A small amount of accounts receivable may be outstanding.

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

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

WEIGHTS & MEASURES

Fiscal Report

Revenue Category Description: Weights and Measures Inspection Fee

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Revenue from the fee recovers the cost of inspecting weighing and measuring equipment, inspecting packaged commodities, and providing metrology laboratory services.

Appr Name:

Legal Citation(s): M.S. 239.101, Subd. 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	95	1,599	2,954	4,623	4,623	6,292	6,292
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,504	1,355	1,669	1,669	1,669	1,669	1,669
Total Departmental Earnings	1,504	1,355	1,669	1,669	1,669	1,669	1,669
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,504	1,355	1,669	1,669	1,669	1,669	1,669
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	1,504	1,355	1,669	1,669	1,669	1,669	1,669
Accumulated Ending Balance	1,599	2,954	4,623	6,292	6,292	7,961	7,961

Background Information

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

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

Under current law, Weights and Measures is funded by \$0.81 of the Petroleum Inspection fee. The Petroleum Inspection fee is collected by the Department of Revenue and transferred to Weights and Measures.

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

Forecast Basis

Earnings are forecast based on an estimate of the number of inspections and laboratory calibrations projected for each fiscal year.

Recent Changes

All costs related to inspection fees are funded from dedicated receipts in the special revenue fund.

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

TAM SURCHARGE

Fiscal Report

Revenue Category Description: Revenue from TAM Surcharge.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

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

Appr Name: TAM

Legal Citation(s): M.S. 237.50-237.56

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	5,549	7,102	6,626	1,130	1,130	944	944
<u>Resources:</u>							
Dedicated Receipts	7,496	5,278	2,127	6,622	6,622	7,356	7,356
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	7,496	5,278	2,127	6,622	6,622	7,356	7,356
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	200	200	200	200	200
Rev Collected for Other Agency							
Current Year Resources	7,496	5,278	1,927	6,422	6,422	7,156	7,156
<u>Expenditures:</u>							
Direct Expenditures	5,924	5,726	7,357	6,542	6,542	7,114	7,114
Indirect Expenditures	19	28	66	66	66	68	68
Total Expenditures	5,943	5,754	7,423	6,608	6,608	7,182	7,182
Current Difference	1,553	(476)	(5,496)	(186)	(186)	(26)	(26)
Accumulated Ending Balance	7,102	6,626	1,130	944	944	918	918

Background Information

- 1) The department contracts, through its Telecommunications Access Minnesota (TAM) program, to provide specialized telecommunications services and equipment for Minnesotans with hearing, sight, speech, and mobility limitations. TAM also supports funding for Accessible News for the Blind, Rural Real-Time Captioning, and operational expenses for the Minnesota Commission Serving Deaf and Hard-of-Hearing People. These include:
 - a) A contract with Communication Service for the Deaf (CSD) for the provision of Minnesota Relay services and outreach services. Minnesota Relay facilitates communications between persons with a hearing or speech disability and the person they wish to communicate with.
 - b) An Interagency Agreement with the Department of Human Services - Telephone Equipment Distribution (TED) Program to provide specialized telecommunications equipment to eligible persons with hearing, speech, vision or mobility limitations.
 - c) An Interagency Agreement with the Department of Human Services - Rural Real-Time Captioning program to make live local news programming accessible to persons with hearing loss.
 - d) An Interagency Agreement with the Department for Employment and Economic Development – Accessible News for the Blind program to provide an accessible electronic information service for persons with sight limitations.
 - e) An appropriation to the Minnesota Commission Serving Deaf and Hard-of-Hearing People for operational expenses.
- 2) Revenue to fund these contracts is generated by a surcharge on all wired and wireless telephone access lines.
 - a) Minnesota Statutes set a maximum for the surcharge at \$0.20 per month, per access line.
 - b) The Public Utilities Commission sets the actual amount of the surcharge based on recommendations from the Department of Commerce.

Forecast Basis

Due to a large TAM fund surplus, the surcharge amount was reduced in FY 2006 and again in FY 2007, resulting in an under collection of surcharge revenue both of these years.

The department projects that the TAM fund surplus will be eliminated by the end of FY 2007. The department anticipates increasing the surcharge to \$0.09 per access line, per month in both FY 2008 and FY 2009.

Recent Changes

- 1) In FY 2006, the surcharge was set at \$0.07.
- 2) In FY 2007, the surcharge was set at \$0.03.
- 3) In 2005, the Minnesota Legislature passed legislation that created two new state programs, Accessible News for the Blind and Rural Real-Time Captioning, that are to be funded via the TAM surcharge.
 - a) The Accessible News for the Blind program provides accessible electronic information (news and other timely information) for people with sight limitations. This program is administered by the commissioner of the Department of Employment and Economic Development (DEED), and has a maximum annual budget of \$100,000.
 - b) The Rural Real-Time Captioning program provides real-time, closed-captioning of certain local television news programs for people with hearing loss. This program is administered by the commissioner of the Department of Human Services (DHS), and has a maximum annual budget of \$300,000.
- 4) In 2006 Minnesota Legislature passed legislation providing for a \$200,000 appropriation for operating expenses from the TAM fund to the Minnesota Commission Serving Deaf and Hard-of-Hearing People.
- 5) In FY 2007 the TAM program began a five year contract for the provision of Minnesota Relay services and outreach services with Communication Service for the Deaf.

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

PETROLEUM

Fiscal Report

Revenue Category Description: Weights and Measures
Petroleum Inspection Fee and Oil Burner Retrofit Account

Requesting a Fee Change:

Fund:

Purpose: Revenue from the fee recovers the cost of operations for the Division of Weights and Measures, petroleum supply monitoring, and the oil burner retrofit program.

Appr Name:

Legal Citation(s): M.S. 239.101, Subd. 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	58	359	431	431	254	254
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In	576	3,377	3,414	3,448	3,448	3,483	3,483
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	200	206	412	412	412	412
Rev Collected for Other Agency							
Current Year Resources	576	3,177	3,208	3,036	3,036	3,071	3,071
Expenditures:							
Direct Expenditures	421	2,610	2,861	2,938	2,938	3,012	3,012
Indirect Expenditures	97	266	275	275	275	275	275
Total Expenditures	518	2,876	3,136	3,213	3,213	3,287	3,287
Current Difference	58	301	72	(177)	(177)	(216)	(216)
Accumulated Ending Balance	58	359	431	254	254	38	38

Background Information

The Petroleum Inspection Fee is set by statute, at \$1.00 per 1,000 gallons. The Petroleum Inspection Fee is paid by licensed petroleum distributors and collected by the Commissioner of Revenue. Revenue then transfers a portion of the fee to the Department of Commerce. Commerce, by statute, receives \$.81 cents of each dollar collected and it is to be used for:

- a) Operations of the Division of Weights and Measures.
- b) Operating the oil burner retrofit program.
- c) Monitoring Minnesota's supply and inventory of petroleum products.

The remaining \$.19 cents of each dollar collected stays with Revenue and is deposited in the general fund.

Forecast Basis

The Department of Revenue completes the forecast for this fee.

Recent Changes

In FY 2006, the allocation of the fee was changed and \$.81 cents was directed to Weights and Measures and \$.19 cents was sent to the general fund. During FY 2005, \$.15 was credited to Weights and Measures with the remaining \$.85 being deposited in the general fund

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

PROPANE

Fiscal Report

Revenue Category Description: Liquid Petroleum Gas Sales Fee

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Revenue from the fee funds energy efficiency improvements to low-income homes using liquefied petroleum gas heating equipment.

Appr Name: RESIDENTIAL PROPANE

Legal Citation(s): M.S. 239.785

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	350	391	58	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	433	341	288	242	242	203	203
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	433	341	288	242	242	203	203
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	350	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	433	(9)	288	242	242	203	203
<u>Expenditures:</u>							
Direct Expenditures	391	323	345	241	241	202	202
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	392	324	346	242	242	203	203
Current Difference	41	(333)	(58)	0	0	0	0
Accumulated Ending Balance	391	58	0	0	0	0	0

Background Information

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

Forecast Basis

None.

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended.

COMMERCE DEPT

AUTO THEFT PREVENTION

Fiscal Report

Revenue Category Description: Auto theft prevention program.

Requesting a Fee Change: No

Purpose: Implement statewide plans, programs, and strategies to combat automobile theft.

Fund: MISC SPECIAL REVENUE

Appr Name: AUTO THEFT PREVENTION

Legal Citation(s): M.S. 65B.84

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	293	293	293	578	578
Resources:							
Dedicated Receipts	0	3,293	3,235	3,235	3,235	3,235	3,235
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	3,293	3,235	3,235	3,235	3,235	3,235
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	2,987	3,210	1,300	1,300	1,300	1,300
Rev Collected for Other Agency							
Current Year Resources	0	306	25	1,935	1,935	1,935	1,935
Expenditures:							
Direct Expenditures	0	12	24	1,641	1,641	1,641	1,641
Indirect Expenditures	0	1	1	9	9	9	9
Total Expenditures	0	13	25	1,650	1,650	1,650	1,650
Current Difference	0	293	0	285	285	285	285
Accumulated Ending Balance	0	293	293	578	578	863	863

Background Information

As required by statute, insurers that write automobile insurance policies collect a surcharge of \$0.50 per vehicle for each six months of coverage. The surcharge is remitted and deposited in a special revenue account. Of the revenue received each year, the first \$1.3 million is transferred as a non-dedicated revenue to the General Fund. All revenue in excess of \$1.3 million is used to fund the automobile theft prevention program.

Forecast Basis

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

Recent Changes

On July 1, 2005 the program was transferred from the Department of Public Safety to the Department of Commerce.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

COMMERCE DEPT

TELEMARKETING

Fiscal Report

Revenue Category Description: Revenue from sales of Do-Not-Call Lists to Telemarketing Firms

Requesting a Fee Change: No

Fund: GENERAL

Purpose: The purpose of the Minnesota Do-Not-Call program is to reduce the number of unwanted telephone solicitations received by Minnesota residents who register their telephone numbers with the Department of Commerce.

Appr Name:

Legal Citation(s): M.S. 325E.314

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(152)	(309)	(621)	(621)	(931)	(931)
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	12	10	5	5	5	5	5
Total Departmental Earnings	12	10	5	5	5	5	5
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	12	10	5	5	5	5	5
Expenditures:							
Direct Expenditures	150	153	299	299	299	299	299
Indirect Expenditures	14	14	18	16	16	16	16
Total Expenditures	164	167	317	315	315	315	315
Current Difference	(152)	(157)	(312)	(310)	(310)	(310)	(310)
Accumulated Ending Balance	(152)	(309)	(621)	(931)	(931)	(1,241)	(1,241)

Background Information

Laws enabling the Minnesota Do-Not-Call program were effective July 1, 2002. The department began registering residential telephone numbers in the program on January 1, 2003. In accordance with statutory requirements, the department began charging telemarketing firms for each Do-Not-Call list they were required to purchase. Fees were set as follows:

- a) \$125 in FY 2003
- b) \$90 in FY 2004
- c) \$75 in FY 2005 and thereafter

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

Revenue from list sales has dropped significantly due to the implementation of a national Do-Not-Call list. No change is recommended in the current fee structure.

COMMERCE DEPT

MISCELLANEOUS COMMERCE

Fiscal Report

Revenue Category Description: Commerce combined five small earning categories into this miscellaneous account.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: The recover the cost of regulation of the industries. The five earning categories were campground, subdivided land, athlete agent, cig & tobacco license and fee, and overpayment all fees.

Appr Name:

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

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	145	311	431	431	556	548
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	204	226	186	186	186	186	186
Total Departmental Earnings	204	226	186	186	186	186	186
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	204	226	186	186	186	186	186
<u>Expenditures:</u>							
Direct Expenditures	47	49	52	49	57	50	59
Indirect Expenditures	12	11	14	12	12	12	12
Total Expenditures	59	60	66	61	69	62	71
Current Difference	145	166	120	125	117	124	115
Accumulated Ending Balance	145	311	431	556	548	680	663

COMMERCE DEPT

MISCELLANEOUS COMMERCE

Narrative

Background Information

At the beginning of the last budget cycle, the department combined five small earnings categories into a single miscellaneous account. We are adding an additional three this year. The eight categories include license fee payments for campgrounds, subdivided land, student athlete agents, cigarettes and tobacco, overpayments from all fees, service contracts, course approvals, and course coordinators.

Forecast Basis

The forecast is based on data from the past three years.

Recent Changes

None.

Agency Analysis/Requested Changes

Analysis:

\$s in 1,000s

	FY05	FY06	FY07	FY08	FY09
Revenue:					
Campground	2	2	2	2	2
Subdivided Land	30	41	35	35	35
Athlete Agents	2	4	3	3	3
Cigarettes and Tobacco	155	102	105	105	105
Overpayments	15	42	10	10	10
Service Contracts	0	28	25	25	25
Course Approvals	0	0	1	1	1
Course Coordinators	0	7	5	5	5
Total	204	226	186	186	186
Expenses:					
Campground	10	10	11	10	10
Subdivided Land	27	22	31	30	30
Athlete Agent	0	0	0	0	0
Cigarettes and Tobacco	22	22	24	21	22
Overpayments	0	0	0	0	0
Service Contracts	0	0	0	0	0
Course Approvals	0	0	0	0	0
Course Coordinators	0	0	0	0	0
Total	59	59	66	61	62
Difference:					
Campground	(8)	(8)	(9)	(8)	(8)
Subdivided Land	3	14	4	5	5
Athlete Agent	2	4	3	3	3
Cigarettes and Tobacco	133	80	81	84	83
Overpayments	15	42	10	10	10
Service Contracts	0	28	25	25	25
Course Approvals	0	0	1	1	1
Course Coordinators	0	7	5	5	5
Total	145	167	120	125	124

Requested Changes:

No change is recommended in the current fee structure.

FACILITY SITING AND ROUTING

Revenue Category Description: Facility Siting and Routing

Requesting a Fee Change: No

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

Fund: MISC SPECIAL REVENUE

Appr Name: POWER PLANT ASSESSMENT

Legal Citation(s): M.S. 116C.712, Subd 5; 116C.69, Subd 2-3; 116I.015

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	253	150	150	150	150
<u>Resources:</u>							
Dedicated Receipts	0	718	848	680	680	680	680
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	718	848	680	680	680	680
<u>Other Resources:</u>							
Earnings Transferred In	0	294	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	1,012	848	680	680	680	680
<u>Expenditures:</u>							
Direct Expenditures	0	627	775	562	562	562	562
Indirect Expenditures	0	132	176	118	118	118	118
Total Expenditures	0	759	951	680	680	680	680
Current Difference	0	253	(103)	0	0	0	0
Accumulated Ending Balance	0	253	150	150	150	150	150

Background Information

The Facility Siting and Routing unit was transferred to the Department of Commerce from the Department of Administration on July 1, 2005. Fees are paid by utility companies and other proposers of energy facilities to manage the permitting process. Examples of the type of facilities include electric generating plants, electric high voltage lines, wind generators, and pipelines. The fees support the actual cost of personnel, operating costs, and indirect costs.

Forecast Basis

Current and prior year receipt and expenditure information was reviewed and estimated budgets were created based on that information. These projects are limited in duration and the number and size of new projects has been relatively stable over time.

Recent Changes

The Facility Siting function was transferred to the Department of Commerce from the Department of Administration on July 1, 2005.

Agency Analysis/Requested Changes

No changes requested.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	8,587	9,209	9,626	9,687	9,687	9,687	9,687
Total Non-Dedicated Receipts	8,587	9,209	9,626	9,687	9,687	9,687	9,687

<u>Dedicated Receipts:</u>							
Misc Special Revenue	7,663	8,295	8,901	8,901	8,901	8,901	8,901
Correctional Industries	933	1,543	1,620	1,620	1,620	1,620	1,620
Total Dedicated Receipts	8,596	9,838	10,521	10,521	10,521	10,521	10,521

<u>Fund Totals:</u>							
General	8,587	9,209	9,626	9,687	9,687	9,687	9,687
Misc Special Revenue	7,663	8,295	8,901	8,901	8,901	8,901	8,901
Correctional Industries	933	1,543	1,620	1,620	1,620	1,620	1,620
Departmental Earnings Total	17,183	19,047	20,147	20,208	20,208	20,208	20,208

CORRECTIONS DEPT

FEE FOR SERVICES JUVENILE

Fiscal Report

Revenue Category Description: Department juvenile facilities provide, on a per diem basis, juvenile programming.

Purpose: Costs of operating juvenile programs are recovered by charging counties actual per diems for services provided at MCF-Togo.

Legal Citation(s): M.S. 242.192

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Appr Name: MCF-TOGO PROGRAMS, MCF-TOGO SPECIAL EDUCATION, MCF-TOGO WILDERNESS ENDEAV EDU, MCF-TOGO WILDERNESS ENDEAV PRG

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	605	832	666	610	610	397	397
<u>Resources:</u>							
Dedicated Receipts	2,704	2,903	3,347	3,347	3,347	3,347	3,347
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,704	2,903	3,347	3,347	3,347	3,347	3,347
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,704	2,903	3,347	3,347	3,347	3,347	3,347
<u>Expenditures:</u>							
Direct Expenditures	2,311	2,937	3,251	3,408	3,408	3,408	3,408
Indirect Expenditures	166	132	152	152	152	152	152
Total Expenditures	2,477	3,069	3,403	3,560	3,560	3,560	3,560
Current Difference	227	(166)	(56)	(213)	(213)	(213)	(213)
Accumulated Ending Balance	832	666	610	397	397	184	184

CORRECTIONS DEPT

FEE FOR SERVICES JUVENILE

Narrative

Background Information

Counties pay a per diem for utilization of programming at MCF-Togo as follows: Residential Program and Meth Program \$161.00, Wilderness Program \$140.00, Special Education \$75.57, and Wilderness Endeavors Education \$46.04. .

Forecast Basis

No significant changes are anticipated in the amount of revenue generated in the upcoming biennium from this fee.

Recent Changes

Meth Program was added in FY2005, charged at the same rate as the Residential Program.

Agency Analysis/Requested Changes

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

CORRECTIONS DEPT

HOUSING ADULT INMATES

Fiscal Report

Revenue Category Description: Receipts from housing inmates are generated when the DOC enters into agreements with units of govt.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The purpose of generating these receipts is to allow the department to fund essential correctional projects.

Appr Name: DED REC-SPEC PROJ-CONTROL, HOUSING INMATES-MCF-RUSH CITY

Legal Citation(s): M.S. 243.51

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3,049	1,297	1,592	723	723	217	217
<u>Resources:</u>							
Dedicated Receipts	1,278	730	835	835	835	835	835
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,278	730	835	835	835	835	835
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,278	730	835	835	835	835	835
<u>Expenditures:</u>							
Direct Expenditures	3,021	428	1,689	1,326	1,326	1,326	1,326
Indirect Expenditures	9	7	15	15	15	15	15
Total Expenditures	3,030	435	1,704	1,341	1,341	1,341	1,341
Current Difference	(1,752)	295	(869)	(506)	(506)	(506)	(506)
Accumulated Ending Balance	1,297	1,592	723	217	217	(289)	(289)

CORRECTIONS DEPT

HOUSING ADULT INMATES

Narrative

Background Information

Units of government pay the department for housing offenders. The receipts are utilized for correctional purposes.

Forecast Basis

Due to increased bed space needs for Minnesota offenders, MCF-RC no longer rents beds out for federal offenders, dramatically decreasing revenue over the past two years. Revenue generated is expected to remain relatively constant from this point into the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

TRAINING CENTER USAGE FEES

Fiscal Report

Revenue Category Description: Earnings represent fees for services and materials charged to users of department training.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The Corrections Department provides relevant training to correctional employees from Minnesota and other units of government. The department is recovering a portion of the costs of the training.

Appr Name: TRAINING RECEIPTS

Legal Citation(s): M.S. 241.01, Subd 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2	2	2	2	2	2	2
<u>Resources:</u>							
Dedicated Receipts	23	22	26	26	26	26	26
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	23	22	26	26	26	26	26
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	23	22	26	26	26	26	26
<u>Expenditures:</u>							
Direct Expenditures	23	22	26	26	26	26	26
Indirect Expenditures							
Total Expenditures	23	22	26	26	26	26	26
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	2	2	2	2	2	2	2

CORRECTIONS DEPT

TRAINING CENTER USAGE FEES

Narrative

Background Information

Earnings represent fees for services and materials charged to users of department training.

Forecast Basis

Revenue generated is expected to remain relatively constant in the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the agency fee structure.

CORRECTIONS DEPT

AID TO VICTIM OF CRIME

Fiscal Report

Revenue Category Description: Offenders are assessed a portion of their pay to fund a Crime Victims Fund.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The purpose of collecting these receipts is to provide funding to programs established by law to aid victims of crime. Receipts are transferred to the Crime Victim Services Center for disbursement.

Appr Name: AID TO VICTIMS OF CRIME CONTRL

Legal Citation(s): M.S. 243.23, Subd.3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	232	302	318	318	318	318	318
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	232	302	318	318	318	318	318
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	232	302	318	318	318	318	318
Rev Collected for Other Agency							
Current Year Resources	0	0	0	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

CORRECTIONS DEPT

AID TO VICTIM OF CRIME

Narrative

Background Information

A portion of inmate pay is withheld and deposited in the Aid to Victims of Crime Fund. Receipts collected are transferred to the Crime Victim Services Center.

Forecast Basis

No changes are anticipated in the amount of revenue generated from this earnings deduction.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

VOCATIONAL WORK PROGRAM

Fiscal Report

Revenue Category Description: Fees generated from offender work on various institution and community projects.

Requesting a Fee Change: No

Purpose: Various vocational programs keep offenders productively occupied by providing work opportunities.

Fund: MISC SPECIAL REVENUE

Appr Name: Various

Legal Citation(s): M.S. 16A.72 (8)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	233	198	632	674	674	637	637
Resources:							
Dedicated Receipts	1,723	2,436	2,523	2,523	2,523	2,523	2,523
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,723	2,436	2,523	2,523	2,523	2,523	2,523
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,723	2,436	2,523	2,523	2,523	2,523	2,523
Expenditures:							
Direct Expenditures	1,680	1,973	2,433	2,512	2,512	2,512	2,512
Indirect Expenditures	78	29	48	48	48	48	48
Total Expenditures	1,758	2,002	2,481	2,560	2,560	2,560	2,560
Current Difference	(35)	434	42	(37)	(37)	(37)	(37)
Accumulated Ending Balance	198	632	674	637	637	600	600

CORRECTIONS DEPT

VOCATIONAL WORK PROGRAM

Narrative

Background Information

Offenders working on various institution and community projects generate dedicated revenue, which is utilized to support the various vocational work programs. Programs currently exist at MCF-Faribault, MCF-Lino Lakes, MCF-Stillwater, MCF-St Cloud and MCF-Red Wing. In addition, ICWC (Institution Community Work Crews) work out of MCF-Lino Lakes, MCF-Stillwater and MCF-Red Wing.

Forecast Basis

No significant changes are anticipated in the amount of revenue generated from this fee.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

STAFF VISITOR MEALS

Fiscal Report

Revenue Category Description: Fees for meals provided to staff and visitors at facilities are appropriated to the commissioner.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The commissioner may provide meals for staff and visitors for efficiency of operation and may require the participants to pay all or part of the costs of the meals. Funds collected are appropriated to the commissioner to pay all or part of the costs of the meals.

Appr Name: Various

Legal Citation(s): M.S. 241.01, Subd.7

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	6	7	16	18	18	20	20
Resources:							
Dedicated Receipts	75	66	81	81	81	81	81
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	75	66	81	81	81	81	81
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	75	66	81	81	81	81	81
Expenditures:							
Direct Expenditures	71	56	76	76	76	76	76
Indirect Expenditures	3	1	3	3	3	3	3
Total Expenditures	74	57	79	79	79	79	79
Current Difference	1	9	2	2	2	2	2
Accumulated Ending Balance	7	16	18	20	20	22	22

CORRECTIONS DEPT

STAFF VISITOR MEALS

Narrative

Background Information

Staff and visitors pay for meals provided at the correctional facilities. Fees collected recover the cost of the meals.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

LINO-ANOKA SERVICE AGREEMENT

Fiscal Report

Revenue Category Description: Agreement with Anoka County for products and services.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

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

Appr Name: MCF-LL/ANOKA SERVICE AGREEMNT

Legal Citation(s): M.S. 241.01, Subd.7

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	58	31	87	87	87	87	87
Resources:							
Dedicated Receipts	386	229	200	200	200	200	200
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	386	229	200	200	200	200	200
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	386	229	200	200	200	200	200
Expenditures:							
Direct Expenditures	386	166	192	192	192	192	192
Indirect Expenditures	27	7	8	8	8	8	8
Total Expenditures	413	173	200	200	200	200	200
Current Difference	(27)	56	0	0	0	0	0
Accumulated Ending Balance	31	87	87	87	87	87	87

CORRECTIONS DEPT

LINO-ANOKA SERVICE AGREEMENT

Narrative

Background Information

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

Forecast Basis

No changes are anticipated in the amount of revenue generated from this fee.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

OUT OF STATE JUV JAIL INSPEC

Fiscal Report

Revenue Category Description: Guidelines for courts in placing juveniles in a residential or detention facility outside of MN.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To recover the costs incurred in certifying juvenile out-of-state residential or detention facilities .

Appr Name: OUT-OF-STATE JUVENILE INSPECTN

Legal Citation(s): M.S. 260B.198, subd. 11(c)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	93	97	55	30	30	10	10
<u>Resources:</u>							
Dedicated Receipts	61	33	45	45	45	45	45
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	61	33	45	45	45	45	45
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	61	33	45	45	45	45	45
<u>Expenditures:</u>							
Direct Expenditures	54	71	66	61	61	52	52
Indirect Expenditures	3	4	4	4	4	3	3
Total Expenditures	57	75	70	65	65	55	55
Current Difference	4	(42)	(25)	(20)	(20)	(10)	(10)
Accumulated Ending Balance	97	55	30	10	10	0	0

CORRECTIONS DEPT

OUT OF STATE JUV JAIL INSPEC

Narrative

Background Information

Out of state juvenile residential or detention facilities, housing Minnesota juveniles, pay a fee for a 2-year certification. The fee, collected by the Facilities Planning and Inspection Unit, is used to support the cost of the certification process.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

CORRECTIONS STAFF RENT/UTILITY

Fiscal Report

Revenue Category Description: Utility and rent charges to persons residing on Thistledeew Camp grounds.

Requesting a Fee Change: No

Purpose: These fees cover the rental costs, including utilities, incurred by those persons residing on grounds at Thistledeew Camp.

Fund: MISC SPECIAL REVENUE

Appr Name: MCF-TOGO UTILITIES & RENT

Legal Citation(s): M.S. 246.59

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	15	18	3	3	3	3	3
<u>Resources:</u>							
Dedicated Receipts	13	7	13	13	13	13	13
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	13	7	13	13	13	13	13
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	13	7	13	13	13	13	13
<u>Expenditures:</u>							
Direct Expenditures	9	21	13	13	13	13	13
Indirect Expenditures	1	1	0	0	0	0	0
Total Expenditures	10	22	13	13	13	13	13
Current Difference	3	(15)	0	0	0	0	0
Accumulated Ending Balance	18	3	3	3	3	3	3

CORRECTIONS DEPT

CORRECTIONS STAFF RENT/UTILITY

Narrative

Background Information

Persons residing on the MCF-Togo grounds pay rent and utilities. This fee is adjusted annually, reflecting inflationary increases.

Forecast Basis

Revenue generated is expected to remain relatively constant in the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

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

CORRECTIONS DEPT

COUNTY PROBATION REIMBURSEMENT

Fiscal Report

Revenue Category Description: Counties must reimburse the state for provision of juvenile probation and parole services.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Reimbursement for juvenile probation and parole services provided.

Appr Name:

Legal Citation(s): M.S. 244.19, Subd.5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	3,007	3,100	3,160	3,160	3,160	3,160	3,160
Total Departmental Earnings	3,007	3,100	3,160	3,160	3,160	3,160	3,160
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,007	3,100	3,160	3,160	3,160	3,160	3,160
Expenditures:							
Direct Expenditures	3,007	3,100	3,160	3,160	3,160	3,160	3,160
Indirect Expenditures							
Total Expenditures	3,007	3,100	3,160	3,160	3,160	3,160	3,160
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

CORRECTIONS DEPT

COUNTY PROBATION REIMBURSEMENT

Narrative

Background Information

As defined in statute, counties are billed for juvenile probation and parole services provided by the state.

Forecast Basis

Revenue generated is expected to remain relatively constant in the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

COMMUNITY SUPERVISION

Fiscal Report

Revenue Category Description: Persons convicted of a crime and supervised by the commissioner are charged a supervision fee.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Fees collected help defray the costs associated with supervision of persons convicted of a crime and supervised by the commissioner.

Appr Name:

Legal Citation(s): M.S 244.18

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(17,504)	(35,143)	(55,197)	(55,197)	(73,693)	(73,693)
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	591	636	560	560	560	560	560
Total Departmental Earnings	591	636	560	560	560	560	560
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	591	636	560	560	560	560	560
Expenditures:							
Direct Expenditures	18,095	18,275	20,614	19,056	19,056	19,056	19,056
Indirect Expenditures							
Total Expenditures	18,095	18,275	20,614	19,056	19,056	19,056	19,056
Current Difference	(17,504)	(17,639)	(20,054)	(18,496)	(18,496)	(18,496)	(18,496)
Accumulated Ending Balance	(17,504)	(35,143)	(55,197)	(73,693)	(73,693)	(92,189)	(92,189)

Background Information

Fees include community service work placement and supervision, restitution collection, supervision, court-ordered investigations or any service provided by a probation office or parole agent for offenders supervised by the commissioner of corrections. Fees must be related to the offender's ability to pay and the actual cost of the correctional service.

Forecast Basis

Expenditures include state costs for state-funded programs that are reimbursed by these fees. Because revenues are collected on an offender's ability to pay, expenditures will always greatly exceed revenues collected. Other related costs are billed to and paid by the counties, although under current law the fee revenue goes to the state.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the fee structure.

CORRECTIONS DEPT

INMATE CONFINEMENT

Fiscal Report

Revenue Category Description: Confinement charges are deducted from offender pay and incoming offender monies.

Purpose: Confinement charges partially fund the MINNCOR program and the cost of offender incarceration.

Legal Citation(s): M.S. 243.23, Subd.2

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE, CORRECTIONAL INDUSTRIES

Appr Name: Various

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,788	2,296	3,468	2,625	2,625	1,846	1,846
Resources:							
Dedicated Receipts	1,695	2,380	2,409	2,409	2,409	2,409	2,409
Non-Dedicated Receipts	4	4	5	5	5	5	5
Total Departmental Earnings	1,699	2,384	2,414	2,414	2,414	2,414	2,414
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,699	2,384	2,414	2,414	2,414	2,414	2,414
Expenditures:							
Direct Expenditures	1,157	1,185	3,234	3,170	3,170	3,170	3,170
Indirect Expenditures	34	27	23	23	23	23	23
Total Expenditures	1,191	1,212	3,257	3,193	3,193	3,193	3,193
Current Difference	508	1,172	(843)	(779)	(779)	(779)	(779)
Accumulated Ending Balance	2,296	3,468	2,625	1,846	1,846	1,067	1,067

CORRECTIONS DEPT

INMATE CONFINEMENT

Narrative

Background Information

Offenders employed in the MINNCOR interstate programs are assessed confinement charges. These receipts partially fund the MINNCOR program. Offenders housed in department facilities are charged a 10% surcharge on all incoming monies. These receipts partially fund offender incarceration costs.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

SHARED SERVICES

Fiscal Report

Revenue Category Description: Fees for the provision of utilities to the Academy for the Blind.

Requesting a Fee Change: No

Purpose: Per agreement with the Minnesota State Academy for the Blind, MCF - Faribault supplies steam and water to the Academy campus.

Fund: MISC SPECIAL REVENUE

Appr Name: MCF-FRB/RTC SHARED SERV AGENT

Legal Citation(s): M.S. 241.01, Subd.7

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	12	1	5	5	5	5	5
<u>Resources:</u>							
Dedicated Receipts	98	111	100	100	100	100	100
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	98	111	100	100	100	100	100
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	98	111	100	100	100	100	100
<u>Expenditures:</u>							
Direct Expenditures	108	106	99	99	99	99	99
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	109	107	100	100	100	100	100
Current Difference	(11)	4	0	0	0	0	0
Accumulated Ending Balance	1	5	5	5	5	5	5

CORRECTIONS DEPT

SHARED SERVICES

Narrative

Background Information

The Minnesota State Academy for the Blind reimburses MCF-Faribault for the provision of steam and water to the Academy campus.

Forecast Basis

No changes are anticipated in the amount of revenue generated from this fee.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

HC CO-PAY

Fiscal Report

Revenue Category Description: Offenders in adult facilities shall incur copayment obligation for health care services provided.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Offender health care copayments, paid from offender accounts, are appropriated to the commissioner for the delivery of health care services to the offenders.

Appr Name: ADULT HEALTH CARE CO-PAY

Legal Citation(s): M.S. 243.212

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	53	(41,180)	(86,877)	(138,746)	(138,746)	(190,615)	(190,615)
Resources:							
Dedicated Receipts	55	62	62	62	62	62	62
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	55	62	62	62	62	62	62
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	55	62	62	62	62	62	62
Expenditures:							
Direct Expenditures	41,288	45,758	51,930	51,930	51,930	51,930	51,930
Indirect Expenditures	0	1	1	1	1	1	1
Total Expenditures	41,288	45,759	51,931	51,931	51,931	51,931	51,931
Current Difference	(41,233)	(45,697)	(51,869)	(51,869)	(51,869)	(51,869)	(51,869)
Accumulated Ending Balance	(41,180)	(86,877)	(138,746)	(190,615)	(190,615)	(242,484)	(242,484)

CORRECTIONS DEPT

HC CO-PAY

Narrative

Background Information

Offenders are assessed \$3.00 for offender initiated health care requests. The fee collected provides partial support for offender health services.

Forecast Basis

Revenue generated is expected to remain relatively constant in the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

CORRECTIONS DEPT

CHARGES TO COUNTIES

Fiscal Report

Revenue Category Description: Effective 1-1-99, MCF - Red Wing began charging counties per diems.

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: Effective 1-1-99, actual per diems, excluding educational costs, were charged to counties to recover both the costs of operation of MCF - Red Wing and the cost of confinement of juvenile females committed to the commissioner of corrections. Per the Laws of 2000, in fiscal year 2001, counties are charged 65% of the actual MCF-Red Wing per diem, excluding educational costs, and 65% of the cost of confinement of juvenile females committed to the commissioner of corrections. These funds are deposited as non dedicated receipts.

Appr Name: MCF-TOGO PROGRAMS, RW PRE-DISPOSITION EVALUATIONS

Legal Citation(s): M.S. 242.192

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	36	(4,210)	(8,442)	(13,088)	(13,088)	(17,501)	(17,501)
Resources:							
Dedicated Receipts	163	474	468	468	468	468	468
Non-Dedicated Receipts	4,985	5,469	5,901	5,962	5,962	5,962	5,962
Total Departmental Earnings	5,148	5,943	6,369	6,430	6,430	6,430	6,430
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,148	5,943	6,369	6,430	6,430	6,430	6,430
Expenditures:							
Direct Expenditures	9,394	10,175	11,015	10,843	10,843	10,843	10,843
Indirect Expenditures							
Total Expenditures	9,394	10,175	11,015	10,843	10,843	10,843	10,843
Current Difference	(4,246)	(4,232)	(4,646)	(4,413)	(4,413)	(4,413)	(4,413)
Accumulated Ending Balance	(4,210)	(8,442)	(13,088)	(17,501)	(17,501)	(21,914)	(21,914)

CORRECTIONS DEPT

CHARGES TO COUNTIES

Narrative

Background Information

Counties pay a per diem for utilization of programming at MCF-Red Wing: Detention Services \$165.00, General Program \$115.00, Sex Offender Program \$115.00, and Pre-Disposition Evaluation \$189.00.

Forecast Basis

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

Recent Changes

Per the Laws of 2002, counties are charged 65% of the actual MCF-Red Wing per diem, excluding educational costs, and 65% of the cost of confinement of juvenile females committed to the commissioner of corrections. Increases for detention services, general program and sex offender program were effective October 1, 2006.

Requested Changes

It is recommended that the agency review current costs and fees to ensure 65% cost recovery for these activities.

CORRECTIONS DEPT

DEDICATED RECEIPTS MISC

Fiscal Report

Revenue Category Description: Receipts are generated from a wide variety of facility activity.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

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

Appr Name: Various

Legal Citation(s): M.S. 241.01, Subd.7

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	78	41	58	45	45	48	48
<u>Resources:</u>							
Dedicated Receipts	90	83	94	94	94	94	94
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	90	83	94	94	94	94	94
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	90	83	94	94	94	94	94
<u>Expenditures:</u>							
Direct Expenditures	125	63	105	89	89	89	89
Indirect Expenditures	2	3	2	2	2	2	2
Total Expenditures	127	66	107	91	91	91	91
Current Difference	(37)	17	(13)	3	3	3	3
Accumulated Ending Balance	41	58	45	48	48	51	51

CORRECTIONS DEPT

DEDICATED RECEIPTS MISC

Narrative

Background Information

Costs are recovered for a variety of facility activities. This occurs by charging fees for serving legal papers, copy fees, sale of scrap, and other items.

Forecast Basis

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

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	2,266	710	1,188	1,390	1,390	1,438	1,438
Total Non-Dedicated Receipts	2,266	710	1,188	1,390	1,390	1,438	1,438

<u>Fund Totals:</u>							
State Government Spec Revenue	2,266	710	1,188	1,390	1,390	1,438	1,438
Departmental Earnings Total	2,266	710	1,188	1,390	1,390	1,438	1,438

DENTISTRY BOARD

BOARD OF DENTISTRY

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 150A.06-.09, 214, 319A.21 and MN Rules 3100

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	330	1,363	715	479	479	484	452
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,241	685	1,163	1,365	1,365	1,413	1,413
Total Departmental Earnings	2,241	685	1,163	1,365	1,365	1,413	1,413
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	25	25	25	25	25	25	25
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	150	0	0	0	0	0
Rev Collected for Other Agency	2	6	0	0	0	0	0
Current Year Resources	2,264	554	1,188	1,390	1,390	1,438	1,438
<u>Expenditures:</u>							
Direct Expenditures	904	834	1,043	975	1,007	975	1,029
Indirect Expenditures	327	368	381	410	410	410	410
Total Expenditures	1,231	1,202	1,424	1,385	1,417	1,385	1,439
Current Difference	1,033	(648)	(236)	5	(27)	53	(1)
Accumulated Ending Balance	1,363	715	479	484	452	537	451

DENTISTRY BOARD

BOARD OF DENTISTRY

Narrative

Background Information

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

The Board of Dentistry provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board reduced its annual license and registration fees in 1999 for year FY 2000.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	107	75	74	74	74	75	75
Total Non-Dedicated Receipts	107	75	74	74	74	75	75

<u>Fund Totals:</u>							
State Government Spec Revenue	107	75	74	74	74	75	75
Departmental Earnings Total	107	75	74	74	74	75	75

DIETETICS & NUTRITION PRACTICE

MN BD OF DIETETICS&NUTRITION

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148.624, M.S. 148.625 and MN Rules 3250

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	365	388	377	301	301	251	249
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	107	75	74	74	74	75	75
Total Departmental Earnings	107	75	74	74	74	75	75
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	107	75	74	74	74	75	75
<u>Expenditures:</u>							
Direct Expenditures	77	78	133	108	110	108	126
Indirect Expenditures	7	8	17	16	16	18	18
Total Expenditures	84	86	150	124	126	126	144
Current Difference	23	(11)	(76)	(50)	(52)	(51)	(69)
Accumulated Ending Balance	388	377	301	251	249	200	180

Background Information

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

The Board of Dietetics and Nutrition Practice provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

In the 2005 legislative session, fees were temporarily reduced from FY 2006 thru FY 2009 by \$36,000 each year.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	1,698	1,913	1,804	1,804	1,804	1,804	1,804
Total Non-Dedicated Receipts	1,698	1,913	1,804	1,804	1,804	1,804	1,804

<u>Dedicated Receipts:</u>							
Misc Special Revenue	4,383	3,323	3,329	3,590	3,590	3,783	3,783
Total Dedicated Receipts	4,383	3,323	3,329	3,590	3,590	3,783	3,783

<u>Fund Totals:</u>							
General	1,698	1,913	1,804	1,804	1,804	1,804	1,804
Misc Special Revenue	4,383	3,323	3,329	3,590	3,590	3,783	3,783
Departmental Earnings Total	6,081	5,236	5,133	5,394	5,394	5,587	5,587

DEPT OF EDUCATION

TEACHER LICENSURE

Fiscal Report

Revenue Category Description: Teacher licensing.

Requesting a Fee Change: No

Purpose: To assure staffing by qualified teachers and supervisors.

Fund: GENERAL

Legal Citation(s): M.S. 122A.21

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	88	193	10	10	24	24
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,533	1,720	1,626	1,626	1,626	1,626	1,626
Total Departmental Earnings	1,533	1,720	1,626	1,626	1,626	1,626	1,626
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,533	1,720	1,626	1,626	1,626	1,626	1,626
<u>Expenditures:</u>							
Direct Expenditures	1,445	1,615	1,809	1,612	1,612	1,604	1,604
Indirect Expenditures							
Total Expenditures	1,445	1,615	1,809	1,612	1,612	1,604	1,604
Current Difference	88	105	(183)	14	14	22	22
Accumulated Ending Balance	88	193	10	24	24	46	46

DEPARTMENT OF EDUCATION

TEACHER LICENSURE

Narrative

Background Information

This fee is charged to candidates submitting applications for teaching, administrator and other related school licenses. The fee is non-dedicated, but is intended to recover General Fund appropriations used to fund the functions of the Board of Teaching and MDE Educator Licensing Division.

Forecast Basis

Current Fee \$57

Recent Changes

Significant recent changes include implementation of the criminal background check system, new requirements for "No Child Left Behind", application over the internet, needed technology upgrades, new rules, increasing assessment complexity for out of state candidates, higher expectations for customer service, and an increase in allegations of educator misconduct.

DEPT OF EDUCATION

ADMINISTRATOR LICENSURE

Fiscal Report

Revenue Category Description: School Administrator Licensing

Requesting a Fee Change: No

Purpose: To assure staffing by qualified administrators.

Fund: GENERAL

Legal Citation(s): M.S. 122A.14 Subd.9

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	17	43	7	7	21	21
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	160	189	174	174	174	174	174
Total Departmental Earnings	160	189	174	174	174	174	174
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	160	189	174	174	174	174	174
<u>Expenditures:</u>							
Direct Expenditures	143	163	210	160	160	160	160
Indirect Expenditures							
Total Expenditures	143	163	210	160	160	160	160
Current Difference	17	26	(36)	14	14	14	14
Accumulated Ending Balance	17	43	7	21	21	35	35

DEPARTMENT OF EDUCATION

ADMINISTRATOR LICENSURE

Narrative

Background Information

This fee is charged to candidates submitting applications for administrator and other related school licenses. The fee is non-dedicated, but is intended to recover General Fund appropriations used to fund the functions of the Board of School Administrators.

Forecast Basis

Current Fee \$75

If retired \$32.50

DEPT OF EDUCATION

MN CAREER INFORMATION SYSTEM

Fiscal Report

Revenue Category Description: Fees for services provided.

Requesting a Fee Change: No

Purpose: To collect fees necessary to recover all expenditures related to the operation of the Minnesota career information system.

Fund: MISC SPECIAL REVENUE

Appr Name: MCIS SERVICE FEES

Legal Citation(s): M.S.124D.505

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	226	144	129	212	212	259	259
Resources:							
Dedicated Receipts	434	483	629	616	616	580	580
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	434	483	629	616	616	580	580
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	434	483	629	616	616	580	580
Expenditures:							
Direct Expenditures	516	498	546	569	569	569	569
Indirect Expenditures							
Total Expenditures	516	498	546	569	569	569	569
Current Difference	(82)	(15)	83	47	47	11	11
Accumulated Ending Balance	144	129	212	259	259	270	270

Background Information

M.S. 124D.505 allows the Department of Education through the Minnesota Career Information System (MCIS) to provide career information to school districts and other educational organizations, employment and training services, human resource agencies, libraries and families. The department is allowed to collect fees necessary to recover all expenditures related to the operation of the MCIS. The statute requires that all funds are deposited into a special revenue fund and that carryover is allowed between fiscal years. The money in the fund, along with interest earned must be used for MCIS. The department recognizes that MCIS is self-supporting and accordingly, MCIS must be provided sufficient administrative latitude within the confines of law to enable the system to operate efficiently.

Forecast Basis

It is forecasted that the fees generated by MCIS will be sufficient to support the operation of the system.

DEPT OF EDUCATION

LEA OPTION ASSESSMENT

Fiscal Report

Revenue Category Description: Conference and Workshop Fees

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Fees collected from nonpublic/private schools for basic skill tests and other assessment tools. This revenue is no longer being collected. In 2006, nonpublic and/or private schools began making their testing arrangements directly with the vendor and paying them directly for the testing materials and scoring vs. going through the department.

Appr Name: STATEWIDE TESTING

Legal Citation(s): M.S. 127A.08, Subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	7	0	0	0	0	0
Resources:							
Dedicated Receipts	635	23	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	635	23	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	635	23	0	0	0	0	0
Expenditures:							
Direct Expenditures	628	30	0	0	0	0	0
Indirect Expenditures							
Total Expenditures	628	30	0	0	0	0	0
Current Difference	7	(7)	0	0	0	0	0
Accumulated Ending Balance	7	0	0	0	0	0	0

Background Information

The funds in the Local Education Agency (LEA) Option Assessment account are the result of private and nonprofit education service providers purchasing Basic Skill student achievement tests and related assessment/instructional materials. The Basic Skills exam was provided to students in Grade 8 annually in public school. Many private schools purchase the testing materials from the department to provide the test to their students. The schools paid the department the cost of materials and scoring. The funds were deposited into a special revenue account and used to pay the vendor for the materials and scoring.

In 2006, these schools began to purchase the testing material and scoring services directly from the vendor instead of going through the department so the revenue and expenditure was discontinued in FY 2006. The process of purchasing the test materials and scoring directly from the vendor will continue.

DEPT OF EDUCATION

CHILD NUTRITION

Fiscal Report

Revenue Category Description: CHILD NUTRITION FEES/REIMB

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To deposit cash received from commodity donated foods that have been lost, damaged, recalled, or diverted for processing. The state shall use the funds to issue payments for the value of lost, damaged, recalled or diverted for processing commodity donated foods and related costs.

Appr Name: COMMODITY DONATED FOOD REV

Legal Citation(s): M.S. 124D.1195

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,232	1,271	989	499	499	209	209
<u>Resources:</u>							
Dedicated Receipts	3,314	2,817	2,700	2,974	2,974	3,203	3,203
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	3,314	2,817	2,700	2,974	2,974	3,203	3,203
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,314	2,817	2,700	2,974	2,974	3,203	3,203
<u>Expenditures:</u>							
Direct Expenditures	3,275	3,099	3,190	3,264	3,264	3,220	3,220
Indirect Expenditures							
Total Expenditures	3,275	3,099	3,190	3,264	3,264	3,220	3,220
Current Difference	39	(282)	(490)	(290)	(290)	(17)	(17)
Accumulated Ending Balance	1,271	989	499	209	209	192	192

Background Information

Cash is received from commodity donated foods that have been lost, damaged, recalled, or diverted for processing. The state shall use the funds to issue payments for the value of lost, damaged, recalled or diverted for processing commodity donated foods and related costs.

The program allows schools to utilize commodity entitlement with commercial foodservice products available through their foodservice distributor. The commodity entitlement to schools is managed through a state administered rebate system. The food distributors pay the state for the value of the commodities under the conditions set forth above and the state pays school districts based on their rebate coupons. The program maximizes the use of the commodity entitlements established by the US Department of Agriculture. The program supplements the use of regular commodities by schools.

The process is as follows:

- Schools place orders for commercial products in CLiC's, the department's web-based child nutrition system.
- CLiCs calculates the orders into truckloads of commodities.
- The department diverts commodities to manufacturers on behalf of schools.
- The manufacturers pay the department for the value of commodities.
- The department provides rebates to the schools (payment from these proceeds) for approved commercial products purchased from the distributor.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	56	84	87	87	87	87	87
Total Non-Dedicated Receipts	56	84	87	87	87	87	87

<u>Dedicated Receipts:</u>							
Misc Special Revenue	43	83	22	22	22	22	22
Total Dedicated Receipts	43	83	22	22	22	22	22

<u>Fund Totals:</u>							
General	56	84	87	87	87	87	87
Misc Special Revenue	43	83	22	22	22	22	22
Departmental Earnings Total	99	167	109	109	109	109	109

EMERGENCY MEDICAL SVCS

EMERGENCY MEDICAL SVCS BD FEES

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: GENERAL, MISC SPECIAL REVENUE

Legal Citation(s): M.S. 144E.29

Appr Name: MNSTAR INCOME

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	81	220	307	307	394	394
<u>Resources:</u>							
Dedicated Receipts	25	55	0	0	0	0	0
Non-Dedicated Receipts	56	84	87	87	87	87	87
Total Departmental Earnings	81	139	87	87	87	87	87
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	81	139	87	87	87	87	87
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	81	139	87	87	87	87	87
Accumulated Ending Balance	81	220	307	394	394	481	481

Background Information

The mission of the board is to provide leadership, which optimizes the quality of emergency medical care for the people of Minnesota – in collaboration with our communities – through policy development, regulation, system design, education, and medical direction.

Services provided by the board include:

- Administer and enforce statutory provisions relating to ambulance services and EMS training programs.
- Certify EMS personnel on a biannual basis.
- Administer a statewide EMS data collection program for 450,000 ambulance runs per year.
- Ensure effective delivery of emergency care through improved linkages for all EMS system components.
- Investigate, hear, and resolve complaints against EMS providers to ensure competent and safe EMS systems.
- Provide grants for the development and maintenance of regional EMS.
- Ensure active medical direction for the pre-hospital EMS system throughout the state of Minnesota.
- Administer federal Emergency Medical Services for Children grants.

Forecast Basis

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

Recent Changes

Ambulance fees were increased and other fees were assessed effective in FY 2000. Approximately \$80,000 was recovered from these fees in FY 2004.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Dedicated Receipts:							
Misc Special Revenue	4	4	4	4	4	4	4
State Employees Insurance	611	599	689	688	688	694	694
Total Dedicated Receipts	615	603	693	692	692	698	698

Fund Totals:							
Misc Special Revenue	4	4	4	4	4	4	4
State Employees Insurance	611	599	689	688	688	694	694
Departmental Earnings Total	615	603	693	692	692	698	698

EMPLOYEE RELATIONS DEPT

PEIP ADMIN FEES

Fiscal Report

Revenue Category Description: ADMINISTRATIVE FEES COLLECTED THROUGH INSURANCE PREMIUMS

Requesting a Fee Change: No

Fund: STATE EMPLOYEES INSURANCE

Purpose: Collect the amount necessary to cover the costs of administering the Public Employees Insurance Program (PEIP).

Appr Name: PUBLIC EMPLOYEES INSURANCE PRO

Legal Citation(s): MS 43A.316 009

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	233	224	319	318	318	324	324
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	233	224	319	318	318	324	324
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	96	196	200	200	200	200	200
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	329	420	519	518	518	524	524
<u>Expenditures:</u>							
Direct Expenditures	317	398	496	494	494	500	500
Indirect Expenditures	12	22	23	24	24	24	24
Total Expenditures	329	420	519	518	518	524	524
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

EMPLOYEE RELATIONS DEPT

PEIP ADMINISTRATIVE FEE

Narrative

Background Information

The administrative fee recognized for the Public Employees Insurance Program (PEIP) is a restatement of premiums and is incorporated into the premiums paid by participating groups (public employers such as cities, counties and school districts). The amount covered from premium receipts is the cost for PEIP operations that exceeds the program's investment income.

Forecast Basis

Fee revenue is determined by program expenditures and investment income. Both of these are expected to remain relatively stable over the biennium.

Recent Changes

None

Agency Analysis/Requested Changes

No changes are being requested.

EMPLOYEE RELATIONS DEPT

COMBINED CHARITIES CAMPAIGN

Fiscal Report

Revenue Category Description: COMBINED CHARITIES CAMPAIGN REGISTRATION FEE

Requesting a Fee Change: No

Purpose: Recover costs of administering the State Employees Combined Charities Campaign.

Fund: MISC SPECIAL REVENUE

Appr Name: COMBINED CHARITIES ADMIN

Legal Citation(s): MS 309 501 003

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	6	8	6	5	5	4	4
<u>Resources:</u>							
Dedicated Receipts	4	4	4	4	4	4	4
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	4	4	4	4	4	4	4
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4	4	4	4	4	4	4
<u>Expenditures:</u>							
Direct Expenditures	2	6	5	5	5	4	4
Indirect Expenditures							
Total Expenditures	2	6	5	5	5	4	4
Current Difference	2	(2)	(1)	(1)	(1)	0	0
Accumulated Ending Balance	8	6	5	4	4	4	4

Background Information

The fee is paid by combined charitable organizations applying for registration to participate in the annual state employee campaign. Receipts cover the costs of administering the campaign. M.S. 309.501, subdivision 3, establishes the fee amount as the lesser of \$100 or 10% of funds raised for the organization in the previous year's state employee campaign.

Forecast Basis

Current law revenues are based on the existing fee and the number of organizations participating in the 2007 campaign (38).

Recent Changes

None.

Agency Analysis/Requested Changes

The Department of Employee Relations is proposing a legislative initiative to streamline the registration process. Because the changes may begin to bring down program administration costs, the agency is proposing that the Commissioner - after consultation with the campaign board - could implement a lower rate for the year. The fee is set in statute so any modification requires legislation.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Dedicated Receipts:							
Clean Water Revolving Fund	1,321	1,452	1,566	1,621	1,621	1,592	1,592
Drinking Water Revolving Fund	260	336	359	391	391	401	401
Misc Special Revenue	1,049	1,681	723	765	765	779	779
Total Dedicated Receipts	2,630	3,469	2,648	2,777	2,777	2,772	2,772

Fund Totals:							
Clean Water Revolving Fund	1,321	1,452	1,566	1,621	1,621	1,592	1,592
Drinking Water Revolving Fund	260	336	359	391	391	401	401
Misc Special Revenue	1,049	1,681	723	765	765	779	779
Departmental Earnings Total	2,630	3,469	2,648	2,777	2,777	2,772	2,772

EMPLOYMENT & ECONOMIC DEV DPT

SERVICES FOR THE BLIND

Fiscal Report

Revenue Category Description: Earnings for various services for the Blind

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To help blind persons enter into business for themselves and to provide access to the printed word for blind, visually impaired and physically impaired Minnesotans.

Appr Name: BEP ENTERPRISE OPERATIONS, SSB COMMUNICATION CENTER

Legal Citation(s): M.S. 248.07

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	300	227	309	193	193	100	100
<u>Resources:</u>							
Dedicated Receipts	616	750	617	659	659	673	673
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	616	750	617	659	659	673	673
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	8	14	2	2	2	2	2
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	624	764	619	661	661	675	675
<u>Expenditures:</u>							
Direct Expenditures	660	639	701	719	719	737	737
Indirect Expenditures	37	43	34	35	35	36	36
Total Expenditures	697	682	735	754	754	773	773
Current Difference	(73)	82	(116)	(93)	(93)	(98)	(98)
Accumulated Ending Balance	227	309	193	100	100	2	2

Background Information

The Business Enterprise Program (BEP) helps blind persons enter into business for themselves by training them to operate small businesses and placing them in self-employment franchise opportunities. These opportunities include lunchrooms, snack bars, gift shops, and vending machine sites and routes. The Communications Center is a public library for print impaired Minnesotans. It provides access to the printed word for 20,000 blind, visually impaired, and print impaired people each year. It includes Braille and audio transcription, Radio Talking Book, Dial-in News, and Newslane.

Forecast Basis

Earnings projections are based on stable history of receipts. The carryover each year is a necessary reserve for new equipment at vending machine sites. Less carryover is projected for the Communication Center due to restrictions from federal government on this Center's funding.

Recent Changes

There are no changes to BEP. The federal government has disallowed further use of federal vocational rehabilitation funds to operate the Center.

Agency Analysis/Requested Changes

No change is requested for the Business Enterprise Program (BEP).

EMPLOYMENT & ECONOMIC DEV DPT

TRADE

Fiscal Report

Revenue Category Description: Trade Missions

Requesting a Fee Change: No

Purpose: The MTO has authority to recover costs associated with helping Minnesota businesses attend trade shows (booth rental, translations, shipping, brochures and transportation). These funds reimburse MTO for out of pocket expenses associated with trade shows.

Fund: MISC SPECIAL REVENUE

Appr Name: EXPORT DEVELOPMENT, TRADE MARKETING REVENUE

Legal Citation(s): M.S. 116J.966

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	26	318	271	172	172	113	113
<u>Resources:</u>							
Dedicated Receipts	424	926	101	101	101	101	101
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	424	926	101	101	101	101	101
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	424	926	101	101	101	101	101
<u>Expenditures:</u>							
Direct Expenditures	132	973	200	160	160	160	160
Indirect Expenditures							
Total Expenditures	132	973	200	160	160	160	160
Current Difference	292	(47)	(99)	(59)	(59)	(59)	(59)
Accumulated Ending Balance	318	271	172	113	113	54	54

Background Information

Minnesota business participants in international trade shows reimburse the MTO for costs associated with participation in trade shows (costs include booth rental, printing brochure costs, travel expenses, transportation, and translation services). By recovering these costs, the MTO is positioned to offer cost-effective trade show support to Minnesota businesses.

Public requests for internally produced, electronically generated public data (e.g., company lists and certificates of free sale) create costs that are recovered through charges. The MTO is able to continue providing public data in response to business requests because it can retain and use funds collected.

The MTO also provides trade-related material (e.g., publications and market research reports) to Minnesota businesses. The MTO is able to continue providing trade-related materials in response to business needs because it can retain and use the funds collected.

EMPLOYMENT & ECONOMIC DEV DPT

PUBLIC FACILITIES AUTHORITY

Fiscal Report

Revenue Category Description: Public Facility Authority Fees

Requesting a Fee Change: No

Purpose: To cover expenses for administrative support of the PFA.

Fund: CLEAN WATER REVOLVING FUND, DRINKING WATER REVOLVING FUND

Appr Name: MPFA FEES-CW, MPFA FEES-DW

Legal Citation(s): M.S. 446A.04, Subd 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,169	1,606	1,469	1,427	1,427	1,386	1,386
Resources:							
Dedicated Receipts	1,581	1,788	1,925	2,012	2,012	1,993	1,993
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,581	1,788	1,925	2,012	2,012	1,993	1,993
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,108	1,014	1,064	1,064	1,064	1,064	1,064
Rev Collected for Other Agency							
Current Year Resources	473	774	861	948	948	929	929
Expenditures:							
Direct Expenditures	1,036	911	903	989	989	1,013	1,013
Indirect Expenditures							
Total Expenditures	1,036	911	903	989	989	1,013	1,013
Current Difference	(563)	(137)	(42)	(41)	(41)	(84)	(84)
Accumulated Ending Balance	1,606	1,469	1,427	1,386	1,386	1,302	1,302

Background Information

The Minnesota Public Facilities Authority (MPFA) uses fees collected by the authority allowed under M.S. 446A.04, subd. 5, to cover expenses for administrative support of MPFA programs. This support includes costs of MPFA staff under the Department of Employment and Economic Development and staff of the Minnesota Pollution Control Agency. Support costs by staff of the Minnesota Department of Health are currently paid for with federal capitalization grant funds; at some point in the future these costs will need to be supported by these fees.

The fees are derived from up to 2% of loan repayments. The net loan repayments are pledged to holders of MPFA's revenue bonds, for the vast majority of MPFA loans.

Forecast Basis

Projections of future loan repayments based on the authority's loan portfolio of existing and anticipated loans, form the basis for projecting fee deposits.

Recent Changes

No recent changes.

EMPLOYMENT & ECONOMIC DEV DPT

DATA PRACTICES

Fiscal Report

Revenue Category Description: Company lists, certificate of free sales, publications and market research reports

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The Minnesota Trade Office (MTO) collects fees to recover costs related to request for data regarding: public information pursuant to M.S. 13.03, Subd 3; and trade related materials pursuant to M.S.116J.966.

Appr Name: TRADE MARKETING REVEN

Legal Citation(s): M.S.13.03, Subd 3; 116J.966

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	10	16	21	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	6	5	5	5	5	5	5
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	6	5	5	5	5	5	5
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	6	5	5	5	5	5	5
<u>Expenditures:</u>							
Direct Expenditures	0	0	26	5	5	5	5
Indirect Expenditures							
Total Expenditures	0	0	26	5	5	5	5
Current Difference	6	5	(21)	0	0	0	0
Accumulated Ending Balance	16	21	0	0	0	0	0

EMPLOYMENT & ECONOMIC DEV DPT

WORKFORCE DEVELOPMENT

Fiscal Report

Revenue Category Description: Loan origination fees

Requesting a Fee Change: No

Purpose: To recover costs of issueing loans under the HIRED EDUCATION LOAN PROGRAM.

Fund: MISC SPECIAL REVENUE

Legal Citation(s): M.S. 116L, Sec 6, Subd 7

Appr Name: HIRE EDUCATION LOAN PROGRAM

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	3	3	3	3	3	3
<u>Resources:</u>							
Dedicated Receipts	3	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	3	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3	0	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	3	0	0	0	0	0	0
Accumulated Ending Balance	3	3	3	3	3	3	3

EMPLOYMENT & ECONOMIC DEV DEPT

WORKFORCE DEVELOPMENT

Narrative

Background Information

Origination fee charged on loans made under the HIRE EDUCATION LOAN PROGRAM. Fees are deposited in a revolving loan account. No activity has occurred in this account since FY2005. Balance will be used to fund new loans.

Forecast Basis

At this time, no fees are anticipated.

Recent Changes

Agency Analysis/Requested Changes

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	1,123	1,118	930	1,034	1,034	1,034	1,034
Total Dedicated Receipts	1,123	1,118	930	1,034	1,034	1,034	1,034

<u>Fund Totals:</u>							
Misc Special Revenue	1,123	1,118	930	1,034	1,034	1,034	1,034
Departmental Earnings Total	1,123	1,118	930	1,034	1,034	1,034	1,034

EXPLORE MINNESOTA TOURISM

TOURISM

Fiscal Report

Revenue Category Description: Tourism Cooperative Program

Requesting a Fee Change: No

Purpose: To optimize resources in promoting Minnesota.

Fund: MISC SPECIAL REVENUE

Legal Citation(s): M.S. 116U.45

Appr Name: EXPLORE MINNESOTA USA, TOURISM PROMOTIONAL REVENUE, WORLDWIDE WEB

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	874	776	500	500	500	500
<u>Resources:</u>							
Dedicated Receipts	1,123	1,118	930	1,034	1,034	1,034	1,034
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,123	1,118	930	1,034	1,034	1,034	1,034
<u>Other Resources:</u>							
Earnings Transferred In	718	0	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,841	1,118	930	1,034	1,034	1,034	1,034
<u>Expenditures:</u>							
Direct Expenditures	967	1,216	1,206	1,034	1,034	1,034	1,034
Indirect Expenditures							
Total Expenditures	967	1,216	1,206	1,034	1,034	1,034	1,034
Current Difference	874	(98)	(276)	0	0	0	0
Accumulated Ending Balance	874	776	500	500	500	500	500

EXPLORE MINNESOTA TOURISM

TOURISM

Narrative

Background Information

Explore Minnesota Tourism is required by statute to match \$4,000,000 each year from non-state sources. EMT collects revenue through various marketing efforts. These efforts include literature distribution, leadshare programs, ad sales and website enhancements. The revenue expands our reach in the market without additional general funds.

Forecast Basis

History and proposed projects are used to forecast future revenues and expenses.

Recent Changes

None.

Agency Analysis/Requested Changes

In some instances, revenue is collected in one fiscal year for expenses in the following fiscal year. In all cases, revenue collected is used to cover promotional marketing expenditures.

Explore Minnesota Tourism is not recommending any changes to the current structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	1,726	1,593	1,586	1,586	1,586	1,586	1,586
Total Dedicated Receipts	1,726	1,593	1,586	1,586	1,586	1,586	1,586

<u>Fund Totals:</u>							
Misc Special Revenue	1,726	1,593	1,586	1,586	1,586	1,586	1,586
Departmental Earnings Total	1,726	1,593	1,586	1,586	1,586	1,586	1,586

GAMBLING CONTROL BOARD

LAWFUL GAMBLING LIC & REG

Fiscal Report

Revenue Category Description: Lawful Gambling License and Regulatory Fees

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To fund charitable gambling regulation by collecting fees from manufacturers and distributors of gambling equipment, linked bingo providers and non-profit organizations conducting lawful gambling.

Appr Name: GAMBLING CONTROL ACCT

Legal Citation(s): M.S. 349.15 - 349.16

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	749	1,251	1,509	1,412	1,412	1,464	1,418
<u>Resources:</u>							
Dedicated Receipts	1,726	1,593	1,586	1,586	1,586	1,586	1,586
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,726	1,593	1,586	1,586	1,586	1,586	1,586
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	1,385	1,316	1,266	1,266	1,266	1,266	1,266
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,111	2,909	2,852	2,852	2,852	2,852	2,852
<u>Expenditures:</u>							
Direct Expenditures	2,609	2,651	2,949	2,800	2,846	2,800	2,893
Indirect Expenditures							
Total Expenditures	2,609	2,651	2,949	2,800	2,846	2,800	2,893
Current Difference	502	258	(97)	52	6	52	(41)
Accumulated Ending Balance	1,251	1,509	1,412	1,464	1,418	1,516	1,377

GAMBLING CONTROL BOARD

LAWFUL GAMBLING LIC & REG

Narrative

Background Information

The board collects license and permit fees from manufacturers and distributors of gambling equipment, linked bingo providers and nonprofit organizations conducting charitable gambling. The nonprofit organizations pay a regulatory fee of 0.1% of gross receipts. The regulatory fee is collected by the Minnesota Department of Revenue with monthly lawful gambling tax payments. Fees are then transferred from Revenue to the Gambling Control Board.

Forecast Basis

Revenue forecast is based on fees received in FY 2006 adjusted for a decline in overall gross receipts that affects regulatory fees collected.

Recent Changes

Regulatory fees have declined the last two years largely in counties where smoking bans have been enacted. New games under consideration by the Board may reflect an increase in activity and receipts.

Agency Analysis/Requested Changes

The 2003 Legislature authorized a change from general to dedicated funding. With the authorization for the dedicated account was the stipulation that expenditures remain at previous spending levels. During the 2006-07 biennium spending limits continued. Currently a balance of \$1.5 million exists; paid by the charitable gambling industry to fund the regulation. Funds deposited into the dedicated account should be used for charitable gambling regulation involving compliance reviews, site inspections, and preserving the integrity of games.

HEALTH DEPT

ASBESTOS ABATEMENT

Fiscal Report

Revenue Category Description: Asbestos abatement contractor license, worker/site supervisor certificate & project permit fees.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the cost of the support program that licenses asbestos abatement contractors, certifies workers/site supervisors, approves training courses & inspects project sites for appropriate work practices.

Appr Name:

Legal Citation(s): MS 326.75, MS 144.99

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	660	845	946	765	765	719	710
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	621	683	540	540	540	540	540
Total Departmental Earnings	621	683	540	540	540	540	540
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	103	60	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	621	580	480	540	540	540	540
<u>Expenditures:</u>							
Direct Expenditures	364	399	566	491	500	491	509
Indirect Expenditures	72	80	95	95	95	95	95
Total Expenditures	436	479	661	586	595	586	604
Current Difference	185	101	(181)	(46)	(55)	(46)	(64)
Accumulated Ending Balance	845	946	765	719	710	673	646

Background Information

This program protects the health of children and adults by providing support and technical assistance to regulated parties and property owners on issues related to asbestos; credentialing regulated parties and professions and performing compliance monitoring of their activities; and developing relationships with a broad spectrum of citizens and communities; and state, federal, and local agencies. The problem of asbestos exposure affects all people residing in older homes or visiting older buildings as a part of their daily routine. The program was established in 1988. The fees established at that time have not been modified. Through statutory change in 1994, three additional credential categories and associated fees were established.

Forecast Basis

The revenue generated for the Asbestos Program is closely associated with the construction industry and increased capital investment by building owners in existing buildings. It is anticipated that revenues will become sluggish in the current economy.

Expenditures from the State Government Special Revenue Fund will increase for the Asbestos Program as other funding sources decrease. The Asbestos and Lead Compliance Programs were combined in 2000. Since that time, expenditures have been shared between the programs and optimized towards federal grant money whenever possible. Those federal funds are declining. In addition, increasing demand for electronic infrastructure development is causing expenditures to increase.

Recent Changes

See forecast basis.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

CERT COPIES OF VITAL RECORDS

Fiscal Report

Revenue Category Description: Fees for copies of vital records & related services.

Requesting a Fee Change: No

Purpose: To recover the cost of providing vital record services to the public.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 144.226

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,391	373	1,167	2,327	2,327	2,122	2,085
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	659	895	900	900	900	900	900
Total Departmental Earnings	659	895	900	900	900	900	900
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency	1,265	2,032	2,400	2,400	2,400	2,400	2,400
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	16	40	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,924	2,911	3,260	3,300	3,300	3,300	3,300
Expenditures:							
Direct Expenditures	2,611	1,801	1,751	3,069	3,106	3,069	3,144
Indirect Expenditures	331	316	349	436	436	436	436
Total Expenditures	2,942	2,117	2,100	3,505	3,542	3,505	3,580
Current Difference	(1,018)	794	1,160	(205)	(242)	(205)	(280)
Accumulated Ending Balance	373	1,167	2,327	2,122	2,085	1,917	1,805

Background Information

In FY 2002, the Minnesota Department of Health (MDH) completed its implementation of the MN VRV 2000, a centralized, electronic vital records system, which uses electronic technology to collect and report birth and death information. Systems maintenance, administration, and operations are funded from a \$2 surcharge on all birth and death certificates issued by the State Registrar and all local registrars. This permanent surcharge was approved in 2001 session law.

In FY 2006, there was a \$1 increase (from \$8 to \$9) in the base fee for a certified copy of a birth/death record. The base fee is retained by the registrar (state or local) who supplies the copy of the record and is intended to support the operations of that office. Starting in FY 2006 there was a \$2 increase (from \$2 to \$4) in the surcharge on certified copies of a birth/death record. The \$2 increase in the surcharge the surcharge is retained by MDH and is intended to support required upgrades to the vital records system in the next biennium. The additional surcharge on certified copies of a birth/death record remains in effect through FY 2009.

Additionally, MDH collects fees for requests for copies of vital records or documents related to vital records (e.g., recognition of parentage documents), requests for amendments to birth or death records, replacements of vital records (e.g., adoptions), filing of vital records and delayed registration. These revenues support the on-going operations of the Office of the State Registrar (OSR).

Forecast Basis

The MN VRV 2000 system has been in operation since 2001. Since that time, the OSR has placed a strong emphasis on increasing the participation of eligible agents in the system. Currently, the MN VRV 2000 application is electronically accessible by 100% of Minnesota local registrars, 98% of Minnesota funeral homes, 100% of birthing hospitals, and 70% of medical examiners and coroners. A major goal is to increase the percentage of deaths where physicians are reporting cause-of-death electronically to 75% by 2009.

Between the State and local registrars the overall number of requests for certified birth and death records has been reasonably stable. Similarly, other fee generating activities have been stable over time. A generalized breakdown of the revenue generated by the OSR is shown in the following table:

Activity	Fees	Number Processed	Revenue Generated
State Register Issued Birth/Death Records	\$13	50,460	\$656,000
Local Register Issued Birth/Death Records	\$4	600,000	\$2,400,000
Amendments/Replacements of Records	\$40	6,100	\$244,000

Revenue collected from local registrars for the surcharge on vital records transactions has fluctuated due to inconsistency in the timing of payments made by local entities to the state treasurer. MDH is working with local registrars to ensure a more consistent stream of revenue and expects deviations from projected revenue to be less than 10%.

Recent Changes

Federal fraud protection regulations are scheduled to be issued in the spring or summer of 2007. These regulations may have significant impact on the vital records operations at state and local offices. Although cost impacts are not anticipated during FY 2008 or FY 2009, an in-depth assessment of these regulations will be needed to develop budgets for future biennia.

Agency Analysis/Requested Changes

The OSR was appropriated \$2.7 million in both FY 2006 and FY 2007. A portion of that appropriation was scheduled to be used for required upgrades to the MN VRV 2000 system. However, those required upgrades have been delayed for two years to ensure that any upgrades are consistent with the Federal fraud protection

CERT COPIES OF VITAL RECORDS**Narrative**

regulations scheduled to be issued in 2007. Consequently, the OSR only expended \$2.1 million of the appropriation in FY 2006 and FY 2007.

The OSR expenditures increase from \$2.7 million per year to \$3.5 million per year in FY 2008 and FY 2009 due to an appropriation base adjustment. This increase will fund the required upgrades and maintain the electronic computer systems (MN VRV 2000), which have been awaiting the Federal fraud protection regulations.

The FY 2006 \$2 surcharge increase is scheduled to sunset at the end of FY 2009. At that time, a comprehensive assessment of the computer systems development and the financial analysis of revenues and expenses will be conducted for upcoming budget requests for FY 2010 and beyond. This analysis will need to include the financial impact of the new federal fraud protection measures, which may have a significant cost impact on the vital records services.

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

DRINKING WATER

Fiscal Report

Revenue Category Description: Drinking water program.

Requesting a Fee Change: No

Purpose: To recover the cost of administering the drinking water program.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 144.3831 Subd 1, MS115.77

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	4,736	4,105	3,837	3,973	3,973	3,573	3,517
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	6,652	6,680	7,755	8,114	8,114	8,114	8,114
Total Departmental Earnings	6,652	6,680	7,755	8,114	8,114	8,114	8,114
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	0	29	0	0	0	0	0
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	31	0	0	0	0
Rev Collected for Other Agency	11	6	15	11	11	11	11
Current Year Resources	6,641	6,703	7,709	8,103	8,103	8,103	8,103
<u>Expenditures:</u>							
Direct Expenditures	6,147	5,888	6,156	6,931	6,987	6,931	7,045
Indirect Expenditures	1,125	1,083	1,417	1,572	1,572	1,572	1,572
Total Expenditures	7,272	6,971	7,573	8,503	8,559	8,503	8,617
Current Difference	(631)	(268)	136	(400)	(456)	(400)	(514)
Accumulated Ending Balance	4,105	3,837	3,973	3,573	3,517	3,173	3,003

Background Information

The Minnesota Department of Health assumed primary enforcement responsibility for the federal Safe Drinking Water Act (SDWA) in 1977 under MS 144.381 to 144.387. The drinking water service connection fee was established in 1992 (MS 144.3831) to support activities of the Drinking Water Program and ensure compliance with the SDWA.

Activities supported by the fee, to ensure that the 8,300 public water supplies in Minnesota comply with the SDWA include:

- Required monitoring and analysis of drinking water.
- Required sanitary survey inspections to ensure the integrity of the system.
- Source water assessments and wellhead protection to ensure safe sources of water.
- Administration of the Drinking Water Revolving Loan Fund to provide low interest loans for water system improvements.
- Review of engineering plans and specifications to ensure water system integrity.
- Capacity development to ensure managerial, technical, and financial stability of the water system.
- Operator certification and training to ensure a reliable and educated workforce to operate water systems.
- Technical assistance to help systems provide safe water and remain in compliance with the Safe Drinking Water Act.
- Enforcement for systems that are unwilling to meet health standards.
- Public outreach through consumer confidence reports, annual state of drinking water reports, fact sheets, and public notices of violations.

Forecast Basis

The base budget for FY 2008-2009 is adequate to maintain current program activity levels. With a current accumulated surplus, the activity will maintain a positive account balance while gradually drawing-down the surplus.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

FOOD BEV & LODGING LIC FEE

Fiscal Report

Revenue Category Description: Fee for license to operate food and lodging establishments.

Requesting a Fee Change: No

Purpose: To support licensing & inspection activities to determine compliance with rules & laws to protect public health & safety.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 157.16, MS 144.074, MS 214.13

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	900	662	1,163	760	760	479	431
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,922	3,697	3,416	3,416	3,416	3,416	3,416
Total Departmental Earnings	2,922	3,697	3,416	3,416	3,416	3,416	3,416
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	6	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	2,922	3,697	3,410	3,416	3,416	3,416	3,416
<u>Expenditures:</u>							
Direct Expenditures	2,654	2,676	3,192	3,083	3,131	3,083	3,179
Indirect Expenditures	506	520	621	614	614	614	614
Total Expenditures	3,160	3,196	3,813	3,697	3,745	3,697	3,793
Current Difference	(238)	501	(403)	(281)	(329)	(281)	(377)
Accumulated Ending Balance	662	1,163	760	479	431	198	54

Background Information

Laws specifying the authority to regulate food, beverage and lodging establishments have been enacted and amended since 1902. The current fees for the program were adopted in 2005.

Forecast Basis

It is anticipated that the number of regulated facilities and the revenues will remain flat for the next biennium. Expenditures in staffing and supplies will increase with cost of living projections. In addition, increasing demand for electronic infrastructure development will put pressure on program costs.

Recent Changes

In the fall of 2001, the Minnesota Department of Health enrolled in the Food and Drug Administration Food Retail Program Standards. One of the standards specifies appropriate staffing, which the program currently does not fully meet. License fees were increased in FY 2006 and five additional inspectors have been added to increase inspection frequency. Inspection frequencies have begun to improve with past due inspections dropping from 25 percent to 20 percent. Inspection frequencies should improve further as staff are trained, become more experienced, and being to catch up on workloads.

Agency Analysis/Requested Changes

Current fees and accumulated balances recover slightly more than current spending, therefore, fees will not have to be raised in proportion to the requested appropriation. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

FUNERAL ESTB & FUNERAL DIR

Fiscal Report

Revenue Category Description: Licensure of funeral establishments & directors.

Requesting a Fee Change: Yes

Purpose: To cover the cost of regulating funeral homes & mortuary science occupations in order to maintain professional standards.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 149.08

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	233	241	249	163	163	141	165
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	279	288	259	257	346	256	345
Total Departmental Earnings	279	288	259	257	346	256	345
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	11	26	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	279	277	233	257	346	256	345
<u>Expenditures:</u>							
Direct Expenditures	226	226	267	233	288	233	292
Indirect Expenditures	45	43	52	46	56	46	56
Total Expenditures	271	269	319	279	344	279	348
Current Difference	8	8	(86)	(22)	2	(23)	(3)
Accumulated Ending Balance	241	249	163	141	165	118	162

Background Information

This fee program is responsible for licensing and regulating funeral homes, crematories, morticians, funeral directors, and crematory business practices. The activities include licensure, regulation, education, and enforcement.

Forecast Basis

This fee program has a small activity base with a small budget. Current revenues are not adequate to meet the growth in expenditures. This request will increase fees by \$89,000 and the appropriation by \$61,000.

Recent Changes

There have been no significant changes in this program.

Agency Analysis/Requested Changes

The department is requesting fee increases for funeral establishments, mortician licenses, pre-need trust fund reports, and implementation of a crematory license fee. If these changes are not made, the program will not be able to conduct its regulatory responsibilities, and a deficit will occur. The appropriation needs to increase from \$279,000 to \$340,000 to adequately provide services.

Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

HEALTH CARE FACILITY LICENSE

Fiscal Report

Revenue Category Description: State licensing of health care providers.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the cost of licensing hospitals & nursing homes that includes issuing licenses, inspecting facilities, investigating complaints, issuing deficiency orders & reviewing construction plans.

Appr Name:

Legal Citation(s): MS 144.122, MS 144A.53

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,614	2,473	3,075	2,464	2,464	2,482	2,469
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	5,327	5,853	5,538	5,502	5,502	5,470	5,470
Total Departmental Earnings	5,327	5,853	5,538	5,502	5,502	5,470	5,470
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	139	348	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	5,327	5,714	5,190	5,502	5,502	5,470	5,470
Expenditures:							
Direct Expenditures	5,193	4,893	5,429	5,112	5,125	5,112	5,139
Indirect Expenditures	275	219	372	372	372	372	372
Total Expenditures	5,468	5,112	5,801	5,484	5,497	5,484	5,511
Current Difference	(141)	602	(611)	18	5	(14)	(41)
Accumulated Ending Balance	2,473	3,075	2,464	2,482	2,469	2,468	2,428

Background Information

Fees collected are to recover costs associated with licensing and regulating nursing homes, boarding care homes, hospitals, supervised living facilities, and out-patient surgical centers. Costs include license processing, on-site surveys, inspections by the State Fire Marshal, background studies, and complaint investigations.

Forecast Basis

Revenue estimates are made using current provider and bed counts as the base starting point. Revenues are then projected using trends and expected changes in fee-paying entities. Expenses are based on budgeted workload projections and estimated costs.

Recent Changes

Revenues are decreasing due to: 1) nursing homes choosing to layaway beds; 2) incentives to permanently close nursing and boarding care home beds; 3) nursing home closures; 4) reductions in supervised living facilities due to moving toward waived services. In addition, costs may be increasing due to: 1) Medicare's willingness to pay for less of Minnesota's Attorney General costs for enforcement activities in non-long term care, receiverships, facility closures, and patient transfers; 2) administrative law judge dispute resolution process for the nursing home surveys requiring more resources to adequately address provider appeals; 3) implementation of the nursing home report card required technical and analytical support. The department continues to assess survey and investigative programs for efficiencies.

Agency Analysis/Requested Changes

After an analysis of the revenue collections and estimated expenses, the department is not requesting any changes to fees or appropriations for FY 2008 and FY 2009.

Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

HMO/APN/CISN

Fiscal Report

Revenue Category Description: Fees generated through assessment on Managed Care Systems.

Requesting a Fee Change: No

Purpose: To recover the cost of the regulation, complaint investigation and enforcement of HMO's, APN's, CISN's.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 62D.21, MS 62T, MS 62N.25, MR 4685.2800

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	967	1,173	1,135	949	949	876	863
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,371	1,123	1,259	1,259	1,259	1,259	1,259
Total Departmental Earnings	1,371	1,123	1,259	1,259	1,259	1,259	1,259
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	45	113	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,371	1,078	1,146	1,259	1,259	1,259	1,259
<u>Expenditures:</u>							
Direct Expenditures	1,019	991	1,111	1,111	1,124	1,111	1,137
Indirect Expenditures	146	125	221	221	221	221	221
Total Expenditures	1,165	1,116	1,332	1,332	1,345	1,332	1,358
Current Difference	206	(38)	(186)	(73)	(86)	(73)	(99)
Accumulated Ending Balance	1,173	1,135	949	876	863	803	764

Background Information

The Health Maintenance Organization (HMO) Program has been in operation since 1973 when the HMO Act was adopted. This program is responsible for licensing Minnesota HMOs, as well as ongoing monitoring for continuing compliance with applicable laws and rules governing financial solvency and quality assurance. We also investigate complaints filed by enrollees. At the present time there are nine HMOs as well as three county based purchasing entities that, although not licensed, are subject to laws that regulate HMOs. HMOs are required to file many different kinds of documents for review and approval. Each such filing must include a fee, which is set in administrative rule. In addition, HMOs are required to pay an annual certificate of authority renewal fee. The fee system has been in place since the inception of the HMO program. The current fees were adopted in 2000.

Forecast Basis

MN Rules 4685.2800 sets out the basis for the fees. Renewal fees are based on a formula of 70 cents per enrollee, plus \$21,500 per HMO. HMO enrollment declined by 10% in 2006. As a result, earnings from HMO renewal fees declined in 2006, while the department's regulatory activities, including quality of care examinations, financial solvency oversight, complaint investigation and contract review; all of which are required by statute or rule; has remained level.

Filing fees are based on the cost of agency oversight and monitoring, which is an ongoing function. Filing fees are, with one exception, based on the agency cost for administering the program, including salaries as well as indirect costs.

Recent Changes

There have been no changes in fees since 2000. We project an increase in expenditures in FY 2007-2009 due to increases in staff salaries and fringe benefits, as well as increased costs of the financial examinations of HMO that are done by the Department of Commerce, for which the department is billed. The cost of these examinations is billed to each HMO. As mentioned above, earnings from HMO renewal fees have declined, due to a decrease in HMO enrollment.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

HOME CARE LICENSES

Fiscal Report

Revenue Category Description: Regulation of home care providers.

Requesting a Fee Change: Yes

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the costs of licensing home care providers that includes issuing licenses, inspecting facilities, investigating complaints, issuing deficiency orders and reviewing construction plans.

Appr Name:

Legal Citation(s): MS144A.45, MS144D.03, MR 4664.0002

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,854	1,425	1,574	1,471	1,471	1,518	1,093
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,066	1,249	1,249	1,254	1,388	1,254	1,388
Total Departmental Earnings	1,066	1,249	1,249	1,254	1,388	1,254	1,388
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	58	145	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,066	1,191	1,104	1,254	1,388	1,254	1,388
Expenditures:							
Direct Expenditures	1,281	851	1,011	1,011	1,480	1,011	1,494
Indirect Expenditures	214	191	196	196	286	196	286
Total Expenditures	1,495	1,042	1,207	1,207	1,766	1,207	1,780
Current Difference	(429)	149	(103)	47	(378)	47	(392)
Accumulated Ending Balance	1,425	1,574	1,471	1,518	1,093	1,565	701

Background Information

The Home Care Program's oversight responsibility is comprised of housing with services (HWS) establishments and the assisted living home care providers.

Forecast Basis

State fee revenue estimates are made using current provider counts and past collection rates. HWS establishments pay an annual fixed fee of \$35 per provider. This request will increase the fee from \$35 to \$155 annually. Assisted living home care providers fee revenues are exceeding expenditures. This difference would be used to support processing of background check set aside appeals, to provide greater access to provider service information and to shape future regulatory issues for assisted living providers.

Recent Changes

The number of assisted living providers continues to increase and is outstripping the department's ability to conduct education, oversight, and provide consumer information. The department is seeking participation from advocates, providers, families and others to examine and shape the future regulatory oversight for assisted living providers in Minnesota. The current volume of providers and consumer expectations leaves licensed providers with little support or oversight.

The increase in the demand for these services is driven by changing demographics such as Minnesota's aging population, and consumer desires to stay in their homes to receive needed services.

Agency Analysis/Requested Changes

The first request is to increase the fees collected to recover costs associated with registering HWS establishments. Annual revenues will increase by \$134,000, from \$39,000 to \$173,000. This will provide funding for staff to conduct registration requirements, and to expand service information collected during the registration process. There is a corresponding request to increase the appropriation by \$134,000. Costs include registration and/or licensure processing, on-site surveys, and complaint investigations.

The second initiative requests an increased appropriation of \$411,000 to augment the background check set aside process to respond to increased appeals; improve consumer choice by providing greater access to home care provider service information; and conduct strategic planning with advocates, providers, consumers, and regulators to address the regulatory issues of this rapidly growing industry.

The department is requesting an increase in these fees and appropriation to better reflect changes that have occurred in this industry. Without this increase, only minimal oversight and support will be possible.

Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

LABORATORY CERTIFICATION

Fiscal Report

Revenue Category Description: Fee charged to labs to be certified to do certain categories of lab tests for federal & state govs

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the costs incurred to certify laboratories.

Appr Name:

Legal Citation(s): MS 144.98

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	91	60	26	33	33	40	32
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	345	432	565	565	565	565	565
Total Departmental Earnings	345	432	565	565	565	565	565
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	345	432	565	565	565	565	565
<u>Expenditures:</u>							
Direct Expenditures	316	390	468	468	476	468	483
Indirect Expenditures	60	76	90	90	90	90	90
Total Expenditures	376	466	558	558	566	558	573
Current Difference	(31)	(34)	7	7	(1)	7	(8)
Accumulated Ending Balance	60	26	33	40	32	47	24

Background Information

This program certifies public and private environmental laboratories to perform testing for federal programs that require laboratory certification. In Minnesota, these programs are administered by the Minnesota Department of Health (Safe Drinking Water) and the Minnesota Pollution Control Agency (Clean Water, Resource Conservation and Recovery, and Underground Storage Tank).

As a condition of primacy, Minnesota must assure the U.S. Environmental Protection Agency (EPA) that federal regulatory program testing is only performed by laboratories certified by the state to conduct the data quality assurance, analysis, sample collection, preservation and handling techniques they specify.

The program works closely with the Minnesota Pollution Control Agency and environmental health programs within the department to assure the accuracy of data used, thereby assuring the quality of environmental conditions in Minnesota.

The program is striving for uniformity in certification programs nationwide and building reciprocal arrangements with nearby states that are mutually beneficial.

Environmental laboratory certification is voluntary in Minnesota.

Forecast Basis

The Environmental Laboratory Certification Program is supported entirely by biennial user fees. Since the inception of the program, the number of certified environmental laboratories has remained constant at approximately 170. The program sets fees based on a four year budget cycle.

Recent Changes

The laboratory certification fees were last increased by 2005 session law to recover the costs of staff, supplies, and training.

Agency Analysis/Comments

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

SPECIMEN HANDLING FEE

Fiscal Report

Revenue Category Description: Fees charged for each specimen sent to the MN Department of Health lab for testing.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: Fee charged to partially recover the cost of operating a public health laboratory.

Appr Name:

Legal Citation(s): MS 144.122

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	1	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	85	77	72	73	124	74	125
Total Departmental Earnings	85	77	72	73	124	74	125
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	85	77	72	73	124	74	125
<u>Expenditures:</u>							
Direct Expenditures	71	64	60	60	104	60	105
Indirect Expenditures	14	13	12	12	20	12	20
Total Expenditures	85	77	72	72	124	72	125
Current Difference	0	0	0	1	0	2	0
Accumulated Ending Balance	0	0	0	1	0	3	0

Background Information

In 1979, a \$15.00 laboratory specimen handling fee was established to cover the costs associated with handling biological specimens sent to the department for diagnostic testing. Specimen handling includes specimen receipt, data entry of results, results reporting, postage, and specimen kit preparation. Most of the infectious disease monitoring work of the State Public Health Laboratory benefits the general public and is exempt from the fee. However, a small percentage of tests, primarily in the areas of tuberculosis, sexually transmitted disease, and parasitological examinations are conducted to support health prevention and control programs. The fee is paid by non-exempt submitters including hospitals, clinics, and physicians who send specimens testing to the state laboratory for diagnostic testing for diseases of public health significance.

Forecast Basis

A fee is collected for each specimen sent to the state laboratory for diagnostic testing. Currently the number of specimens analyzed for diagnostic purposes is 5,110.

Recent Changes

Over time there has been a reduction in the number of specimens analyzed by the Public Health Laboratory for the purpose of primary diagnostic testing.

Agency Analysis/Requested Changes

The department is requesting a fee increase, from \$15.00 to \$25.00, per specimen. The specimen handling fee has not been increased since 1979 when it was established. The increase of \$10.00 per specimen will help to recover the costs to the department associated with specimen handling.

Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

LEAD PROGRAM

Fiscal Report

Revenue Category Description: Licensure fee for lead program.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover costs of licensing and certifying contractors, approving training courses, and inspecting sites for appropriate work practices.

Appr Name:

Legal Citation(s): MR 4761.0710 - 0740, MS 144.9508

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	24	43	65	60	60	55	54
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	53	56	45	45	45	45	45
Total Departmental Earnings	53	56	45	45	45	45	45
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	53	56	45	45	45	45	45
<u>Expenditures:</u>							
Direct Expenditures	29	29	42	42	43	42	43
Indirect Expenditures	5	5	8	8	8	8	8
Total Expenditures	34	34	50	50	51	50	51
Current Difference	19	22	(5)	(5)	(6)	(5)	(6)
Accumulated Ending Balance	43	65	60	55	54	50	48

Background Information

This program protects the health of children, pregnant women and other adults with primary and secondary lead exposure prevention methods. Staff identify and evaluate potential hazards by performing lead risk assessments; provide support and technical assistance to local public health agencies, regulated parties, health care providers and property owners; credential regulated parties and professions and perform compliance monitoring of their activities; develop relationships with a broad spectrum of citizens, communities, health care providers, state, federal, and local agencies. Elevated blood lead levels disproportionately affect minority and refugee/immigrant children, low-income families, and families living in the central city of metropolitan areas. The current program and fee structure was established in 1999.

Forecast Basis

The revenue generated for the Lead Program is associated with a limited industry. Past federal regulatory changes have increased the demand for services in this program area. It is anticipated that revenue will become sluggish or remain flat as a result of changing regulatory climate.

Recent Changes

None.

Agency Analysis/Requested Changes

The department will monitor program revenue and expenditures to ensure program expenses are supported by program revenues. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

MFG HOME PARK & RECREATIONAL

Fiscal Report

Revenue Category Description: License fee paid by the operators of manufactured home parks & recreational camping areas.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To fully recover the cost of licensure, inspection and enforcement activities related to Mobile Home Parks and Recreational Camp Areas.

Appr Name:

Legal Citation(s): MS 327.15, MS 332.5 Subd 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	293	310	252	0	0	1	(1)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	174	197	156	156	156	156	156
Total Departmental Earnings	174	197	156	156	156	156	156
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	103	253	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	174	94	(97)	156	156	156	156
<u>Expenditures:</u>							
Direct Expenditures	132	128	129	129	131	129	133
Indirect Expenditures	25	24	26	26	26	26	26
Total Expenditures	157	152	155	155	157	155	159
Current Difference	17	(58)	(252)	1	(1)	1	(3)
Accumulated Ending Balance	310	252	0	1	(1)	2	(4)

Background Information

This program performs licensing, plan review, and inspection activities for manufactured home parks and recreational camping areas. The manufactured home park and recreational camping rules have been in effect since the 1950's. The last fee increase for this program occurred in January 1991.

Forecast Basis

It is expected that the number of facilities will remain the same.

Recent Changes

None.

Agency Analysis/Requested Changes

Program revenues are approximately equal to expenditures – no change is being requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

NEWBORN SCREENING

Fiscal Report

Revenue Category Description: Fee charged to test each newborn specimen for diseases which include PKU, Hemoglobinopathy, Hypothy

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover costs to perform testing for the Newborn Screening Program.

Appr Name:

Legal Citation(s): MS 144.125

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,142	1,990	2,087	1,032	1,032	1,884	1,847
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	4,525	4,888	4,888	4,888	6,774	4,888	6,774
Total Departmental Earnings	4,525	4,888	4,888	4,888	6,774	4,888	6,774
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	88	218	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	4,525	4,800	4,670	4,888	6,774	4,888	6,774
<u>Expenditures:</u>							
Direct Expenditures	4,229	4,152	5,059	3,585	5,268	3,585	5,633
Indirect Expenditures	448	551	666	451	691	451	821
Total Expenditures	4,677	4,703	5,725	4,036	5,959	4,036	6,454
Current Difference	(152)	97	(1,055)	852	815	852	320
Accumulated Ending Balance	1,990	2,087	1,032	1,884	1,847	2,736	2,167

Background Information

This program identifies diseases and prevents disability resulting from heritable and congenital disorders. The department currently screens every Minnesota newborn for fifty-three (53) treatable disorders. The department contracts with the Mayo Clinic's Biochemical Genetics Laboratory (BGL) to screen newborns using advanced technology called tandem mass spectrometry (TMS). TMS makes it possible to screen for multiple conditions using a single test. Using alternative technology, the department screens newborns for other disorders. Cystic fibrosis was added to the screening panel during FY 2007. The department maintains overall responsibility for the screening program functions, such as: setting and collecting fees; receiving and distributing specimens for analysis; notifying physicians of presumptive positive results; and providing follow-up to assure infants are connected with specialty care. Without early detection these disorders can lead to chronic illness, physical disability, mental retardation, developmental problems, and early death. By detecting these conditions soon after birth, these babies can be successfully treated and live healthy lives.

Forecast Basis

The Newborn Screening Program is supported entirely by fees. A \$61.00 fee is collected to recover the costs associated with screening of each newborn in Minnesota. This single fee covers the costs of testing and follow-up services with hospitals, specialists, primary care physicians and families when a newborn test results in a presumptive positive. The number of births in Minnesota has shown a small increase over the past several years, and is expected to remain constant at approximately 72,000 per year.

Recent Changes

In 2003, the fee was increased from \$21.00 to \$61.00 for each newborn screened and funding was appropriated to enhance and expand the program. In 2004, MDH partnered with the Mayo Clinic's Biochemical Genetics Laboratory (BGL) to screen newborns for forty-two (42) disorders. This unique public-private partnership built on the scientific expertise of both partners, and enhanced screening to reduce the rate of false-positive results and the subsequent costs to families and the health care system. The number of babies identified with treatable heritable and congenital disorders and confirmed as positive rose from approximately 40 to 85. In addition, the program has added staff to follow-up with physicians, specialists and families to ensure the babies identified with these treatable disorders receive prompt treatment.

In FY 2007, Minnesota began screening newborns for Cystic Fibrosis (CF). CF is a genetic disease that most commonly affects breathing and digestion. Diagnosis of CF before the onset of symptoms can result in long-term health benefits, including less damage to the lungs. Early detection and early involvement of CF specialists in patient care and infection control can minimize and better control the potential harm associated with CF. Advances in CF treatment continue to have a great impact on the length and quality of life for babies with CF.

Agency Analysis/Requested Changes

A fee increase of \$20.00 per newborn screened is requested to cover the costs of conducting tests as well as maintaining the system to follow-up with specialists, physicians, hospitals, and families with babies identified with these disorders. An increased appropriation of \$1.89 million is proposed for FY 2008, and \$2.36 million in FY 2009 from the State Government Special Revenue Fund to continue and enhance the Newborn Screening Program. The proposed fee increase would cover a four year period including FY 2008, FY 2009, FY 2010, and FY 2011.

Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

PLAN REV & INSP FOR PUB SWIM

Fiscal Report

Revenue Category Description: Plan review and inspection fees for public swimming pools.

Requesting a Fee Change: No

Purpose: To offset the cost of reviewing plans & field inspections.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 144.1222

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	8	28	38	42	42	46	44
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	157	126	126	126	126	126	126
Total Departmental Earnings	157	126	126	126	126	126	126
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	157	126	126	126	126	126	126
<u>Expenditures:</u>							
Direct Expenditures	115	97	100	100	102	100	103
Indirect Expenditures	22	19	22	22	22	22	22
Total Expenditures	137	116	122	122	124	122	125
Current Difference	20	10	4	4	2	4	1
Accumulated Ending Balance	28	38	42	46	44	50	45

Background Information

Staff in this program review plans and specifications for construction of new swimming pools, spas, and water parks prior to construction, and inspect new construction. The program has been operating since the 1980's, but came to its present form in the early 1990's. The current fees were set in 2003.

The program's activities require one FTE, an engineer. The budget includes expenses for salary, benefits and expenses to conduct program activities statewide. The budget, beginning in FY 2006, also includes 0.1 FTE for administrative support. Fees are set to generate adequate revenue to support these activities, and in relation to the amount of time required per project.

Forecast Basis

It is anticipated that the number of regulated facilities and fee revenues will remain flat for the next biennium.

Recent Changes

The fee structure was changed effective October 1, 2003. Existing fees were increased and new categories of fees were added.

Agency Analysis/Requested Changes

The department will continue to monitor program activities to ensure that program costs do not exceed revenues. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

PLAN REVIEW-WATER TREATMENT

Fiscal Report

Revenue Category Description: Plan review and inspection fees for water mains, pump houses, and other water plans.

Requesting a Fee Change: No

Purpose: To offset the cost of reviewing plans and field inspection.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 144.383, MS 115.79, MN Laws 1987 Chpt 403 Art 1

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	262	348	311	0	0	47	45
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	211	211	203	203	203	203	203
Total Departmental Earnings	211	211	203	203	203	203	203
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	105	358	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	211	106	(155)	203	203	203	203
<u>Expenditures:</u>							
Direct Expenditures	103	121	130	130	132	130	134
Indirect Expenditures	22	22	26	26	26	26	26
Total Expenditures	125	143	156	156	158	156	160
Current Difference	86	(37)	(311)	47	45	47	43
Accumulated Ending Balance	348	311	0	47	45	94	88

Background Information

The commissioner's authority to approve the site, design, construction, and alteration of public water supplies was established in 1977 by Minnesota Statutes 144.383, and Minnesota Rules 4720.0010-0015. The rules were amended in 1997 to include fees for this service. The program reviews plans to ensure compliance with state standards, and other widely recognized national standards for health and safety of community public water systems. The program also works with the engineering consultants and municipal governments to optimize system design, and conducts inspections of water system infrastructure construction. The program also evaluates and prioritizes proposals for loans from the Drinking Water Revolving Fund.

Forecast Basis

Revenue for this program is generated by drinking water construction projects and will vary depending on economic conditions, and the availability of grants and low interest loans. It appears that these factors will remain relatively stable during FY2008 and FY2009, so estimates are revenues will remain about the same and are adequate to support the program's expenses.

The major expense for this program is salaries for staff activities such as: reviewing engineering plans and specifications, providing technical assistance to consulting engineers and municipal governments, and inspection of projects.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

PLUMBING FEES

Fiscal Report

Revenue Category Description: None

Requesting a Fee Change: No

Purpose: None

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): None

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	332	0	0	0	0	0	0
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,400	0	0	0	0	0	0
Total Departmental Earnings	2,400	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,029	0	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,371	0	0	0	0	0	0
Expenditures:							
Direct Expenditures	1,429	0	0	0	0	0	0
Indirect Expenditures	274	0	0	0	0	0	0
Total Expenditures	1,703	0	0	0	0	0	0
Current Difference	(332)	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

HEALTH DEPT

PLUMBER & WATER COND LIC EX BD

Narrative

Background Information

The Plumber and Water Conditioner Program was moved to the Department of Labor and Industry on July 1, 2005.

Forecast Basis

Recent Changes

Agency Analysis/Requested Changes

HEALTH DEPT

X-RAY MACHINES

Fiscal Report

Revenue Category Description: X-ray machines in dental offices, hospitals, and other medical facilities.

Requesting a Fee Change: No

Purpose: To recover the costs of X-Ray registration and inspection program.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 144.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	336	434	489	152	152	40	29
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	924	958	868	957	957	868	868
Total Departmental Earnings	924	958	868	957	957	868	868
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	0	69	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	924	958	799	957	957	868	868
Expenditures:							
Direct Expenditures	691	758	952	897	908	897	923
Indirect Expenditures	135	145	184	172	172	172	172
Total Expenditures	826	903	1,136	1,069	1,080	1,069	1,095
Current Difference	98	55	(337)	(112)	(123)	(201)	(227)
Accumulated Ending Balance	434	489	152	40	29	(161)	(198)

Background Information

This program protects the health and safety of the public from unnecessary exposure to ionizing radiation. The department requires that ionizing radiation-producing equipment be registered and inspected once every four years.

Forecast Basis

The revenue generated by the X-ray program is generated from health care providers (including doctors, dentists, chiropractors and veterinarians) as well as industrial and research facilities. It is anticipated that revenues will remain steady in the current economy.

Recent Changes

There have been no fee increases in this program since 1997. New rules have been drafted and are expected to be in effect early in 2007. These rules will change inspections from being rather prescriptive, i.e., according to a checklist, to being more performance-based. Registration of Radium and accelerator produced radioactive materials have been moved to the radioactive materials program. This began when the Nuclear Regulatory Commission awarded Minnesota "Agreement State" status in March 2006.

Agency Analysis/Requested Changes

The department will monitor program expenditures to ensure that costs are supported by program revenues. No change is being requested. Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

RADIOACTIVE MATERIALS

Fiscal Report

Revenue Category Description: Registering of radioactive materials.

Requesting a Fee Change: No

Purpose: The state is taking over the registering and licensing of radioactive materials from the Federal government.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 144.1205

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	(346)	(509)	(676)	(580)	(580)	(288)	(294)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	17	36	583	779	779	779	779
Total Departmental Earnings	17	36	583	779	779	779	779
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	17	36	583	779	779	779	779
<u>Expenditures:</u>							
Direct Expenditures	148	173	406	406	412	406	419
Indirect Expenditures	32	30	81	81	81	81	81
Total Expenditures	180	203	487	487	493	487	500
Current Difference	(163)	(167)	96	292	286	292	279
Accumulated Ending Balance	(509)	(676)	(580)	(288)	(294)	4	(15)

Background Information

The Minnesota Department of Health assumed regulatory control of all radioactive materials in March 2006. The program's fees were set and rules promulgated in 2004. The staff necessary to implement the regulatory and licensing program is fully trained. The regulated community that uses radioactive materials is primarily comprised of healthcare, industrial, research and academic facilities.

Forecast Basis

The revenue generated for the radioactive materials program has been collected since March 2006. The department issued new licenses to all of the Nuclear Regulatory Commission's licensees at the inception of the program. This has led to a higher than expected rate of applications for amendments and reciprocity. Once the program has collected a year's worth of revenue, the difficulty in preparing forecasts should decrease.

Recent Changes

None, other than inception of the program after 6 years of the application process.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

WELL MANAGEMENT PROGRAM

Fiscal Report

Revenue Category Description: Well/boring contractor license fees, well/boring construction permit, notification fees, disclosure.

Requesting a Fee Change: Yes

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: License well contractors, pump installers, elevator shaft contractors, dewaterers, monitoring well contractors, and explorers, regulate construction/sealing of wells, environmental boreholes, elevator shafts, exploratory boreholes and heat/loops pumps.

Appr Name:

Legal Citation(s): MS 103I

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	281	327	(3)	(303)	(303)	(453)	(505)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	3,408	3,127	3,350	3,500	3,500	3,500	4,100
Total Departmental Earnings	3,408	3,127	3,350	3,500	3,500	3,500	4,100
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,408	3,127	3,350	3,500	3,500	3,500	4,100
<u>Expenditures:</u>							
Direct Expenditures	2,815	2,896	3,044	3,044	3,096	3,044	3,149
Indirect Expenditures	547	561	606	606	606	606	606
Total Expenditures	3,362	3,457	3,650	3,650	3,702	3,650	3,755
Current Difference	46	(330)	(300)	(150)	(202)	(150)	345
Accumulated Ending Balance	327	(3)	(303)	(453)	(505)	(603)	(160)

Background Information

The mission of this program is to protect the safety of well water, and to locate and seal abandoned wells, which can act as conduits for contamination to drain deep into the ground and pollute our irreplaceable groundwater supplies. Principal tasks of the program include promulgating and enforcing well/boring regulations, licensing and training well/boring contractors, assuring the sealing of unused wells and borings, providing education and technical assistance to contractors, consultants, and the public, and maintaining records on wells and borings. During the past decade, the department has dramatically improved the sanitary construction of new wells, nearly eliminating wells constructed too close to landfills, sewers, and septic systems, and wells constructed with reject casing pipe salvaged from oil fields. In 1989, it was estimated that one-third to one-half of all newly constructed wells in Minnesota did not meet minimum sanitary standards for location and construction. Now, at least 95% of new wells do. During the past 16 years, the program has also overseen the proper sealing of more than 205,000 abandoned wells. We also provide assistance when flooding or tornadoes threaten to contaminate wells.

The program has been operating in its current configuration since 1989, and has essentially maintained the same staffing level since that time.

Forecast Basis

The Well Management Program is funded entirely through fee revenue, especially from new wells, sealed wells, and well disclosures at property transfer. This fluctuates with the overall economy, and directly with the housing market. The recent sharp decline in the housing market has significantly reduced fee revenue, and this is likely to continue for several years. Increases in program costs result largely from increases in staff salary and fringe costs, and general increases in supplies and equipment. The program has also seen cost increases in recent years to meet demand for additional web-based services.

Recent Changes

Program fees were last increased in FY 2007.

Agency Analysis/Requested Changes

The department is requesting an increase in fees to generate revenue to maintain essential service levels. Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

ADOPTION REGISTRY

Fiscal Report

Revenue Category Description: Filing fee surcharge for each adoption petition filed.

Requesting a Fee Change: No

Purpose: To cover the costs of the Putative Father Adoption Registry.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 259.52

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	12	(7)	18	36	36	18	16
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	18	18	18	18	18	18	18
Total Departmental Earnings	18	18	18	18	18	18	18
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	108	109	122	122	122	122	122
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	126	127	140	140	140	140	140
<u>Expenditures:</u>							
Direct Expenditures	120	86	102	132	134	132	136
Indirect Expenditures	25	16	20	26	26	26	26
Total Expenditures	145	102	122	158	160	158	162
Current Difference	(19)	25	18	(18)	(20)	(18)	(22)
Accumulated Ending Balance	(7)	18	36	18	16	0	(6)

Background Information

The Minnesota Fathers' Adoption Registry (MFAR) legislation of 1997, under Minnesota Statutes 259.52, provides a putative father (unmarried father) with a process to protect his interests in preserving a parent-child relationship when that child is or may be placed for adoption. The legislation also provides stability in the adoption placement process, by ensuring that a father initiating a late or untimely legal proceeding does not disrupt a child's adoptive placement.

The legislation directed district court administrators in every judicial district to assess a \$75 adoption filing fee surcharge on each adoption petition filed in the district court for the purpose of implementing and maintaining the MFAR. The department also receives a \$25 administrative fee from agents or agencies supervising adoption placements, as required during the adoption planning process. Child support enforcement searches are exempted from paying the administrative fee for searching the MFAR.

Forecast Basis

The MFAR has gained recognition by local counties, the adoption industry, and practitioners. The department continues to reach out to the adoption industry and practitioners to ensure compliance with the statutory requirements for this program. Similarly, department staff is working extensively with county court administrators for the consistent collection of the \$75 adoption filing fee surcharge on each adoption petition filed in the district court. It is anticipated that the public awareness campaign will result in a consistent and steady stream of revenue corresponding to expected expenditures.

Recent Changes/Change Items

The revenue generated through the county court administrators was slightly less than expected in FY2006. The department adjusted to this shortfall in revenues by reducing expenses by a corresponding amount. FY 2007 revenues and expenditures are being carefully monitored to ensure that the objectives of the program are accomplished within the revenue available.

Agency Analysis

The department will continue to monitor program activity to ensure expenditures do not significantly exceed revenues. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

SPEECH LANG PATH AUDIO

Fiscal Report

Revenue Category Description: Regulation of the speech language pathologist & audiologist providers through a registration system.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To regulate these providers to assure that minimum standards are established, complaints are investigated and enforcement action taken.

Appr Name:

Legal Citation(s): MS 148.5194, MS 214.13 Subd 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	144	130	154	98	98	70	66
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	165	248	213	207	207	213	213
Total Departmental Earnings	165	248	213	207	207	213	213
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	13	33	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	165	235	180	207	207	213	213
<u>Expenditures:</u>							
Direct Expenditures	150	177	198	197	201	197	204
Indirect Expenditures	29	34	38	38	38	38	38
Total Expenditures	179	211	236	235	239	235	242
Current Difference	(14)	24	(56)	(28)	(32)	(22)	(29)
Accumulated Ending Balance	130	154	98	70	66	48	37

Background Information

Protects consumers of speech, language pathologists, and audiologist services by credentialing practitioners and investigating complaints.

Forecast Basis

With a current accumulated surplus, the activity will maintain a positive account balance by consuming the surplus during the next biennium. However, if the current level of revenues and costs continue, annual operating deficits will create negative carry-forward balances in the FY 2010-2011 biennium.

Recent Changes

Effective FY 2006, licensed audiologists were exempted from the requirement to be certified, and a \$235 biennial surcharge fee was established to cover the cost of investigating complaints about audiologist hearing instrument dispensing, and the cost of administering hearing instrument dispensing examinations to applicants.

Agency Analysis/Requested Changes

The department will monitor program revenue and expenditures to ensure program costs are supported by program revenues. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

HID CERTIFICATION

Fiscal Report

Revenue Category Description: Registration system used to regulate Hearing Instrument Dispensers.

Requesting a Fee Change: Yes

Purpose: To recover the cost of regulation of the hearing instrument industry including: enforcement of standards, licensure examination and complaint investigation.

Fund: GENERAL, STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 153A.17

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	68	86	(11)	(153)	(153)	(293)	(104)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	176	105	89	88	281	90	290
Total Departmental Earnings	176	105	89	88	281	90	290
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	176	105	89	88	281	90	290
<u>Expenditures:</u>							
Direct Expenditures	132	168	194	191	195	191	197
Indirect Expenditures	26	34	37	37	37	37	37
Total Expenditures	158	202	231	228	232	228	234
Current Difference	18	(97)	(142)	(140)	49	(138)	56
Accumulated Ending Balance	86	(11)	(153)	(293)	(104)	(431)	(48)

Background Information

This program protects purchasers and consumers of hearing aids by regulating (examining, credentialing and investigating activities) the dispensing of hearing aids by audiologists and non-audiologist dispensers.

Forecast Basis

The significant reduction in regulated practitioners in FY 2006 significantly reduced fee revenue (see recent changes below), and resulted in an annual operating deficit that will reoccur annually until fees can be adjusted so revenues recover the costs of regulation.

Recent Changes

Effective FY 2006, licensed audiologists were exempted from the requirement to be certified. Consequently, the number of persons certified declined from 404 at the end of FY 2005 to 174 at the end of FY 2006. The corresponding reduction in fee revenue resulted in regulatory expenses consuming the program's entire surplus. Although a .3 FTE reduction in staff complement was made because of the reduction in credentialing activity, investigative staff was increased because of a growing backlog in pending investigations. In addition, the number of pending investigations for non-audiologist dispensers increased from 83 to 90 during FY 2006. Finally, the growing number of appeals for hearing instrument dispenser examination results have increased the costs of exam administration.

Agency Analysis/Requested Changes

The department is requesting fee adjustments to the certification application fee and for the hearing instrument dispenser written and practical examination fees for non-audiologists. Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

OCCUPATIONAL THERAPIST

Fiscal Report

Revenue Category Description: Licensure fee for occupational therapist.

Requesting a Fee Change: Yes

Purpose: To recover costs to regulate occupational therapy professionals to assure that minimum standards are established.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 148.6445, MS 214.13, MS 214.06

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	525	434	255	89	89	132	81
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	51	286	335	288	240	335	277
Total Departmental Earnings	51	286	335	288	240	335	277
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	254	254	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	51	32	81	288	240	335	277
<u>Expenditures:</u>							
Direct Expenditures	121	174	207	205	208	205	212
Indirect Expenditures	21	37	40	40	40	40	40
Total Expenditures	142	211	247	245	248	245	252
Current Difference	(91)	(179)	(166)	43	(8)	90	25
Accumulated Ending Balance	434	255	89	132	81	222	106

Background Information

This program protects consumers of occupational therapy services by credentialing practitioners, and investigating complaints of alleged incompetence or illegal activity.

Forecast Basis

Overall, revenues and expenditures are stable, but revenues have gradually increased each year since inception of the activity in 1996 due to the gradual increase in the number of practitioners. The cost of administering the program has increased expenditures, but the growth in practitioners has not created a situation where the program's revenues exceeded its costs. Thus, the application fees continue to produce more revenue than needed to recover regulatory costs.

Recent Changes

There have been no significant changes affecting the revenues and expenditures since expiration of the fee holiday in FY2005.

Agency Analysis/Requested Changes

The department is requesting a 20% reduction in the application fee for occupational therapy practitioners to bring program revenues in line with regulatory costs. Also, the Governor has recommended a compensation adjustment for the department. A portion of the difference between current law and Governor's recommendation figures is that adjustment being allocated to this program.

HEALTH DEPT

FOOD MANAGER CERTIFICATION

Fiscal Report

Revenue Category Description: Fee to certify food managers.

Requesting a Fee Change: No

Purpose: To cover the costs of a statewide certification program for food managers.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 157.011 subd 2, MS 144.122

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	9	(28)	75	115	115	155	152
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	103	223	239	239	239	239	239
Total Departmental Earnings	103	223	239	239	239	239	239
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	103	223	239	239	239	239	239
<u>Expenditures:</u>							
Direct Expenditures	117	101	166	166	169	166	171
Indirect Expenditures	23	19	33	33	33	33	33
Total Expenditures	140	120	199	199	202	199	204
Current Difference	(37)	103	40	40	37	40	35
Accumulated Ending Balance	(28)	75	115	155	152	195	187

Background Information

This program provides for statewide registration of certified food managers, effective July 1, 2000. The current fee of \$28 supports of the issuance of approximately 8,100 certificates annually (which are active for three years), oversight of the certification activity, and data management functions including web communications.

Forecast Basis

The fee certification is good for three years. Revenues fluctuate reflecting the three-year cycle. The program's revenues and expenses are expected to remain relatively stable, with possibly a small increase in the numbers certified.

Recent Changes

The fees for food manager certification were increased from \$15 to \$28 in FY 2006. The increase in fees has helped bring revenues closer to program expenditures.

Agency Analysis/Requested Changes

The department will continue to monitor program activities to ensure that program revenues do not significantly exceed program expenditures. No change is being requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

TEMPORARY NURSING

Fiscal Report

Revenue Category Description: Registration of supplemental nursing services employment agency.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover costs of the supplemental nursing services employment agency registry serving the health care industry by providing individuals for direct contact services.

Appr Name:

Legal Citation(s): MS 144A.71

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	111	97	146	151	151	174	174
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	78	78	78	78	78	78	78
Total Departmental Earnings	78	78	78	78	78	78	78
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	4	9	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	78	74	69	78	78	78	78
<u>Expenditures:</u>							
Direct Expenditures	79	21	53	46	46	46	46
Indirect Expenditures	13	4	11	9	9	9	9
Total Expenditures	92	25	64	55	55	55	55
Current Difference	(14)	49	5	23	23	23	23
Accumulated Ending Balance	97	146	151	174	174	197	197

Background Information

This program's fees are collected to recover costs associated with registering and regulating Supplemental Nursing Staffing Agencies (SNSA). Program costs include registration processing, on-site surveys, monitoring, and complaint investigations. The regulations were established primarily to provide hourly payable rates to be reimbursable by Medicaid for nursing home staffing costs incurred by providers hiring staffing pool services. In order for a health care facility to employ the services of nursing related staff from a service pool, the provider must be registered with the Department of Health.

Forecast Basis

Revenue estimates are made using current provider counts as the base starting point. Revenues are then projected using trends and expected changes in fee-paying entities. The number of SNSA's is expected to remain near 90 under current law.

Recent Changes

The program was established in January of 2002. Other than the annual reimbursable rate adjustments, there have not been changes to the program structure since implementation.

Originally the number of SNSA's in Minnesota providing staff to nursing homes was estimated to be around 250. Since the rates have been established many providers have closed. The number currently registered is 86. The department is exploring the possibility of implementing an on-line renewal process for these registered entities.

With the decline and closure of two thirds of the providers since 2002, MDH has evaluated its approach to the regulatory oversight for these providers. In order to balance our regulatory approach and funding, the department will be moving to a three-year regulatory cycle. In addition, the annual renewal process will be streamlined. It is estimated that the annual funding required will be \$55,000. The department will review the program's accumulated balance after gaining experience with the three-year cycle. If necessary, adjustments to the fee or other funding adjustments will be proposed.

Agency Analysis/Requested Changes

No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

HEALTH DEPT

A & D COUNSELORS

Fiscal Report

Revenue Category Description: License fee for alcohol and drug counselors.

Requesting a Fee Change: No

Purpose: To recover the costs of regulating alcohol and drug counselors including: enforcement of standards, licensure, examination, and complaint investigations.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 148C.03 Subd. 1 (j), 148C.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	346	0	0	0	0	0	0
Total Departmental Earnings	346	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	346	0	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures	291	0	0	0	0	0	0
Indirect Expenditures	55	0	0	0	0	0	0
Total Expenditures	346	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0

HEALTH DEPT

A & D COUNSELORS

Narrative

Background Information

The Alcohol and Drug Counselors Program was moved to the Behavioral Health & Therapy Board on July 1, 2005.

Forecast Basis

Recent Changes

Agency Analysis/Requested Changes

HEALTH DEPT

STATEWIDE HOSPITALITY

Fiscal Report

Revenue Category Description: Fee paid by licensed operators of food and lodging establishments.

Requesting a Fee Change: No

Purpose: To support program development, technology and training services.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): MS 157.15, subd 19,; MS 157.16, subd 3a

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	97	59	59	35	26
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	528	650	650	650	700	700
Total Departmental Earnings	0	528	650	650	650	700	700
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	528	650	650	650	700	700
<u>Expenditures:</u>							
Direct Expenditures	0	361	576	562	571	562	580
Indirect Expenditures	0	70	112	112	112	112	112
Total Expenditures	0	431	688	674	683	674	692
Current Difference	0	97	(38)	(24)	(33)	26	8
Accumulated Ending Balance	0	97	59	35	26	61	34

Background Information

Laws granting the authority to regulate food, beverage, and lodging establishments have been enacted and amended since 1902. The current statewide hospitality fee was adopted in 2005, and funds the Partnership and Workforce Development Unit (PWDU) within the department's Environmental Health Services (EHS) section. The purpose of the this unit is to assist state and local agencies in providing uniform and consistent services, statewide. This unit is responsible for providing training, education, development and monitoring of data systems, program evaluations, and development and maintenance of these partnerships.

Forecast Basis

It is expected that revenues will slightly increase as the number of licensed facilities increase.

Recent Changes

This fee is an annual fee which is collected in two phases during the calendar year. The first cycle of the fee was in August 2005 for facilities licensed by the department and in July 2006 for establishments licensed by local agencies. The revenue collection and development of the PDWU has not matured.

Agency Analysis/Requested Changes

The department will continue to monitor program activities to ensure that program costs do not exceed revenues. No change is requested. Also, the Governor has recommended a compensation adjustment for the department. Excluding other recommendations for specific programs, the difference between current law and Governor's recommendation figures results from a portion of that adjustment being allocated to this program.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	930	898	898	898	898	898	898
Total Dedicated Receipts	930	898	898	898	898	898	898

<u>Fund Totals:</u>							
Misc Special Revenue	930	898	898	898	898	898	898
Departmental Earnings Total	930	898	898	898	898	898	898

HISTORICAL SOCIETY

HISTORICAL SITE ADMISSION

Fiscal Report

Revenue Category Description: Admission fees to state-owned historic sites.

Requesting a Fee Change: No

Purpose: Earnings generated from admissions to state owned historical sites are allotted to related program costs.

Fund: MISC SPECIAL REVENUE

Appr Name: STATE SITE ADMISSION

Legal Citation(s): MS 138.668

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	930	1,828	2,726	2,726	3,624	3,624
<u>Resources:</u>							
Dedicated Receipts	930	898	898	898	898	898	898
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	930	898	898	898	898	898	898
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	930	898	898	898	898	898	898
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	930	898	898	898	898	898	898
Accumulated Ending Balance	930	1,828	2,726	3,624	3,624	4,522	4,522

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	59	58	59	59	59	59	59
Total Dedicated Receipts	59	58	59	59	59	59	59
<u>Fund Totals:</u>							
Misc Special Revenue	59	58	59	59	59	59	59
Departmental Earnings Total	59	58	59	59	59	59	59

HUMAN RIGHTS DEPARTMENT

CERTIFICATE OF COMPLIANCE

Fiscal Report

Revenue Category Description: Licenses and Fees

Requesting a Fee Change: No

Purpose: Fee collected for the issue of Certificates of Compliances to fund the cost of issuing certificates and investigating grievances.

Fund: MISC SPECIAL REVENUE

Appr Name: COMPLIANCE CERTIFICATES

Legal Citation(s): 363A.36 subdivision 2.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	59	58	59	59	59	59	59
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	59	58	59	59	59	59	59
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	59	58	59	59	59	59	59
<u>Expenditures:</u>							
Direct Expenditures	13	70	67	143	143	59	59
Indirect Expenditures							
Total Expenditures	13	70	67	143	143	59	59
Current Difference	46	(12)	(8)	(84)	(84)	0	0

Background Information

In accordance with 363A.36, Subdivision 2, the commissioner shall collect \$75 fee for each certificate of compliance. The money in the account is appropriated to the commissioner to fund the cost of issuing the certificate and investigate grievances.

The \$75 fee was appropriated to support the issuing the certificates and human rights enforcement activities.

Forecast Basis:

The basis for forecasting is 747 out of 2,017 contractors will apply or re-apply per year. Certificates are good for 2 years.

Recent Changes:

None

Agency Analysis/Requested Changes:

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	52,732	56,783	54,077	65,644	69,479	66,094	73,572
Total Non-Dedicated Receipts	52,732	56,783	54,077	65,644	69,479	66,094	73,572

<u>Dedicated Receipts:</u>							
General	5,874	5,200	5,594	5,667	5,667	5,740	5,740
Health Care Access	22,867	20,644	19,244	20,809	20,016	21,003	18,288
Misc Special Revenue	8,770	8,002	8,513	7,821	7,821	7,665	7,665
Federal	15,331	18,027	13,770	14,055	14,055	13,667	13,667
Miscellaneous Agency	5	1	0	0	0	0	0
Revenue Based State Oper Serv	65,671	72,953	78,003	78,003	78,003	78,003	78,003
Mn Neurorehab Hospital Brainer	15,320	17,331	17,533	17,533	17,533	17,533	17,533
Dhs Chemical Dependency Servs	18,056	15,337	18,825	18,825	18,825	18,825	18,825
Total Dedicated Receipts	151,894	157,495	161,482	162,713	161,920	162,436	159,721

<u>Fund Totals:</u>							
General	58,606	61,983	59,671	71,311	75,146	71,834	79,312
Health Care Access	22,867	20,644	19,244	20,809	20,016	21,003	18,288
Misc Special Revenue	8,770	8,002	8,513	7,821	7,821	7,665	7,665
Federal	15,331	18,027	13,770	14,055	14,055	13,667	13,667
Miscellaneous Agency	5	1	0	0	0	0	0
Revenue Based State Oper Serv	65,671	72,953	78,003	78,003	78,003	78,003	78,003
Mn Neurorehab Hospital Brainer	15,320	17,331	17,533	17,533	17,533	17,533	17,533
Dhs Chemical Dependency Servs	18,056	15,337	18,825	18,825	18,825	18,825	18,825
Departmental Earnings Total	204,626	214,278	215,559	228,357	231,399	228,530	233,293

HUMAN SERVICES DEPT

LICENSING DIVISION

Fiscal Report

Revenue Category Description: Collection of Licensing Fees

Requesting a Fee Change: No

Purpose: To collect licensing fees for rules 3, 4, 29, 31, 32, 36, 80, 223 and programs under 245A.22, children's residential facilities, and programs under 245B

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 245A.10 Subd. 4 and 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,994	2,085	2,030	2,030	2,471	2,030	2,512
Total Departmental Earnings	1,994	2,085	2,030	2,030	2,471	2,030	2,512
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,994	2,085	2,030	2,030	2,471	2,030	2,512
<u>Expenditures:</u>							
Direct Expenditures	1,994	2,085	2,030	2,030	2,471	2,030	2,512
Indirect Expenditures							
Total Expenditures	1,994	2,085	2,030	2,030	2,471	2,030	2,512
Current Difference	0	0	0	0	0	0	0

Background Information

This earnings statement includes licensing fees collected pursuant M.S. 245A.10. License fees are treated as non-dedicated revenues and deposited into the general fund.

Forecast Basis

License fees vary by type of program licensed. The forecast is based on current collection history.

Recent Changes

Fees were increased in 2003 and the fee schedule was placed in statute. In 2005, the fee schedule was reduced 25 percent for child care centers.

Agency Analysis/Requested Changes

The Governor recommends applying the waiver provider standards required under the Mental Retardation and Related Conditions (MR/RC) waiver to similar services in the Community Alternative Care (CAC), Community Alternatives for Disabled Individuals (CADI), and Traumatic Brain Injury (TBI) waivers, which will expand the number of programs licensed under chapter 245B.

HUMAN SERVICES DEPT

REG LAUNDRY DEPRECIATION

Fiscal Report

Revenue Category Description: Charges for providing laundry services

Requesting a Fee Change: No

Purpose: To provide for the replacement cost of laundry equipment.

Fund: MISC SPECIAL REVENUE

Appr Name: LAUNDRY DEPRECIATION

Legal Citation(s): M.S. 246.57, Subd. 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	680	624	661	686	686	686	686
Resources:							
Dedicated Receipts	43	46	25	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	43	46	25	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	43	46	25	0	0	0	0
Expenditures:							
Direct Expenditures	99	9	0	0	0	0	0
Indirect Expenditures							
Total Expenditures	99	9	0	0	0	0	0
Current Difference	(56)	37	25	0	0	0	0
Accumulated Ending Balance	624	661	686	686	686	686	686

Background Information

M. S. 246.57, subd. 5, provides the Department of Human Services with the authority to retain depreciation to replace laundry equipment. The rates currently in effect were established based on actual costs including maintenance, replacement costs, and life expectancy and are reviewed as costs warrant.

The Brainerd shared service laundry activity is discontinued in FY 2007. The balance of funds in the account will be used to replace equipment at the St. Peter laundry facilities. The St. Peter laundry supports only the St. Peter campus and surrounding SOS community programs, and is not operated on an enterprise basis.

Forecast Basis

Fees are established based on equipment life cycle replacement estimates.

Recent Changes

Current depreciation charges are \$.0025 per pound processed and \$.10 per mile of transportation.

Agency Analysis/Requested Changes

Laundry depreciation fees are built into shared service rates for providing laundry services. Shared service rates are exempt from 16A.1283. Shared services are provided for the direct and primary use of a private individual, business, or other entity.

HUMAN SERVICES DEPT

SHARED SERVICES REVENUE

Fiscal Report

Revenue Category Description: Charges for providing shared services

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To retain revenue required for the provision of services that are of mutual benefit to the state, other governmental entities and private business and organizations.

Appr Name: Various

Legal Citation(s): M.S. 246.57

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,904	954	519	553	553	594	594
Resources:							
Dedicated Receipts	2,440	916	2,165	1,570	1,570	1,570	1,570
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,440	916	2,165	1,570	1,570	1,570	1,570
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	658	0	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,782	916	2,165	1,570	1,570	1,570	1,570
Expenditures:							
Direct Expenditures	2,692	1,339	2,121	1,519	1,519	1,519	1,519
Indirect Expenditures	40	12	10	10	10	10	10
Total Expenditures	2,732	1,351	2,131	1,529	1,529	1,529	1,529
Current Difference	(950)	(435)	34	41	41	41	41
Accumulated Ending Balance	954	519	553	594	594	635	635

HUMAN SERVICES DEPT

SHARED SERVICES REVENUE

Narrative

Background Information

M. S. 246.57 was enacted to allow DHS to provide services to other governmental agencies and both non-profit and profit organizations through shared service agreements of mutual benefit to the state, other governmental entities, and other organizations and the public. Rates are established by the respective facilities providing the services.

Forecast Basis

Fees are established based on projection of actual costs required to provide services.

Recent Changes

Rates are adjusted as costs increase or decrease.

Agency Analysis/Requested Changes

SOS Shared Services rates are exempt from 16A.1283. Shared Services are provided for the direct and primary use of a private individual, business, or other private entity.

HUMAN SERVICES DEPT

WORK ACTIVITY PROGRAMS

Fiscal Report

Revenue Category Description: Charges for service/products provided/manufactured by clients/residents.

Requesting a Fee Change: No

Purpose: To provide therapeutic work activities for developmentally disabled, and mentally ill.

Fund: MISC SPECIAL REVENUE, MISCELLANEOUS AGENCY, REVENUE BASED STATE OPER SERV

Appr Name: Various

Legal Citation(s): M.S. 246.56

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	294	245	207	214	214	221	221
Resources:							
Dedicated Receipts	1,123	1,373	1,410	1,410	1,410	1,410	1,410
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,123	1,373	1,410	1,410	1,410	1,410	1,410
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,123	1,373	1,410	1,410	1,410	1,410	1,410
Expenditures:							
Direct Expenditures	1,172	1,411	1,403	1,403	1,403	1,403	1,403
Indirect Expenditures							
Total Expenditures	1,172	1,411	1,403	1,403	1,403	1,403	1,403
Current Difference	(49)	(38)	7	7	7	7	7
Accumulated Ending Balance	245	207	214	221	221	228	228

Background Information

In accordance with the provision of M.S. 246.56, the Commissioner of Human Services is authorized to create a work activity center revolving fund for the purposes of receiving and expending money to provide therapeutic work activities for developmentally disabled and mentally ill residents and patients. Participants must receive pay as prescribed in the United States Department of Labor regulations, in accordance with the employment of workers with disabilities under special certificates. Work Activity programs include the provision of services and the manufacture, processing, and repairing of goods, wares, and merchandise.

Forecast Basis

The programs are located on the grounds of the regional treatment centers as well as sites in the community. The revenue from the operation of work activity programs is used to pay resident wages according to their productivity, and to purchase equipment, supplies, and the other expenses necessary to the operation of the program. Workers are not considered state employees and do not qualify for state benefits. Wages are based on the prevailing wages of comparable jobs in the community and on the worker's productivity compared to production of a non-disabled worker. In accordance with M. S. 256.151 wages cannot be less than 25% of the current applicable wage (federal or state, whichever is higher). However, a worker whose earning or productive capacity is impaired may be paid a sub-minimum wage authorized by a special certificate issued by the U.S. Department of Labor. Charges for services and products are established through an analysis of all factors discussed above.

Recent Changes

N/A

Agency Analysis/Requested Changes

Work Activity rates are exempt from 16A.1283. Work Activity services are provided for the direct and primary use of a private individual, business, or other entity.

HUMAN SERVICES DEPT

MNCARE PREMIUM

Fiscal Report

Revenue Category Description: Minnesota Care Premiums

Requesting a Fee Change: No

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

Fund: HEALTH CARE ACCESS, FEDERAL

Appr Name: FEDERAL S-CHIP GRANT, MEDICAID SERVICES, MINNESOTACARE GRANTS

Legal Citation(s): M.S. 256L.15, Subd. 1

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	38,198	36,507	33,014	34,864	34,071	34,670	31,955
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	38,198	36,507	33,014	34,864	34,071	34,670	31,955
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	38,198	36,507	33,014	34,864	34,071	34,670	31,955
Expenditures:							
Direct Expenditures	38,198	36,507	33,014	34,864	34,071	34,670	31,955
Indirect Expenditures							
Total Expenditures	38,198	36,507	33,014	34,864	34,071	34,670	31,955
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

Minnesota Statutes 256L.15 provides that individuals enrolling in the program will be charged a subsidized premium based on a sliding scale. The premium charge ranges from 1.5 to 9.8% of gross family income. The General Fund (Fund 100), the Health Care Access Fund (Fund 190), and Title 19 fund the remaining program cost.

Forecast Basis

The forecasted amounts are based on DHS's projections of MinnesotaCare enrollment, distinguished by children and parents vs. adults without children. Monthly enrollment projections are multiplied by projected premiums per enrollee per month times 12. Most premium revenue for children or parents is shared 50% with the federal Medicaid program, the same percentage of federal match as the cost of coverage for those individuals.

Recent Changes

None

Agency Analysis/Requested Changes

The Governor's Healthy Connections initiative repeals the eight percent MinnesotaCare sliding-scale premium increase currently pending federal approval. The proposal also reduces premiums for children and creates incentives for kids to receive premium deductions based on meeting QCare guidelines.

HUMAN SERVICES DEPT

STATE FACILITIES COST OF CARE

Fiscal Report

Revenue Category Description: Charges for care and treatment to people who are ment. ill, devel dis. and chem. dep.

Purpose: To provide care and treatment to individuals admitted to State Operated Services programs regardless of their ability to pay.

Legal Citation(s): M.S. 246.50-51, MN Rules, parts 9515.1000-.2600

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE, REVENUE BASED STATE OPER SERV, MN NEUROREHAB HOSPITAL BRAINER, DHS CHEMICAL DEPENDENCY SERVS

Appr Name: Various

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	28,172	(117,887)	(276,452)	(500,043)	(500,043)	(680,998)	(683,110)
Resources:							
Dedicated Receipts	103,039	108,647	116,878	116,878	116,878	116,878	116,878
Non-Dedicated Receipts	50,738	54,698	52,047	63,614	67,008	64,064	71,060
Total Departmental Earnings	153,777	163,345	168,925	180,492	183,886	180,942	187,938
Other Resources:							
Earnings Transferred In	658	0	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	154,435	163,345	168,925	180,492	183,886	180,942	187,938
Expenditures:							
Direct Expenditures	296,006	317,388	387,912	356,843	362,349	350,517	363,422
Indirect Expenditures	4,488	4,522	4,604	4,604	4,604	4,604	4,604
Total Expenditures	300,494	321,910	392,516	361,447	366,953	355,121	368,026
Current Difference	(146,059)	(158,565)	(223,591)	(180,955)	(183,067)	(174,179)	(180,088)
Accumulated Ending Balance	(117,887)	(276,452)	(500,043)	(680,998)	(683,110)	(855,177)	(863,198)

Background Information

State Operated Services (SOS) provides direct care services to persons with disabilities. This includes services to adults and adolescents with mental illness, individuals with developmentally disabilities, persons with chemical dependency, and individuals committed as psychopathic personalities or sexual dangerous persons. The majority of these services are funded with direct appropriations. Enterprise services are funded solely through collections from third party resources.

SOS bills Medical Assistance, Medicare, the Chemical Dependency Treatment Fund, private and commercial insurance, counties, and individual clients for services provided. Enterprise funds recover 100% of their costs. Appropriated services, on average only collect approximately 25% of their costs due to regional treatment centers being designated as institutions for mental disease (IMD).

Forecast Basis

SOS cost of care rates are defined in M.S. 246.50, Subd. 5, and includes costs of services, treatment, maintenance, bonds issued for capital improvements, depreciation of buildings and equipment, and indirect costs related to the operations of state facilities.

Recent Changes

SOS cost of care rates for appropriated services are calculated annually based on estimated costs for the upcoming year. Cost of Care rates for Enterprise services are negotiated annually with county providers based on individual client service needs.

Agency Analysis/Requested Changes

The Governor's Mental Health Initiative recommendation affects revenues and expenditures in this area by changing the county share for uninsured stays at Anoka Metro Regional Treatment Center to provide incentives toward community-based care and preventing costly hospitalizations. The Governor's proposal also includes investments in mental health services infrastructure to provide counties with the tools to avoid admissions to regional treatment centers and facilitate timely discharges.

SOS cost of care rates are exempt from M.S. 16A.1283. Services are provided for the direct and primary use of private individuals.

HUMAN SERVICES DEPT

ALTERNATIVE CARE

Fiscal Report

Revenue Category Description: Alternative Care Premium

Requesting a Fee Change: No

Purpose: Client premium required from some 135-day eligibles to help pay program participation costs.

Fund: GENERAL

Legal Citation(s): M.S. 256B.0913

Appr Name: ALTERNATIVE CARE GRANTS

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	4,746	2,915	3,309	3,382	3,382	3,455	3,455
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	4,746	2,915	3,309	3,382	3,382	3,455	3,455
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,746	2,915	3,309	3,382	3,382	3,455	3,455
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	4,746	2,915	3,309	3,382	3,382	3,455	3,455
Total Expenditures	4,746	2,915	3,309	3,382	3,382	3,455	3,455
Current Difference	0	0	0	0	0	0	0

Background Information

Prior to 7-1-2003 when the Alternative Care client's adjusted income (adjusted by monthly recurring and predictable medical expenses) is greater than 150% of federal poverty guidelines (FPG) or total gross assets are greater than \$10,000, the monthly premium is 25% of the total average monthly service plan encumbrance. However, when the difference between the alternative care client's adjusted income and 150% of FPG is less than the calculated 25% monthly premium, then the monthly premium is the lesser amount. Additionally, if the total monthly service expenditures (paid claims) are subsequently less than the assessed monthly premium amount charged, then the premium amount charged for that month becomes 100% of the total cost of service (paid claims). The monthly premium is assessed, determined, and reported to the state by the local lead agency for the program, while the billing and receivable is administered by the state agency. The program is fee-for-service and the premium is post-pay (premium due after the receipt of services).

Forecast Basis

Based on Sliding Fee – See explanation above in Background Information Section

Recent Changes

In the FY 2001-2002 biennium, effective January 2002, the billing and collection of monthly fees became a state function, except for a locally operated pilot project (Hennepin County). No evaluation was completed to determine whether or not this change improved billing and collection of premiums, or resulted in higher revenues.

Beginning in FY 2003, monthly premiums have been assessed at 0%, 5%, 15%, and 30% of the client's total average monthly service plan costs according to five adjusted income and gross asset categories at 120% FPG, 150% FPG, 200% FPG, and \$10,000, respectively. It is not known whether this fee schedule has generated additional revenue to the program given the reduced resulting from changes made to decrease eligibility and services. Likewise, the cost of client case management services is now incorporated into the determination of the monthly fee charge. This has increased the cost of participation to clients and created disincentives for clients to utilize/rely on case management assistance/services.

Agency Analysis/Requested Changes

None

HUMAN SERVICES DEPT

RENTAL INCOME

Fiscal Report

Revenue Category Description: Fees paid for usage of property located at the State Operated Services.

Requesting a Fee Change: No

Purpose: To maintain the State Operated Services buildings and property being rented.

Fund: MISC SPECIAL REVENUE

Appr Name: DED SRVS-LEASE INCOME (FF), DED SRVS-LEASE INCOME (SP), DED SRVS-LEASE INCOME BRAINERD, DED SRVS-LEASE INCOME(AGCC), DED SRVS-LEASE INCOME(WILLMAR)

Legal Citation(s): M.S. 245.037

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,133	1,358	1,780	1,544	1,544	1,236	1,236
<u>Resources:</u>							
Dedicated Receipts	559	510	264	192	192	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	559	510	264	192	192	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	559	510	264	192	192	0	0
<u>Expenditures:</u>							
Direct Expenditures	324	75	476	476	476	475	475
Indirect Expenditures	10	13	24	24	24	24	24
Total Expenditures	334	88	500	500	500	499	499
Current Difference	225	422	(236)	(308)	(308)	(499)	(499)
Accumulated Ending Balance	1,358	1,780	1,544	1,236	1,236	737	737

Background Information

Minnesota Statutes 245.037 authorizes the Commissioner of Human Services to change and collect rent (MS 16B.24, Subd. 5) for state property at any of the regional treatment centers (RTC's). The funds are dedicated to the RTC from which they were generated. Funding is utilized to maintain the rented buildings and property.

Collections for this items end in FY 2009 because the department will complete the process of conveying ownership of RTC campuses and will not collect rental income.

Forecast Basis

Rates are based on projection of actual costs of maintaining and utilization of buildings.

Recent Changes

Rates are adjusted as costs increase or decrease.

Agency Analysis/Requested Changes

SOS lease income is exempt from 16A.1283. Leases are provided for the direct and primary use of a private individual, business, or other entity.

HUMAN SERVICES DEPT

CSE COST RECOVERY

Fiscal Report

Revenue Category Description: Recovery Fee for Services Provided

Requesting a Fee Change: No

Purpose: To offset the cost of child support enforcement.

Fund: GENERAL, MISC SPECIAL REVENUE

Legal Citation(s): M.S. 518.551, Subd. 7

Appr Name: CHILD SUPPORT ENFORCE GRANTS

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	1,128	1,144	1,160	1,160	1,160	1,160	1,160
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,128	1,144	1,160	1,160	1,160	1,160	1,160
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	247	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,128	1,144	913	1,160	1,160	1,160	1,160
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	1,128	1,144	1,160	1,160	1,160	1,160	1,160
Total Expenditures	1,128	1,144	1,160	1,160	1,160	1,160	1,160
Current Difference	0	0	(247)	0	0	0	0

Background Information

Laws of 2003, 1st Special Session, Chapter 14, Article. 6, Section 58, Subd. 7 provided a vehicle for DHS to charge a 1% cost recovery fee of the amount of child support collected/recovered. This language has been codified in MS 518.551.

Forecast Basis

The amount is 1% of projected child support collections/recoveries.

Recent Changes

This fee was implemented on July 1, 2004, based on legislation cited above.

Agency Analysis/Requested Changes

No changes requested.

HUMAN SERVICES DEPT

HIV PREMIUM

Fiscal Report

Revenue Category Description: HIV Insurance Premiums

Requesting a Fee Change: No

Purpose: HIV provides subsidized health insurance coverage using a sliding fee for premiums.

Fund: MISC SPECIAL REVENUE

Appr Name: HIV PREMIUMS

Legal Citation(s): MS 256.01

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	237	258	265	265	265	301	301
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	237	258	265	265	265	301	301
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	237	258	265	265	265	301	301
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	237	258	265	265	265	301	301
Total Expenditures	237	258	265	265	265	301	301
Current Difference	0	0	0	0	0	0	0

Background Information

In July 2004, the HIV/AIDS Division implemented cost sharing for all federally sponsored insurance continuation program clients as well as all drug reimbursement program clients with incomes between one hundred and three hundred percent of federal poverty guidelines. Cost sharing was one of several options measures implemented to respond to an impending fiscal shortfall and avoid a waiting list in SFY 2005. Section 2617 © 1-3 of the Ryan White CARE Act gives its Title II grantees (DHS) authority to collect fees and provides guidelines to imposing charges for services.

Forecast Basis

Cost sharing premiums are assessed by HIV/AIDS Division Eligibility Specialists and are assigned using a pre-determined sliding scale of one to six and a half percent. Premiums are based on household size and gross monthly income.

Recent Changes

None

Agency Analysis/Requested Changes

None

HUMAN SERVICES DEPT

NH ADVISORY COUNCIL FEE

Fiscal Report

Revenue Category Description: Resident and Family
Advisory Council Educ Program

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Collection of fees from nursing homes and
boarding care homes

Appr Name: NURSING HOME ADV COUNCIL

Legal Citation(s): M.S. 144A.33

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	184	191	187	187	187	187	187
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	184	191	187	187	187	187	187
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	184	191	187	187	187	187	187
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	184	191	187	187	187	187	187
Total Expenditures	184	191	187	187	187	187	187
Current Difference	0	0	0	0	0	0	0

Background Information

MS 144A.33 authorized the development and funding of the Resident and Family Advisory Council Education program to assist residents and families of residents in nursing homes to understand their rights and responsibilities. Funding for the program is through a \$5 per bed surcharge for each license application or renewal fee for nursing homes and boarding care homes under MS 144.53 or 144A.07.

Forecast Basis

The forecast amount is based on a fee of \$5 times the estimated number of licensed beds in nursing homes and boarding care homes.

Recent Changes

None

Agency Analysis/Requested Changes

No changes requested.

HUMAN SERVICES DEPT

BACKGROUND STUDY FEES

Fiscal Report

Revenue Category Description: Background Study Fees

Requesting a Fee Change: Yes

Purpose: To recover the cost of background studies

Fund: MISC SPECIAL REVENUE

Legal Citation(s): M.S. 144.057, 245C.10, 524.5-118,
518.165 Subd. 4

Appr Name: LICENSING/BACKGROUND STUDIES

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	197	539	520	520	520	520	520
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	197	539	520	520	520	520	520
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	197	539	520	520	520	520	520
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	197	539	520	520	1,170	520	1,170
Total Expenditures	197	539	520	520	1,170	520	1,170
Current Difference	0	0	0	0	(650)	0	(650)

Background Information

In FY 2001, the revenue and expense budgets for the Personal Care Provider Organizations (PCPO) background studies were in appropriation unit Y02, fund 170. The revenue and expense budget for the Minnesota Department of Health (MDH) – Facility & Provider compliance background studies (earnings transferred in – revenue code 2200) were in appropriation unit Y00, fund 170 (along with two unrelated budgeted accounts – VA Appeals and VA Investigators). In FY 2002, the two background study accounts were placed in a fund 200, appropriation unit R81. In addition, R81 included revenues and expense budgets for background studies for Supplemental Nursing Service Agencies (SNSA), Court appointed Guardians, the Department of Corrections (DOC), and the Board of Behavioral Health and Therapy (BBHT) – CD counselors. FY 2002 was the first year background studies were completed for SNSA, Court appointed Guardians and DOC.

Current accounts under appropriation unit R81 include :

A513 – MDH (RSC 2200) – Revenues established in interagency contract. M.S. 144.057

A514 – PCPO (RSC 5032) – Fee is \$20 per study. M.S. 245C.10 subd. 3

A515 – DOC & BBHT (RSC 8320) – Revenues established in interagency contracts. M.S. 245C.03 subd. 5; 241.021 subd. 6; and 148C.09 subd. 1a

A516 – SNSA (RSC 5032) – Fee is \$20 per study. M.S. 245C.10 subd. 2

A517 – Court Appointed Guardians (RSC 5032 for private pay and RSC 8320 for Supreme Court) – Fee is \$20 per study + \$30 for fingerprints, if required. M.S. 524.5-118

A518 – Guardians Ad Litem (RSC8320) Fee is \$20 per study + \$30 for fingerprints, if required. M.S. 518.165, subd. 4

Forecast Basis

RSC 2200 budgets and revenues are based on interagency agreements with MDH. RSC 8320 budgets are based on interagency agreements with BBHT, DOC, and the Minnesota Supreme Court. Charges under A514 are set forth in MS section 245C.10 Subd. 3; charges under A516 are set forth in M.S. 245C.10 Subd. 2; charges under A518 are set forth in M.S. 245C.32, Subd. 2 and 3.

Recent Changes

Accounts A515, A516 and A517 were created in 2001. Account A518 was created in 2006.

Agency Analysis/Requested Changes

The Governor recommends realigning background study fees and appropriations to address increased costs of conducting background studies.

HUMAN SERVICES DEPT

MA-EPD PREMIUM

Fiscal Report

Revenue Category Description: None

Requesting a Fee Change: No

Purpose: None

Fund: GENERAL, FEDERAL

Legal Citation(s): None

Appr Name: MEDICAID SERVICES, MEDICAL ASSISTANCE GRANTS

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	4,449	2,285	2,285	2,285	2,285	2,285
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	4,449	2,285	2,285	2,285	2,285	2,285
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	4,449	2,285	2,285	2,285	2,285	2,285
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures	0	4,449	2,285	2,285	2,285	2,285	2,285
Total Expenditures	0	4,449	2,285	2,285	2,285	2,285	2,285
Current Difference	0	0	0	0	0	0	0

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Iron Range Resources & Rehab	494	302	285	50	50	50	50
Giants Ridge Golf & Ski Resort	4,122	4,514	4,758	4,758	4,758	4,758	4,758
Ne Mn Economic Protection	122	122	122	122	122	122	122
Total Dedicated Receipts	4,738	4,938	5,165	4,930	4,930	4,930	4,930

<u>Fund Totals:</u>							
Iron Range Resources & Rehab	494	302	285	50	50	50	50
Giants Ridge Golf & Ski Resort	4,122	4,514	4,758	4,758	4,758	4,758	4,758
Ne Mn Economic Protection	122	122	122	122	122	122	122
Departmental Earnings Total	4,738	4,938	5,165	4,930	4,930	4,930	4,930

IRON RANGE RESOURCES & REHAB

DEPARTMENTAL EARNINGS

Fiscal Report

Revenue Category Description: Admissions, Season Passes, Concessions, Advertise Sales, & Misc. receipts for our facilities.

Purpose: Fees have been set to partially recover operating and program costs.

Legal Citation(s): M.S. 298.2211, Subd. 6

Requesting a Fee Change: No

Fund: IRON RANGE RESOURCES & REHAB, GIANTS RIDGE GOLF & SKI RESORT, NE MN ECONOMIC PROTECTION

Appr Name: GIANTS RIDGE GOLF & SKI RESORT, IRON RANGE RESOURCE REHAB/ ITC, IRRRB NE MINN EPT PRO, IRRRB RELENDING PROGRAM-ITC

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	411	1,339	2,242	2,794	2,794	3,576	3,576
<u>Resources:</u>							
Dedicated Receipts	4,738	4,938	5,165	4,930	4,930	4,930	4,930
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	4,738	4,938	5,165	4,930	4,930	4,930	4,930
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,738	4,938	5,165	4,930	4,930	4,930	4,930
<u>Expenditures:</u>							
Direct Expenditures	3,810	4,035	4,613	4,148	4,148	4,148	4,148
Indirect Expenditures							
Total Expenditures	3,810	4,035	4,613	4,148	4,148	4,148	4,148
Current Difference	928	903	552	782	782	782	782
Accumulated Ending Balance	1,339	2,242	2,794	3,576	3,576	4,358	4,358

IRON RANGE RESOURCES & REHAB

DEPARTMENTAL EARNINGS

Narrative

Background Information

Iron Range Resources is a state economic development agency that was created by the Legislature in 1941 to diversify the economy of the iron mining areas of northeastern Minnesota. The agency serves the interests of the Taconite Assistance Area (TAA), a geographical region including all or parts of Cook, Lake, St. Louis, Itasca, Aitkin and Crow Wing Counties. As part of its core mission of economic development, Iron Range Resources owns and operates two facilities, Giants Ridge Golf & Ski Resort and Ironworld Discovery Center. The agency also generates a small amount of revenues from its economic development activities by leasing buildings to local businesses and other miscellaneous activities.

Forecast Basis

Giants Ridge Golf & Ski Resort

Giants Ridge Golf & Ski Resort is located in the city of Biwabik and is intended to promote tourism and recreation opportunities in the TAA. Giants Ridge operates two 18-hole championship quality golf courses and a nationally recognized winter sports area. The winter sport facility offers 34 alpine ski runs, more than 60 kilometers of cross-country ski trails and easy access to lakes, mountain bike trails and snowmobile trails.

Annual Departmental Earning Estimate: \$4,757,958

Ironworld Discovery Center

Ironworld Discovery Center is located in the city of Chisholm and houses a museum, a research center and a musical amphitheater. Commissioner Layman is currently negotiating a management agreement between the agency and a newly formed non-profit corporation which will assume responsibility for the operations of Ironworld. The non-profit corporation, Ironworld Development Corporation (IDC), grew out of recommendations from a citizen's task force appointed by the Commissioner in 2003 to develop a strategy for ensuring Ironworld's sustainability while eliminating or reducing to the extent possible the agency's subsidy of the facility.

Annual Departmental Earning Estimate: \$0

Douglas J. Johnson Economic Protection Fund

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

Annual Departmental Earning Estimate: \$121,992

Board Administration

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

Annual Departmental Earning Estimate: \$50,000

Recent Changes

None

Agency Analysis/Requested Changes:

The agency recommends no change is fees at this point in time.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	2,634	4,687	4,659	4,659	2	4,609	2
State Government Spec Revenue	0	2,381	2,381	2,381	0	2,381	0
Workers Compensation	583	607	606	606	606	606	606
Total Non-Dedicated Receipts	3,217	7,675	7,646	7,646	608	7,596	608

<u>Dedicated Receipts:</u>							
State Government Spec Revenue	0	17,348	17,348	17,348	26,324	17,348	26,274
Misc Special Revenue	320	1,632	1,632	1,632	2,662	1,632	2,662
Workers Compensation	2,787	3,133	3,073	3,073	3,342	3,073	3,342
Total Dedicated Receipts	3,107	22,113	22,053	22,053	32,328	22,053	32,278

<u>Fund Totals:</u>							
General	2,634	4,687	4,659	4,659	2	4,609	2
State Government Spec Revenue	0	19,729	19,729	19,729	26,324	19,729	26,274
Misc Special Revenue	320	1,632	1,632	1,632	2,662	1,632	2,662
Workers Compensation	3,370	3,740	3,679	3,679	3,948	3,679	3,948
Departmental Earnings Total	6,324	29,788	29,699	29,699	32,936	29,649	32,886

LABOR AND INDUSTRY DEPT

REHAB & MEDICAL REGULATION

Fiscal Report

Revenue Category Description: Rehabilitation Provider
Registration and Managed Care Organization Fees

Requesting a Fee Change: No

Purpose: To help defray the cost of regulation of rehabilitation providers and managed care organizations.

Fund: WORKERS COMPENSATION

Appr Name: ASSIGNED RISK SAFETY

Legal Citation(s): M.S. 176.102 and M.S 176.1351

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	80	78	76	76	76	76	76
Total Departmental Earnings	80	78	76	76	76	76	76
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	80	78	76	76	76	76	76
<u>Expenditures:</u>							
Direct Expenditures	161	171	239	250	250	258	258
Indirect Expenditures	41	36	45	45	45	45	45
Total Expenditures	202	207	284	295	295	303	303
Current Difference	(122)	(129)	(208)	(219)	(219)	(227)	(227)

LABOR AND INDUSTRY DEPT

REHAB & MEDICAL REGULATION

Narrative

Background Information

Fees are collected from rehabilitation provider registrations and renewals and managed care organization (MCO) certifications to help defray the cost of regulating these entities.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

Rehabilitation provider registration fees and managed care organization certification fees are collected to recover a portion of the costs of regulating these activities. To set fees at a level which would recover costs would require charging significantly higher amounts, thereby driving potential participants out of the programs. Therefore, no change is recommended to the current fees.

LABOR AND INDUSTRY DEPT

DATA PRACTICES/COST OF COPIES

Fiscal Report

Revenue Category Description: Copy fees

Requesting a Fee Change: No

Purpose: To recover the cost of providing copies of workers' compensation claim documents to requesting parties.

Fund: WORKERS COMPENSATION

Legal Citation(s): M.S. 13.04, Subd. 3

Appr Name: COPY FILE REVIEW FEES

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	5	0	3	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	278	268	270	270	270	270	270
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	278	268	270	270	270	270	270
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	20	0	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	258	268	270	270	270	270	270
<u>Expenditures:</u>							
Direct Expenditures	229	231	239	236	236	236	236
Indirect Expenditures	34	34	34	34	34	34	34
Total Expenditures	263	265	273	270	270	270	270
Current Difference	(5)	3	(3)	0	0	0	0
Accumulated Ending Balance	0	3	0	0	0	0	0

LABOR AND INDUSTRY DEPT

DATA PRACTICES/COST OF COPIES

Narrative

Background Information

The revenue reported as Data Practices/Cost of Copies represents amounts collected from requesting parties for copies of workers' compensation claim documents. The Information Processing Center provides copies to requesting parties and charges a per-copy fee (plus applicable postage costs). The copy fees and postage amounts collected are used to recover the expenses associated with this activity. The current fee is 65 cents per copy, plus postage costs.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended to the current fee.

LABOR AND INDUSTRY DEPT

QRC BILLED SERVICES

Fiscal Report

Revenue Category Description: Fee billed to insurers for qualified rehabilitation consultant services provided to injured workers

Requesting a Fee Change: No

Fund: WORKERS COMPENSATION

Purpose: To provide a "safety net" for those injured workers to whom primary liability had been denied by an insurer. Based on a negotiated agreement, the fees are billed to recover at least a portion of the salary and other costs involved returning the injured workers to work.

Appr Name:

Legal Citation(s): M.S. 176.104

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	503	529	530	530	530	530	530
Total Departmental Earnings	503	529	530	530	530	530	530
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	503	529	530	530	530	530	530
Expenditures:							
Direct Expenditures	1,940	1,887	1,984	2,040	2,091	2,040	2,143
Indirect Expenditures	292	268	305	305	305	305	305
Total Expenditures	2,232	2,155	2,289	2,345	2,396	2,345	2,448
Current Difference	(1,729)	(1,626)	(1,759)	(1,815)	(1,866)	(1,815)	(1,918)

LABOR AND INDUSTRY DEPT

QRC BILLED SERVICES

Narrative

Background Information

The Vocational Rehabilitation unit provides vocational rehabilitation services to injured workers whose claims have been denied liability by an insurer or self-insurer. The amount billed for services rendered is \$75 per hour. The services provided in cases where liability is denied are subject to negotiated settlements in accordance with Minnesota Rules. As a result, fees recovered are less than the total costs of the services provided.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended to the current fee.

LABOR AND INDUSTRY DEPT

WORKERS COMP PENALTIES

Fiscal Report

Revenue Category Description: Penalties for violations of workers' compensation laws.

Requesting a Fee Change: No

Purpose: To encourage compliance with workers' compensation laws.

Fund: WORKERS COMPENSATION

Appr Name: ASSIGNED RISK SAFETY

Legal Citation(s): M.S. 176

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,086	1,715	2,073	1,758	1,758	1,758	1,758
Resources:							
Dedicated Receipts	1,449	1,733	1,671	1,671	1,671	1,671	1,671
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,449	1,733	1,671	1,671	1,671	1,671	1,671
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	48	122	87	87	87	87	87
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,497	1,855	1,758	1,758	1,758	1,758	1,758
Expenditures:							
Direct Expenditures	1,715	1,362	1,962	1,647	1,647	1,647	1,647
Indirect Expenditures	153	135	111	111	111	111	111
Total Expenditures	1,868	1,497	2,073	1,758	1,758	1,758	1,758
Current Difference	(371)	358	(315)	0	0	0	0
Accumulated Ending Balance	1,715	2,073	1,758	1,758	1,758	1,758	1,758

Background Information

The purpose of these penalties is to encourage compliance with various aspects of the workers' compensation law. Penalties are assessed to insurers, self-insurers, third-party administrators, and employers for a variety of actions including late reporting of workers' compensation injuries, late payment of workers' compensation benefits, late, frivolous or non-specific denial of liability, late reporting and payment of funds due the agency, and failure to maintain workers' compensation insurance.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended to the current fees.

LABOR AND INDUSTRY DEPT

LOGGER ASSESSMENTS

Fiscal Report

Revenue Category Description: Assessments from wood mills based on number of cords of wood purchased from loggers.

Requesting a Fee Change: No

Fund: WORKERS COMPENSATION

Purpose: To provide safety education training to Minnesota loggers and to make payments of rebates to logging companies whose employees successfully complete safety training each year.

Appr Name: LOGGERS EXP & REIMB

Legal Citation(s): M.S. 176.130 subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	67	54	46	46	46	46	46
<u>Resources:</u>							
Dedicated Receipts	1,060	1,132	1,132	1,132	1,132	1,132	1,132
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,060	1,132	1,132	1,132	1,132	1,132	1,132
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,060	1,132	1,132	1,132	1,132	1,132	1,132
<u>Expenditures:</u>							
Direct Expenditures	1,060	1,128	1,120	1,120	1,120	1,120	1,120
Indirect Expenditures	13	12	12	12	12	12	12
Total Expenditures	1,073	1,140	1,132	1,132	1,132	1,132	1,132
Current Difference	(13)	(8)	0	0	0	0	0
Accumulated Ending Balance	54	46	46	46	46	46	46

Background Information

The purpose of this activity is to provide Minnesota loggers with the safety training necessary to reduce the rate of workplace accidents, injuries, and fatalities in this industry. Assessments collected from wood mills located in Minnesota are based on the number of cords of wood purchased or acquired each calendar year in excess of 5,000 cords.

Collected funds are disbursed two ways. The first \$125,000 is allocated for the provision of safety training programs. The remainder is rebated to logging companies who provide proof of attendance at approved training programs. This rebate is used to offset the high cost of workers' compensation insurance premiums in the logging industry.

Forecast Basis

The assessment rate is 30 cents per cord. Revenue from logger assessments has been gradually increasing in recent years, however may stabilize or decline due to recent mill closings.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended to the current fee.

LABOR AND INDUSTRY DEPT

PLUMBING FEES

Fiscal Report

Revenue Category Description: Plumbing Licensing and Plan Review Fees

Requesting a Fee Change: No

Purpose: To recover the costs of administering the plumbing and water conditioning program which includes licensing, testing, inspection, plan review, and complaint investigation.

Fund: STATE GOVERNMENT SPEC REVENUE, WORKERS COMPENSATION

Appr Name: ASSIGNED RISK SAFETY, PLUMBING & ENGINEERING

Legal Citation(s): M.S. 326.40-42 M.S. 326.60-62 M.S. 144.99

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	332	1,029	1,831	1,969	1,969	2,519	2,335
Resources:							
Dedicated Receipts	0	0	0	0	2,381	0	2,381
Non-Dedicated Receipts	0	2,381	2,381	2,381	0	2,381	0
Total Departmental Earnings	0	2,381	2,381	2,381	2,381	2,381	2,381
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency	2,400	0	0	0	0	0	0
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	46	114	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	2,400	2,335	2,267	2,381	2,381	2,381	2,381
Expenditures:							
Direct Expenditures	1,429	1,296	1,892	1,594	1,778	1,594	1,859
Indirect Expenditures	274	237	237	237	237	237	237
Total Expenditures	1,703	1,533	2,129	1,831	2,015	1,831	2,096
Current Difference	697	802	138	550	366	550	285
Accumulated Ending Balance	1,029	1,831	1,969	2,519	2,335	3,069	2,620

LABOR AND INDUSTRY DEPT

PLUMBING FEES

Narrative

Background Information

The purpose of this program is to protect the public health by enforcing the plumbing code through inspection of installations and fixtures in public, commercial, and industrial buildings. This program carries out the following activities: plumber and water conditioner registration and licensure, bond registration and access, code compliance and interpretation, plumbing plan review, inspections, training, and enforcement.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

The Governor recommends that plumbing fees be dedicated to the Construction Code fund and plumbing penalties be dedicated to the Assigned Risk Safety Account for improving workplace safety.

LABOR AND INDUSTRY DEPT

BOILER FEES

Fiscal Report

Revenue Category Description: Boiler licensing, inspection, and registration fees

Requesting a Fee Change: Yes

Purpose: To recover the costs of examining and licensing individuals, inspecting boilers and other steam-powered objects, and registering boilers and pressure vessels.

Fund: GENERAL, STATE GOVERNMENT SPEC REVENUE, WORKERS COMPENSATION

Appr Name: ASSIGNED RISK SAFETY, CONSTRUCTION CODES & LICENSING

Legal Citation(s): M.S. 183.545 and M.S. 183.57

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	349	809	697	697	1,114	800
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	1,921	0	1,871
Non-Dedicated Receipts	1,953	2,012	2,112	2,112	0	2,062	0
Total Departmental Earnings	1,953	2,012	2,112	2,112	1,921	2,062	1,871
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,953	2,012	2,112	2,112	1,921	2,062	1,871
<u>Expenditures:</u>							
Direct Expenditures	1,409	1,328	1,967	1,438	1,561	1,438	1,614
Indirect Expenditures	195	224	257	257	257	257	257
Total Expenditures	1,604	1,552	2,224	1,695	1,818	1,695	1,871
Current Difference	349	460	(112)	417	103	367	0
Accumulated Ending Balance	349	809	697	1,114	800	1,481	800

Background Information

This activity provides protection to workers and the general public by ensuring that boiler and pressure vessels, hobby boilers, and boats for hire meet state requirements and that their operators are qualified. Fees are collected for inspection of boilers, pressure vessels, hobby boilers, and boats for hire; licensing of boiler operators and boat masters/pilots; and registration of boilers and pressure vessels.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

In 2005, licensing fees were increased by \$5 per license issued to assist with the general fund budget shortfall. The hourly rate for inspection fees was also increased by \$5. In addition, new penalties were initiated to encourage boiler owner and insurer compliance with boiler regulations.

Agency Analysis/Requested Changes

The Governor recommends the elimination of the 2005 license fee increases, the dedication of boiler fees to the Construction Code fund, and the dedication of boiler penalties to the Assigned Risk Safety Account for improving workplace safety.

LABOR AND INDUSTRY DEPT

PIPEFITTING FEES

Fiscal Report

Revenue Category Description: Pipefitter license fees and fees for inspections of high-pressure steam, water and ammonia systems

Requesting a Fee Change: Yes

Fund: GENERAL, STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the costs of examining and licensing contractors and pipefitters, and inspecting steam, water, and ammonia high-pressure piping systems.

Appr Name: CONSTRUCTION CODES & LICENSING

Legal Citation(s): M.S. 326.47 and M.S. 326.50

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	282	782	1,026	1,026	1,382	1,306
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	830	0	830
Non-Dedicated Receipts	679	1,021	893	893	0	893	0
Total Departmental Earnings	679	1,021	893	893	830	893	830
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	679	1,021	893	893	830	893	830
<u>Expenditures:</u>							
Direct Expenditures	346	432	572	460	473	460	482
Indirect Expenditures	51	89	77	77	77	77	77
Total Expenditures	397	521	649	537	550	537	559
Current Difference	282	500	244	356	280	356	271
Accumulated Ending Balance	282	782	1,026	1,382	1,306	1,738	1,577

Background Information

This activity protects workers and the general public by ensuring that ammonia and high-pressure piping systems meet state requirements and that all installers have the necessary qualifications. Fees are collected for the licensing of journeyman and contractor pipefitters and high-pressure-piping businesses, and the issuance of permits for the installation or construction of ammonia or high-pressure piping systems.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

In 2005, licensing fees were increased by \$20 per individual license and \$100 per business license to assist with the general fund budget shortfall. Also in 2005, high-pressure-piping permit application fees were increased by \$50 and the inspection fee schedule was increased by 10%.

Agency Analysis/Requested Changes

The Governor recommends the elimination of the 2005 licensing fee increases and the dedication of pipefitting fees to the Construction Code fund.

LABOR AND INDUSTRY DEPT

STATE BUILDING CODE

Fiscal Report

Revenue Category Description: Building Codes and Standards fees

Requesting a Fee Change: No

Purpose: To ensure that building codes and standards are uniformly adopted and administered.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name: BUILDING CODES & STANDARDS

Legal Citation(s): M.S. 16B.59-75, 326.992, 327.33, 327B.04

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	4,900	5,800	4,342	3,439	3,439	2,555	2,555
<u>Resources:</u>							
Dedicated Receipts	0	7,151	7,151	7,151	7,151	7,151	7,151
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	7,151	7,151	7,151	7,151	7,151	7,151
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	6,558	0	0	0	0	0	0
Other Receipts	79	148	72	72	72	72	72
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	2,000	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	6,637	5,299	7,223	7,223	7,223	7,223	7,223
<u>Expenditures:</u>							
Direct Expenditures	5,522	5,888	7,257	7,238	7,238	7,104	7,104
Indirect Expenditures	215	869	869	869	869	869	869
Total Expenditures	5,737	6,757	8,126	8,107	8,107	7,973	7,973
Current Difference	900	(1,458)	(903)	(884)	(884)	(750)	(750)
Accumulated Ending Balance	5,800	4,342	3,439	2,555	2,555	1,805	1,805

Background Information

The Building Codes and Standards unit adopts, maintains, and in some provisions enforces the construction standards for the state. It is also responsible for education programs, consumer compliance assistance, plan review, and site inspection of state-owned buildings, school district buildings, licensed hospitals, nursing homes, and correctional facilities. The majority of revenue collected under this category is from a surcharge on building permits issued throughout the state. Fees are also collected for licensing, plan review, and inspections.

Forecast Basis

The National Association of Home Builders is forecasting a decline of approximately 8% in construction activity in the first half of 2007, with rebound occurring at a 4% rate in the last half of 2007 and further increasing in 2008. Due to the uncertainty of these fluctuations, overall revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended.

LABOR AND INDUSTRY DEPT

ELECTRICAL LICENSING & INSP

Fiscal Report

Revenue Category Description: Electrical Licensing and Inspections

Requesting a Fee Change: Yes

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To ensure electrical safety through licensing of individuals and companies performing electrical work and inspection of installed electrical wiring.

Appr Name: ELECTRICAL ADMINISTRATION

Legal Citation(s): M.S. 326.2441 and M.R. 3800.3590

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	5,410	5,351	1,584	1,584	1,584	1,584	1,584
<u>Resources:</u>							
Dedicated Receipts	0	10,197	10,197	10,197	13,179	10,197	13,179
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	10,197	10,197	10,197	13,179	10,197	13,179
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	10,271	0	0	0	0	0	0
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	4,000	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	10,271	6,197	10,197	10,197	13,179	10,197	13,179
<u>Expenditures:</u>							
Direct Expenditures	10,250	9,636	9,869	9,869	12,816	9,869	12,816
Indirect Expenditures	80	328	328	328	363	328	363
Total Expenditures	10,330	9,964	10,197	10,197	13,179	10,197	13,179
Current Difference	(59)	(3,767)	0	0	0	0	0
Accumulated Ending Balance	5,351	1,584	1,584	1,584	1,584	1,584	1,584

Background Information

The electrical licensing program ensures that installers of electrical wiring have the necessary knowledge and expertise to safely perform electrical work. The program also ensures that contractors are bonded and insured and have complied with applicable business, tax, and employment laws. The electrical inspection program protects residents and workers in Minnesota by verifying that installed wiring complies with adopted safety standards.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

In fiscal year 2006, \$4,000,000 of the balance in the Electricity Board's special revenue fund account was transferred to the general fund to assist with the general fund budget shortfall.

Agency Analysis/Requested Changes

The Governor recommends an increase in inspection fees to expand electrical inspection and educational services.

LABOR AND INDUSTRY DEPT

RESIDENTIAL CONTRACTOR LICENSE

Fiscal Report

Revenue Category Description: Residential Contractor License Fees

Requesting a Fee Change: Yes

Purpose: To recover the cost of regulation of the industry.

Fund: GENERAL, STATE GOVERNMENT SPEC REVENUE, WORKERS COMPENSATION

Legal Citation(s): M.S. 326.86, M.S. 45.027, M.S. 45.23

Appr Name: ASSIGNED RISK SAFETY, RESIDENTIAL CONTRACTORS

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	897	1,768	2,614	2,614	3,464	2,762
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	1,131	0	1,131
Non-Dedicated Receipts	0	1,652	1,652	1,652	0	1,652	0
Total Departmental Earnings	0	1,652	1,652	1,652	1,131	1,652	1,131
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	1,576	0	0	0	0	0	0
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,576	1,652	1,652	1,652	1,131	1,652	1,131
<u>Expenditures:</u>							
Direct Expenditures	481	546	566	562	743	562	774
Indirect Expenditures	198	235	240	240	240	240	240
Total Expenditures	679	781	806	802	983	802	1,014
Current Difference	897	871	846	850	148	850	117
Accumulated Ending Balance	897	1,768	2,614	3,464	2,762	4,314	2,879

Background Information

The residential contractor unit issues licenses to residential building contractors, roofers, remodelers, and manufactured homes installers. The unit also approves courses and coordinators for licensees to meet continuing education requirements. Fees are collected to recover the costs of licensing and enforcement of these entities.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

The Governor recommends a reduction of \$30 per license to more closely correlate the fees collected to the cost of administering this activity and to offset a portion of the increases recommended to the Contractor Recovery Fund fees. The Governor also recommends that residential contractor licensing fees be dedicated to the Construction Code fund and that penalties be dedicated to the Assigned Risk Safety Account for improving workplace safety.

LABOR AND INDUSTRY DEPT

CONTRACTOR RECOVERY FUND

Fiscal Report

Revenue Category Description: Contractor Recovery Fund

Requesting a Fee Change: Yes

Purpose: To compensate owners of residential property who were harmed by the actions of building contractors.

Fund: MISC SPECIAL REVENUE

Legal Citation(s): M.S. 326.975

Appr Name: CONTRACTOR RECOVERY

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,630	1,479	1,503	1,700	1,700	1,700	1,700
<u>Resources:</u>							
Dedicated Receipts	0	1,632	1,632	1,632	2,662	1,632	2,662
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	1,632	1,632	1,632	2,662	1,632	2,662
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	1,650	0	0	0	0	0	0
Other Receipts	0	68	68	68	68	68	68
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,650	1,700	1,700	1,700	2,730	1,700	2,730
<u>Expenditures:</u>							
Direct Expenditures	1,801	1,641	1,467	1,664	2,694	1,664	2,694
Indirect Expenditures	0	35	36	36	36	36	36
Total Expenditures	1,801	1,676	1,503	1,700	2,730	1,700	2,730
Current Difference	(151)	24	197	0	0	0	0
Accumulated Ending Balance	1,479	1,503	1,700	1,700	1,700	1,700	1,700

Background Information

The Contractor Recovery Fund is used to compensate owners of residential property who were aggrieved by actions of residential building contractors. In addition to licensing fees, these licensees must pay an additional fee of \$100, \$150, or \$200 (based on the licensee's gross annual receipts) to the Contractor Recovery fund.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

The Governor recommends increasing the Contractor recovery fund fee by \$60 for each licensee. These additional funds will be used to increase the claim limits paid to homeowners for their property loss. This additional cost to licensees will be partially offset by a \$30 reduction in license fees.

LABOR AND INDUSTRY DEPT

EMPLOYMENT AGENCY LICENSURE

Fiscal Report

Revenue Category Description: Fees for licensing fee employment agencies and individuals.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To protect the general public by ensuring the competency of individuals and agencies operating in the industry and to recover the costs of examining and licensing applicants.

Appr Name:

Legal Citation(s): M.S. 184.28 and M.S. 184.29

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	1	2	3	3	4	4
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2	2	2	2	2	2	2
Total Departmental Earnings	2	2	2	2	2	2	2
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2	2	2	2	2	2	2
Expenditures:							
Direct Expenditures	1	1	1	1	1	1	1
Indirect Expenditures							
Total Expenditures	1	1	1	1	1	1	1
Current Difference	1	1	1	1	1	1	1
Accumulated Ending Balance	1	2	3	4	4	5	5

Background Information

The purpose of this activity is to protect the general public that utilize professional employment agencies and to ensure that these professionals are licensed, registered, and operating in compliance with the law. Fees are collected for licensing of fee employment agencies and for examining individual applicants for certain positions within these organizations.

Forecast Basis

Revenue is expected to remain stable over the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended to the current fees.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	4,426	4,672	4,403	4,422	4,422	4,436	4,436
Total Dedicated Receipts	4,426	4,672	4,403	4,422	4,422	4,436	4,436

<u>Fund Totals:</u>							
Misc Special Revenue	4,426	4,672	4,403	4,422	4,422	4,436	4,436
Departmental Earnings Total	4,426	4,672	4,403	4,422	4,422	4,436	4,436

LEGAL PROFESSIONS BOARDS

REIM CLIENTS DEFRAUDED BY ATTR

Fiscal Report

Revenue Category Description: Fees from attorney registration, interest earned and restitution

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To reimburse clients defrauded by attorneys for the portion of the loss attributable to attorney misfeasance

Appr Name: CLIENT SECURITY BD-ITC

Legal Citation(s): M.S. 481.01; M. S. 481.20 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,347	2,399	2,424	2,474	2,474	2,496	2,496
<u>Resources:</u>							
Dedicated Receipts	285	343	287	300	300	300	300
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	285	343	287	300	300	300	300
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	285	343	287	300	300	300	300
<u>Expenditures:</u>							
Direct Expenditures	233	318	237	278	278	265	265
Indirect Expenditures							
Total Expenditures	233	318	237	278	278	265	265
Current Difference	52	25	50	22	22	35	35
Accumulated Ending Balance	2,399	2,424	2,474	2,496	2,496	2,531	2,531

LEGAL PROFESSION BOARDS

REIM CLIENTS DEFRAUDED BY ATTR

Narrative

Background Information

A portion of the Attorney Registration Fee is used to fund this activity. The actual expenditures in any particular year are unpredictable and dependent on the magnitude of claims against attorneys. Funds in excess of the predicted amount are therefore accumulated.

Forecast Basis

The Client Security Board's biennial budget plan of projected dedicated revenues and operating costs was based on actual data from prior years. No major changes in the number of clients served or in operating costs are anticipated. The Board will continue to operate within the dedicated revenues collected by the current fee.

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended in the current fee structure.

LEGAL PROFESSIONS BOARDS

CERTIFICATION LEGAL SPECIALIST

Fiscal Report

Revenue Category Description: Fees for Certifying Accrediting Agencies and Annual Renewal Fees

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To regulate the certification of attorneys as specialists in designated areas of legal practice to enhance public access to legal services

Appr Name: LEGAL CERTIFICATION BD

Legal Citation(s): M.S. 481.01 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	48	46	63	69	69	74	74
<u>Resources:</u>							
Dedicated Receipts	45	46	46	42	42	48	48
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	45	46	46	42	42	48	48
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	45	46	46	42	42	48	48
<u>Expenditures:</u>							
Direct Expenditures	47	29	40	37	37	40	40
Indirect Expenditures							
Total Expenditures	47	29	40	37	37	40	40
Current Difference	(2)	17	6	5	5	8	8
Accumulated Ending Balance	46	63	69	74	74	82	82

LEGAL PROFESSION BOARDS

CERTIFICATION LEGAL SPECIALIST

Narrative

Background Information

Fees are collected from certification agencies and certified attorneys. For each certification specialty an annual fee is charged. Every 3 years an additional re-certification fee is collected.

Forecast Basis

The Board of Legal Certification's projected dedicated revenues and operating costs were based on actual data from prior years. No major changes in the number of clients served or in operating costs are anticipated. The Board will continue to operate within the dedicated revenues collected by the current fees.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

LEGAL PROFESSIONS BOARDS

REGULATING CONTINUING LEGAL ED

Fiscal Report

Revenue Category Description: Fees charged to practicing attorneys to regulate the requirements for continuing legal education

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To regulate accredited courses and satisfactory completion of those courses/programs which satisfy the educational requirements of attorneys to continue their legal education throughout the period of their active practice of law so that the public has access to better legal practice.

Appr Name: CONTINUING LEGAL EDUCATION

Legal Citation(s): M.S. 481.01 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	439	567	710	643	643	635	635
Resources:							
Dedicated Receipts	440	441	399	402	402	404	404
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	440	441	399	402	402	404	404
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	440	441	399	402	402	404	404
Expenditures:							
Direct Expenditures	312	298	466	410	410	435	435
Indirect Expenditures							
Total Expenditures	312	298	466	410	410	435	435
Current Difference	128	143	(67)	(8)	(8)	(31)	(31)
Accumulated Ending Balance	567	710	643	635	635	604	604

LEGAL PROFESSION BOARDS

REGULATING CONTINUING LEGAL ED

Narrative

Background Information

A portion of the Attorney Registration Fee is used to fund this activity. In addition the following fees are collected for continuing legal education courses: A course approval fee from sponsors applying for approval of courses; Attorney late fees from course attendance forms not filed in a timely manner; and a transfer fee for attorneys to change from inactive to active status.

Forecast Basis

The Board of Continuing Legal Education's biennial budget plan of projected dedicated revenues and operation costs were based on actual data from prior years.

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended in the current fee structure.

LEGAL PROFESSIONS BOARDS

LICENSING ATTORNEYS

Fiscal Report

Revenue Category Description: Fees charged to enter practice of law in Minnesota including Bar examination fees

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To regulate the examination and licensing of individuals who practice as attorneys at law in Minnesota so that established qualifications are met and licensed attorneys are competent.

Appr Name: BOARD OF LAW EXAMINERS

Legal Citation(s): M.S. 481.01 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,267	1,297	1,405	948	948	769	769
<u>Resources:</u>							
Dedicated Receipts	1,053	1,189	1,053	1,060	1,060	1,066	1,066
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,053	1,189	1,053	1,060	1,060	1,066	1,066
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,053	1,189	1,053	1,060	1,060	1,066	1,066
<u>Expenditures:</u>							
Direct Expenditures	1,023	1,081	1,510	1,239	1,239	1,301	1,301
Indirect Expenditures							
Total Expenditures	1,023	1,081	1,510	1,239	1,239	1,301	1,301
Current Difference	30	108	(457)	(179)	(179)	(235)	(235)
Accumulated Ending Balance	1,297	1,405	948	769	769	534	534

LEGAL PROFESSION BOARDS

LICENSING ATTORNEYS

Narrative

Background Information

A portion of the Attorney Registration Fee funds this activity in addition to Bar application fees. The Board will continue to operate within the dedicated revenues collected by the current fees. No State General Fund monies are spent by the Board.

Forecast Basis

The Board of Law Examiner's projected dedicated revenues and operating costs were based on actual data from prior years. No major changes in the number of clients served or in operating costs are anticipated.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

LEGAL PROFESSIONS BOARDS

REG OF ATTRNY ACTIONS & ETH PR

Fiscal Report

Revenue Category Description: Fee charged to attorney and legal corp, to advise on ethical questions and respond to complaints

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Monitor attorney compliance with Code of Professional Responsibility, advise lawyers about ethical questions and receive, investigate and assist in disposition of complaints against licensed attorneys so that the public is served by attorneys who practice law in accord with adopted codes of professional conduct.

Appr Name: LAWYER ASSISTANCE, LAWYER PROF RESPSBLTY BD

Legal Citation(s): M.S. 481.01 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,816	2,082	1,522	1,147	1,147	804	804
<u>Resources:</u>							
Dedicated Receipts	2,603	2,653	2,618	2,618	2,618	2,618	2,618
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,603	2,653	2,618	2,618	2,618	2,618	2,618
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,603	2,653	2,618	2,618	2,618	2,618	2,618
<u>Expenditures:</u>							
Direct Expenditures	2,337	3,213	2,993	2,961	2,961	3,126	3,126
Indirect Expenditures							
Total Expenditures	2,337	3,213	2,993	2,961	2,961	3,126	3,126
Current Difference	266	(560)	(375)	(343)	(343)	(508)	(508)
Accumulated Ending Balance	2,082	1,522	1,147	804	804	296	296

LEGAL PROFESSION BOARDS

REG OF ATTRNY ACTIONS & ETH PR

Narrative

Background Information

Monies collected for the support of the Board are a portion of the Attorney Registration Fee.

Forecast Basis

The Lawyer's Professional Responsibility Board's projected dedicated revenues and operating costs were based on actual data from prior years. No major changes in the number of clients served or in operating costs are anticipated. No State General Fund monies are spent by the Board. The Board will continue to operate within the dedicated revenues collected by the current fees.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	190	202	180	217	217	220	220
Total Non-Dedicated Receipts	190	202	180	217	217	220	220

<u>Fund Totals:</u>							
State Government Spec Revenue	190	202	180	217	217	220	220
Departmental Earnings Total	190	202	180	217	217	220	220

MARRIAGE & FAMILY THERAPY BD

MARRIAGE & FAM THERAPY, BD OF

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

Purpose: To recover the costs of regulating marriage and family therapists.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148B and MN Rules 5300.0360

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	95	140	186	193	193	243	240
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	190	202	180	217	217	220	220
Total Departmental Earnings	190	202	180	217	217	220	220
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	1	2	0	0	0	0	0
Current Year Resources	189	200	180	217	217	220	220
<u>Expenditures:</u>							
Direct Expenditures	127	129	144	139	142	139	162
Indirect Expenditures	17	25	29	28	28	28	28
Total Expenditures	144	154	173	167	170	167	190
Current Difference	45	46	7	50	47	53	30
Accumulated Ending Balance	140	186	193	243	240	296	270

Background Information

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

The Board of Marriage and Family Therapy provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board increased its licensure and renewal fees in 2001.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	1	0	1	5	9	5	9
Total Non-Dedicated Receipts	1	0	1	5	9	5	9
<u>Fund Totals:</u>							
General	1	0	1	5	9	5	9
Departmental Earnings Total	1	0	1	5	9	5	9

MEDIATION SERVICES BUREAU

FILING FEES

Fiscal Report

Revenue Category Description: Filing Fee for arbitrator applicants and fair share fee challenges.

Requesting a Fee Change: Yes

Purpose: To discourage frivolous fair share fee challenges and arbitrator applicants.

Fund: GENERAL

Appr Name:

Legal Citation(s): Minnesota Rules 5530.0700 and 5510.1510

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	1	1	2	2	7	11
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1	0	1	5	9	5	9
Total Departmental Earnings	1	0	1	5	9	5	9
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1	0	1	5	9	5	9
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	1	0	1	5	9	5	9
Accumulated Ending Balance	1	1	2	7	11	12	20

MEDIATION SERVICES BUREAU

FILING FEES

Narrative

Background Information

Applicants to the BMS arbitration roster pay these fees. The Bureau maintains and refers arbitrators to parties involved in labor disputes upon request. The applicants are selected based on certain experience and training criteria. The fee was established in 1989 under M.S. 179A.04, subd. 2 and M. R. 5530.0700 and 5530.1510.

Forecast Basis

Statute requires the size of such roster to be not fewer than 25 nor more than 60 members. The current roster consists of 46 members, which pay \$25 for a three year period resulting in approximately \$1,150 in non-dedicated revenue.

Recent Changes

No changes since fee was first established in 1989.

Agency Analysis/Requested Changes

A proposed fee increase of \$100 per arbitrator per year would result in estimated \$4,600 revenue per year. The Bureau researched other organizations that provide arbitration referrals for a fee similar to the proposed change.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	4,413	4,361	4,200	4,381	4,381	4,387	4,387
Total Non-Dedicated Receipts	4,413	4,361	4,200	4,381	4,381	4,387	4,387
<u>Fund Totals:</u>							
State Government Spec Revenue	4,413	4,361	4,200	4,381	4,381	4,387	4,387
Departmental Earnings Total	4,413	4,361	4,200	4,381	4,381	4,387	4,387

MEDICAL PRACTICE BOARD

MN BOARD OF MEDICAL PRACTICE

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

Purpose: To recover the costs of regulating the following professions: physicians (MD), doctors of osteopathic medicine (DO), physician assistants (PA), respiratory care practitioners (RCP), athletic trainers (AT), acupuncturists (AP), licensed traditional midwives (MW), telemedicine retulation and professional firms (PF).

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 147, 147A&B&D, 148, 214, 319A, M.R. 5600-25

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	2,369	2,802	3,487	2,645	2,645	3,107	2,556
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	4,413	4,361	4,200	4,381	4,381	4,387	4,387
Total Departmental Earnings	4,413	4,361	4,200	4,381	4,381	4,387	4,387
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	29	57	0	0	0	0	0
Current Year Resources	4,384	4,304	4,200	4,381	4,381	4,387	4,387
Expenditures:							
Direct Expenditures	3,684	3,378	4,770	3,627	4,178	3,627	3,732
Indirect Expenditures	267	241	272	292	292	292	292
Total Expenditures	3,951	3,619	5,042	3,919	4,470	3,919	4,024
Current Difference	433	685	(842)	462	(89)	468	363
Accumulated Ending Balance	2,802	3,487	2,645	3,107	2,556	3,575	2,919

Background Information

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

The Board of Medical Practice provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

None

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	5,071	5,789	5,380	5,281	5,371	5,281	5,371
Natural Resources	27,469	39,493	41,260	35,704	38,141	35,884	39,456
Game And Fish (Operations)	73,796	71,698	73,148	74,332	68,286	74,974	68,933
Total Non-Dedicated Receipts	106,336	116,980	119,788	115,317	111,798	116,139	113,760

<u>Dedicated Receipts:</u>							
General	2	0	0	0	0	0	0
Natural Resources	1,204	1,534	1,791	1,731	2,057	1,740	2,091
Misc Special Revenue	21,818	24,184	22,780	23,235	23,040	22,419	22,199
Game And Fish (Operations)	2,942	3,705	3,375	3,343	9,497	3,343	9,492
Miscellaneous Agency	8,123	6,236	7,475	8,430	8,430	5,530	5,530
Gift	(2)	(3)	0	0	0	0	0
Permanent School	21,901	21,319	20,782	28,064	28,214	24,164	24,314
Total Dedicated Receipts	55,988	56,975	56,203	64,803	71,238	57,196	63,626

<u>Fund Totals:</u>							
General	5,073	5,789	5,380	5,281	5,371	5,281	5,371
Natural Resources	28,673	41,027	43,051	37,435	40,198	37,624	41,547
Misc Special Revenue	21,818	24,184	22,780	23,235	23,040	22,419	22,199
Game And Fish (Operations)	76,738	75,403	76,523	77,675	77,783	78,317	78,425
Miscellaneous Agency	8,123	6,236	7,475	8,430	8,430	5,530	5,530
Gift	(2)	(3)	0	0	0	0	0
Permanent School	21,901	21,319	20,782	28,064	28,214	24,164	24,314
Departmental Earnings Total	162,324	173,955	175,991	180,120	183,036	173,335	177,386

NATURAL RESOURCES DEPT

MINERALS & LAND EARNINGS

Fiscal Report

Revenue Category Description: Revenues from real estate transactions and mineral leases

Requesting a Fee Change: No

Fund: Various

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

Appr Name: Various

Legal Citation(s): legal citation noted on the Revenue Detail Report

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	8,291	24,840	40,209	55,950	55,950	79,460	79,460
<u>Resources:</u>							
Dedicated Receipts	21,856	17,141	19,328	28,195	28,195	20,594	20,594
Non-Dedicated Receipts	701	4,351	4,674	634	634	634	634
Total Departmental Earnings	22,557	21,492	24,002	28,829	28,829	21,228	21,228
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	1,036	1,620	1,014	864	864	764	764
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	23,593	23,112	25,016	29,693	29,693	21,992	21,992
<u>Expenditures:</u>							
Direct Expenditures	7,044	7,743	9,275	6,183	6,183	6,183	6,183
Indirect Expenditures							
Total Expenditures	7,044	7,743	9,275	6,183	6,183	6,183	6,183
Current Difference	16,549	15,369	15,741	23,510	23,510	15,809	15,809
Accumulated Ending Balance	24,840	40,209	55,950	79,460	79,460	95,269	95,269

Background Information

In FY06 the division of Lands and Minerals deposited about \$23.0 million in land and minerals revenues in various accounts. Land management generated \$3.0 million of the \$23.0 million in revenues. Of the \$3 million, \$1.6 million was deposited as department earnings from leases, easements, and utility licenses. An additional \$1.4 was generated from land sales, \$310,000 of which was deposited into the general fund toward the requirement that state agencies sell \$6.44 million of state-owned land by June 30, 2006 (Laws of MN 2005, Chap. 156, Art. 2, Sec. 45). The earnings revenue from leases includes the sale of construction aggregates (primarily sand and gravel), considered a surface interest by the State of Minnesota.

Mineral rents and royalty receipts accounted for about \$20.0 million of the \$23.0 million. The mineral rents and royalties decreased by \$1.0 million from a historic high of \$21.0 million in the previous fiscal year. About 97% of mineral revenues were generated from iron ore and taconite mining. As of this writing, the taconite industry is operating at near capacity of about 40 million tons of pellets produced annually. The division anticipates a modest increase in mineral revenue of perhaps 3% in FY07. Production continues to be driven by worldwide iron ore demand, which is led by China, India, and other Asian countries.

Forecast Basis

Projections for land revenue are based on historical analyses, existing contracts, and resource evaluations. Mineral revenue projections are based on current lease language, mining plans of the lessees, and market conditions. These projections are "forward-looking" and contain elements of risk and uncertainty. Actual revenues may vary materially from the projections.

Recent Changes

The DNR received \$300,000 for the FY06-07 biennium to enhance revenue generation from certain real estate related activities on school trust lands (Laws of 2005, First Spec. Sess., Chap. 1, Art. 2, Sec. 3). The funding was intended to accelerate land exchanges, land sales, and commercial leasing of school trust lands.

As part of the revenue enhancement work, land exchanges have been accelerated to remove trust lands from state parks, with 4,908 acres in process of being exchanged. FY06 and FY07 (through September 2006) school fund revenue from public auction land sales totals \$332,420. Fifteen of the 23 parcels scheduled for sale at the end of October are school trust lands, with another sale scheduled for June 2007.

The Lands and Minerals program also received \$50,000 per year for FY06 and FY07 to increase revenue from the sale of construction aggregate resources on school trust lands. The division has implemented plans to achieve fair market value for all construction aggregates sold statewide, including landscape boulders, and to increase revenue through additional sales. Revenue from the sale of aggregate from trust lands totaled about \$461,000 in FY06, which was an increase of about \$177,000 over FY 2005 revenue.

The DNR's 08-09 budget includes a change item that increases funding by \$3,000,000 in FY 2008 from the minerals management account and \$2,896,000 in FY 2009 from the general fund. 2008 expenditures will exhaust the funds in the minerals management account. The minerals management account, scheduled to sunset on June 30, 2007, will be extended until June 30, 2008. Biennium funding will be used to fund the management activities related to generation, collection, and enhancement of state mineral revenue.

Agency Analysis/Requested Changes

The DNR is not proposing changes to the current fee structure.

NATURAL RESOURCES DEPT

WATERS EARNINGS

Fiscal Report

Revenue Category Description: Water appropriation and water use

Requesting a Fee Change: No

Purpose: Regulate use of ground and surface water; monitor safety of water supply.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 103G.301, Subd 2 & 3, M.S. 103G.271, subd 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	5	6	7	7	8	8
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	3,681	4,601	4,241	4,141	4,141	4,141	4,141
Total Departmental Earnings	3,681	4,601	4,241	4,141	4,141	4,141	4,141
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	5	1	1	1	1	1	1
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,686	4,602	4,242	4,142	4,142	4,142	4,142
<u>Expenditures:</u>							
Direct Expenditures	3,670	4,591	4,232	4,132	4,132	4,132	4,132
Indirect Expenditures	11	10	9	9	9	9	9
Total Expenditures	3,681	4,601	4,241	4,141	4,141	4,141	4,141
Current Difference	5	1	1	1	1	1	1
Accumulated Ending Balance	5	6	7	8	8	9	9

Background Information

The largest revenue item, water appropriation permits, is required for uses of more than 10,000 gallons per day or one million gallons per year. About 1.3 trillion gallons of water is appropriated each year in Minnesota. Of this amount, about 250 billion gallons is groundwater and more than 1 trillion gallons is surface water. Agricultural irrigation is mostly from groundwater and about 66% of the water used by municipalities is groundwater. Energy and mining industries use predominantly surface water. In FY2006, there were approximately 6,800 active water appropriation permits. About 6,100 permits are for agricultural irrigation and small users (under 50 million gallons per year). State statutes provide a maximum fee for large water volume users.

A public waters permit is required for work that would change or otherwise alter the course, current or cross-section of public water. These permit fees generate about \$100,000 per year.

A dam safety permit enables the division to better regulate the safety of dam structures. Inspections are required whenever a dam is over 6 feet in height or creates a reservoir with over 15 acre-feet of stored water capacity. Inspections are required on the construction of new dams, as well as on existing structures. These permit fees generate about \$130,000 per year.

These departmental earnings generated by the division are non-dedicated receipts deposited to the General Fund.

Direct expenditures are those that relate to the regulation of water use and dam inspections, as tracked by the division, and are only a portion of total division expenditures.

Forecast Basis

Projected receipts are based on historical activity at the permit and fee rates in current law.

Recent Changes

The Laws of 2005 implemented a summer surcharge of \$20 per million gallons for water uses in June, July and August that exceed water volumes used in January for public water suppliers, golf courses and landscape irrigation (Laws of 2003, First Special Session, Chapter 1, Article 2, Section 121). In FY2006, the summer surcharge generated an additional \$630,000. Earnings from the summer surcharge are related to water uses for turf and landscape irrigation requirements that will vary from year to year.

The Laws of 2003 authorized an increase in the water use fees that generated an additional \$1.2 million per year. The 2003 fee increase was based on inflation since the last fee increase and applies to most water users: commercial and industrial users, municipal, and agricultural users (Laws of 2003, Chapter 128, Article 1, Sections 116-117). The fee for once-through systems used for air conditioning or heating also increased from \$200 to \$300 per million gallons. Once-through systems, over the long-term, must be converted to other cooling and heating technologies by 2010.

Agency Analysis/Requested Changes

DNR is not proposing changes to the current fee structure.

NATURAL RESOURCES DEPT

TIMBER & RELATED EARNINGS

Fiscal Report

Revenue Category Description: Sale of timber; forest health and management services to private land owners

Requesting a Fee Change: Yes

Fund: Various

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

Appr Name: Various

Legal Citation(s): M.S. 88.79, M.S. 89.035, M.S. 94.48, M.S. 16A.125

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	12,370	12,370	12,370	12,370	12,370	12,370	13,120
Resources:							
Dedicated Receipts	14,979	16,898	14,705	14,705	14,985	14,705	14,985
Non-Dedicated Receipts	6,016	8,735	8,699	8,699	9,169	8,699	9,169
Total Departmental Earnings	20,995	25,633	23,404	23,404	24,154	23,404	24,154
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	34	261	240	240	240	240	240
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	21,029	25,894	23,644	23,644	24,394	23,644	24,394
Expenditures:							
Direct Expenditures	21,029	25,894	23,615	23,615	23,615	23,615	23,615
Indirect Expenditures	0	0	29	29	29	29	29
Total Expenditures	21,029	25,894	23,644	23,644	23,644	23,644	23,644
Current Difference	0	0	0	0	750	0	750
Accumulated Ending Balance	12,370	12,370	12,370	12,370	13,120	12,370	13,870

Background Information

Proceeds from timber that is marked, sold and harvested from state lands are deposited according to the land classification: Forest Management Investment Account for acquired lands; Special Revenue fund for Consolidated Conservation lands; the Permanent University account and the Permanent School fund for the lands held in each of these respective school trusts.

Forest management services to private landowners with less than one thousand forested acres include technical advice, management plan preparation, timber cruising and marking, and scaling and marketing assistance.

Forestry division expenditures associated with generating these earnings are spent from a General Fund appropriation for Forest Management operations, and an annual appropriation from the Forest Management Investment Account. Estimated expenditures include the following Forestry division activities (operational activities that have been identified as part of the agency's budget and operations review process):

- Forest development
- Timber management
- State land asset support
- Core program support

Expenditures to provide forest management services to private landowners come from an annual appropriation in the Special Revenue Fund for Forest Services and via General Fund appropriations??

Forecast Basis

Timber Sales. The volume of timber offered for sale is based on a forest management plans that rely primarily on state land forest inventory and to a lesser extent of timber inventory and other market-related factors. Forestry staff appraises the timber offered for sale and bases the price on timber sales during the previous 12 months with adjustments allowed for site-specific conditions. Timber is offered primarily at public auction and sold to the highest qualified bidder. Timber sold in a particular year can be harvested over the life of the contract, which is usually five years in duration.

Forest Management Services. The fee for forest management services is 13% of the proceeds of timber sales on private lands. Revenues are based on a history of receipts and other current timber market pricing.

All other revenue items in this earnings category are based on a five-year history of receipts. [Individual fee and permit amounts did not change; the Division of Forest periodically revises its projections of timber harvest volumes.]

Recent Changes

Laws of 2004 authorized the creation of a new Forest Management Investment Account in the Natural Resources Fund. Revenues previously deposited to the General Fund from acquired lands and con-con lands are now deposited to this new account. In the laws of 2005, a portion of the revenues previously transferred from the Forest Suspense account to the General Fund was directed to be deposited in the FMIA. The General Fund direct appropriation for Forest Management was reduced by \$5.615 million. The division received a direct appropriation of \$10,315 million in FY06/07 for Forest Management from the new Forest Management Investment Account. A primary objective in creating the account is to more clearly associate timber sale revenues with forest management expenditures.

Laws of 2005 also replaced the minimum \$5 fee for special fuel wood permits and replaced it with language allowing the Commissioner to charge a fee that shall cover the cost of issuing these permits. This change may generate some limited additional earnings.

Agency Analysis/Requested Changes

Laws of 2005 provided DNR authority to assess a new fee: for annual burning permits issued through ELS (electronic licensing system). Fees are: (a) \$5 for an annual, noncommercial open burning permit issued to an

individual; (b) \$5 per event, up to a annual maximum of \$50, for multiple permits issued to commercial enterprises. Since the electronic permits would be valid for a year, fewer permits will likely be issued. Forestry estimates it will issue 20,000 electronic permits (as compared to 60,000 paper permits issued under the current procedure) under the new approach using ELS. The new fee will generate an estimated \$80,000 in revenue. Fees from the electronic burning permits will be deposited to a special Revenue Fund and used to operate the burning permit system. The proposed fee is intended to cover the cost of the activity, which includes the transaction costs of issuing the permits through ELS. (The agency will consider whether this new receipt and expenditure is more closely related to the Fire Fighting earnings category.)

The forestry program is proposing to replace the current fees for balsam bough permits with language allowing the commissioner to charge a fee that covers the cost of issuing there permits. Currently, the annual fee for a balsam bough buyer permit is \$25 or \$10 if the buyer attends an approved workshop. Also permits are currently only required if a person buys more than 100 pounds of boughs in any calendar year. These changes are projected to have a negligible effect on earnings.

NATURAL RESOURCES DEPT

FORESTRY NURSERY ACCOUNT

Fiscal Report

Revenue Category Description: Receipts from the sale of nursery seedlings and seeds.

Requesting a Fee Change: Yes

Purpose: Special Revenue Fund (fund 203) to account for revenues and expenditures of the Forest Nursery operations.

Fund: MISC SPECIAL REVENUE

Appr Name: FORESTRY NURSERIES ACCOUNT

Legal Citation(s): M.S. 89.36; M.S. 89.37

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,488	1,363	1,259	1,260	1,260	1,260	1,260
<u>Resources:</u>							
Dedicated Receipts	2,305	2,169	2,700	2,700	2,700	2,700	2,700
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,305	2,169	2,700	2,700	2,700	2,700	2,700
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	20	46	53	53	53	53	53
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,325	2,215	2,753	2,753	2,753	2,753	2,753
<u>Expenditures:</u>							
Direct Expenditures	2,450	2,319	2,752	2,753	2,753	2,753	2,753
Indirect Expenditures							
Total Expenditures	2,450	2,319	2,752	2,753	2,753	2,753	2,753
Current Difference	(125)	(104)	1	0	0	0	0
Accumulated Ending Balance	1,363	1,259	1,260	1,260	1,260	1,260	1,260

Background Information

Proceeds from the sale of nursery seed and seedlings are deposited to Fund 203, the Forest Nursery account. The costs of running the nursery, including production, shipping, and capital projects, are paid from the account. Pricing, production, and costs are set so the nursery operation is self-supporting. Nursery production is capped at 10 million seedlings.

As authorized in statute, money in the nursery account earns interest income, which is credited to the account.

Forecast Basis

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

1. Surveys of private nurseries to obtain nursery pricing information, which allows the DNR's forest nursery to set its pricing to be comparable and competitive with private nurseries.
2. Analysis of nursery operations, which enables the nursery to set its product pricing to meet the objective of recovering the nursery's costs of production, marketing and distribution.

Recent Changes

No changes were associated with this departmental earnings category in FY2006-07.

Agency Analysis/Requested Changes

The agency prepares an annual statement for the Forest Nurseries account. Forestry produces and distributes an annual report on its nursery operations. Agency auditors reviewed the Forest Nursery Account in FY2004.

NATURAL RESOURCES DEPT

FIRE FIGHTING

Fiscal Report

Revenue Category Description: Fire Fighting Fees and Cost Reimbursement

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: One revenue source code used to 1) recover the costs of transporting and inspecting federal excess fire equipment for local fire departments; 2) recover costs for wildfire suppression from legally responsible parties; 3) recover costs of fire fighting equipment issued by the inter-agency fire cache, (4) receive federal reimbursement for costs of out-of-state fire mobilizations

Appr Name: EMERGENCY FIRE NON STATE, FORESTRY FIRE EQUIP COOP

Legal Citation(s): M.S. 88.75, Subd. 1; M.S. 84.026

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	475	475	475	475	475	475	475
Resources:							
Dedicated Receipts	3,580	3,903	4,170	4,170	4,170	4,170	4,170
Non-Dedicated Receipts	629	254	300	300	300	300	300
Total Departmental Earnings	4,209	4,157	4,470	4,470	4,470	4,470	4,470
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,209	4,157	4,470	4,470	4,470	4,470	4,470
Expenditures:							
Direct Expenditures	4,209	4,157	4,470	4,470	4,470	4,470	4,470
Indirect Expenditures							
Total Expenditures	4,209	4,157	4,470	4,470	4,470	4,470	4,470
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	475	475	475	475	475	475	475

Background Information

This revenue category is made up of the following cost reimbursements:

- Wildfire suppression costs. Parties who violate wildfire restrictions, and whose actions result in a wildfire incident that requires an agency response, are liable for the DNR's costs for wildfire suppression and containment. By statute such reimbursements are deposited to the General Fund as non-dedicated receipts.
- Fire equipment. Surplus or excess federal fire equipment is transported to or within the state, fully inspected and then turned over to local fire departments. Such local fire agencies reimburse the DNR for these costs.
- Fire cache. Fire equipment and supplies are stocked at the interagency fire center in Grand Rapids. (The DNR plays a lead cooperative role in operating the interagency fire center.) Costs to use or purchase supplies and equipment are reimbursed by outside agencies.
- Out-of-state fire fighting. DNR provides resources (staff, equipment and miscellaneous supplies) when mobilized by federal agencies to assist in fighting out-of-state wildfires. The federal agency reimburses the DNR for costs incurred in responding to these out-of-state wildfire incidents.

Forecast Basis

The forecast of receipts and expenditures is based on historical trends. Wildfire suppression costs and reimbursements are dependent on a number of variables including the weather and the severity of the state's and western-U.S. fire season. As a result actual receipts and expenditures can vary significantly from the projections.

Recent Changes

No changes were associated with this earnings category in FY2006-07

Agency Analysis/Requested Changes

Cost reimbursements, which accounts for all receipts in this earnings category, do not fit the statutory definition of departmental earnings. The agency suggests a review of the DOF-assigned revenue source codes to determine whether the revenues in this category should be classified as some other type of receipts, something other than department earnings.

NATURAL RESOURCES DEPT

PARKS EARNINGS

Fiscal Report

Revenue Category Description: Revenues from park permits, camping fees, concessions and park facility rentals.

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

Legal Citation(s): M.S. 85.055; M.S. 85.053

Requesting a Fee Change: Yes

Fund: GENERAL, NATURAL RESOURCES, PERMANENT SCHOOL

Appr Name: ST FOREST SUSP-SCHOOL, STATE PARK ACCOUNT

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	125	733	1,151	1,028	1,028	1,521	1,271
<u>Resources:</u>							
Dedicated Receipts	112	121	120	120	120	120	120
Non-Dedicated Receipts	9,611	9,762	9,648	9,864	10,114	9,864	10,364
Total Departmental Earnings	9,723	9,883	9,768	9,984	10,234	9,984	10,484
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	0	0	1	1	1	1	1
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	9,723	9,883	9,769	9,985	10,235	9,985	10,485
<u>Expenditures:</u>							
Direct Expenditures	9,115	9,464	9,856	9,456	9,956	9,456	10,206
Indirect Expenditures	0	1	36	36	36	36	36
Total Expenditures	9,115	9,465	9,892	9,492	9,992	9,492	10,242
Current Difference	608	418	(123)	493	243	493	243
Accumulated Ending Balance	733	1,151	1,028	1,521	1,271	2,014	1,514

Background Information

Parks departmental earnings are intended to partially fund the maintenance and operation of the state park system. Maintenance expenditures include routine building, infrastructure and property maintenance, with about \$300,000 earmarked annually for system-wide emergency repairs. Larger maintenance needs are funded from an annual facility appropriation managed by the DNR's Facilities and Operations Support (FOS) and capital improvement projects from bonding appropriations. Numerous parks capital improvement projects have been identified; future capital project cost estimates exceed current levels of available capital funding.

State park operations include the commitment to preserve and manage natural, scenic and cultural resources within the state park system while providing recreational and educational opportunities for park visitors. In FY2005 and FY2006 additional expenditures for resource management and interpretative services were made from the Parks Working Capital account (fund 204).

The earnings totals shown on the previous table do not include Lottery in-lieu-of-tax receipts. Parks expenditures, as shown in the fiscal table, do not include the amount appropriated and spent from available Lottery in-lieu sources. In FY 2006 \$3.811 million was appropriated from Lottery in-lieu revenues for park operations. In FY 2007 an additional \$3.971 million was appropriated from Lottery in-lieu revenues for park operations.

Parks maintains and operates the 55 forest campgrounds. Park expenditures include the annual costs of operating the forest campgrounds, approximately \$400,000 per year. In FY2006 receipts from forest campgrounds totaled \$289,000 and are included in total earnings for this category. Receipts from forest campgrounds located on permanent school trust lands--\$122,000 of total campground receipts--are deposited as dedicated receipts to the permanent school trust fund. Receipts from forest campgrounds located on other state lands--the remaining \$168,000--are deposited as non-dedicated receipts to the General Fund.

Forecast Basis

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

Recent Changes

Effective February 1, 2006 the cost of park permits and camping in state parks and forests are as follows:

Name of Fee	Rate
Annual park permit	\$25
Annual park permit, second vehicle	18
One-day state park permit	7
One-day state park permit – group	5
Semi-modern camping	18
Rustic camping – state parks	11
Rustic camping – forest campgrounds	10

Agency Analysis/Requested Changes

Parks has initiated efforts to identify ways to generate additional revenues, increase work efficiencies and make other significant changes in the operation and management of the state park system and network of forest campgrounds. Consistent with broader agency priorities, Parks is implementing an operating strategy that includes the management, protection and restoration of the resources contained within state park boundaries. At the same time Parks intends to explore ways for the park and forest campground operations to become more self-sufficient.

The 2006 legislature passed the State Parks Permit Modification Bill that amends state park fees as of January 1, 2007 as follows:

- Reduce the one-day state park permit from \$7.00 to \$5.00.
- Reduce the one-day state park permit for groups from \$7.00 to \$5.00.
- Create and annual permit for motorcycles for \$20.00.

The DNR's 2008-2009 budget plan includes a change item that will increase fees. An average \$2 increase in camping fees is expected to generate an additional \$250,000 in FY 08 and \$500,000 in FY 09 for maintenance and visitor services. This increase will be effective in calendar year 2008.

NATURAL RESOURCES DEPT

WORKING CAPITAL

Fiscal Report

Revenue Category Description: Merchandise for sale at state parks.

Requesting a Fee Change: No

Purpose: Revolving fund for the purchase and sale of merchandise in state parks. Profits are used to fund resource management and interpretive projects in the state park system.

Fund: MISC SPECIAL REVENUE

Appr Name: PARKS WORK CAP INTERPRETATION, PARKS WORK CAP RESOURCE MGT, ST PRKS WORKING CAPITAL, T/W- MERCHANDISE

Legal Citation(s): M.S. 85.22

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	785	770	703	82	82	83	83
Resources:							
Dedicated Receipts	2,264	2,320	2,396	2,386	2,386	2,386	2,386
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	2,264	2,320	2,396	2,386	2,386	2,386	2,386
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	15	12	15	15	15	15	15
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,279	2,332	2,411	2,401	2,401	2,401	2,401
Expenditures:							
Direct Expenditures	2,267	2,399	3,032	2,400	2,400	2,400	2,400
Indirect Expenditures	27	0	0	0	0	0	0
Total Expenditures	2,294	2,399	3,032	2,400	2,400	2,400	2,400
Current Difference	(15)	(67)	(621)	1	1	1	1
Accumulated Ending Balance	770	703	82	83	83	84	84

Background Information

The Parks Working Capital account is a special revenue account established under MS 85.22 as a revolving account. Proceeds from retail sales are used to purchase the merchandise and consumable inventories, and receipts from rentals are used to buy and maintain rental equipment. The excess of revenue over expenditures from sales and rentals is used to fund resource management and interpretation efforts in state parks.

Forecast Basis

The forecast of revenues and expenditures is based on a five-year activity history. The underlying objective is for revenues to not only cover the purchase of merchandise, consumables and replacement of rental equipment, but for any excess to be used for resource management projects and interpretive programs in state parks.

Recent Changes

No recent changes in this earnings category.

Agency Analysis/Requested Changes

The agency prepares and updates a brief annual statement for the Parks Working Capital account. The amounts shown for this earnings category agree with the prepared account statement.

No changes are proposed in this earnings category.

NATURAL RESOURCES DEPT

DOUGLAS LODGE

Fiscal Report

Revenue Category Description: Lodging, restaurant & merchandise sales at Douglas Lodge.

Requesting a Fee Change: No

Purpose: Revolving fund for revenue and expenses of operating the Douglas Lodge at Itasca State Park.

Fund: MISC SPECIAL REVENUE

Appr Name: DOUGLAS LODGE

Legal Citation(s): M.S. 85.22

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	36	21	17	17	17	17	17
Resources:							
Dedicated Receipts	1,692	1,944	1,945	1,945	1,945	1,945	1,945
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,692	1,944	1,945	1,945	1,945	1,945	1,945
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,692	1,944	1,945	1,945	1,945	1,945	1,945
Expenditures:							
Direct Expenditures	1,707	1,948	1,945	1,945	1,945	1,945	1,945
Indirect Expenditures							
Total Expenditures	1,707	1,948	1,945	1,945	1,945	1,945	1,945
Current Difference	(15)	(4)	0	0	0	0	0
Accumulated Ending Balance	21	17	17	17	17	17	17

Background Information

The Douglas Lodge account is a special revenue fund, fund 205, established under M.S. 85.22 for the operation of the Douglas Lodge complex at Itasca State Park. Revenue from lodging, restaurant and merchandise sales are deposited as dedicated receipts to this account, and Parks division expenditures to operate the Douglas Lodge complex are paid from the account. The account is intended to be self-sustaining over a multi-year period.

Forecast Basis

The forecast of revenues and expenses is based on a five-year activity history. The underlying objective is for revenues to support and sustain Douglas Lodge operations to the extent possible.

Recent Changes

No recent changes in this earnings category.

Agency Analysis/Requested Changes

The agency prepares a brief annual account statement for the Douglas Lodge. The amounts shown in the earnings report above are consistent with the prepared account statement and balances.

No changes are proposed in this earnings category.

NATURAL RESOURCES DEPT

SNOWMOBILE

Fiscal Report

Revenue Category Description: Revenues related to the registration and recreational use of snowmobiles

Requesting a Fee Change: No

Purpose: To fund snowmobile programs: the acquisition, development and maintenance of snowmobile trails; grants for the GIA snowmobile trail system; enforcement and local enforcement grants; and administrative support costs.

Fund: NATURAL RESOURCES, GAME AND FISH (OPERATIONS)

Appr Name: SNOWMOBILE TRAINING FEES

Legal Citation(s): M.S. 84.83, s 5; 296A.18, s 3; 609.101, s 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	6,795	6,261	7,698	6,879	6,879	6,246	6,246
<u>Resources:</u>							
Dedicated Receipts	66	76	81	77	77	77	77
Non-Dedicated Receipts	3,953	6,960	8,123	6,301	6,301	6,370	6,370
Total Departmental Earnings	4,019	7,036	8,204	6,378	6,378	6,447	6,447
<u>Other Resources:</u>							
Earnings Transferred In	5,310	5,300	5,137	5,242	5,242	5,268	5,268
Rev Collected at Other Agency							
Other Receipts	369	789	761	701	701	722	722
<u>Resource Reductions:</u>							
Earnings Transferred Out	11	11	11	10	10	10	10
Rev Collected for Other Agency							
Current Year Resources	9,687	13,114	14,091	12,311	12,311	12,427	12,427
<u>Expenditures:</u>							
Direct Expenditures	9,311	10,896	13,945	12,214	12,214	12,214	12,214
Indirect Expenditures	910	781	965	730	730	732	732
Total Expenditures	10,221	11,677	14,910	12,944	12,944	12,946	12,946
Current Difference	(534)	1,437	(819)	(633)	(633)	(519)	(519)
Accumulated Ending Balance	6,261	7,698	6,879	6,246	6,246	5,727	5,727

Background Information

The following earnings are deposited as non-dedicated receipts to the Snowmobile account:

- Snowmobile registrations
- Snowmobile trail permits
- Snowmobile fines
- Snowmobile (track) studs - civil citations

The following earnings are deposited as dedicated receipts:

- Adult snowmobile training
- Youth snowmobile training
- License issuing fee
- Investment Income (earned on cash in ELS appropriation only)

The following non-earnings are deposited or transferred in as non-dedicated receipts:

- Investment Income (on daily, available cash balance in Snowmobile Account other than ELS appropriation)
- Agency indirect costs (non-general fund)
- Refund of prior year expenditure
- Unrefunded gas tax
- Police state aid

Forecast Basis

Revenue projections are based on a review of actual receipts over a five-year period. Snowmobile registrations, and permits are the largest receipt items in the account. These items are strongly influenced by favorable or unfavorable winter weather.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes

The 2005 legislature extended the trail sticker to residents who operate on DNR or grant-in-aid trail (\$15.00/year, or \$30.00 at the time of registration).

Also based upon the projected revenue from the trail sticker, the legislature increased the grant-in-aid appropriation by \$1.5 million per fiscal year.

Agency Analysis/Requested Changes

The agency prepares a detailed annual fund statement for the Snowmobile Account.

NATURAL RESOURCES DEPT

CROSS COUNTRY SKI

Fiscal Report

Revenue Category Description: Revenues related to issuing cross country ski permits

Requesting a Fee Change: No

Purpose: Revenues and expenditures related to the cross country ski program.

Fund: NATURAL RESOURCES

Appr Name: CROSS COUNTRY SKI TRAILS

Legal Citation(s): M.S. 85.43

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	414	472	(2)	(2)	(2)	(2)
Resources:							
Dedicated Receipts	129	207	220	220	220	220	220
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	129	207	220	220	220	220	220
Other Resources:							
Earnings Transferred In	436	0	0	0	0	0	0
Rev Collected at Other Agency	11	21	20	20	20	20	20
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	576	228	240	240	240	240	240
Expenditures:							
Direct Expenditures	160	151	696	224	224	224	224
Indirect Expenditures	2	19	18	16	16	16	16
Total Expenditures	162	170	714	240	240	240	240
Current Difference	414	58	(474)	0	0	0	0
Accumulated Ending Balance	414	472	(2)	(2)	(2)	(2)	(2)

Background Information

Before 2005 the cross-country ski permits were deposited as dedicated receipts in the Special Revenue Fund, Cross Country Ski account. Beginning in FY2005 the Cross Country Ski account has been moved to the Natural Resources Fund.

Also effective in FY2005, an issuing fee will be charged on the purchase of cross-country ski trail passes. The issuing fee covers the transaction cost of issuing the trail pass through ELS (electronic licensing system).

Forecast Basis

Projected revenues are based on actual receipts over a five-year history.

Recent Changes

The 2005 legislature increased the annual pass from \$9.00 to \$14.00, and the three-year pass from \$24.00 to \$39.00.

Agency Analysis/Requested Changes

The agency annually prepares an account statement and monitors the account balance. Planned expenditures are reduced if actual receipts do not meet revenue projections.

NATURAL RESOURCES DEPT

ATV

Fiscal Report

Revenue Category Description: Revenues related to the registration and recreational use of ATVs

Requesting a Fee Change: No

Fund: NATURAL RESOURCES

Purpose: To fund the ATV program: the acquisition, maintenance and development of trails; enforcement and local enforcement grants; and administrative support costs.

Appr Name:

Legal Citation(s): M.S. 84.922; M.S. 296A.18, s 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	4,594	2,803	1,875	602	602	343	343
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,466	2,772	3,118	3,206	3,206	3,311	3,311
Total Departmental Earnings	2,466	2,772	3,118	3,206	3,206	3,311	3,311
<u>Other Resources:</u>							
Earnings Transferred In	797	795	771	786	1,101	790	1,422
Rev Collected at Other Agency							
Other Receipts	189	205	230	236	236	243	243
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,452	3,772	4,119	4,228	4,543	4,344	4,976
<u>Expenditures:</u>							
Direct Expenditures	4,914	4,275	4,921	4,063	4,378	4,063	4,695
Indirect Expenditures	329	425	471	424	424	431	431
Total Expenditures	5,243	4,700	5,392	4,487	4,802	4,494	5,126
Current Difference	(1,791)	(928)	(1,273)	(259)	(259)	(150)	(150)
Accumulated Ending Balance	2,803	1,875	602	343	343	193	193

Background Information

The following earnings are deposited as non-dedicated receipts to the ATV account:

- ATV registrations
- ATV safety training

The following earnings are deposited as dedicated receipts:

- License issuing fee
- Investment income (earned on ELS appropriation only)

The following non-earnings are deposited or transferred in as non-dedicated receipts:

- ATV civil citations
- Unrefunded gas tax

The license-issuing fee is deposited to the account as a dedicated receipt to cover the transaction cost of vehicle registrations, transfers and duplicate registrations through ELS (electronic licensing system). [While the license-issuing fee is shown on the fiscal table under Other Receipts, in MAPS it is properly recorded as a dedicated receipt to the ELS appropriation in the ATV Account.]

Forecast Basis

Revenue projections are based on a review of actual receipts over a five-year period. ATV registration fees, the largest receipt item in the account, are anticipated to continue to grow, although the agency projects the rate of growth will moderate starting in FY2005 as shown.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as other resources transferred in.

Recent Changes

ATV registration fee, which covers a three-year registration period, was raised to \$30 for machines in public use on and after January 1, 2005. Effective December 12, 2006 Class II ATV's will be required to register and these funds will go into the ATV dedicated account. This will provide an additional registration growth on top of the already anticipated continue growth of Class I ATV's.

Trails and Waterways received increased appropriations of \$360,000 in FY2005 from the ATV Account for ATV trail operations. The division also received a one-time appropriation of \$600,000 in FY2004 from the ATV Account for OHV (off-highway vehicle) facility development, (Iron Range Off Highway Vehicle State Recreation Area – IROHVRA), this appropriation is until spent. In FY2006 Trails and Waterways also received a line item appropriation for ATV grants of \$575,000 each year.

In 2005 DNR received \$75,000 to conduct a study to determine the amount of unrefunded gas tax used by all-terrain vehicle riders in the state, except for riders with vehicles registered for private use. The study revealed that the number of ATVs registered in 2005 had increased to 235,000 from 19,159 in 1984. Given the significantly increased number of ATVs registered in Minnesota and increased fuel consumption, the updated study concludes that ATV fuel consumption today, as a percent of the total gasoline consumption, is .27%.

Agency Analysis/Requested Changes

The agency prepares a detailed annual statement for the ATV Account as a component of the Natural Resources Fund.

The DNR's budget plan includes a change item that will increase the percent of unrefunded gas tax (established in M.S. 296A.18, subd. 4) from .15% to .27%. This will result in increased funding of \$315,000 in FY 2008 and \$632,000 in FY 2009.

NATURAL RESOURCES DEPT

WATER RECREATION

Fiscal Report

Revenue Category Description: Revenues relating to the titling, registration and recreational use of watercraft on state waters.

Requesting a Fee Change: No

Fund: NATURAL RESOURCES

Purpose: To fund water recreation programs including, but not limited to: 1) the boat and water safety programs (administration, enforcement and education), 2) acquisition, development and maintenance of public water access, 3) watercraft registration and titling, and 4) controlling aquatic exotic species such as zebra mussel and Eurasian watermilfoil.

Appr Name: T & W WATER RECREATION MARINA

Legal Citation(s): M.S. 86B.415, 86B.705, 86B.870, 296A.18, 609.101

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	5,514	4,492	5,403	1,460	1,460	689	689
Resources:							
Dedicated Receipts	35	29	36	36	36	36	36
Non-Dedicated Receipts	5,985	7,805	7,947	7,937	7,937	7,937	7,937
Total Departmental Earnings	6,020	7,834	7,983	7,973	7,973	7,973	7,973
Other Resources:							
Earnings Transferred In	7,965	7,949	7,769	7,990	7,990	8,031	8,031
Rev Collected at Other Agency							
Other Receipts	756	966	1,015	1,017	1,017	1,017	1,017
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	14,741	16,749	16,767	16,980	16,980	17,021	17,021
Expenditures:							
Direct Expenditures	12,456	13,442	17,480	15,126	15,126	15,126	15,126
Indirect Expenditures	3,307	2,396	3,230	2,625	2,625	2,625	2,625
Total Expenditures	15,763	15,838	20,710	17,751	17,751	17,751	17,751
Current Difference	(1,022)	911	(3,943)	(771)	(771)	(730)	(730)
Accumulated Ending Balance	4,492	5,403	1,460	689	689	(41)	(41)

Background Information

The following earnings are deposited as non-dedicated receipts to the Water Recreation account:

- Watercraft titling
- Watercraft registrations
- Watercraft surcharge
- Watercraft fines
- Exotic species civil fine
- DNR (watercraft related) restitution

The following earnings are deposited as dedicated receipts:

- License issuing fee
- Investment Income (earned on ELS appropriation only)
- Harbor and marina fees

The following non-earnings are deposited or transferred in as non-dedicated receipts:

- All other reimbursements
- Agency indirect costs (non-general fund)
- Refund of prior year expenditure
- Unrefunded gas tax
- Police state aid

The license-issuing fee is deposited to the account as a dedicated receipt to cover the transaction cost of watercraft registrations, transfers and other transactions processed through ELS (electronic licensing system). [While the license-issuing fee is shown on the fiscal table under Other Receipts, in state accounting system it is properly recorded as a dedicated receipt to the ELS appropriation in the Water Recreation Account.]

Forecast Basis

Revenue projections are based on a review of actual receipts over a five-year period. Watercraft titling is a one-time fee, paid at the time of watercraft purchase. Watercraft registrations and the exotic species surcharge cover a three-year period. These three receipt items have increased at a modest rate over the past five years.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes

Beginning January 1, 2006, watercraft registration (license) fees increased by 50% for all watercraft. Most boats less than 17-feet long, including canoes, kayaks & sailboats, had not seen an increase since 1981. As examples, a typical 16-foot fishing boat went from \$12 to \$18 every three years, while the canoe fee was increased from \$7 to \$10.50 every three years. The three-year fees for larger boats and personal watercraft (jet skis), which were increased on January 1, 1999, also increased by 50%. The increased fees, enacted during the 2005 Session, are being phased-in over the three-year registration cycle, ending with those scheduled for renewal on January 1, 2008. The increased revenues (est. at appx. \$1.6 million for FY 06) were allocated to: the acquisition, development & maintenance of public water accesses; safe harbors and the canoe & boating route program.

A \$100,000 onetime appropriation from the water recreation account was received and has been granted to the Duluth Port Authority to determine the cause of freshwater corrosion of harbor sheet piling.

A \$130,000 appropriation was received from the water recreation account for establishment and development of two new designated canoe and boating routes, the Sauk and Ottertail Rivers.

Agency Analysis/Requested Changes

The agency prepares a detailed annual statement for the Water Recreation Account as a component of the Natural Resources Fund.

NATURAL RESOURCES DEPT

OFF HIGHWAY MOTORCYCLE

Fiscal Report

Revenue Category Description: Revenues related to the registration and recreational use of OHMs

Requesting a Fee Change: No

Fund: NATURAL RESOURCES

Purpose: To fund off-highway motorcycle programs: the acquisition, development and maintenance of trails; enforcement and local enforcement grants; and support costs.

Appr Name:

Legal Citation(s): M.S. 84.787; M.S. 296A.18 s 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	743	506	481	225	225	177	177
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	170	173	217	228	228	228	228
Total Departmental Earnings	170	173	217	228	228	228	228
<u>Other Resources:</u>							
Earnings Transferred In	244	244	236	241	241	242	242
Rev Collected at Other Agency							
Other Receipts	12	16	20	21	21	21	21
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	426	433	473	490	490	491	491
<u>Expenditures:</u>							
Direct Expenditures	603	436	683	505	505	505	505
Indirect Expenditures	60	22	46	33	33	33	33
Total Expenditures	663	458	729	538	538	538	538
Current Difference	(237)	(25)	(256)	(48)	(48)	(47)	(47)
Accumulated Ending Balance	506	481	225	177	177	130	130

Background Information

The following earnings are deposited as non-dedicated receipts to the OHM account:

- OHM registrations
- OHM safety training

The following earnings are deposited as dedicated receipts:

- License issuing fee
- Investment Income (earned on ELS appropriation only)

The following non-earnings are deposited or transferred in as non-dedicated receipts:

- OHM civil citations
- Unrefunded gas tax

The license-issuing fee is deposited to the account as a dedicated receipt to cover the transaction cost of vehicle registrations, transfers and duplicate registrations through ELS (electronic licensing system). [While the license-issuing fee is shown on the fiscal table under Other Receipts, in MAPS it is properly recorded as a dedicated receipt to the ELS appropriation in the OHM Account.]

Forecast Basis

Revenue projections are based on a review of actual receipts over a five-year period. OHM registrations, the largest receipt item in the account, are anticipated to continue growing, although the rate of growth is expected to moderate starting in FY2005.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes

Trails and Waterways received increased appropriations of \$30,000 in FY2005 from the OHM Account for OHM trail operations. The division also received a one-time appropriation of \$50,000 in FY2004 from the OHM Account for OHV (off-highway vehicle) facility development, specifically for the Iron Range Off Highway Vehicle State Recreation Area (IROHVRA) and is appropriated until spent. In FY2006 Trails and Waterways also received a line item appropriation for OHM grants of \$150,000 each year.

Agency Analysis/Requested Changes

The agency prepares a detailed annual statement for the OHM Account as a component of the Natural Resources Fund.

NATURAL RESOURCES DEPT

OFF ROAD VEHICLE

Fiscal Report

Revenue Category Description: Revenues related to the registration and recreational use of ORVs

Requesting a Fee Change: No

Fund: NATURAL RESOURCES

Purpose: To fund off-road vehicle programs: the acquisition, development and maintenance of trails; enforcement and local enforcement grants; and administrative support costs.

Appr Name:

Legal Citation(s): M.S. 84.787; M.S. 296A.18 s 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,860	1,430	1,424	394	394	115	115
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	88	107	84	84	84	90	90
Total Departmental Earnings	88	107	84	84	84	90	90
<u>Other Resources:</u>							
Earnings Transferred In	871	869	842	860	860	864	864
Rev Collected at Other Agency							
Other Receipts	12	9	10	10	10	10	10
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	0	5	0	0	0	0	0
Current Year Resources	971	980	936	954	954	964	964
<u>Expenditures:</u>							
Direct Expenditures	1,370	962	1,877	1,181	1,181	1,181	1,181
Indirect Expenditures	31	24	89	52	52	52	52
Total Expenditures	1,401	986	1,966	1,233	1,233	1,233	1,233
Current Difference	(430)	(6)	(1,030)	(279)	(279)	(269)	(269)
Accumulated Ending Balance	1,430	1,424	394	115	115	(154)	(154)

Background Information

The following earnings are deposited as non-dedicated receipts to the ORV account:
ORV registrations

The following earnings are deposited as dedicated receipts:
License issuing fee
Investment Income (earned on ELS appropriation only)

The following non-earnings are deposited or transferred in as non-dedicated receipts:
ORV civil citations
Unrefunded gas tax

The license-issuing fee is deposited to the account as a dedicated receipt to cover the transaction cost of vehicle registrations, transfers and duplicate registrations through ELS (electronic licensing system). [While the license-issuing fee is shown on the table under Other Receipts, in MAPS it is properly recorded as a dedicated receipt to the ELS appropriation in the ORV Account.]

Forecast Basis

Revenue projections are based on a review of actual receipts over a five-year period. ORV registrations, the largest receipt item in the account, are anticipated to continue growing, although the rate of growth is expected to moderate starting in FY2005.

The Department of Transportation prepares the projection of the unrefunded gas tax, which is shown on the table as Other Resources transferred in.

Recent Changes

Trails and Waterways received increased appropriations of \$210,000 in FY2005 from the ORV Account for ORV trail operations. The division also received a one-time appropriation of \$350,000 in FY2004 from the ORV Account for OHV (off-highway vehicle) facility development specifically for the Iron Range Off Highway Vehicle State Recreation Area (IROHVRA) and is appropriated until spent.. In FY2006 Trails and Waterways also received a line item appropriation for ORV grants of \$200,000 then dropping to \$100,000 each year thereafter.

Agency Analysis/Requested Changes

The agency prepares a detailed annual statement for the ORV Account as a component of the Natural Resources Fund.

The DNR's budget plan includes a change item to that will increase appropriations by \$10,000 in each of FY2006 and FY2007 from the ORV Account to the Enforcement program. The appropriation will be used to fund an off-highway vehicle safety and conservation grant program. Another provision of the change item reduces the annual appropriation by \$100,000 in each of FY2006 and FY2007 to the Trails and Waterways program for trail operations related to this type of recreational vehicles. This appropriation reduction is requested to sustain the long-term balance in the ORV Account.

NATURAL RESOURCES DEPT

GAME AND FISH

Fiscal Report

Revenue Category Description: Revenues from hunting and angling licenses and stamps; federal reimbursements; other misc receipts

Requesting a Fee Change: Yes

Fund: GENERAL, NATURAL RESOURCES, GAME AND FISH (OPERATIONS)

Purpose: To fund game and fish programs including but not limited to: 1) Fisheries operations to monitor fish populations, protect and restore habitat and stock fish in public waters; 2) Wildlife operations to manage wildlife populations, protect and restore habitats; 3) Ecological Services programs relating to the protection of ecosystems; and 4) enforce game and fish laws.

Appr Name: Various

Legal Citation(s): Citations listed on Agency Revenue Detail report

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	26,353	26,438	29,488	23,474	23,474	23,678	23,786
Resources:							
Dedicated Receipts	3,904	4,893	4,568	4,484	10,638	4,493	10,642
Non-Dedicated Receipts	73,036	71,458	72,737	73,814	67,768	74,456	68,415
Total Departmental Earnings	76,940	76,351	77,305	78,298	78,406	78,949	79,057
Other Resources:							
Earnings Transferred In	1,037	1,069	1,033	1,033	1,033	1,033	1,033
Rev Collected at Other Agency	168	163	160	160	160	160	160
Other Receipts	980	1,344	1,487	1,488	1,488	1,546	1,546
Resource Reductions:							
Earnings Transferred Out	962	1,491	1,493	1,442	1,442	1,451	1,451
Rev Collected for Other Agency							
Current Year Resources	78,163	77,436	78,492	79,537	79,645	80,237	80,345
Expenditures:							
Direct Expenditures	67,319	67,267	76,095	71,691	71,691	71,691	71,691
Indirect Expenditures	10,759	7,119	8,411	7,642	7,642	7,642	7,642
Total Expenditures	78,078	74,386	84,506	79,333	79,333	79,333	79,333
Current Difference	85	3,050	(6,014)	204	312	904	1,012
Accumulated Ending Balance	26,438	29,488	23,474	23,678	23,786	24,582	24,798

Background Information

Background Information

The following departmental earnings are deposited to the fund (includes Game and Fish Operations, stamp and surcharge accounts, and lifetime license trust fund) as non-dedicated receipts:

Application fees	Turkey stamp
Game and fish commercial license	Sport Fish Restoration revenues
Fishing license	Wildlife Restoration revenues
Hunting license	Game and fish miscellaneous
Small game license surcharge	Game and fish fines
Sports license	Game and fish forfeits
Waterfowl stamp	DNR restitution
Trout stamp	Trespass civil citations
Pheasant stamp	Aeration system permit
Sale of fish/eggs	

The following earnings are deposited as dedicated receipts:

- License issuing fees (deposited to the ELS account)
- Portion of hunting license fee
(dedicated to account 231, approp D01 for expenditure on chronic wasting disease)
- Wild rice license
- Adult hunter education
- Firearm safety training

The following non-earnings are deposited as dedicated receipts:

- Interest income (earned on cash balance in ELS account)
- Sale of buildings, surplus equipment

The following non-earnings are deposited or transferred in as non-dedicated receipts:

- Interest income (earned on available cash in the Game and Fish Operations, stamp and surcharge accounts, and lifetime license trust fund)
- Other reimbursements and refunds of prior year expenditures
- Agency indirect costs (non-general fund)
- Police state aid

The earnings totals shown on the previous fiscal table do not include Lottery in-lieu-of-tax receipts deposited to the Heritage Enhancement Account. Likewise, total expenditures reported for Fisheries, Wildlife, Enforcement and Ecological Services as shown on the fiscal table do not include actual and budgeted expenditures from the Heritage Enhancement Account.

In the previous fiscal table the amount shown under Earnings Transferred Out is total license issuing receipts that is deposited to six separate accounts in the Natural Resources Fund. This addresses the inaccuracy of how this specific receipt is reflected in this earnings reporting module. [In MAPS the license issuing fee is correctly deposited and recorded by account: Water Recreation, Snowmobile, ATV, OHM, ORV and cross-country ski accounts.]

Forecast Basis

Receipts from licenses, stamps and surcharges are estimated using sales history data. Additional input comes from program staff, which assesses fish and wildlife population trends that may impact future license and stamp sales.

The projection of Sport Fish and Wildlife Restoration revenues is based on the history of federal revenues (federal apportionment) available to the DNR for these programs and future apportionment estimates from the federal aid office.

License issuing fees are calculated on a per transaction basis on license, stamp and surcharge sales.

Receipts generated from enforcement activities are projected based on a five-year history and planned changes in enforcement operations over the next three to five years. Other receipts are projected based on a five-year history and after factoring other known and relevant changes in operations.

Recent Changes

The following license fees were increased or modified in the last two Legislative sessions:

Minnesota Session Laws 2005, 1st Special Session - Chapter 1:

Aquatic plant management

The DNR's aquatic plant management program regulates the removal of aquatic plants through a permitting system, to ensure that fish and wildlife habitat is protected. Requests for plant removal permits generally come from lakeshore owners who are seeking improved access for watercraft and swimming. Program costs have been paid for with a variety of sources including Game and Fish, Water Recreation, Heritage Enhancement, and General Funds. Up until FY2006, permit fees have been deposited into the Game and Fish Fund; the annual revenue from those permits is approximately \$260,000. Minnesota Session Laws 2005, 1st Special Session - Chapter 1 transferred the revenues deposit from the Game and Fish Fund to the Water Recreation Account in the Natural Resource Fund. Corresponding expenditures from the Game and Fish Fund were also transferred to the Water Recreation Account.

Special management species applications and tags

Minn. Stat. §§ 84.027, 97A.551, and 97C.085 were amended so the commissioner of natural resources has the ability to require anglers to apply by application for a tag for certain fish species as another means of monitoring fish management efforts.

Special management species applications and tags are issued through the Electronic Licensing System (ELS). Data is generated on the numbers of anglers harvesting these species as well as the number, size and sex of fish harvested. This management tool would provides additional information for managing specific fisheries and improve enforcement efforts. The first species to be managed is the lake sturgeon. In FY2006 a \$5 application fee for special management species tags was implemented.

Minnesota Session Laws 2006 - Chapter 281:

Youth Firearms Deer License

Made a youth firearms deer license for the firearms season valid for all of the regular firearms zone/season options. The previous youth firearms deer license (age 12 to 17) limited an applicant to one option for firearms hunting among seven choices. The new youth license is valid in all regular firearms season zones and times, not including the muzzleloader season. Many youth previously opted to purchase more expensive multiple zone licenses rather than the youth license.

In 2004:

- 1,835 youth under age 18 purchased multi-zone firearms licenses for \$53. Under the new license youth are able to purchase a \$14 youth license (difference of \$39);
- 1,543 youth purchased an all-season license for \$79, under the new license. Under the new license youth are able to purchase a youth archery and a youth firearms license for \$28 (difference of \$51).

If these assumptions were accurate, the projected annual loss of revenue would be approximately \$150,000.

Agency Analysis/Requested Changes

Direct and indirect expenditures

Direct expenditures are reported on the previous fiscal page as expenditures from the Game and Fish Fund by Fish and Wildlife (except for the License Center), Trails and Waterways, Ecological Services and Enforcement programs. Indirect expenditures include the License Center, Operations Support and the statewide indirect costs.

Game and Fish Fund statement and report

The DNR prepares a budgetary Game and Fish Fund statement at key times during each fiscal year. The fund statement is prepared according to specified reporting requirements. It provides an accurate financial report of historic revenues and expenditures as well as a forecast for the next two biennia. In addition, the DNR produces an annual report that discusses annual expenditures for program activities and related outcomes for the Game and Fish Fund.

The fund statement for the Game and Fish Fund prepared by the DNR and covering fiscal years through FY2011, indicates a significant available balance in the Game and Fish Operations account.

DNR did not provide information to indicate that existing lifetime license fees are inadequate to meet current program needs.

The DNR budget plan includes a change item that will increase fees. A fee schedule will be developed for fishing contest permits. The fee will be used to recoup costs associated with administering permits of approximately \$108,000 per year.

NATURAL RESOURCES DEPT

DNR MISCELLANEOUS

Fiscal Report

Revenue Category Description: Miscellaneous grouping for documents, publications, aerial photos, cooperative agreements

Requesting a Fee Change: No

Purpose: Receipts from sale of documents, publications and aerial photos; payments for cooperative agreements deposited in special revenue accounts to be used for specific purposes.

Fund: GENERAL, NATURAL RESOURCES, MISC SPECIAL REVENUE, GAME AND FISH (OPERATIONS), GIFT

Appr Name: Various

Legal Citation(s): Various, see Agency Revenue and Fee Detail Report

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	979	4,210	5,500	5,500	7,939	7,940
Resources:							
Dedicated Receipts	5,066	7,274	5,934	5,765	5,766	5,750	5,751
Non-Dedicated Receipts	0	2	0	1	1	1	1
Total Departmental Earnings	5,066	7,276	5,934	5,766	5,767	5,751	5,752
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,066	7,276	5,934	5,766	5,767	5,751	5,752
Expenditures:							
Direct Expenditures	4,087	4,045	4,644	3,327	3,327	3,312	3,312
Indirect Expenditures							
Total Expenditures	4,087	4,045	4,644	3,327	3,327	3,312	3,312
Current Difference	979	3,231	1,290	2,439	2,440	2,439	2,440
Accumulated Ending Balance	979	4,210	5,500	7,939	7,940	10,378	10,380

Background Information

This earnings category is a collection of unrelated earnings that don't fit neatly into other earnings categories. The dissimilar nature of receipts in this grouping makes it difficult to assess the relationship of revenues to program expense at the earnings category level.

Decorative bough buyers permit

Established in the laws of 2001, it is meant to provide regulation and oversight to the harvesting and sale on the wholesale level of decorative materials and trees. Decorative material is defined in M.S. 88.641, subd 1b, and primarily covers the harvest and sale of conifer boughs, branches and tops to be used as seasonal decoration. Actual and estimated receipts are low—about \$1,000 per fiscal year. Actual and budgeted expenditures reflect the minimal number of staff hours associated with this program effort.

Sale of maps, documents, aerial photos and publications

Receipts from the sale of maps, resource-related documents, aerial photos and other publications are authorized to be deposited in one of numerous special revenue accounts and appropriated to the commissioner for purposes for which the money was received. Generally prices charged are set to cover production and printing costs. Handling and mailing costs are also recovered when applicable. This approach to pricing generally does not include the agency professional time required to research, create, write, photograph, edit or review such documents or publications.

Cooperative agreements

The agency is authorized to enter into agreements with public and private entities for the provision of statutorily prescribed natural resource services provided by the department. The contracts typically will specify the services to be provided, the amount to be paid and/or method of reimbursement. The agency enters into numerous cooperative agreements; all DNR divisions use the same statutory citation relating to cooperative agreements.

Horse Trail Pass

Starting in January 2007, a horse trail pass for individuals riding on state trails, state forests, state parks, and state recreation areas will be required. A \$4 daily and a \$20 annual pass fee will be charged, with trail use free to users under the age of 16. Receipts would be deposited in a horse trail account in the natural resources fund and will be dedicated for horse trail and trail facility development, maintenance and enforcement in state trails, forests, parks and recreation areas.

This initiative will provide critical funding to support the development, maintenance, and repair of horse trail or trails authorized for horse use whether riding or driving on state trails, state forests, state parks, and state recreation areas

The DNR continues to question whether revenues from cooperative agreements fit the statutory definition of a departmental earning. The amount of service provided by the department and amount of payment or reimbursement is established by contract, not recovered through permit or fee. The amount expended for cooperative agreements should equal--although not necessarily on a fiscal year basis--the amount of revenues deposited to the numerous special revenue appropriations.

Forecast Basis

Sale of maps, documents, aerial photos and publications: Primarily based on historical activity levels, and identified future needs to print and distribute certain publications, maps and documents.

Cooperative agreements. Primarily based on historical activity levels, and identified future plans for partnerships, anticipated service agreements, joint projects and the like.

Preliminary revenue estimates are \$314,000 annually, based on 10% of horseback riders using trails on state recreation lands.

In 2004 the Outdoor Recreation Participation Survey of Minnesotans indicated that there are 157,000 horseback riders age 20 and over. It is assumed that 10% of horseback riders will use trails on state recreation lands. Revenues for FY07 are based on the effective date of Jan.1, 2007 allowing for 6 months of revenue generation in the first fiscal year.

Recent Changes

No significant changes have occurred in this earnings category.

Effective January 1, 2007 a horse trail pass for individuals riding on state trails, state forests, state parks, and state recreation areas will be required.

Agency Analysis/Requested Changes

No pricing or fee changes are requested for this earnings category.

The agency will prepare a detailed annual statement for the horse trail pass recreation account as a component of the Natural Resources Fund.

NATURAL RESOURCES DEPT

NEW 08-09 FEES

Fiscal Report

Revenue Category Description: New fees based on 08-09 Governor Recommendations

Purpose: Receipts collected from surcharges on non-resident fishing licenses, watercraft registrations and utility trailer and recreational vehicle registrations. Receipts collected for this purpose will be used for the management and control of invasive species.

Receipts collected from fishing tournament licensing fees are also recorded here.

Legal Citation(s): M.S. 97A.475, M.S. 86B.415, M.S. 168.013

Requesting a Fee Change: Yes

Fund: NATURAL RESOURCES, GAME AND FISH (OPERATIONS)

Appr Name: FISH MANAGEMENT G&F, INVASIVE SPECIES

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	108	1,022
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	108	1,915	108	2,800
Total Departmental Earnings	0	0	0	108	1,915	108	2,800
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	0	0	108	1,915	108	2,800
<u>Expenditures:</u>							
Direct Expenditures	0	0	0	0	893	0	2,558
Indirect Expenditures							
Total Expenditures	0	0	0	0	893	0	2,558
Current Difference	0	0	0	108	1,022	108	242
Accumulated Ending Balance	0	0	0	108	1,022	216	1,264

Background Information

N/A

Agency Analysis/Requested Changes

The 08-09 DNR budget includes a change item that would increase the current watercraft surcharge for invasive species from \$5 - \$15. The proposal would also add a surcharge of \$5 to utility trailers and recreational vehicles and a \$2 surcharge on non-resident fishing licenses.

The 08-09 DNR budget includes a change item that will add a fee for the fishing tournament permits. This fee would cover the costs associated with the administering the permits.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	4,732	4,765	4,338	4,338	4,338	4,338	4,338
Total Non-Dedicated Receipts	4,732	4,765	4,338	4,338	4,338	4,338	4,338

Fund Totals:							
State Government Spec Revenue	4,732	4,765	4,338	4,338	4,338	4,338	4,338
Departmental Earnings Total	4,732	4,765	4,338	4,338	4,338	4,338	4,338

NURSING BOARD

MN BOARD OF NURSING

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 148.171-148.285, 214, 319A & M.R. 6301-6340

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3,981	5,432	6,609	5,629	5,629	5,126	4,713
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	4,731	4,764	4,337	4,337	4,337	4,337	4,337
Total Departmental Earnings	4,731	4,764	4,337	4,337	4,337	4,337	4,337
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	1	6	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out	0	517	1,066	930	930	930	930
Rev Collected for Other Agency	51	80	0	0	0	0	0
Current Year Resources	4,681	4,173	3,273	3,409	3,409	3,409	3,409
Expenditures:							
Direct Expenditures	2,229	2,059	3,138	2,676	3,089	2,751	3,250
Indirect Expenditures	1,001	937	1,115	1,236	1,236	1,236	1,236
Total Expenditures	3,230	2,996	4,253	3,912	4,325	3,987	4,486
Current Difference	1,451	1,177	(980)	(503)	(916)	(578)	(1,077)
Accumulated Ending Balance	5,432	6,609	5,629	5,126	4,713	4,548	3,636

Background Information

The board's mission is to protect the public's health and safety by providing reasonable assurance that the people who practice nursing are competent, ethical practitioners with necessary knowledge and skills appropriate to their title and role.

Services provided by the Board of Nursing include:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board increased its annual license and renewal fees in July 2001.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	195	193	198	198	198	191	191
Total Non-Dedicated Receipts	195	193	198	198	198	191	191

<u>Fund Totals:</u>							
State Government Spec Revenue	195	193	198	198	198	191	191
Departmental Earnings Total	195	193	198	198	198	191	191

NURSING HOME ADMIN BOARD

BD OF NURSING HOME ADMINISTRAT

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

Purpose: To recover the costs of regulating nursing home administrators.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 144A.18 - 144A.28; 214.055 & M.R. 6400

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	217	230	249	197	197	181	176
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	195	193	198	198	198	191	191
Total Departmental Earnings	195	193	198	198	198	191	191
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	2	3	0	0	0	0	0
Current Year Resources	193	190	198	198	198	191	191
Expenditures:							
Direct Expenditures	169	165	237	202	207	202	212
Indirect Expenditures	11	6	13	12	12	12	12
Total Expenditures	180	171	250	214	219	214	224
Current Difference	13	19	(52)	(16)	(21)	(23)	(33)
Accumulated Ending Balance	230	249	197	181	176	158	143

NURSING HOME ADMIN BOARD

NURSING HOME ADMINISTRATORS BD

Narrative

Background Information

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

The Board of Nursing Home Administrators provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board reduced its annual license and registration fees in 1997.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	186	217	214	204	194	204	194
Total Dedicated Receipts	186	217	214	204	194	204	194

<u>Fund Totals:</u>							
Misc Special Revenue	186	217	214	204	194	204	194
Departmental Earnings Total	186	217	214	204	194	204	194

OFFICE OF HIGHER EDUCATION

PRIVATE POST SEC INST REG

Fiscal Report

Revenue Category Description: Private post-secondary institution registration fee

Requesting a Fee Change: No

Purpose: Fee to recover costs in administering the registration program for private post-secondary schools.

Fund: MISC SPECIAL REVENUE

Appr Name: SPECIAL PROGRAMS

Legal Citation(s): MS 136A.61-136A.71

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	47	61	68	67	67	63	63
Resources:							
Dedicated Receipts	74	81	89	89	89	89	89
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	74	81	89	89	89	89	89
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	74	81	89	89	89	89	89
Expenditures:							
Direct Expenditures	58	73	87	90	90	93	93
Indirect Expenditures	2	1	3	3	3	3	3
Total Expenditures	60	74	90	93	93	96	96
Current Difference	14	7	(1)	(4)	(4)	(7)	(7)
Accumulated Ending Balance	61	68	67	63	63	56	56

Background Information:

Minnesota Statutes section 136A.69 (specifying fees for Private Institutional Registrations) was amended in 2003 to raise the annual registration fee for new registrations to \$1,100 and the annual renewal fee to \$950. These increases became effective in fiscal year 2004. The Private Institutional Registration (PIR) process includes approval to use regulated terms in an institution's name, and review of financial audits, promotional material and policies, curriculum, faculty and facilities. Approval of degrees requires (in addition to the items listed above) an in-depth assessment of the institutions ability to meet generally accepted standards for the specific degree and, if necessary, an evaluation by a consultant from outside Minnesota. As needed, staff investigates complaints about whether an institution continues to meet the standards for approval.

Forecast Basis:

Fees are charged for initial and renewal registrations. In addition, current rules allow for reimbursement by the institution for on-site evaluations conducted outside Minnesota. Few changes are anticipated in the number of new or renewal institutions.

Recent Changes:

Minnesota Statutes section 136A.69 was amended in 2003 to raise the annual registration fee for new registrations to \$1,100 and the annual renewal fee to \$950. These increases became effective in fiscal year 2004.

Agency Analysis/Comments:

With the possible changes to this registration program that would move some schools which are currently licensed as Private Career Schools under Minnesota Statutes Chapter 141 to registration, and require some schools currently registered to be licensed under Chapter 141, the Office intends to continue to monitor the current fee structure for this activity to determine if the new fee structure will generate sufficient revenue to cover the costs of this activity after any changes to the registration and licensing programs. In addition, the Office intends to propose adding a provision to the statute that will allow the Office to be reimbursed for the reasonable costs of consultants that are retained to review new and/or revised degrees, including their necessary travel expenses and to assess specific fees for expansion and/or addition of additional degrees. Currently the professional fees of consultants and their travel expenses must be paid out of renewal fees.

OFFICE OF HIGHER EDUCATION

REG OF PRIV FOR PROF CAR SCHLS

Fiscal Report

Revenue Category Description: Licensure for private for-profit career schools

Requesting a Fee Change: Yes

Fund: MISC SPECIAL REVENUE

Purpose: Fee to recover administrative costs for the issuance of post-secondary school licenses to applicants who have been determined to meet the minimum standards stated in MS 141.25

Appr Name: SPECIAL PROGRAMS

Legal Citation(s): MS 141.20 - MS 141.25

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	135	133	149	139	139	116	106
<u>Resources:</u>							
Dedicated Receipts	112	136	125	115	105	115	105
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	112	136	125	115	105	115	105
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	112	136	125	115	105	115	105
<u>Expenditures:</u>							
Direct Expenditures	111	118	130	133	133	136	136
Indirect Expenditures	3	2	5	5	5	5	5
Total Expenditures	114	120	135	138	138	141	141
Current Difference	(2)	16	(10)	(23)	(33)	(26)	(36)
Accumulated Ending Balance	133	149	139	116	106	90	70

Background Information:

Minnesota Statutes, Chapter 141 and Minnesota Rules, Chapter 4880 (governing the licensing of private career schools) were revised extensively in 1999 and 2000 and additional changes were made in 2005. The changes, coupled with the enhancement of programs and degree levels offered by these schools, have resulted the Office of Higher Education (OHE) licensing additional schools and receiving additional fees.

Forecast Basis:

The Office of Higher Education forecast is based on the experience over the last two years of operation under the revised statute and rules, as well as on an estimate of entirely new filings.

Recent Changes:

Minnesota Statutes, Chapter 141 was last amended in 2005. The amendments included an increase in school bonding requirements for licensed schools, creation of new multiple location fees, increase in Solicitor Fees, requirements for specified loan dispersals.

Agency Analysis/Comments:

The Office of Higher Education is currently in the process of rewriting both the Private Career School licensing statutes (Chapter 141) and the Private Institution registration statutes (M.S. 136A.61 to 136A.71) for submission to the legislature during the 2007 session.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	113	110	109	109	109	113	113
Total Non-Dedicated Receipts	113	110	109	109	109	113	113
<u>Fund Totals:</u>							
State Government Spec Revenue	113	110	109	109	109	113	113
Departmental Earnings Total	113	110	109	109	109	113	113

OPTOMETRY BOARD

MN BOARD OF OPTOMETRY

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 148.57, 148.59, 214, 319B.11, & MN Rules 6500

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	135	148	154	136	136	121	119
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	110	108	107	107	107	111	111
Total Departmental Earnings	110	108	107	107	107	111	111
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	3	2	2	2	2	2	2
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	113	110	109	109	109	113	113
Expenditures:							
Direct Expenditures	91	96	103	100	102	100	118
Indirect Expenditures	9	8	24	24	24	25	25
Total Expenditures	100	104	127	124	126	125	143
Current Difference	13	6	(18)	(15)	(17)	(12)	(30)
Accumulated Ending Balance	148	154	136	121	119	109	89

Background Information

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

The Board of Optometry provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

None

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	1,387	1,442	1,445	1,502	1,502	1,531	1,531
Total Non-Dedicated Receipts	1,387	1,442	1,445	1,502	1,502	1,531	1,531

Fund Totals:							
State Government Spec Revenue	1,387	1,442	1,445	1,502	1,502	1,531	1,531
Departmental Earnings Total	1,387	1,442	1,445	1,502	1,502	1,531	1,531

PHARMACY BOARD

MN BOARD OF PHARMACY

Fiscal Report

Revenue Category Description: Licensure and examination fees for pharmacists, pharmacies, drug wholesalers & drug manufacturers.

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To recover the costs of regulating pharmacists, pharmacies, drug wholesalers, and drug manufacturers.

Appr Name:

Legal Citation(s): Licensing Fees

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	455	719	727	608	608	813	582
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,387	1,442	1,445	1,502	1,502	1,531	1,531
Total Departmental Earnings	1,387	1,442	1,445	1,502	1,502	1,531	1,531
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	200	200	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,387	1,242	1,245	1,502	1,502	1,531	1,531
<u>Expenditures:</u>							
Direct Expenditures	1,020	1,123	1,234	1,161	1,392	1,161	1,459
Indirect Expenditures	103	111	130	136	136	136	136
Total Expenditures	1,123	1,234	1,364	1,297	1,528	1,297	1,595
Current Difference	264	8	(119)	205	(26)	234	(64)
Accumulated Ending Balance	719	727	608	813	582	1,047	518

Background Information

The board's mission is to protect the public through effective licensure and enforcement of the statutes and rules governing pharmacists, pharmacies, drug wholesalers & drug manufacturers to ensure a standard of competent and ethical practice.

The Board of Pharmacy provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The last change in fees occurred in July 2000.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	287	298	297	298	463	299	372
Total Non-Dedicated Receipts	287	298	297	298	463	299	372

Fund Totals:							
State Government Spec Revenue	287	298	297	298	463	299	372
Departmental Earnings Total	287	298	297	298	463	299	372

PHYSICAL THERAPY BOARD

BOARD OF PHYSICAL THERAPY

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: Yes

Purpose: To recover the costs of regulating physical therapists.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148.74, MN Rules 5600.0100 - 5601.3000

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	130	163	200	218	218	234	300
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	287	298	297	298	463	299	372
Total Departmental Earnings	287	298	297	298	463	299	372
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	3	5	0	0	0	0	0
Current Year Resources	284	293	297	298	463	299	372
Expenditures:							
Direct Expenditures	212	204	222	213	312	213	301
Indirect Expenditures	39	52	57	69	69	71	71
Total Expenditures	251	256	279	282	381	284	372
Current Difference	33	37	18	16	82	15	0
Accumulated Ending Balance	163	200	218	234	300	249	300

PHYSICAL THERAPY BOARD

BOARD OF PHYSICAL THERAPY

Narrative

Background Information

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

The Board of Physical Therapy provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

None

Requested Changes

The board is proposing to begin licensing Physical Therapy Assistants, which will increase the board's revenue by 165,000 in FY 2008 and \$73,000 each year thereafter.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	77	85	82	82	82	82	82
Total Non-Dedicated Receipts	77	85	82	82	82	82	82

Fund Totals:							
State Government Spec Revenue	77	85	82	82	82	82	82
Departmental Earnings Total	77	85	82	82	82	82	82

PODIATRY BOARD

MN BOARD OF PODIATRY

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

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

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S.153.02, 153.16, 214.06, 319B & MN Rules 6900

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	35	46	56	56	56	57	57
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	75	84	81	81	81	81	81
Total Departmental Earnings	75	84	81	81	81	81	81
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	1	1	1	1	2	1	2
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	0	1	0	0	0	0	0
Current Year Resources	76	84	82	82	83	82	83
<u>Expenditures:</u>							
Direct Expenditures	47	56	62	61	62	61	71
Indirect Expenditures	18	18	20	20	20	20	20
Total Expenditures	65	74	82	81	82	81	91
Current Difference	11	10	0	1	1	1	(8)
Accumulated Ending Balance	46	56	56	57	57	58	49

Background Information

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

The Board of Podiatric Medicine provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board increased its licensure and renewal fees in 2000.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	8	8	8	8	8	8	8
Petroleum Tank Release Cleanup	5	4	8	6	6	6	6
State Government Spec Revenue	39	40	37	37	37	37	37
Environmental	18,304	21,968	22,848	23,660	23,660	23,725	23,725
Total Non-Dedicated Receipts	18,356	22,020	22,901	23,711	23,711	23,776	23,776

<u>Dedicated Receipts:</u>							
Misc Special Revenue	809	545	740	310	310	317	317
Total Dedicated Receipts	809	545	740	310	310	317	317

<u>Fund Totals:</u>							
General	8	8	8	8	8	8	8
Petroleum Tank Release Cleanup	5	4	8	6	6	6	6
State Government Spec Revenue	39	40	37	37	37	37	37
Misc Special Revenue	809	545	740	310	310	317	317
Environmental	18,304	21,968	22,848	23,660	23,660	23,725	23,725
Departmental Earnings Total	19,165	22,565	23,641	24,021	24,021	24,093	24,093

POLLUTION CONTROL AGENCY

PCA INCOME AGREEMENTS

Fiscal Report

Revenue Category Description: PCA Income Agreements

Requesting a Fee Change: No

Purpose: Receive monies from various sources to complete specific tasks. Agreements are developed to specify what is to be done.

Fund: MISC SPECIAL REVENUE

Appr Name: Various

Legal Citation(s): M.S. 115.06, Subd. 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	183	335	101	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	648	372	580	150	150	157	157
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	648	372	580	150	150	157	157
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	61	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	648	311	580	150	150	157	157
<u>Expenditures:</u>							
Direct Expenditures	447	483	599	135	135	142	142
Indirect Expenditures	49	62	82	15	15	15	15
Total Expenditures	496	545	681	150	150	157	157
Current Difference	152	(234)	(101)	0	0	0	0
Accumulated Ending Balance	335	101	0	0	0	0	0

POLLUTION CONTROL AGENCY

PCA INCOME AGREEMENTS

Narrative

Background Information

Income agreements are developed with outside parties who provide resources to complete specific tasks.

Forecast Basis

Forecast is based on current agreements in affect and determined by how long the project will last.

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended.

POLLUTION CONTROL AGENCY

LAND: UNDГ STRG TANK CNTR CERT

Fiscal Report

Revenue Category Description: Underground Storage Tank Contractor Certification Fees

Requesting a Fee Change: No

Fund: PETROLEUM TANK RELEASE CLEANUP

Purpose: To collect the amounts to defray the cost of certifying persons who install, repair, remove or install new underground storage tanks.

Appr Name:

Legal Citation(s): M.S. 116.491, Subd. 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	5	4	8	6	6	6	6
Total Departmental Earnings	5	4	8	6	6	6	6
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5	4	8	6	6	6	6
<u>Expenditures:</u>							
Direct Expenditures	5	4	8	6	6	6	6
Indirect Expenditures							
Total Expenditures	5	4	8	6	6	6	6
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

POLLUTION CONTROL AGENCY

LAND: UNDG STRG TANK CNTR CERT

Narrative

Background Information

- The purpose of the program is to certify persons who install, repair, or remove underground storage tanks.
- The current fee rate is \$50 for a contractor license for two years and \$50 for a supervisor license for four years.
- The receipts deposited to the account are only for PCA activities related to certification of the Underground Storage Tank contractors.
- This is one of the sources of revenue to the Petro Fund, which is appropriated to the Department of Commerce and the PCA for the purpose of dealing with petroleum tank related contamination of the land and water.
- Fees are deposited in the Petroleum Tank Release Cleanup Fund as a non-dedicated receipt. These receipts are independent of the appropriations out of this fund to the PCA.
- Fees is set by MN Rules, Chapter 7105

Forecast Basis

The number of supervisors and/or contractors that need to be certified in the next 2 years is multiplied by \$50. We estimate that perhaps 185 individuals may need to be certified this upcoming year (our "big" year) and maybe another 50 in FY08. Therefore, the revenue would be nearly \$12,000 over the biennium.

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended.

POLLUTION CONTROL AGENCY

LAND: VOL PETRO INVEST & CLNP

Fiscal Report

Revenue Category Description: Voluntary Petroleum Investigation and Cleanup Fees (VPIC)

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To provide services (i.e. closure and liability letters, review of investigations and cleanups, review development response action plans) requested by customers for petroleum contaminated property. Costs are recovered by the fees.

Appr Name: HW PETROLEUM BROWNFIELDS PROG

Legal Citation(s): M.S. 115C.03, Subd. 9

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	44	96	153	0	0	0	0
Resources:							
Dedicated Receipts	161	173	160	160	160	160	160
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	161	173	160	160	160	160	160
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	161	173	160	160	160	160	160
Expenditures:							
Direct Expenditures	85	92	287	134	134	134	134
Indirect Expenditures	24	24	26	26	26	26	26
Total Expenditures	109	116	313	160	160	160	160
Current Difference	52	57	(153)	0	0	0	0
Accumulated Ending Balance	96	153	0	0	0	0	0

POLLUTION CONTROL AGENCY

LAND: VOL PETRO INVEST & CLNP

Narrative

Background Information

- The current fee rate is \$150 per hour effective 1/1/2005
- The applicant (or client) pays the fee
- Services for the fee include all PBP services. These include expedited review of site investigations and cleanups, development response action plan reviews and all liability assurance letters.
- The current fee is the accepted industry standard for senior environmental project management.

Forecast Basis

Based on FY06 collections.

Recent Changes

No new laws or policy changes.

Agency Analysis/Requested Changes

No change is recommended in the current fee.

POLLUTION CONTROL AGENCY

LAND: WST DIS FAC OPER & CERT

Fiscal Report

Revenue Category Description: Waste Disposal Facility Operators and Inspectors Certification Fees

Requesting a Fee Change: No

Fund: GENERAL

Purpose: The certification of operators and inspectors of sewage, industrial sludge, non-hazardous liquid waste disposal and solid waste management facilities is required to assure that facilities are operated in a manner which meets the requirements of the permit for environmental protection. State statutes require that operators and inspectors of waste disposal and solid waste management facilities be trained and certified by the PCA.

Appr Name:

Legal Citation(s): M.S. 116.41, Subd. 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	8	8	8	8	8	8	8
Total Departmental Earnings	8	8	8	8	8	8	8
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	8	8	8	8	8	8	8
<u>Expenditures:</u>							
Direct Expenditures	8	8	8	8	8	8	8
Indirect Expenditures							
Total Expenditures	8	8	8	8	8	8	8
Current Difference	0	0	0	0	0	0	0

POLLUTION CONTROL AGENCY

LAND: WST DIS FAC OPER & CERT

Narrative

Background Information

- State statutes require that operators and inspectors of waste water disposal facilities be trained and certified by the PCA. This certification program is managed in the Water program area. The \$15 certification fee is deposited in the General Fund. The PCA receives a General Fund appropriation from which resources to operate the certification program are paid. The program is subsidized by the General Fund.
- State statutes require the operators of solid waste management facilities be certified by the PCA. This certification program is managed in the Land program area. The \$15 certification fee is deposited to the General Fund. The PCA receives an Environmental Fund appropriation from which the resources to operate the certification program are paid; however, the fees deposited and the appropriation are independent.

Forecast Basis

Forecasts are based on past history. Previous year's data are reviewed to note changes and trends and forecasts are made based on that data.

Recent Changes

There may be a slight increase in demand due to operator turn over.

Agency Analysis/Requested Changes

No change is recommended.

POLLUTION CONTROL AGENCY

WATER: OPERATOR CERTIFICATION

Fiscal Report

Revenue Category Description: Water Quality Sewage
Operator Certification Program

Requesting a Fee Change: No

Fund: STATE GOVERNMENT SPEC REVENUE

Purpose: To collect the fees for the certification of municipal and industrial sewage treatment plants to assure that sewage treatment plants are operated in a manner which meets the requirements of water quality permits and environmental protection

Appr Name:

Legal Citation(s): M.S. 115.77, Subd. 1 and 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(2)	17	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	39	40	37	37	37	37	37
Total Departmental Earnings	39	40	37	37	37	37	37
<u>Other Resources:</u>							
Earnings Transferred In	11	6	15	11	11	11	11
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	50	46	52	48	48	48	48
<u>Expenditures:</u>							
Direct Expenditures	51	26	68	47	47	47	47
Indirect Expenditures	1	1	1	1	1	1	1
Total Expenditures	52	27	69	48	48	48	48
Current Difference	(2)	19	(17)	0	0	0	0
Accumulated Ending Balance	(2)	17	0	0	0	0	0

Background Information

- State statute requires that operators of sewage treatment plants be certified by the PCA.
- The Water program provides the administrative functions for the wastewater operator certification program.
- The fees are established in M.S. 115.77 and vary depending on the type of certification service that has been requested.
- The Minnesota Department of Health (MDH) administers the program for certification of water treatment plant operators and the PCA is responsible for the certification of wastewater treatment operators. The requirements for these certifications are defined in the same statute and rule. In 1996, when the responsibility for rulemaking was transferred from the Certification Council to MDH and PCA, the legislature elected not to separate the fees for the MDH and PCA certification programs. The agencies are appropriated the funds to cover the cost of their certification programs, which are drawn out of the certification account. The agencies deposit certification fees into this account and are not allowed to spend more money than they collect, but one agency may subsidize the other.

Forecast Basis

Forecasts are based on past history. Previous year's data are reviewed to note changes and trends and forecasts are made based on that data. Operators must renew licenses every three years and the busiest time of year is June, July and August.

Recent Changes

There may be a slight increase in demand due to operator turn over.

Agency Analysis/Requested Changes

No change is recommended.

POLLUTION CONTROL AGENCY

LAND: DRY CLEANER FEES

Fiscal Report

Revenue Category Description: Dry Cleaner Fees

Requesting a Fee Change:

Purpose: To provide a mesna for Minnesota Dry Cleaners to pay for clean up sites that have been contaminated due to dry-cleaning operations.

Fund:

Appr Name:

The Dry Cleaner Fees are collected by the Department of Revenue and deposited in the Remediation Fund.

Legal Citation(s): M.S. 115B.49, subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	722	136	546	723	723	909	909
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	0	0	0	0
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency	94	569	650	650	650	650	650
Other Receipts	6	19	27	36	36	45	45
<u>Resource Reductions:</u>							
Earnings Transferred Out	93	0	100	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	7	588	577	686	686	695	695
<u>Expenditures:</u>							
Direct Expenditures	593	178	400	500	500	500	500
Indirect Expenditures							
Total Expenditures	593	178	400	500	500	500	500
Current Difference	(586)	410	177	186	186	195	195
Accumulated Ending Balance	136	546	723	909	909	1,104	1,104

POLLUTION CONTROL AGENCY

LAND: DRY CLEANER FEES

Narrative

Background Information

- The fee was established in June of 1995 and has not been changed since it was established. This fee was created at the request of the dry cleaning industry that wanted a fund to draw from for Superfund or voluntary cleanups, after the first \$10,000 of expenditures. The PCA agreed to partner with the industry on this idea.
- There are two fees which are collected by the Department of Revenue:
 1. Dry Cleaning Operator Annual Registration Fees – all dry cleaning establishments pay an annual registration fee, the amount of which is based on the number of employees.
 2. Dry Cleaning Solvent Fees are collected by solvent retailers and are based on the type and amount of solvent used.

Forecast Basis

Current law (Minn. Stat., Section 115B.49, subd. 4b) requires that the MPCA Commissioner adjust the fees each fiscal year to maintain an annual income to the Dry Cleaner Environmental Response and Reimbursement Account (the Account) of \$650,000. The MPCA does not expect this requirement to change during the period FY2008-09. In order to meet this requirement, the MPCA anticipates needing to raise fees, at least modestly, for at least one of the fiscal years during FY2008-09. This is mainly because the number of dry cleaning establishments in the state continues to decline, while the efficiency of solvent-using equipment has increased.

Recent Changes

In order to meet the statutorily required income to the Account of \$650,000 for FY2007, the MPCA raised solvent fees, effective July 1, 2006. Registration fees did not change.

Agency Analysis/Requested Changes

No change is recommended.

POLLUTION CONTROL AGENCY

ADM SPT: LOW LVL RDCTV WST GEN

Fiscal Report

Revenue Category Description: Low Level Radioactive Waste Generator Fees

Requesting a Fee Change: No

Fund: ENVIRONMENTAL

Appr Name:

Purpose: To pay for costs incurred by the Agency in performing its responsibilities under the Midwest Low-Level Radioactive Waste Compact. The statutory purpose of the compact is to site a low level radioactive waste disposal facility within the boundaries of states belonging to the Midwest Compact. In lieu of the 1997 suspension of site development by Midwest Compact states, the Compact focus now is on maintaining disposal options for generators within the 6 state compact region. Fees are paid by generators that ship low level radioactive waste out of state.

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 116.834.

Legal Citation(s): M.S. 116C.834

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	7	47	50	10	10	10	10
Total Departmental Earnings	7	47	50	10	10	10	10
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	7	47	50	10	10	10	10
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	7	47	50	10	10	10	10

POLLUTION CONTROL AGENCY

AIR: AIR QUALITY FEES

Fiscal Report

Revenue Category Description: Air Quality Fees

Requesting a Fee Change: Yes

Purpose: Fees are used to finance the air quality programs which include permitting, permit enforcement and other air quality functions to improve and protect air quality in Minnesota.

Fund: ENVIRONMENTAL

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 116.07, SUBD. 4d.

Legal Citation(s): M.S. 116.07, Subd. 4(d)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	9,819	10,291	10,706	10,968	10,968	11,238	11,238
Total Departmental Earnings	9,819	10,291	10,706	10,968	10,968	11,238	11,238
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	9,819	10,291	10,706	10,968	10,968	11,238	11,238
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	9,819	10,291	10,706	10,968	10,968	11,238	11,238

POLLUTION CONTROL AGENCY

LAND: HAZARDOUS WASTE FEES

Fiscal Report

Revenue Category Description: Hazardous Waste Fees

Requesting a Fee Change: No

Purpose: To collect the amount necessary to cover the costs of regulating hazardous waste recyclers, generators, transporters and waste treatment, storage or disposal facilities.

Fund: ENVIRONMENTAL

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 116.07, SUBD. 4d.

Legal Citation(s): M.S. 116.07, Subd. 4(d), M.S. 116.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	3,174	4,687	5,150	5,150	5,150	5,150	5,150
Total Departmental Earnings	3,174	4,687	5,150	5,150	5,150	5,150	5,150
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency	0	46	0	0	0	0	0
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,174	4,733	5,150	5,150	5,150	5,150	5,150
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	3,174	4,733	5,150	5,150	5,150	5,150	5,150

POLLUTION CONTROL AGENCY

WATER: ISTS LICENSING

Fiscal Report

Revenue Category Description: Individual Sewage Treatment System (ISTS) Mandatory Licensing Program

Requesting a Fee Change: No

Fund: ENVIRONMENTAL

Purpose: To collect the amounts to defray the cost of licensing persons who design, install, maintain, pump or inspect individual sewage treatment systems.

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 115, SUBD. 4.

Legal Citation(s): M.S. 115.56, Subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	283	299	260	260	260	260	260
Total Departmental Earnings	283	299	260	260	260	260	260
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	283	299	260	260	260	260	260
Expenditures:							
Direct Expenditures	283	299	260	260	260	260	260
Indirect Expenditures							
Total Expenditures	283	299	260	260	260	260	260
Current Difference	0	0	0	0	0	0	0

POLLUTION CONTROL AGENCY

WATER: WATER QUALITY FEES

Fiscal Report

Revenue Category Description: Water Quality Fees

Requesting a Fee Change: No

Purpose: To collect the amount necessary to partially cover the reasonable costs of reviewing and acting upon applications for permits and implementing and enforcing the conditions of water permits pursuant to pollution control rules to protect and improve water quality.

Fund: ENVIRONMENTAL

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 116.07, SUBD. 4d.

Legal Citation(s): M.S. 116.07, Subd. 4(d)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	4,573	5,007	5,102	5,692	5,692	5,487	5,487
Total Departmental Earnings	4,573	5,007	5,102	5,692	5,692	5,487	5,487
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	0	64	0	0	0	0	0
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,573	5,071	5,102	5,692	5,692	5,487	5,487
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	4,573	5,071	5,102	5,692	5,692	5,487	5,487

POLLUTION CONTROL AGENCY

WATER: ISTS TANK FEE

Fiscal Report

Revenue Category Description: Tank Fee

Requesting a Fee Change: No

Purpose: An installer shall pay a fee of \$25 for each septic system tank installed in the previous calendar year. This fee is to address the need for increased activity in the areas of new technology review, technical assistance for local governments, and enforcement.

Fund: ENVIRONMENTAL

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 115.551.

Legal Citation(s): M.S. 115.551

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	448	442	480	480	480	480	480
Total Departmental Earnings	448	442	480	480	480	480	480
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	448	442	480	480	480	480	480
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	448	442	480	480	480	480	480

POLLUTION CONTROL AGENCY

ENVIRONMENTAL ASSISTANCE

Fiscal Report

Revenue Category Description: Fees collected from persons required to submit toxic chemical release form

Requesting a Fee Change: No

Fund: ENVIRONMENTAL

Purpose: To maintain a program that encourages toxic pollution prevention by providing technical assistance and grants to persons who use, generate or release toxic pollutants, hazardous substances or hazardous waste.

Appr Name:

EXEMPT FROM COST RECOVERY REQUIREMENTS IN M.S. 16A.1285 PER M.S. 115D.12.

Legal Citation(s): M.S. 115D.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	1,195	1,100	1,100	1,100	1,100	1,100
Total Departmental Earnings	0	1,195	1,100	1,100	1,100	1,100	1,100
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	1,195	1,100	1,100	1,100	1,100	1,100
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	1,195	1,100	1,100	1,100	1,100	1,100

POLLUTION CONTROL AGENCY

POLLUTION PREVENTION FEE

Narrative

Exempt from cost recovery requirements in M.S. 16A.1285 per M.S. 115D.12.

For the purposes of this report, the OEA's pollution prevention fees are located in the Pollution Control Agency's Departmental Earnings Report.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	453	536	520	453	453	536	536
Total Non-Dedicated Receipts	453	536	520	453	453	536	536
<u>Fund Totals:</u>							
General	453	536	520	453	453	536	536
Departmental Earnings Total	453	536	520	453	453	536	536

PEACE OFFICERS BOARD (POST)

PEACE OFFICER LICENSING

Fiscal Report

Revenue Category Description: Peace Officer Licensing

Requesting a Fee Change: No

Purpose: To cover the administrative costs of testing and licensing peace officers, part-time officers and constables.

Fund: GENERAL

Legal Citation(s): M.S. 626.843-45; M.S. 326.3386; M.R. 6700.0600

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	68	214	330	330	381	381
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	453	536	520	453	453	536	536
Total Departmental Earnings	453	536	520	453	453	536	536
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	453	536	520	453	453	536	536
Expenditures:							
Direct Expenditures	359	364	377	375	375	375	375
Indirect Expenditures	26	26	27	27	27	27	27
Total Expenditures	385	390	404	402	402	402	402
Current Difference	68	146	116	51	51	134	134
Accumulated Ending Balance	68	214	330	381	381	515	515

PEACE OFFICERS BOARD (POST)

PEACE OFFICER LICENSING

Narrative

Background Information

License and exam fees are paid by peace officers. Licenses are for a three-year period.

Forecast Basis

Fees are set to equal anticipated expenditures.

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	170	139	136	136	136	136	136
Total Non-Dedicated Receipts	170	139	136	136	136	136	136
<u>Fund Totals:</u>							
General	170	139	136	136	136	136	136
Departmental Earnings Total	170	139	136	136	136	136	136

PRIVATE DETECTIVE BOARD

PRIVATE DETECTIVE BD

Fiscal Report

Revenue Category Description: Private Detective and Protective Agents Licensing Fees

Requesting a Fee Change: No

Purpose: To license all private detectives, investigators and protective agents doing business in the State of Minnesota.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 326.3331, M.S. 326.3386, M.R. 7506.0140

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	35	59	15	15	16	16
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	170	139	136	136	136	136	136
Total Departmental Earnings	170	139	136	136	136	136	136
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	170	139	136	136	136	136	136
<u>Expenditures:</u>							
Direct Expenditures	127	108	171	126	126	126	126
Indirect Expenditures	8	7	9	9	9	9	9
Total Expenditures	135	115	180	135	135	135	135
Current Difference	35	24	(44)	1	1	1	1
Accumulated Ending Balance	35	59	15	16	16	17	17

PRIVATE DETECTIVE BOARD

PRIVATE DETECTIVE BD

Narrative

Background Information

Various fees are paid by private detectives and protective agents to be licensed in the State of Minnesota. Licenses are for a two-year period.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	1,022	1,222	1,028	1,028	1,028	1,028	1,028
Total Non-Dedicated Receipts	1,022	1,222	1,028	1,028	1,028	1,028	1,028
<u>Fund Totals:</u>							
State Government Spec Revenue	1,022	1,222	1,028	1,028	1,028	1,028	1,028
Departmental Earnings Total	1,022	1,222	1,028	1,028	1,028	1,028	1,028

PSYCHOLOGY BOARD

MN BOARD OF PSYCHOLOGY

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

Purpose: To recover the costs of regulating psychologists.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148.88 - 148.98 and MN Rules 7200

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	210	437	862	706	706	764	656
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,019	1,218	1,025	1,025	1,025	1,025	1,025
Total Departmental Earnings	1,019	1,218	1,025	1,025	1,025	1,025	1,025
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	4	9	8	8	8	8	8
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,023	1,227	1,033	1,033	1,033	1,033	1,033
<u>Expenditures:</u>							
Direct Expenditures	627	589	784	689	797	689	815
Indirect Expenditures	169	213	405	286	286	286	286
Total Expenditures	796	802	1,189	975	1,083	975	1,101
Current Difference	227	425	(156)	58	(50)	58	(68)
Accumulated Ending Balance	437	862	706	764	656	822	588

Background Information

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

The Board of Psychology provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board increased its licensing and renewal fees in 2001.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	18,849	26,179	28,187	16,490	16,490	16,490	16,490
Trunk Highway	24,489	884	1,588	1,588	1,588	1,588	1,588
Highway Users Tax Distribution	11,676	0	0	0	0	0	0
Environmental	0	0	0	11,750	11,750	11,750	11,750
Total Non-Dedicated Receipts	55,014	27,063	29,775	29,828	29,828	29,828	29,828

<u>Dedicated Receipts:</u>							
General	60	25	20	20	20	20	20
State Government Spec Revenue	0	1,357	1,406	1,406	1,406	1,406	1,406
Misc Special Revenue	19,785	62,534	64,446	64,852	68,688	64,788	68,941
Trunk Highway	12	9	15	15	15	15	15
Total Dedicated Receipts	19,857	63,925	65,887	66,293	70,129	66,229	70,382

<u>Fund Totals:</u>							
General	18,909	26,204	28,207	16,510	16,510	16,510	16,510
State Government Spec Revenue	0	1,357	1,406	1,406	1,406	1,406	1,406
Misc Special Revenue	19,785	62,534	64,446	64,852	68,688	64,788	68,941
Trunk Highway	24,501	893	1,603	1,603	1,603	1,603	1,603
Highway Users Tax Distribution	11,676	0	0	0	0	0	0
Environmental	0	0	0	11,750	11,750	11,750	11,750
Departmental Earnings Total	74,871	90,988	95,662	96,121	99,957	96,057	100,210

PUBLIC SAFETY DEPT

SECURITY

Fiscal Report

Revenue Category Description: Fees paid for contracted security services by the Capitol Complex Security Division.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover the cost of providing security for events that are held on the grounds of the state capitol.

Appr Name: CAPITOL SECURITY CONTRACTS

Legal Citation(s): M.S. 299E.02

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	60	25	20	20	20	20	20
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	60	25	20	20	20	20	20
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	60	25	20	20	20	20	20
Expenditures:							
Direct Expenditures	60	25	20	20	20	20	20
Indirect Expenditures							
Total Expenditures	60	25	20	20	20	20	20
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

An event security fee for security services is charged to organizations that host events in the Capitol Complex area.

Forecast Basis

Historical trends

Recent Changes

Taste of MN moved to a new location.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

OFFICE OF PIPELINE SAFETY

Fiscal Report

Revenue Category Description: Inspection Fees

Requesting a Fee Change: No

Purpose: To recover the state share of all costs related to the Office of Pipeline Safety as provided in M.S. 299F.631 and 299J.12.

Fund: MISC SPECIAL REVENUE

Appr Name: PIPELINE SAFETY

Legal Citation(s): M.S. 299F.631;299J.12;216D.08; MN Rules 7530 &7560

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	4	46	111	162	162	213	199
<u>Resources:</u>							
Dedicated Receipts	862	882	994	994	1,315	994	1,354
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	862	882	994	994	1,315	994	1,354
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	154	168	181	181	181	181	181
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,016	1,050	1,175	1,175	1,496	1,175	1,535
<u>Expenditures:</u>							
Direct Expenditures	911	918	1,054	1,054	1,389	1,054	1,418
Indirect Expenditures	63	67	70	70	70	70	70
Total Expenditures	974	985	1,124	1,124	1,459	1,124	1,488
Current Difference	42	65	51	51	37	51	47
Accumulated Ending Balance	46	111	162	213	199	264	246

PUBLIC SAFETY DEPT

OFFICE OF PIPELINE SAFETY

Narrative

Background Information

Each pipeline operator subject to the intrastate pipeline inspection authority under section 299F.56-299F.641 pay an inspection fee quarterly based on the actual expenses and obligations incurred by the Office of Pipeline Safety. Expenses include such items as inspector's salaries, travel costs and general support costs.

Forecast Basis

Fees are based on actual expenditures from the Pipeline Safety Account.

Recent Changes

None

Agency Analysis/Requested Changes

Governor is recommending an increase in spending authority for the FY 2008-09 Biennium. No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

CERTIFICATION

Fiscal Report

Revenue Category Description: Certification of Commercial Motor Vehicle Inspectors Fee

Requesting a Fee Change: No

Purpose: To recover costs related to certifying commercial motor vehicle inspectors.

Fund: TRUNK HIGHWAY

Appr Name:

Legal Citation(s): M.S. 169.781, subd 3 and 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	3	3	3	3	3	3
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	38	65	65	65	65	65	65
Total Departmental Earnings	38	65	65	65	65	65	65
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	38	65	65	65	65	65	65
<u>Expenditures:</u>							
Direct Expenditures	35	65	65	65	65	65	65
Indirect Expenditures							
Total Expenditures	35	65	65	65	65	65	65
Current Difference	3	0	0	0	0	0	0
Accumulated Ending Balance	3	3	3	3	3	3	3

Background Information

The Minnesota State Patrol certifies inspectors to provide safety inspections of commercial motor vehicles registered in Minnesota. A \$10 certification fee is charged.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

PATROL ESCORTS

Fiscal Report

Revenue Category Description: State Patrol Escort Fees & Air Patrol Services

Requesting a Fee Change: Yes

Fund: MISC SPECIAL REVENUE

Purpose: To recover costs related to a state patrol escort and patrol flights.

Appr Name: AIR PATROL SERVICE, ST PATROL ESCORT SVC

Legal Citation(s): M.S. 299D.03, subd. 1 (12); 299D.09

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	167	166	122	121	121	121	121
Resources:							
Dedicated Receipts	958	1,036	858	838	921	838	945
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	958	1,036	858	838	921	838	945
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	958	1,036	858	838	921	838	945
Expenditures:							
Direct Expenditures	959	1,080	859	838	921	838	945
Indirect Expenditures							
Total Expenditures	959	1,080	859	838	921	838	945
Current Difference	(1)	(44)	(1)	0	0	0	0
Accumulated Ending Balance	166	122	121	121	121	121	121

PUBLIC SAFETY DEPT

PATROL ESCORTS

Narrative

Background Information

Fees collected from these revenues are used to recover the costs incurred by the State Patrol for providing escort services and patrol flights to non-law enforcement agencies.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

The Governor is recommending increases in the current fee structure. We are recommending an increase in the following rates:

Trooper Escort:	Current Rate	Proposed Rate FY 2008	Proposed Rate FY 2009
With Vehicle	\$69.25	\$73.60	\$75.76
Without Vehicle	\$50.75	\$54.00	\$56.16
Aviation Rates:			
Fixed Winged	\$95.00	\$140.00	\$140.00
Helicopter	\$325.00	\$490.00	\$490.00
Queen Air	\$340.00	\$600.00	\$600.00

PUBLIC SAFETY DEPT

VEHICLE REGISTRATION & TITLE

Fiscal Report

Revenue Category Description: Motor Vehicle Title Fees

Requesting a Fee Change: Yes

Purpose: To title motor vehicles for the purpose of providing consumer protection.

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S. 168A.29, 168.54

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(1,255)	(58)	(1,501)	(1,501)	(1,921)	(1,677)
<u>Resources:</u>							
Dedicated Receipts	0	3,254	3,535	3,535	4,510	3,535	4,585
Non-Dedicated Receipts	7,034	7,620	7,620	7,620	7,620	7,620	7,620
Total Departmental Earnings	7,034	10,874	11,155	11,155	12,130	11,155	12,205
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	7,034	10,874	11,155	11,155	12,130	11,155	12,205
<u>Expenditures:</u>							
Direct Expenditures	8,289	9,677	12,598	11,575	12,306	11,575	12,444
Indirect Expenditures							
Total Expenditures	8,289	9,677	12,598	11,575	12,306	11,575	12,444
Current Difference	(1,255)	1,197	(1,443)	(420)	(176)	(420)	(239)
Accumulated Ending Balance	(1,255)	(58)	(1,501)	(1,921)	(1,677)	(2,341)	(1,916)

Background Information

A \$5.50 fee is collected for each issuance of an original certificate of title or transfer of interest of an owner and the issuance of a new certificate of title.

Forecast Basis

Historical trends with one-percent growth factor each year.

Recent Changes

The certificate of title fee was increased by \$2.50 effective August 1, 2005. The additional revenue generated from the fee increase are being deposited in the Vehicle Service Operating Account in the Special Revenue Fund.

Agency Analysis/Requested Changes

The Governor is recommending an additional \$0.75 increase in the title fee and that the fee increase is deposited in the Vehicle Service Operating Acct. in the Special Revenue Fund effective 7/1/07.

PUBLIC SAFETY DEPT

MOTOR VEH MISCELLANEOUS FEE

Fiscal Report

Revenue Category Description: Motor Vehicle
Administrative Fees

Requesting a Fee Change: No

Purpose: Administrative fees for tax exempt vehicles and miscellaneous motor vehicle fees are charged to cover the costs of processing these applications.

Fund: GENERAL, MISC SPECIAL REVENUE, HIGHWAY
USERS TAX DISTRIBUTION

Appr Name: ADVERTISING REVENUES, EDUCATION &
COMPLIANCE ACCT, VEHICLE SERV.OPERATING ACCT

Legal Citation(s): see narrative

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(84)	221	239	239	406	406
<u>Resources:</u>							
Dedicated Receipts	157	1,119	1,126	1,126	1,126	1,126	1,126
Non-Dedicated Receipts	797	264	265	265	265	265	265
Total Departmental Earnings	954	1,383	1,391	1,391	1,391	1,391	1,391
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	954	1,383	1,391	1,391	1,391	1,391	1,391
<u>Expenditures:</u>							
Direct Expenditures	1,038	1,078	1,373	1,224	1,224	1,224	1,224
Indirect Expenditures							
Total Expenditures	1,038	1,078	1,373	1,224	1,224	1,224	1,224
Current Difference	(84)	305	18	167	167	167	167
Accumulated Ending Balance	(84)	221	239	406	406	573	573

Background Information

Fees are charged related to miscellaneous motor vehicle services provided:

- Vehicles that are tax-exempt are issued distinctive tax-exempt plates; a \$5 administrative fee is charged to recover the cost of issuing the tax-exempt plates.
- A \$10 fee is charged for allowing an owner to pay tax by installments if the tax for a vehicle is more than \$400.
- Inspections on salvaged vehicles are provided for a fee of \$35.
- Advertising in information brochures sent with registration renewal.

Legal Citation:

M.S. 16B.581; 168.012; 168.013, subd. 12; 168.017; 168.018; 168.10; 168.12; 168.29; 168.31; 168A.152; 299A.01; and 299A.802

Forecast Basis

Historical trends

Recent Changes

The salvage inspections fee was increased by \$15 to \$35 an inspection effective August 1, 2005. The \$15 increase is being deposited in the Vehicle Services Operating Acct. in the Special Revenue Fund. Fees that were previously deposited in the Highway User Tax Distribution Fund are now directed to the Special Revenue Fund effective 7/1/05.

Agency Analysis/Requested Changes

The Governor is recommending no changes in these fees.

PUBLIC SAFETY DEPT

INTERSTATE REG & RECIPROCITY

Fiscal Report

Revenue Category Description: Fuel Tax Filing Fee and Fuel Tax License Fee

Requesting a Fee Change: No

Purpose: Applicants paying license fees under the international fuel tax agreement, shall pay a fuel tax license fee and an annual application filing fee to cover the costs of the program.

Fund: MISC SPECIAL REVENUE, HIGHWAY USERS TAX DISTRIBUTION

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S.168D.06 and 168D.12

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(442)	(704)	(1,118)	(1,118)	(1,431)	(1,431)
Resources:							
Dedicated Receipts	0	231	203	203	203	203	203
Non-Dedicated Receipts	170	0	0	0	0	0	0
Total Departmental Earnings	170	231	203	203	203	203	203
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	170	231	203	203	203	203	203
Expenditures:							
Direct Expenditures	612	493	617	516	516	516	516
Indirect Expenditures							
Total Expenditures	612	493	617	516	516	516	516
Current Difference	(442)	(262)	(414)	(313)	(313)	(313)	(313)
Accumulated Ending Balance	(442)	(704)	(1,118)	(1,431)	(1,431)	(1,744)	(1,744)

PUBLIC SAFETY DEPT

INTERSTATE REG & RECIPROCITY

Narrative

Background Information

These fees are collected from applicants paying fees under the international fuel tax agreement.

Forecast Basis

Historical trends

Recent Changes

Fees collected are now directed to the Vehicle Services Operating Account in the Special Revenue Fund effective 7/1/05. Fees had previously been deposited in the Highway User Tax Distribution Fund.

Agency Analysis/Requested Changes

The Governor is recommending no changes in fees.

PUBLIC SAFETY DEPT

SPECIAL PLATES

Fiscal Report

Revenue Category Description: License plate fees - special plates & impound reinstatement fee

Requesting a Fee Change: Yes

Purpose: To issue license plates to each vehicle bearing the state name and number assigned. Personalized plates and special plates may be issued at additional fees.

Fund: GENERAL, MISC SPECIAL REVENUE, HIGHWAY USERS TAX DISTRIBUTION

Appr Name: VEHICLE SERV. OP. ACCT. - SOT, VEHICLE SERV. OPERATING ACCT

Legal Citation(s): M.S. 169A.60, 168.12, 168.041

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	807	1,799	1,245	1,245	1,568	1,349
Resources:							
Dedicated Receipts	0	6,090	6,422	6,422	7,503	6,358	7,618
Non-Dedicated Receipts	6,285	472	475	475	475	475	475
Total Departmental Earnings	6,285	6,562	6,897	6,897	7,978	6,833	8,093
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	6,285	6,562	6,897	6,897	7,978	6,833	8,093
Expenditures:							
Direct Expenditures	5,478	5,570	7,451	6,574	7,874	6,574	8,349
Indirect Expenditures							
Total Expenditures	5,478	5,570	7,451	6,574	7,874	6,574	8,349
Current Difference	807	992	(554)	323	104	259	(256)
Accumulated Ending Balance	807	1,799	1,245	1,568	1,349	1,827	1,093

Background Information

A variety of license plates are available to the residents of Minnesota. These fees are collected to recover the costs of handling and manufacturing the plates. Department of Public Safety, Driver & Vehicle Services contracts with the Department of Corrections to manufacture both the registration tabs and the motor vehicle license plates.

Current Fees:

• Sequenced double plate with no special handling	\$4.25
• Sequenced single plate with no special handling	\$3
• Sequenced double plate with special handling	\$7
• Sequenced single plate with special handling	\$5.50
• Non-sequenced double plate with special handling	\$14
• Non-sequenced single plate with special handling	\$10
• Generic duplicate plate fee	\$10
• Duplicate sticker	\$1

Forecast Basis

Historical trends

Recent Changes

Fees were last increased on 7/1/03.

Fees collected that were previously deposited in the Highway User Tax Distribution Fund are now directed to the Vehicle Services Operating Account in the Special Revenue Fund effective 7/1/05.

The "Support Our Troops" motor vehicle license plate was created by law in the 2005 Session. A \$10 fee will be collected to cover the costs of handling and manufacturing the plates.

Agency Analysis/Requested Changes

The Governor is recommending the following changes in license plate fees effective 7/1/07:

	Current Fee	Proposed Fee
• Sequenced double plate with no special handling	\$4.25	\$6
• Sequenced single plate with no special handling	\$3	\$4.50
• Sequenced double plate with special handling	\$7	\$10
• Sequenced single plate with special handling	\$5.50	\$8.50
Collector Categories – double plate		\$15
Collector Categories – single plate		\$13.50

The proposed fee for collector categories is to cover the cost to produce the plates. No fee is currently collected for this category of plates.

PUBLIC SAFETY DEPT

DRIVER'S LICENSE

Fiscal Report

Revenue Category Description: Drivers License Fees

Requesting a Fee Change: Yes

Purpose: To license all drivers of motorized vehicles. In addition, the miscellaneous fees collected recover the costs of providing data on drivers license records and accident records, revoking and suspending drivers licenses and the cost of re-examining.

Fund: GENERAL, MISC SPECIAL REVENUE, TRUNK HIGHWAY

Appr Name: DRIVER SERV.OPERATING ACCT., NON DWI REINSTATEMENT POST BD

Legal Citation(s): See Narrative

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	527	3,162	6,346	6,346	9,785	9,841
Resources:							
Dedicated Receipts	0	23,427	24,651	24,916	26,196	24,916	26,196
Non-Dedicated Receipts	23,541	2,401	3,106	3,106	3,106	3,106	3,106
Total Departmental Earnings	23,541	25,828	27,757	28,022	29,302	28,022	29,302
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	0	185	225	250	500	250	500
Rev Collected for Other Agency							
Current Year Resources	23,541	25,643	27,532	27,772	28,802	27,772	28,802
Expenditures:							
Direct Expenditures	23,014	23,008	24,348	24,333	25,307	24,333	26,079
Indirect Expenditures							
Total Expenditures	23,014	23,008	24,348	24,333	25,307	24,333	26,079
Current Difference	527	2,635	3,184	3,439	3,495	3,439	2,723
Accumulated Ending Balance	527	3,162	6,346	9,785	9,841	13,224	12,564

Background Information

Dedicated and non-dedicated fees are collected for the purpose of licensing all drivers of motorized vehicles. Services provided include:

- Copies of electronic transmittal of public information concerning driver licenses and Minnesota identification card applicants
- Vehicle endorsement
- License driver training schools
- Provide copies of accident reports
- Re-issue driver licenses that are suspended or revoked
- Issue disability parking certificates
- Issue driver licenses with a symbol indicating that the license holder has appointed to serve as a designated parent

Legal Citation:

M.S. 168.327; 168.33; 169.09 subd. 13(e); 169.345, subd. 3; 171.02, subd. 3; 171.06; 171.07; 171.13 subd. 5; 171.20, subd. 4; 171.29; 171.324; and 171.36.

Forecast Basis

Historical trends

Recent Changes

All classes of driver license fees were increased by \$3.00 on August 1, 2005. New examination fees were added for multiple write tests (\$10 fee) and multiple road tests (\$20 fee) effective August 1, 2005. Fees for copies of driver's license, instruction permit, and Minnesota identification card records were increased to \$10 for a certified copy and \$9 for a non certified copy of the record. A record inquiry by electronic means was increased to \$4.50 for each inquiry effective August 1, 2005. All fees previously deposited in the Trunk Highway Fund as non-dedicated receipts are now directed to the Driver Vehicle Operating Account in the Special Revenue Fund. All but \$833,000 in FY 2006 and \$1,523,000 in FY 2007-09 are deposited in the Special Revenue effective July 1, 2005.

Agency Analysis/Requested Changes

The Governor is recommending a driver license fee increase of \$0.75 effective July 1, 2007.

PUBLIC SAFETY DEPT

VEHICLE REGISTRATION - SP REV

Fiscal Report

Revenue Category Description: Motor Vehicle Title Fees - Special Revenue

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To title motor vehicles for the purpose of providing consumer protection and to fund the purchase of motor vehicles used by the Bureau of Criminal Apprehension, State Patrol and Alcohol & Gambling Enforcement programs.

Appr Name: TRANSPORTATION SERVICE FUND

Legal Citation(s): M.S. 168A.29

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,227	287	144	40	40	40	40
Resources:							
Dedicated Receipts	4,744	4,615	4,800	4,800	4,800	4,800	4,800
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	4,744	4,615	4,800	4,800	4,800	4,800	4,800
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,744	4,615	4,800	4,800	4,800	4,800	4,800
Expenditures:							
Direct Expenditures	5,610	4,680	4,789	4,685	4,685	4,685	4,685
Indirect Expenditures	74	78	115	115	115	115	115
Total Expenditures	5,684	4,758	4,904	4,800	4,800	4,800	4,800
Current Difference	(940)	(143)	(104)	0	0	0	0
Accumulated Ending Balance	287	144	40	40	40	40	40

PUBLIC SAFETY DEPT

VEHICLE REGISTRATION - SPECIAL REVENUE

Narrative

Background Information

A fee of \$3.50 is collected with each certificate of title. This fee is deposited in the special revenue fund and credited to the public safety motor vehicle account. The Department of Public Safety uses these funds to purchase law enforcement vehicles.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

LICENSING DWI REINSTATEMENT

Fiscal Report

Revenue Category Description: Licensing - DWI Reinstatement

Requesting a Fee Change: No

Purpose: To recover cost of revoking and suspending drivers licenses and related costs of reinstatement (re-examining).

Fund: GENERAL, MISC SPECIAL REVENUE, TRUNK HIGHWAY

Legal Citation(s): M.S. 171.29, subd 2

Appr Name: DRIVER SERV.OPERATING ACCT., DWI REINSTATEMENT-SP REV

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	19	9,437	16,138	22,144	22,144	28,529	28,529
<u>Resources:</u>							
Dedicated Receipts	12,278	15,126	14,807	14,968	14,968	14,968	14,968
Non-Dedicated Receipts	5,583	4,380	4,699	4,752	4,752	4,752	4,752
Total Departmental Earnings	17,861	19,506	19,506	19,720	19,720	19,720	19,720
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	4,726	9,149	9,460	9,460	9,460	9,460	9,460
Rev Collected for Other Agency							
Current Year Resources	13,135	10,357	10,046	10,260	10,260	10,260	10,260
<u>Expenditures:</u>							
Direct Expenditures	3,568	3,456	3,882	3,717	3,717	3,717	3,717
Indirect Expenditures	149	200	158	158	158	158	158
Total Expenditures	3,717	3,656	4,040	3,875	3,875	3,875	3,875
Current Difference	9,418	6,701	6,006	6,385	6,385	6,385	6,385
Accumulated Ending Balance	9,437	16,138	22,144	28,529	28,529	34,914	34,914

Background Information

A person whose driver's license has been revoked for driving under the influence of alcohol or a controlled substance shall pay a \$250 fee plus a \$380 surcharge before the driver's license is reinstated. Dedicated fees are transferred and services are provided:

- Bureau of Criminal Apprehension – laboratory costs
- MN State Patrol – vehicle forfeitures
- Department of Health – traumatic brain injury and spinal cord injury accounts
- Department of Finance – remote electronic alcohol monitoring pilot program

The non-dedicated portion of this fee is returned to the General Fund.

Forecast Basis

Historical trends

Recent Changes

The surcharge was increased from \$145 to \$380 effective 7/1/03.

That portion of the revenues collected that had previously been directed to the Trunk Highway Fund are now being deposited in the Driver Services Operating Account in the Special Revenue Fund effective 7/1/05.

Agency Analysis/Requested Changes

The Governor is recommending no fee changes.

PUBLIC SAFETY DEPT

MOTOR VEHICLE DEALERS

Fiscal Report

Revenue Category Description: Motor vehicle dealer license fees

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: The license fees are charged to all dealers of new and used motor vehicles, boat and snowmobile trailers in an effort to provide some degree of consumer protection.

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S. 168.27, subd 11 & 22

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(274)	(422)	(741)	(741)	(922)	(922)
<u>Resources:</u>							
Dedicated Receipts	0	176	195	195	195	195	195
Non-Dedicated Receipts	449	465	455	455	455	455	455
Total Departmental Earnings	449	641	650	650	650	650	650
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	449	641	650	650	650	650	650
<u>Expenditures:</u>							
Direct Expenditures	723	789	969	831	831	831	831
Indirect Expenditures							
Total Expenditures	723	789	969	831	831	831	831
Current Difference	(274)	(148)	(319)	(181)	(181)	(181)	(181)
Accumulated Ending Balance	(274)	(422)	(741)	(922)	(922)	(1,103)	(1,103)

PUBLIC SAFETY DEPT

MOTOR VEHICLE DEALERS

Narrative

Background Information

All motor vehicle dealers are required to be licensed. Each initial application for license shall be accompanied by a fee of \$100 in addition to the annual fee of \$150.

Forecast Basis

Historical trend

Recent Changes

The annual Dealer License fee was increased by \$50 effective 8/1/05 with the revenue increases being deposited in the Vehicle Services Operating Account in the Special Revenue Fund.

Agency Analysis/Requested Changes

The Governor is recommending no fee increases.

PUBLIC SAFETY DEPT

MOTOR VEHICLE TRANSFERS

Fiscal Report

Revenue Category Description: A fee collected on the initial registration and each subsequent transfer of title within the state.

Requesting a Fee Change: No

Fund: GENERAL, ENVIRONMENTAL

Purpose: From this revenue, funds are appropriated to state agencies for environmental issues involved with motor vehicles such as tire waste management and cleanup activities.

Appr Name:

Legal Citation(s): M.S. 115A.908, subd. 1

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	4,461	14,544	26,294	26,294	26,294	26,294
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	4,461	10,083	11,750	11,750	11,750	11,750	11,750
Total Departmental Earnings	4,461	10,083	11,750	11,750	11,750	11,750	11,750
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	0	0	0	11,750	11,750	11,750	11,750
Current Year Resources	4,461	10,083	11,750	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	4,461	10,083	11,750	0	0	0	0
Accumulated Ending Balance	4,461	14,544	26,294	26,294	26,294	26,294	26,294

Background Information

In 1984, the Minnesota Legislature established the Motor Vehicle Transfer Fund (MVTF) to pay for environmental issues involved with motor vehicles, such as waste tire management and cleanup of tire dumps. A \$4 fee on initial vehicle registration and at transfer of a vehicle is collected by the motor vehicle registrar and was deposited in the Motor Vehicle Transfer Account in the Environmental Fund. Effective 7/1/03, the \$4 fee is deposited into the General Fund through June 30, 2007. Revenue returns to the environmental fund July 1, 2007. The fee was increased to \$10 effective 7/1/2005.

Forecast Basis

Historical Trends

Recent Changes

The fee was increased to \$10 effective 7/1/2005.

Agency Analysis/Requested Changes

No changes are recommended.

PUBLIC SAFETY DEPT

BICYCLE REGISTRATION

Fiscal Report

Revenue Category Description: Registration for bicycles.

Requesting a Fee Change: No

Purpose: To register bicycles under a statewide registration system in an effort to deal more effectively with the problems associated with theft and to aid in the recovery of stolen bicycles.

Fund: MISC SPECIAL REVENUE

Appr Name: BICYCLE TRANSPORTATION ACCT

Legal Citation(s): Repealed 7/15/05 1sp2005 Ch6 Article 2 subd48

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	30	5	6	0	0	0	0
Resources:							
Dedicated Receipts	36	2	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	36	2	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	18	0	6	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	18	2	(6)	0	0	0	0
Expenditures:							
Direct Expenditures	43	1	0	0	0	0	0
Indirect Expenditures							
Total Expenditures	43	1	0	0	0	0	0
Current Difference	(25)	1	(6)	0	0	0	0
Accumulated Ending Balance	5	6	0	0	0	0	0

Background Information

A fee of \$9 was collected for the registration of bicycles. The fees collected were deposited in the bicycle transportation account in the Special Revenue Fund. The registration was valid for three calendar years. One-half of the fees were transferred to the Commissioner of Transportation for the development of bicycle transportation and recreational facilities on public highways. Services provided include bicycle lanes, off-road bicycle trails, bicycle mapping, bicycle safety programs, public information and education.

Forecast Basis

Historical trends

Recent Changes

The Bicycle Registration program was repealed effective 07/01/2005.

PUBLIC SAFETY DEPT

LICENSING-MOTORCYCLE

Fiscal Report

Revenue Category Description: Two wheeled vehicle endorsement and renewals.

Requesting a Fee Change: No

Purpose: Over 50% of all revenues collected are deposited in the motorcycle safety account. The funds are used to establish and maintain a motorcycle safety education program. Receipts exceeding \$750,000 are split 90/10 between the Motor Cycle Safety Account in the Special Revenue Fund and the General Fund.

Fund: GENERAL, MISC SPECIAL REVENUE, TRUNK HIGHWAY

Appr Name: MOTORCYCLE SAFETY

Legal Citation(s): M.S. 171.06, subd. 2a

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	268	1,163	1,948	2,374	2,374	3,090	3,090
Resources:							
Dedicated Receipts	750	875	875	875	875	875	875
Non-Dedicated Receipts	885	695	700	700	700	700	700
Total Departmental Earnings	1,635	1,570	1,575	1,575	1,575	1,575	1,575
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,635	1,570	1,575	1,575	1,575	1,575	1,575
Expenditures:							
Direct Expenditures	740	785	1,149	859	859	859	859
Indirect Expenditures							
Total Expenditures	740	785	1,149	859	859	859	859
Current Difference	895	785	426	716	716	716	716
Accumulated Ending Balance	1,163	1,948	2,374	3,090	3,090	3,806	3,806

Background Information

The Motorcycle Safety Account was established to provide motorcycle safety education programs. The rate for adding a two-wheel vehicle endorsement to a driver's license is \$18.50 and \$13 for each renewal. \$11 of the endorsement fee and \$7 for each renewal is deposited in the Motorcycle Safety Account. The remainder of the fee is deposited in the General Fund as a non-dedicated receipt. Receipts in excess of \$750,000 had been deposited 90 percent to the Trunk Highway Fund and 10 percent to the General Fund.

Forecast Basis

Historical trends

Recent Changes

Collections in excess of \$750,000 in a year were split 90/10 between the Trunk Highway Fund and the General Fund. As of July 1, 2005 the split is 90/10 between the Motorcycle Safety Account in the Special Revenue Fund and the General Fund.

Agency Analysis/Requested Changes

No changes are recommended.

PUBLIC SAFETY DEPT

MOTOR VEHICLE SPECIAL LISTS

Fiscal Report

Revenue Category Description: Fees collected for providing copies of motor vehicle registration data.

Requesting a Fee Change: No

Purpose: To recover the cost of furnishing copies of motor vehicle registration data to the public upon request.

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S. 168.327 subd. 1 & 2

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(123)	134	400	400	669	669
Resources:							
Dedicated Receipts	0	219	240	240	240	240	240
Non-Dedicated Receipts	66	232	240	240	240	240	240
Total Departmental Earnings	66	451	480	480	480	480	480
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	66	451	480	480	480	480	480
Expenditures:							
Direct Expenditures	189	194	214	211	211	211	211
Indirect Expenditures							
Total Expenditures	189	194	214	211	211	211	211
Current Difference	(123)	257	266	269	269	269	269
Accumulated Ending Balance	(123)	134	400	669	669	938	938

Background Information

Copies of motor vehicle registration data are furnished to the public upon request. A \$10 fee and surcharge of \$0.50 are collected per request.

Forecast Basis

Historical trends

Recent Changes

The certified copy of a vehicle registration record and vehicle title record were raised from \$5 to \$10 effective 8/1/05. The non-certified copy of the records were raised from \$4 to \$9 effective 8/1/05. The \$5 increase was directed to the Vehicle Services Operating Account in the Special Revenue Fund. Copies of vehicle registration records and Vehicle title records obtained by electronic transmission were raised from \$2.50 to \$4.50 per record. The \$2 increase in the fee is deposited in the General Fund as a non-dedicated receipt.

Agency Analysis/Requested Changes

The Governor is recommending no fee increases.

PUBLIC SAFETY DEPT

PHOTO PROCESSING

Fiscal Report

Revenue Category Description: Patrol Photo Processing Fee

Requesting a Fee Change: No

Purpose: To recover costs related to processing film for State Patrol clientele.

Fund: TRUNK HIGHWAY

Appr Name: PATROL PHOTO PROCESSING

Legal Citation(s): M.S. 13.03, subd. 10

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	7	4	8	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	12	9	15	15	15	15	15
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	12	9	15	15	15	15	15
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	12	9	15	15	15	15	15
<u>Expenditures:</u>							
Direct Expenditures	15	5	23	15	15	15	15
Indirect Expenditures							
Total Expenditures	15	5	23	15	15	15	15
Current Difference	(3)	4	(8)	0	0	0	0
Accumulated Ending Balance	4	8	0	0	0	0	0

PUBLIC SAFETY DEPT

PHOTO PROCESSING

Narrative

Background Information

Accident photos taken by the Minnesota State Patrol are provided as a service. A cost recovery fee is charged per roll of film.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

FLEET REGISTRATION

Fiscal Report

Revenue Category Description: Administrative fee.

Requesting a Fee Change: Yes

Purpose: A unique registration category is established for vehicles of a fleet. Vehicles registered in the fleet must be issued a distinctive license plate. Instead of a filing fee, the applicant shall pay an equivalent administrative fee for each vehicle in the fleet.

Fund: MISC SPECIAL REVENUE, HIGHWAY USERS TAX DISTRIBUTION

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S. 168.127, subd. 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	96
<u>Resources:</u>							
Dedicated Receipts	0	55	40	40	136	40	136
Non-Dedicated Receipts	41	0	0	0	0	0	0
Total Departmental Earnings	41	55	40	40	136	40	136
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	41	55	40	40	136	40	136
<u>Expenditures:</u>							
Direct Expenditures	41	55	40	40	40	40	40
Indirect Expenditures							
Total Expenditures	41	55	40	40	40	40	40
Current Difference	0	0	0	0	96	0	96
Accumulated Ending Balance	0	0	0	0	96	0	192

Background Information

A fee of \$3.50 is collected from applicants registering a fleet.

Forecast Basis

Historical trends

Recent Changes

Fees collected are being deposited in the Vehicle Services Operating Account in the Special Revenue Fund effective. Prior to 7/1/2005 the fee was being deposited as a non-dedicated receipt in the Highway User Tax Distribution Fund.

Agency Analysis/Requested Changes

The Governor is recommending a \$10 administrative fee be charged to pay for the additional staff time needed for the administration of the program.

PUBLIC SAFETY DEPT

MOTOR VEHICLE FILING

Fiscal Report

Revenue Category Description: Motor Vehicle Filing Fee

Requesting a Fee Change: No

Purpose: A filing fee of \$4.50 is imposed on every motor vehicle registration renewal, excluding pro rate transactions and \$8.50 is imposed on every other type of vehicle transaction including pro rate transactions to recover the cost of processing. An expedited fee of \$20 is charged for the processing of a vehicle title registration within three days.

Fund: GENERAL, MISC SPECIAL REVENUE, HIGHWAY USERS TAX DISTRIBUTION

Appr Name: VEHICLE SERV.OPERATING ACCT

Legal Citation(s): M.S. 168.326 and 168.33, subd. 7

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	2,761	6,213	9,417	9,417	12,718	12,468
Resources:							
Dedicated Receipts	0	5,427	5,700	5,700	5,700	5,700	5,700
Non-Dedicated Receipts	5,664	386	400	400	400	400	400
Total Departmental Earnings	5,664	5,813	6,100	6,100	6,100	6,100	6,100
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,664	5,813	6,100	6,100	6,100	6,100	6,100
Expenditures:							
Direct Expenditures	2,903	2,361	2,896	2,799	3,049	2,799	3,049
Indirect Expenditures							
Total Expenditures	2,903	2,361	2,896	2,799	3,049	2,799	3,049
Current Difference	2,761	3,452	3,204	3,301	3,051	3,301	3,051
Accumulated Ending Balance	2,761	6,213	9,417	12,718	12,468	16,019	15,519

Background Information

A filing fee of \$4.50 is imposed on every motor vehicle registration renewal, excluding pro rate transactions. A fee of \$7.00 is imposed on every other type of vehicle transaction, including pro rate transactions. These rates were effective 7/1/02. The \$7.00 filing fee was increased to \$8.50 effective 8/1/2005.

Forecast Basis

Historical trends

Recent Changes

The \$7.00 filing fee was increased to \$8.50 effective 8/1/2005. All filing fees previously directed to the Highway User Tax Distribution are now being deposited in the Vehicle Services Operating Account in the Special Revenue Fund. All of the \$4.50 fee and \$3.50 of the \$8.50 fee is being deposited in the Vehicle Services Operating Account in the Special Revenue Fund. The remainder is being deposited in the General Fund.

A \$20 expedited service fee is now being collected effective 8/1/05. The new fee is being deposited in the Vehicle Services Operating Account in the Special Revenue Fund.

Agency Analysis/Requested Changes

The Governor is recommending no fee increases.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	3,159	3,301	3,963	3,963	3,963	3,963	3,963
Total Non-Dedicated Receipts	3,159	3,301	3,963	3,963	3,963	3,963	3,963

<u>Dedicated Receipts:</u>							
General	1,391	1,471	1,370	1,370	1,370	1,370	1,370
State Government Spec Revenue	27,323	46,230	46,931	46,738	46,738	46,274	53,393
Misc Special Revenue	6,424	3,574	3,754	9,854	9,854	13,354	13,354
Total Dedicated Receipts	35,138	51,275	52,055	57,962	57,962	60,998	68,117

<u>Fund Totals:</u>							
General	4,550	4,772	5,333	5,333	5,333	5,333	5,333
State Government Spec Revenue	27,323	46,230	46,931	46,738	46,738	46,274	53,393
Misc Special Revenue	6,424	3,574	3,754	9,854	9,854	13,354	13,354
Departmental Earnings Total	38,297	54,576	56,018	61,925	61,925	64,961	72,080

PUBLIC SAFETY DEPT

9-1-1 USER FEE

Fiscal Report

Revenue Category Description: A telephone surcharge is collected by phone companies to cover 911 services.

Requesting a Fee Change: Yes

Purpose: The 911 emergency number is designed to provide immediate access to emergency services. The surcharge is used to cover the costs of providing this service to every Minnesotan.

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name: 911 EMERGENCY SERVICES, MET COUNCIL DEBT SERVICE, PUBLIC SAFETY ANSWERING PIS

Legal Citation(s): M.S.403.11 and 403.113

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3,674	881	6,978	11,436	11,436	16,603	2,493
Resources:							
Dedicated Receipts	27,323	46,230	46,931	46,738	46,738	46,274	53,393
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	27,323	46,230	46,931	46,738	46,738	46,274	53,393
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,027	8,225	8,242	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	26,296	38,005	38,689	46,738	46,738	46,274	53,393
Expenditures:							
Direct Expenditures	29,089	31,908	34,231	41,571	55,681	41,571	50,385
Indirect Expenditures							
Total Expenditures	29,089	31,908	34,231	41,571	55,681	41,571	50,385
Current Difference	(2,793)	6,097	4,458	5,167	(8,943)	4,703	3,008
Accumulated Ending Balance	881	6,978	11,436	16,603	2,493	21,306	5,501

Background Information

The 911 law was passed in 1977. The Minnesota Statewide 911 Program provides technical assistance to the cities and counties implementing, maintaining, and improving 911 systems. The 911 Program enforces rules that set system standards and pays the state share of 911 costs from funds collected through a monthly statewide telephone surcharge. The fee is currently 65 cents.

Forecast Basis

Historical trends.

Recent Changes

Fee was increased from 40 to 65 cents in July of 2005.

Agency Analysis/Requested Changes

The Governor is recommending authority to increase the maximum 911 fee in July of 2008 to 75 cents per month from its current level of 65 cents; to a maximum of 85 cents per month in July 2009, and to a maximum of 95 cents per month in July 2010.

PUBLIC SAFETY DEPT

GAMBLING ENFORCEMENT

Fiscal Report

Revenue Category Description: License fee for gambling devices and the fee collected for the Indian Reservation Gambling Compact.

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: To license manufacturers & distributors of gambling devices and to conduct background investigations on individuals selling gambling devices and employees of Indian Casinos.

Appr Name: GAMBLING ENF BKGRDS, INDIAN GAMING SP REV

Legal Citation(s): M.S. 3.9221; 299L.02, subd. 7; 299L.07, subd. 5,6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	432	576	628	791	791	931	931
Resources:							
Dedicated Receipts	426	295	390	390	390	390	390
Non-Dedicated Receipts	391	371	430	430	430	430	430
Total Departmental Earnings	817	666	820	820	820	820	820
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	817	666	820	820	820	820	820
Expenditures:							
Direct Expenditures	673	614	657	680	680	700	700
Indirect Expenditures							
Total Expenditures	673	614	657	680	680	700	700
Current Difference	144	52	163	140	140	120	120
Accumulated Ending Balance	576	628	791	931	931	1,051	1,051

Background Information

Background investigations are conducted on individuals manufacturing and distributing gambling devices. New licensees pay an investigative fee. Persons distributing and manufacturing gambling devices pay gambling device license fees. Fees are based on the number of new or used devices made or sold per year. Temporary permits are granted to persons possessing gambling devices for the purpose of displaying the device at trade shows or events where gambling devices are displayed.

Forecast Basis

Fees for distributing and manufacturing gambling devices are based on the number of new or used devices made or sold per year. Historical trends.

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

EMERGENCY MANAGEMENT

Fiscal Report

Revenue Category Description: Hazardous Chemical Report Fee & Hazardous Materials Incident Response Fee

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover a portion of the costs of data management, the operation of the emergency management center and the costs of establishing and maintaining regional Hazardous Material Incident Response Teams.

Appr Name:

Legal Citation(s): M.S. 299K.09; 299K.095; M.R. 7507-0500

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(108)	(346)	(416)	(416)	(381)	(381)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	547	283	625	625	625	625	625
Total Departmental Earnings	547	283	625	625	625	625	625
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	547	283	625	625	625	625	625
<u>Expenditures:</u>							
Direct Expenditures	655	521	695	590	590	585	585
Indirect Expenditures							
Total Expenditures	655	521	695	590	590	585	585
Current Difference	(108)	(238)	(70)	35	35	40	40
Accumulated Ending Balance	(108)	(346)	(416)	(381)	(381)	(341)	(341)

Background Information

The Emergency Planning and Community Right-to-Know Act (EPCRA) Program is responsible for implementing the (federal) Superfund Amendments and Reauthorization ACT (SARA Title III) in Minnesota. The EPCRA collects from facilities information and fees related to hazardous materials storage and release. The information and fees are used to prepare communities for emergencies caused by hazardous materials. Such facilities are potentially subject to two different fees:

Hazardous Chemical Inventory Fee:

*Facilities that report the storage of hazardous materials under Section 312 of SARA are required to pay a fee based on the number of chemicals stored:

1 to 9 chemicals	\$25
10 to 49 chemicals	\$100
50+ chemicals	\$1,000

*Late payment fees: Fees double if not paid within 60 days and triple if not paid within 120 days.

Hazardous Materials Incident Response Act Fee has two parts:

*Facilities that report the storage of an extremely hazardous substance (EHS) under Section 302 of SARA are required to pay a fixed annual fee of \$75 per facility (with the exception of farmers).

*Facilities that report releases and/or transfers under Section 313 of SARA are required to pay an annual fee based on the amount released and transferred.

0 pounds	\$200
1 to 25,000 pounds	\$400
25,001 or more pounds	\$800

This report does not reflect revenues collected by MNDOT.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

CRIMINAL JUSTICE DATA NETWORK

Fiscal Report

Revenue Category Description: Connect charge and monthly access charges to the Criminal Justice Data Network.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover a portion of the costs of maintaining the criminal justice data network.

Appr Name: CRIMINAL JUSTICE DATA NETWORK

Legal Citation(s): M.S. 299C.46, subd. 3; 299C.48

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	914	1,588	1,511	1,168	1,168	752	752
Resources:							
Dedicated Receipts	1,262	1,447	1,300	1,300	1,300	1,300	1,300
Non-Dedicated Receipts	221	234	235	235	235	235	235
Total Departmental Earnings	1,483	1,681	1,535	1,535	1,535	1,535	1,535
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,483	1,681	1,535	1,535	1,535	1,535	1,535
Expenditures:							
Direct Expenditures	809	1,758	1,878	1,951	1,951	2,017	2,017
Indirect Expenditures							
Total Expenditures	809	1,758	1,878	1,951	1,951	2,017	2,017
Current Difference	674	(77)	(343)	(416)	(416)	(482)	(482)
Accumulated Ending Balance	1,588	1,511	1,168	752	752	270	270

Background Information

The Criminal Justice Data Communications Network is a statewide network that provides instant access to a series of computerized systems that index criminal justice information concerning crimes and criminals of state and national interest. This system is used by the criminal justice community to exchange information.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

FIRE INSPECTIONS

Fiscal Report

Revenue Category Description: Surcharges on Fire Safety Premiums

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Surcharges collected on fire insurance policies are to fund the MN Board of Firefighter Training and Education; the State Fire Marshal Division; and fire-related regional response team programs and other fire service programs that have the potential for statewide impact.

Appr Name: FIRE SAFETY ACCOUNT

Legal Citation(s): MS 1971.06

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	3,544	3,497
<u>Resources:</u>							
Dedicated Receipts	0	0	0	6,100	6,100	9,600	9,600
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	6,100	6,100	9,600	9,600
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out	0	0	0	468	468	2,268	2,268
Rev Collected for Other Agency							
Current Year Resources	0	0	0	5,632	5,632	7,332	7,332
<u>Expenditures:</u>							
Direct Expenditures	0	0	0	2,088	2,135	6,588	6,674
Indirect Expenditures							
Total Expenditures	0	0	0	2,088	2,135	6,588	6,674
Current Difference	0	0	0	3,544	3,497	744	658
Accumulated Ending Balance	0	0	0	3,544	3,497	4,288	4,155

Background Information

Effective July 1, 2007 each insurer engaged in writing policies of homeowner's insurance or commercial fire policies shall collect a surcharge equal to 0.65 percent of the gross premiums and assessments. The surcharges collected by the Dept. of Revenue are to be deposited in the fire safety account in the Special Revenue Fund.

Forecast Basis

The revenue estimated is based on the fiscal note completed on HF2916, 4 Engrossment.

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

FIRE SAFETY

Fiscal Report

Revenue Category Description: Fire safety inspections of daycares and hotels. Fire Protection Systems Contractor's License Fee &

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: Inspectors approved by the State Fire Marshal conduct inspections of daycare facilities and hotels to ensure fire prevention and protection. To license fire protection system contractors that install, modify or inspect fire protection systems, parts or related equipment and to issue permits to operators that have been certified by the state fire marshal to supervise the display of fireworks.

Appr Name: FIRE MARSHAL INSPECTION, FIRE PROTECTION CERTIFICATION, HOTEL FIRE SAFETY INSPECTION

Legal Citation(s): M.S. 299M.04: M.S. 624.22 subd 3 & 7; 245A.151

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	21	111	208	(6)	(6)	(20)	(32)
Resources:							
Dedicated Receipts	274	247	265	265	265	265	265
Non-Dedicated Receipts	656	713	716	716	716	716	716
Total Departmental Earnings	930	960	981	981	981	981	981
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	930	960	981	981	981	981	981
Expenditures:							
Direct Expenditures	840	863	1,195	995	1,007	995	1,026
Indirect Expenditures							
Total Expenditures	840	863	1,195	995	1,007	995	1,026
Current Difference	90	97	(214)	(14)	(26)	(14)	(45)
Accumulated Ending Balance	111	208	(6)	(20)	(32)	(34)	(77)

Background Information

Effective August 1, 2002 fees were allowed to be collected for fire inspections of day care facilities. The State Fire Marshal approves local fire code inspectors who conduct these inspections. Day care facilities are required to be licensed and an inspection to determine compliance with the Minnesota Uniform Fire code is part of the licensing requirements.

Every hotel is required to have a fire inspection at least once in three years to be in compliance with the Hotel and Motel Fire Safety Act of 1990. Hotels are charged an inspection fee plus a per room charge. The triennial inspection fee of \$435 and per-room charge of \$5 for one to 18 units, \$6 for 19 to 35 units, and \$7 for 36 to 100 units, and \$8 for 100 or more units. Resorts are charged a triennial inspection fee of \$435 and a per room charge of \$5 for one to ten units, \$6 for 11 to 25 units, and \$7 for 26 or more units. A \$225 fee is charged for additional follow-up inspections for hotels, and resorts, conducted in each three-year cycle that is necessary to bring the hotel or resort in compliance with the State Fire Code. Hotels and motels with fewer than 35 rooms and resorts classified as 1c under section 273.13 are exempt from the fee requirements. All these fees were effective July 1, 2003.

The Fire Marshal Division regulates the fire protection sprinkler industry through licensing and inspection of fire protection sprinkler systems and review plans for storage of flammable liquids.

- License Fees: Journeyman - \$75; Contractor - \$500
- Surcharge \$0.002/dollar of the cost of the project paid by fire protection contractors before beginning fire protection or related work.
- Permits in communities without a permit program pay \$0.012/dollar of the cost of the project.
- Resubmittal Fee of \$100 is charged for sprinkler plans that must be resubmitted for the second time because of failure to meet the minimum requirements of the fire code.
- The Fireworks Certification Fee of \$100 is valid for a period of four years from the date of issuance.
- Flammable Liquids Plan Review - \$100

Forecast Basis

Historical trends

Recent Changes

Two new fees have been added to this activity: Flammable Liquids Plan Review Fee effective 7/1/02 and Fire Protection Exam Fee effective 7/1/03. Hotel, motel and resort fire inspection fees were added in July, 2003.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

LIQUOR LICENSING

Fiscal Report

Revenue Category Description: License fees and fee identification cards

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: To license and provide identification cards to manufacturers, wholesalers and importers of liquor, wine and malt beverages and common carriers of liquor and malt beverages.

Appr Name: ALCOHOL ENFORCEMENT ACCT

Legal Citation(s): M.S. 340A and M.R. 7515

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	42	681	1,458	2,374	2,374	3,349	3,333
Resources:							
Dedicated Receipts	461	683	685	685	685	685	685
Non-Dedicated Receipts	1,058	1,554	1,757	1,757	1,757	1,757	1,757
Total Departmental Earnings	1,519	2,237	2,442	2,442	2,442	2,442	2,442
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	334	883	910	885	885	885	885
Rev Collected for Other Agency							
Current Year Resources	1,185	1,354	1,532	1,557	1,557	1,557	1,557
Expenditures:							
Direct Expenditures	546	577	616	582	598	582	615
Indirect Expenditures							
Total Expenditures	546	577	616	582	598	582	615
Current Difference	639	777	916	975	959	975	942
Accumulated Ending Balance	681	1,458	2,374	3,349	3,333	4,324	4,275

PUBLIC SAFETY DEPT

LIQUOR LICENSING

Narrative

Background Information

Various fees are collected to license manufacturers, wholesalers and importers of liquor, wine and malt beverages and common carriers of liquor and malt beverages.

Forecast Basis

Historical trends

Recent Changes

Most of the fees were increased effective 7/1/2005.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

PERSONAL PROTECTION

Fiscal Report

Revenue Category Description: Personal Protection Permit Fee

Requesting a Fee Change: No

Fund: GENERAL

Purpose: A portion of this fee is paid to the Bureau of Criminal Apprehension for providing permit status via a connection to the Criminal Justice Data Communications Network.

Appr Name:

Legal Citation(s): M.S. 624.714, subd. 3(f)

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	46	81	145	145	226	226
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	211	137	200	200	200	200	200
Total Departmental Earnings	211	137	200	200	200	200	200
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	211	137	200	200	200	200	200
Expenditures:							
Direct Expenditures	165	102	136	119	119	119	119
Indirect Expenditures							
Total Expenditures	165	102	136	119	119	119	119
Current Difference	46	35	64	81	81	81	81
Accumulated Ending Balance	46	81	145	226	226	307	307

Background Information

The Minnesota Citizens' Personal Protection Act of 2003 allows law-abiding citizens their right to self-protection by authorizing them to obtain a permit to carry a pistol. The county sheriff collects a new application processing fee up to \$100. In the first year \$21.50 is submitted to the commissioner and deposited into the General Fund. In subsequent years \$10 is submitted to the commissioner and deposited in the General Fund. These fees are to cover the cost of entering this information into the Criminal Justice Data Network and the Law Enforcement Message Switch (LEMS) maintained by the Bureau of Criminal Apprehension.

Forecast Basis

Historical trends

Recent Changes**Agency Analysis/Requested Changes**

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

NON-CRIMINAL JUSTICE

Fiscal Report

Revenue Category Description: Non-criminal justice records request fee

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: This fee recovers the costs of processing requests for criminal history record information for non-criminal justice use, subject to the information consent of the individual subject of the data.

Appr Name: NON-CRIMINAL BACKGROUND

Legal Citation(s): M.S 299C.10; 13.87, subd. 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	397	(80)	139	(233)	(233)	(261)	(261)
Resources:							
Dedicated Receipts	2,140	2,359	2,454	2,454	2,454	2,454	2,454
Non-Dedicated Receipts	75	9	0	0	0	0	0
Total Departmental Earnings	2,215	2,368	2,454	2,454	2,454	2,454	2,454
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,215	2,368	2,454	2,454	2,454	2,454	2,454
Expenditures:							
Direct Expenditures	2,692	2,149	2,826	2,482	2,482	2,482	2,482
Indirect Expenditures							
Total Expenditures	2,692	2,149	2,826	2,482	2,482	2,482	2,482
Current Difference	(477)	219	(372)	(28)	(28)	(28)	(28)
Accumulated Ending Balance	(80)	139	(233)	(261)	(261)	(289)	(289)

PUBLIC SAFETY DEPT

NON-CRIMINAL JUSTICE

Narrative

Background Information

The Bureau of Criminal Apprehension (BCA) has the use of these fees to cover the costs of processing requests for criminal history record information for non-criminal use and to cover a portion of the costs related to the maintenance and improvement of the criminal history record system.

Fees effective April 1, 2000

Background record check for subject of the record & nonprofit	\$ 8 per request
Background record check	\$15
FBI background check handling fee	\$7
Public data fee	\$ 4
Computer transactions fee	\$ 2
Special Runs	\$250
Public data fee internet access	\$5 (no longer charged)

Forecast Basis

Historical trends

Recent Changes

An Internet web site containing public criminal history data is a new service that the BCA is providing. A fee is allowed until August 1, 2005 to cover the costs of setting up the program.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

CRIME ALERT

Fiscal Report

Revenue Category Description: Criminal Alert Network

Requesting a Fee Change: No

Purpose: A fee is charged to the members of the Crime Alert Network to recover a portion of the costs for sending electronic transmission of information regarding crime, including missing children and crime prevention information.

Fund: MISC SPECIAL REVENUE

Appr Name: CRIME ALERT NETWORK

Legal Citation(s): M.S. 299A.61, subd. 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	41	23	8	0	0	0	0
Resources:							
Dedicated Receipts	22	14	30	30	30	30	30
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	22	14	30	30	30	30	30
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	22	14	30	30	30	30	30
Expenditures:							
Direct Expenditures	40	29	38	30	30	30	30
Indirect Expenditures							
Total Expenditures	40	29	38	30	30	30	30
Current Difference	(18)	(15)	(8)	0	0	0	0
Accumulated Ending Balance	23	8	0	0	0	0	0

Background Information

The Minnesota Crime Alert Network is a statewide communications network that enables law enforcement agencies to quickly alert the public about crime or criminals that may affect them. Members of this network pay a yearly fee and receive electronic transmissions of information regarding crime, including missing and endangered children and crime prevention information. More than 7,200 Minnesota law enforcement agencies, business, schools and community members participate in the Network making it an efficient network of communication between law enforcement agencies and the communities they serve. A yearly fee of one dollar per month was established.

Forecast Basis

Historical trends

Recent Changes

None

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

PUBLIC SAFETY DEPT

AUTO THEFT PREVENTION

Fiscal Report

Revenue Category Description: Auto Theft Surcharge

Requesting a Fee Change: No

Purpose: Auto insurance companies providing comprehensive insurance coverage will collect a surcharge per vehicle every six months. The revenue will be used to provide programs to reduce auto theft. Program has moved to the Department of Commerce.

Fund: MISC SPECIAL REVENUE

Appr Name: AUTO THEFT PREVENTION PROG

Legal Citation(s): M.S. 168A.40

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	880	678	678	0	0	0	0
Resources:							
Dedicated Receipts	3,230	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	3,230	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In	0	1,687	1,910	0	0	0	0
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out	1,300	0	0	0	0	0	0
Rev Collected for Other Agency							
Current Year Resources	1,930	1,687	1,910	0	0	0	0
Expenditures:							
Direct Expenditures	2,132	1,687	2,588	0	0	0	0
Indirect Expenditures							
Total Expenditures	2,132	1,687	2,588	0	0	0	0
Current Difference	(202)	0	(678)	0	0	0	0
Accumulated Ending Balance	678	678	0	0	0	0	0

PUBLIC SAFETY DEPT

AUTO THEFT PREVENTION

Narrative

Background Information

Insurance companies pay a 50-cent surcharge per vehicle for every six months of coverage. The automobile theft prevention program has grants with local enforcement agencies to help combat automobile theft.

Forecast Basis

Historical trends

Recent Changes

This program was moved to the Department of Commerce effective 7/1/05. The Dept. of Commerce has contracted with DPS to continue the grant program through June 30, 2007.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	4,231	4,930	5,131	4,645	5,701	4,645	5,772
Total Non-Dedicated Receipts	4,231	4,930	5,131	4,645	5,701	4,645	5,772

<u>Dedicated Receipts:</u>							
Misc Special Revenue	1,808	2,826	2,821	2,147	2,147	1,647	1,647
Total Dedicated Receipts	1,808	2,826	2,821	2,147	2,147	1,647	1,647

<u>Fund Totals:</u>							
General	4,231	4,930	5,131	4,645	5,701	4,645	5,772
Misc Special Revenue	1,808	2,826	2,821	2,147	2,147	1,647	1,647
Departmental Earnings Total	6,039	7,756	7,952	6,792	7,848	6,292	7,419

PUBLIC UTILITIES COMM

ENERGY COST ASSESSMENT

Fiscal Report

Revenue Category Description: Assessment of Gas and Electric Utility Companies

Requesting a Fee Change: No

Purpose: To recover the costs of regulating the rates and services provided by gas and electric utility companies.

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: RELIABILITY ADMINISTRATOR

Legal Citation(s): 216B.243, 216B.62, 256C.052, 16B.325

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(414)	(244)	0	0	0	984
Resources:							
Dedicated Receipts	0	942	1,174	500	500	0	0
Non-Dedicated Receipts	2,324	2,925	3,547	2,906	3,890	2,906	3,898
Total Departmental Earnings	2,324	3,867	4,721	3,406	4,390	2,906	3,898
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,324	3,867	4,721	3,406	4,390	2,906	3,898
Expenditures:							
Direct Expenditures	2,451	3,411	4,169	3,098	3,098	2,598	2,598
Indirect Expenditures	287	286	308	308	308	308	308
Total Expenditures	2,738	3,697	4,477	3,406	3,406	2,906	2,906
Current Difference	(414)	170	244	0	984	0	992
Accumulated Ending Balance	(414)	(244)	0	0	984	0	1,976

Background Information

The assessment of energy regulation costs recovers the regulatory expenditures of the Public Utilities Commission (PUC) for proceedings for duties imposed on it by Minnesota Statutes Chapter 216B. M.S. 216B.62 subd. 2 permits the PUC to recover direct expenses for proceedings specific to one or more utilities; M.S. 216B.62 subd. 3 permits the PUC to assess the "indirect" expenses associated with the regulation of energy utilities to those regulated utilities. The PUC typically recovers nearly all (nearly 98%) of its direct and indirect energy regulation costs (including statewide indirect costs) as well as the direct and indirect costs of the staff of the Attorney General's office assigned to the PUC through assessments to the gas and electric companies it regulates. M.S. 216B.62 sets the maximum limitations for direct and indirect costs. A regulated gas or electric company's direct assessment per calendar year cannot exceed two-fifths of one percent of the gross jurisdictional revenues it reported for the previous year. M.S. 216B.243 provides for the recovery of costs associated with certificates of need for large energy facilities. M.S. 216C.052 subd. 2 provides that the PUC assess the costs associated with the office of the Reliability Administrator through FY 2007. M.S. 216C.052 subd. 3 provides that the PUC assess the costs associated with sustainable building guidelines provided for in M.S. 216B.325 through FY 2008.

Forecast Basis

Fee review anticipates that in excess of 98% of the energy regulatory expenses of the PUC and the Office of the Attorney General will be recovered as well as nearly 100% of the costs associated with the office of Reliability Administrator.

Recent Changes

The position of the Reliability Administrator was established in the PUC effective July 1, 2005.

Agency Analysis/Requested Changes

There is no need for any fee change during the FY 2008-09 biennium.

PUBLIC UTILITIES COMM

TELEPHONE COSTS ASSESSMENT

Fiscal Report

Revenue Category Description: Assessment of Telephone Utility Companies

Requesting a Fee Change: No

Purpose: To recover the costs of regulating the rates and services provided by telephone utility companies.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 237.295

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(76)	340	0	0	0	72
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,907	2,005	1,584	1,739	1,811	1,739	1,874
Total Departmental Earnings	1,907	2,005	1,584	1,739	1,811	1,739	1,874
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,907	2,005	1,584	1,739	1,811	1,739	1,874
Expenditures:							
Direct Expenditures	1,775	1,422	1,750	1,565	1,565	1,565	1,565
Indirect Expenditures	208	167	174	174	174	174	174
Total Expenditures	1,983	1,589	1,924	1,739	1,739	1,739	1,739
Current Difference	(76)	416	(340)	0	72	0	135
Accumulated Ending Balance	(76)	340	0	0	72	0	207

Background Information

In the past, the Public Utilities Commission (PUC) has recovered nearly all (approximately 98%) of its expenditures associated with the regulation of telecommunications utilities. It recovered its statewide indirect costs and the telecommunications regulatory costs of the staff of the Attorney General's office assigned to the PUC as well. M.S. 237.295 sets the maximum limitations for assessment of telephone costs at three-eighths of one percent of the gross jurisdictional revenues it reported for the previous year. For fee review purposes it is estimate that twenty filings for new authority will be received per fiscal year during the FY2008-09 biennium.

Forecast Basis

During the FY2008-09 biennium it is assumed that nearly all of the PUC's expenditures attributable to telecommunications regulation will be recovered. Fee review anticipates approximately 20 new filings for new authority will be received during each year of the FY2008-09 biennium.

Recent Changes

As of July 1, 2005, M.S. 237.295 was revised to allow the PUC to recover all of its telecommunications regulation expenses for each fiscal year from telecommunications companies in proportion to their respective gross jurisdictional operating revenues during the last calendar year on a quarterly basis. Also, a filing fee for new authority applications was established effective July 1, 2005 and has been set at \$570 per applicant.

Agency Analysis/Requested Changes

There is no need for any fee change during the FY 2008-09 biennium.

PUBLIC UTILITIES COMM

ADMIN. HEARINGS

Fiscal Report

Revenue Category Description: Assessments for Administrative Hearings charges

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The assessment of administrative hearings costs recovers the cost to the Public Utilities Commission for contested case hearings by the Office of Administrative Hearings.

Appr Name: ADMINISTRATIVE HEARINGS

Legal Citation(s): M.S. 516B.243, 216B.62, subd. 6 and 237.295

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	67	40	44	44	44	44	44
<u>Resources:</u>							
Dedicated Receipts	104	222	267	267	267	267	267
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	104	222	267	267	267	267	267
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	104	222	267	267	267	267	267
<u>Expenditures:</u>							
Direct Expenditures	131	218	267	267	267	267	267
Indirect Expenditures							
Total Expenditures	131	218	267	267	267	267	267
Current Difference	(27)	4	0	0	0	0	0
Accumulated Ending Balance	40	44	44	44	44	44	44

Background Information

M.S. 216B.62, subd. 6 and 237.295, subd. 5 require that administrative hearings costs for contested cases hearings paid from a special revolving fund be subsequently assessed to the utilities involved and the utilities payments be deposited into that fund. Expenditures and receipts vary with contested case activity.

Forecast Basis

Case activity will remain at least at the base level for FY2007 for the biennium 2008-09

Recent Changes

Case activity increased due to recent rate case filings for several energy utilities.

Agency Analysis/Requested Changes

There is no need for any fee changes during the 2008-09 biennium.

PUBLIC UTILITIES COMM

EAS BALLOTING CHARGES

Fiscal Report

Revenue Category Description: Balloting Costs for extended area service.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The assessment of Extended Area Service (EAS) balloting costs recovers costs billed to the Public Utilities Commission for balloting telephone exchanges that have petitioned for EAS.

Appr Name: EXTENDED AREA SERVICE BALLOT

Legal Citation(s): M.S. 237.295, Subd. 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	30	30	30	30	30	30	30
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	0	0	0	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	0	0	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	30	30	30	30	30	30	30

Background Information

M.S. 237.61, subd. 6 required the Commission to complete a proceeding and issue a final order to establish an orderly and equitable process and standards for determining the configurations and cost allocations for Extended Area Service (EAS) in the State. The Commission issued its orders on October 24, 1995 and February 26, 1996. Those orders, and subsequent orders, allow filing and processing of EAS cases on an ongoing basis.

Forecast Basis

At this time, no EAS balloting activity is anticipated during the 2008-09 biennium.

Recent Changes

No recent changes.

Agency Analysis/Requested Changes

No fee change is requested.

PUBLIC UTILITIES COMM

TAP SURCHARGE REVENUES

Fiscal Report

Revenue Category Description: Telephone Assistance Plan (TAP) Revenues

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: The TAP fund benefits low income Minnesotans who are senior or disabled by funding a monthly credit for telephone service.

Appr Name: TELEPHONE ASSISTANCE PLAN - IT

Legal Citation(s): M.S. 237.69; 237.71; 237.70, Subd. 6

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3,608	4,176	4,680	4,705	4,705	4,688	4,688
<u>Resources:</u>							
Dedicated Receipts	1,704	1,662	1,380	1,380	1,380	1,380	1,380
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,704	1,662	1,380	1,380	1,380	1,380	1,380
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	93	195	190	190	190	190	190
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,797	1,857	1,570	1,570	1,570	1,570	1,570
<u>Expenditures:</u>							
Direct Expenditures	1,217	1,347	1,539	1,581	1,581	1,623	1,623
Indirect Expenditures	12	6	6	6	6	6	6
Total Expenditures	1,229	1,353	1,545	1,587	1,587	1,629	1,629
Current Difference	568	504	25	(17)	(17)	(59)	(59)
Accumulated Ending Balance	4,176	4,680	4,705	4,688	4,688	4,629	4,629

Background Information

The Telephone Assistance Plan (TAP) is a program that provides financial support through bill credits to eligible telephone customers under M.S.237.69 – 237.711. TAP has provided more than \$30 million of telephone assistance to Minnesota participants since the program's implementation in 1988.

M.S. 237.70, subd. 6 authorizes the Commission to assess a uniform monthly surcharge not to exceed ten cents per wireline access line. Currently, the program is funded by a five cent monthly surcharge.

TAP provides monthly credits to low-income subscribers who also qualify for the federal Lifeline program. The monthly credit is presently set at \$1.75 by the Commission. Qualification is based on a) Income at or below 135 percent of the federal poverty guidelines, or b) participation in at least one of designated federal assistance programs (e.g., Food Stamps).

The affected local telecommunications service providers collect the surcharge and remit the collections to the Department of Public Safety, together with the collections for the 9-1-1 and the Telecommunications Access Minnesota (TAM, also known as TeleRelay) programs. The local telecommunications service providers also report the credits granted to qualified customers and submit claims for reimbursements from the Commission.

Forecast Basis

The forecast assumes 70,000 households receiving \$1.75 credits per month in 2007, and an additional 2,000 participating in the program for each of the following two years.

The forecast also indicates that the monthly five cents surcharge will be retained.

Any expansion in the federal low-income assistance program is expected to also increase TAP participation. Also, the continued migration to wireless telecommunications service is expected to result in a decline in TAP revenues.

Because the fund is currently overfunded, the Commission will again review newer data before the end of 2006 so that appropriate action can be taken to reduce the fund balance to a more reasonable level.

Recent Changes

Since 2003, TAP eligibility has been tied to the federal Lifeline program, increasing TAP participation from about 33,000 in 2002, to more than 63,500 in June 2006.

A TAP workgroup formed by the Commission and composed of industry representatives and other advocates recommended in December 2004 that the Commission defer action on any changes on the credits and surcharge levels. Due to the volatility of prior years' revenues and expenditures, the Commission accepted the workgroup's recommendations to neither change the \$1.75 monthly credit, nor the five cents surcharge per month per access line. The Commission periodically reviews the fund requirements, and as noted above, will likely consider action to decrease the TAP fund balance before the end of the calendar year 2006.

Agency Analysis/Requested Changes

The Commission is considering several options to eliminate the overfunding while assuring that those who need telephone assistance funds are aware of and enroll in TAP.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	577	722	698	807	807	868	868
Total Dedicated Receipts	577	722	698	807	807	868	868

<u>Fund Totals:</u>							
Misc Special Revenue	577	722	698	807	807	868	868
Departmental Earnings Total	577	722	698	807	807	868	868

RACING COMMISSION

RACING COMMISSION LICENSES

Fiscal Report

Revenue Category Description: CLASS A-D RACING LICENSES

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To regulate racetrack operations and parimutuel racing, and to equitably assess those desiring to be employed in occupations related to horseracing at licensed tracks.

Appr Name: HARNESS & CARD CONTROL, RACING COMMISSION CONTROL

Legal Citation(s): M.S. 240.05 through 240.10; MN Rules 7877-8

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	577	722	698	807	807	868	868
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	577	722	698	807	807	868	868
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	577	722	698	807	807	868	868
<u>Expenditures:</u>							
Direct Expenditures	523	462	670	835	1,130	835	899
Indirect Expenditures							
Total Expenditures	523	462	670	835	1,130	835	899
Current Difference	54	260	28	(28)	(323)	33	(31)

Background Information

Class A, B, C, and D license fees are described in M.S. 240.05.

The Class A racetrack ownership license fee is \$253,000 annually, payable to the State on July 1st. M.S. Ch. 240 stipulates that there may be two Class A license issued for the seven county metro area as long as one of the tracks is for standardbred (harness) racing. The Commission did approve a license for standardbred racing in January, 2005. Canterbury Park has also renewed its license each year since 2004. Class A license revenue estimates assume that both tracks will continue to be license holders in fiscal years 2008 and '09.

The Class B license fees are based on the number of live and simulcast racing days conducted by the Class A licensee for which permission has been granted by the commission to conduct pari-mutuel racing. The fee for conducting live racing is \$500/day and the fee for full-card simulcasting is \$100/day. Estimates for Class B license revenue assumes 119 days of live racing and year-round simulcasting.

Class C licenses are issued to all individuals working at licensed racetracks. Examples are: jockeys, grooms, pony riders, and all Canterbury employees such as; pari-mutuel clerks, management staff, and card club employees. 3,840 licenses were issued in 2004, 4,137 in 2005, and 4,089 in 2006.

The Class D licensees (county agricultural societies/county fairs) are required to pay \$50 for each day on which racing is conducted. No fairs are currently licensed.

Forecast Basis

That the current level of racing and pari-mutuel activity will be maintained by Canterbury Park and that the racetrack licensed in January of 2005 will race during the 2008-09 biennium.

Recent Changes

The changes implemented in the 2004-05 biennial budget shifted the Racing Commission's direct appropriation from the general fund to the special revenue fund with financing coming from license fees.

Agency Analysis/Requested Changes

The racetrack licensed in January 2005 has paid its Class A license fee on both July 1st of 2005 (\$253,000) and 2006 (\$244,103.97). The 2005 Legislature set an interim license fee of \$113,000 and appropriated that as a deficiency for the balance of fiscal year 2005 and allowed a carry over of the appropriation into 2006. The Legislature further stipulated that any unspent portion of the interim appropriation must be used to reduce the license fee payable on July 1, 2006. At this time a great deal of uncertainty is present as to when that racetrack will commence racing, either the fall of 2007 or sometime during 2008. The financial consequence of this uncertainty is that most of the license fees paid by the licensee and appropriated by the 2005 Legislature remain unspent (\$253,000 at the end of fiscal year 2006).

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Misc Special Revenue	691	558	570	570	570	570	570
Total Dedicated Receipts	691	558	570	570	570	570	570

<u>Fund Totals:</u>							
Misc Special Revenue	691	558	570	570	570	570	570
Departmental Earnings Total	691	558	570	570	570	570	570

REVENUE DEPT

REVENUE RECAPTURE FEE

Fiscal Report

Revenue Category Description: Revenue Recapture Fee

Requesting a Fee Change: No

Purpose: The administrative fee the Department charges to taxpayers when refunds are recaptured for debt owed to state agencies, county governments and certain federal agencies. The current fee is \$15.00, \$11.00 going to the State's General Fund and \$4.00 to the Department of Revenue for administration of this program.

Fund: MISC SPECIAL REVENUE

Appr Name: REVENUE RECAPTURE 110

Legal Citation(s): M.S. 270A.07, Subd. 1

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	139	122	112	112	112	112	112
<u>Resources:</u>							
Dedicated Receipts	691	558	570	570	570	570	570
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	691	558	570	570	570	570	570
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	691	558	570	570	570	570	570
<u>Expenditures:</u>							
Direct Expenditures	708	568	570	570	570	570	570
Indirect Expenditures							
Total Expenditures	708	568	570	570	570	570	570
Current Difference	(17)	(10)	0	0	0	0	0
Accumulated Ending Balance	122	112	112	112	112	112	112

Background Information

Beginning in 1980, state law authorized the Department of Revenue to offset taxpayer refunds for debt owed to state agencies, county governments and certain federal agencies. The department offsets all or a portion of a taxpayer's refund for the debt owed and turns the amount over to the agency to which the debt is owed. Under the law, tax debt owed to the department must be offset from the tax refund paid first - before debt owed to other agencies can be offset. Delinquent child support payments are the second item that must be offset, and amounts that have not been paid for restitution to crime victims must be offset third.

The charge is a \$15 fee for each refund check offset for debt owed to it. Four dollars are retained in the Department of Revenue for administrative fees and the remaining \$11 are deposited in the General Fund.

Agency Analysis/Requested Changes

No change is requested to the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	9,545	4,907	4,526	4,475	4,475	4,462	4,462
Petroleum Tank Release Cleanup	26,108	26,457	26,801	27,150	27,150	27,503	27,503
Health Impact Fund	0	207,548	224,940	222,677	222,677	219,177	219,177
Environmental	1	163	0	0	0	0	0
Total Non-Dedicated Receipts	35,654	239,075	256,267	254,302	254,302	251,142	251,142

<u>Dedicated Receipts:</u>							
Misc Special Revenue	1,009	3,718	3,703	3,699	3,699	3,703	3,703
Remediation Fund	94	568	650	650	650	650	650
Total Dedicated Receipts	1,103	4,286	4,353	4,349	4,349	4,353	4,353

<u>Fund Totals:</u>							
General	9,545	4,907	4,526	4,475	4,475	4,462	4,462
Petroleum Tank Release Cleanup	26,108	26,457	26,801	27,150	27,150	27,503	27,503
Misc Special Revenue	1,009	3,718	3,703	3,699	3,699	3,703	3,703
Health Impact Fund	0	207,548	224,940	222,677	222,677	219,177	219,177
Environmental	1	163	0	0	0	0	0
Remediation Fund	94	568	650	650	650	650	650
Departmental Earnings Total	36,757	243,361	260,620	258,651	258,651	255,495	255,495

REVENUE DEPT - OTHER

MN ASSESSORS-ED & LIC FEES

Fiscal Report

Revenue Category Description: Education and Licensing
Fees Relating to Minnesota Assessors

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover the administration costs of the Board of Assessors. Receipts are deposited in the state's general fund.

Appr Name:

Legal Citation(s): M.S. 270.44, M.R. 1950.1070

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	66	72	75	75	75	75	75
Total Departmental Earnings	66	72	75	75	75	75	75
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	66	72	75	75	75	75	75
Expenditures:							
Direct Expenditures	66	72	75	75	75	75	75
Indirect Expenditures							
Total Expenditures	66	72	75	75	75	75	75
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

REVENUE DEPT - OTHER

MN ASSESSORS-ED & LIC FEES

Narrative

Background Information

The fees were established to recover the costs of administration of the Board of Assessors.

Forecast Basis

Based on historical information.

Recent Changes

N/A

Agency Analysis/Requested Changes

No changes recommended at this time.

REVENUE DEPT - OTHER

HEALTH IMPACT

Fiscal Report

Revenue Category Description: Health Impact Fee to Offset State Health Costs Attributable to Tobacco Use

Requesting a Fee Change: No

Fund: HEALTH IMPACT FUND

Purpose: To recover for the state healthcare costs related to tobacco use. Revenues from the fee are deposited in the state treasury and credited to the health impact fund.

Appr Name:

Legal Citation(s): M.S. 256.9658

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	207,548	432,488	432,488	655,165	655,165
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	207,548	224,940	222,677	222,677	219,177	219,177
Total Departmental Earnings	0	207,548	224,940	222,677	222,677	219,177	219,177
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	207,548	224,940	222,677	222,677	219,177	219,177
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	207,548	224,940	222,677	222,677	219,177	219,177
Accumulated Ending Balance	0	207,548	432,488	655,165	655,165	874,342	874,342

REVENUE DEPT - OTHER

FILING FEE

Fiscal Report

Revenue Category Description: Paper Filing Fee for Commercial Preparer

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Tax preparers that file a paper tax return must pay a fee of \$5 to reimburse the state for the added cost of paper filings versus electronic submission. This language permits the state to receive funds for the additional costs it incurs for processing paper tax returns that should have been filed electronically.

Appr Name:

Legal Citation(s): M.S. 289A.08, Subd.16

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	126	194	248	248	282	282
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	315	171	136	85	85	72	72
Total Departmental Earnings	315	171	136	85	85	72	72
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	315	171	136	85	85	72	72
<u>Expenditures:</u>							
Direct Expenditures	189	103	82	51	51	43	43
Indirect Expenditures							
Total Expenditures	189	103	82	51	51	43	43
Current Difference	126	68	54	34	34	29	29
Accumulated Ending Balance	126	194	248	282	282	311	311

REVENUE DEPT - OTHER

FILING FEE

Narrative

Background Information

Tax preparers that file a paper tax return must pay a fee of \$5 to reimburse the state for the added cost of paper filings versus electronic submission. This language permits the state to receive funds for the additional costs it incurs for processing paper tax returns that should have been filed electronically.

Forecast Basis

Historical basis from FY 2005 and out years.

Recent Changes

This fee was new in FY 2004.

Agency Analysis/Requested Changes

No requested change at this time.

REVENUE DEPT - OTHER

PETROLEUM

Fiscal Report

Revenue Category Description: Petroleum Distributer Fees

Requesting a Fee Change: No

Purpose: To identify wholesalers, bulk users, and sellers of petroleum products to assist in monitoring and tracking those entities liable for paying gasoline and special fuel taxes. The petroleum distributor fees are collected for the Department of Commerce.

Fund: GENERAL, MISC SPECIAL REVENUE

Appr Name: PETROLEUM INSPECTION FEES

Legal Citation(s): M.S. 296A.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	3,598	4,404	5,214	5,214	6,024	6,024
Resources:							
Dedicated Receipts	576	3,377	3,415	3,457	3,457	3,500	3,500
Non-Dedicated Receipts	3,598	806	810	810	810	810	810
Total Departmental Earnings	4,174	4,183	4,225	4,267	4,267	4,310	4,310
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	576	3,377	3,415	3,457	3,457	3,500	3,500
Current Year Resources	3,598	806	810	810	810	810	810
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	3,598	806	810	810	810	810	810
Accumulated Ending Balance	3,598	4,404	5,214	6,024	6,024	6,834	6,834

REVENUE DEPT - OTHER

PROPANE

Fiscal Report

Revenue Category Description: Liquefied Petroleum Gas Fee

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To improve the energy efficiency of residential liquefied petroleum gas heating equipment in low-income households. The liquefied petroleum gas fee is collected for the Department of Commerce.

Appr Name: LIQUIFIED PETRO GAS FEE

Legal Citation(s): M.S. 239.785

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
Resources:							
Dedicated Receipts	433	341	288	242	242	203	203
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	433	341	288	242	242	203	203
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	433	341	288	242	242	203	203
Current Year Resources	0	0	0	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

REVENUE DEPT - OTHER

PETROLEUM TANK CLEANUP

Fiscal Report

Revenue Category Description: Petroleum Tank Cleanup Fees

Requesting a Fee Change: No

Fund: PETROLEUM TANK RELEASE CLEANUP

Purpose: Provide funds for the clean up of leaking petroleum storage tanks. The petroleum tank cleanup fees are collected for the Department of Commerce.

Appr Name:

Legal Citation(s): M.S. 115C.08

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(660)	321	321	321	321	321
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	26,108	26,457	26,801	27,150	27,150	27,503	27,503
Total Departmental Earnings	26,108	26,457	26,801	27,150	27,150	27,503	27,503
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency	26,768	25,476	26,801	27,150	27,150	27,503	27,503
Current Year Resources	(660)	981	0	0	0	0	0
Expenditures:							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	(660)	981	0	0	0	0	0
Accumulated Ending Balance	(660)	321	321	321	321	321	321

REVENUE DEPT - OTHER

LAND: DRY CLEANER FEES

Fiscal Report

Revenue Category Description: Drycleaner solvent and operator fees

Requesting a Fee Change: No

Fund: REMEDIATION FUND

Purpose: To provide resources for the cleanup of environmental hazards. The drycleaner solvent and operator fees are collected for the Pollution Control Agency.

Appr Name: DRYCLEANING ENVIRONMENTAL

Legal Citation(s): M.S.115B.49

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(472)	(390)	(390)	(390)	(390)	(390)
<u>Resources:</u>							
Dedicated Receipts	94	568	650	650	650	650	650
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	94	568	650	650	650	650	650
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	566	486	650	650	650	650	650
Current Year Resources	(472)	82	0	0	0	0	0
<u>Expenditures:</u>							
Direct Expenditures							
Indirect Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Current Difference	(472)	82	0	0	0	0	0
Accumulated Ending Balance	(472)	(390)	(390)	(390)	(390)	(390)	(390)

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
State Government Spec Revenue	1,275	1,111	950	963	963	964	964
Total Non-Dedicated Receipts	1,275	1,111	950	963	963	964	964

<u>Fund Totals:</u>							
State Government Spec Revenue	1,275	1,111	950	963	963	964	964
Departmental Earnings Total	1,275	1,111	950	963	963	964	964

SOCIAL WORK BOARD

BOARD OF SOCIAL WORK

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: No

Purpose: To recover the costs of regulating social workers.

Fund: STATE GOVERNMENT SPEC REVENUE

Legal Citation(s): M.S. 148B.18 - 148B.28 and MN Rules 8740

Appr Name:

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	1,055	1,415	1,662	1,403	1,403	1,189	1,165
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	1,274	1,110	949	962	962	963	963
Total Departmental Earnings	1,274	1,110	949	962	962	963	963
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	18	12	15	15	15	15	15
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	2	8	0	0	0	0	0
Current Year Resources	1,290	1,114	964	977	977	978	978
<u>Expenditures:</u>							
Direct Expenditures	836	727	1,003	991	1,015	991	1,040
Indirect Expenditures	94	140	220	200	200	200	200
Total Expenditures	930	867	1,223	1,191	1,215	1,191	1,240
Current Difference	360	247	(259)	(214)	(238)	(213)	(262)
Accumulated Ending Balance	1,415	1,662	1,403	1,189	1,165	976	903

Background Information

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

The Board of Social Work provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board temporarily decreased its licensure and renewal fees in January 2006 for a period of four years.

Requested Changes

None

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	13,305	14,403	13,885	13,836	13,836	14,075	14,075
Total Non-Dedicated Receipts	13,305	14,403	13,885	13,836	13,836	14,075	14,075

<u>Dedicated Receipts:</u>							
General	1	1	1	1	1	1	1
Misc Special Revenue	964	1,022	1,060	1,072	1,072	1,079	1,079
Miscellaneous Agency	1	(1)	0	0	0	0	0
Total Dedicated Receipts	966	1,022	1,061	1,073	1,073	1,080	1,080

<u>Fund Totals:</u>							
General	13,306	14,404	13,886	13,837	13,837	14,076	14,076
Misc Special Revenue	964	1,022	1,060	1,072	1,072	1,079	1,079
Miscellaneous Agency	1	(1)	0	0	0	0	0
Departmental Earnings Total	14,271	15,425	14,946	14,909	14,909	15,155	15,155

SECRETARY OF STATE

UNIFORM COMMERCIAL CODE FEES

Fiscal Report

Revenue Category Description: Fees for UCC documents, farm liens and state & federal liens.

Requesting a Fee Change: No

Fund: GENERAL, MISC SPECIAL REVENUE

Purpose: To have a central depository for business and financial institutions to obtain information on liens recorded against business across the state.

Appr Name: DIRECT ACCESS

Legal Citation(s): M.S. 336.9-(403-407), 413, 5.12, 336A.04, .09

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	1	16	25	27	27	29	29
Non-Dedicated Receipts	2,649	2,729	2,805	2,887	2,887	2,945	2,945
Total Departmental Earnings	2,650	2,745	2,830	2,914	2,914	2,974	2,974
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,650	2,745	2,830	2,914	2,914	2,974	2,974
<u>Expenditures:</u>							
Direct Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Indirect Expenditures							
Total Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Current Difference	1,226	1,568	1,454	1,614	1,614	1,759	1,759

Background Information

These fees are collected for filing and searching for UCC & CNS documents.

Forecast Basis

The forecast is based on the current statutory fees and history.

Recent Changes

Effective February 2007 there will be changes to CNS/EFS Statutes therefore the plan is for the Office of the Secretary of State to handle all CNS/EFS filings and Searches. Previously the county recorders handled a %.

Agency Analysis/Requested Changes

The Secretary of State's Office collects revenue far in excess of expenditures. When broken down by separate EARNINGS GROUPS and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

SECRETARY OF STATE

ELECTION FEES

Fiscal Report

Revenue Category Description: Filings for individuals who run for public office. Fees for providing copies of documents.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To have official notification of candidates running for office to be placed on the ballot.

Appr Name:

Legal Citation(s): M.S. 204B.11, 207A.02, 204C.35, 16A.48

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	51	5	72	7	7	75	75
Total Departmental Earnings	51	5	72	7	7	75	75
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	51	5	72	7	7	75	75
<u>Expenditures:</u>							
Direct Expenditures	1,928	1,922	2,361	2,268	2,268	2,123	2,123
Indirect Expenditures							
Total Expenditures	1,928	1,922	2,361	2,268	2,268	2,123	2,123
Current Difference	(1,877)	(1,917)	(2,289)	(2,261)	(2,261)	(2,048)	(2,048)

SECRETARY OF STATE

ELECTION FEES

Narrative

Background Information

Candidates file every other year, unless there is a special election. Fees are also collected for providing Maps and copies of documents.

Forecast Basis

The forecast is based on the current statutory fees and history.

Recent Changes

None.

Agency Analysis/Requested Changes

The Secretary of State also has indirect expenditures, which are not delineated in this report.

SECRETARY OF STATE

BUSINESS SERVICES FEES

Fiscal Report

Revenue Category Description: Business Services filing fees, orders fees and Intl. Student exchange fees.

Requesting a Fee Change: No

Fund: GENERAL

Purpose: Primary purpose is to have a central depository for the general public to register and obtain information related to businesses operating in Minnesota.

Appr Name: SECRETARY OF STATE

Legal Citation(s): M.S. 300, 301,302A, 303, 318, 330, 333, & etc.

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	1	1	1	1	1	1	1
Non-Dedicated Receipts	8,388	8,377	7,555	7,465	7,465	7,525	7,525
Total Departmental Earnings	8,389	8,378	7,556	7,466	7,466	7,526	7,526
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	8,389	8,378	7,556	7,466	7,466	7,526	7,526
<u>Expenditures:</u>							
Direct Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Indirect Expenditures							
Total Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Current Difference	6,965	7,201	6,180	6,166	6,166	6,311	6,311

Background Information

These fees are collected for filing documents for domestic, foreign & non-profit corporations, cooperatives, partnerships, trademarks, assumed names, limited liability companies, and all related documents: for registering foreign exchange students. Also includes fees for orders.

Forecast Basis

The forecast is based on the current statutory fees, history which includes the recent removal of the expedited filing fee for walk-in customers.

Recent Changes

For Fiscal year 2007 effective September 1, 2006 the expedited filing fee is no longer being charged.

Agency Analysis/Requested Changes

The Secretary of State's Office collects revenue far in excess of expenditures. When broken down by separate EARNINGS GROUPS and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

SECRETARY OF STATE

COMPUTER INFO FEES DIRECT ACC

Fiscal Report

Revenue Category Description: Fees are charged to offset the costs of providing services for the sale of computer database info.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Fees are to cover the costs of providing information from our data bases which includes express filings & orders. Credit card fees are also deposited into the Special Revenue fund.

Appr Name: DIRECT ACCESS

Legal Citation(s): M.S. 338.9-418, M.S. 336.9

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	100	(206)	(134)	(159)	(159)	(186)	(186)
<u>Resources:</u>							
Dedicated Receipts	963	1,006	1,035	1,045	1,045	1,050	1,050
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	963	1,006	1,035	1,045	1,045	1,050	1,050
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	963	1,006	1,035	1,045	1,045	1,050	1,050
<u>Expenditures:</u>							
Direct Expenditures	1,269	934	1,060	1,072	1,072	1,079	1,079
Indirect Expenditures							
Total Expenditures	1,269	934	1,060	1,072	1,072	1,079	1,079
Current Difference	(306)	72	(25)	(27)	(27)	(29)	(29)
Accumulated Ending Balance	(206)	(134)	(159)	(186)	(186)	(215)	(215)

Background Information

Fees are charged to offset the costs of providing services from our database.

Forecast Basis

This forecast is based on the current statutory fees and history.

Recent Changes

None.

Agency Analysis/Requested Changes

Fees are charged to offset the costs of providing services for the sale of computer data base information.

SECRETARY OF STATE

ANNUAL REPORT FEES

Fiscal Report

Revenue Category Description: Annual Business Renewals

Requesting a Fee Change: No

Purpose: To file annual registration in order to maintain an accurate data base of public information on businesses.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S.303.07, 302.21, 317A.821, 317A.827, 302A.621

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,120	2,915	2,950	2,975	2,975	3,010	3,010
Total Departmental Earnings	2,120	2,915	2,950	2,975	2,975	3,010	3,010
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	2,120	2,915	2,950	2,975	2,975	3,010	3,010
<u>Expenditures:</u>							
Direct Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Indirect Expenditures							
Total Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Current Difference	696	1,738	1,574	1,675	1,675	1,795	1,795

Background Information

These fees are collected primarily for filing various annuals reports for businesses.

Forecast Basis

The forecast is based on the current statutory fees and history.

Recent Changes

None.

Agency Analysis/Requested Changes

The Secretary of State's Office collects revenue far in excess of expenditures. When broken down by separate EARNINGS GROUPS and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

SECRETARY OF STATE

COMPUTER INFO FEES-VR

Fiscal Report

Revenue Category Description: The fees are from the production of lists of registered voters.

Requesting a Fee Change: No

Purpose: To provide lists of registered voters to the public for a specific use.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 201.091, 16A.48

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	26	16	28	17	17	30	30
Total Departmental Earnings	26	16	28	17	17	30	30
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	26	16	28	17	17	30	30
<u>Expenditures:</u>							
Direct Expenditures	2,343	996	1,892	1,544	1,544	1,764	1,764
Indirect Expenditures							
Total Expenditures	2,343	996	1,892	1,544	1,544	1,764	1,764
Current Difference	(2,317)	(980)	(1,864)	(1,527)	(1,527)	(1,734)	(1,734)

Background Information

These fees are collected from the sale of lists of registered voters to the public for a specific use.

Forecast Basis

This forecast is based on the current statutory fees and history.

Recent Changes

None.

Agency Analysis/Requested Changes

The Secretary of State's Office collects revenue far in excess of expenditures. When broken down by separate EARNINGS GROUPS and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

SECRETARY OF STATE

NOTARIES

Fiscal Report

Revenue Category Description: Notary commission fees

Requesting a Fee Change: No

Purpose: When making application for a commission the applicant must submit, along with the information required a nonrefundable fee of \$40.

Fund: GENERAL

Appr Name:

Legal Citation(s): M.S. 359.01, Subd. 3

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	0	463	475	485	485	490	490
Total Departmental Earnings	0	463	475	485	485	490	490
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	0	463	475	485	485	490	490
Expenditures:							
Direct Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Indirect Expenditures							
Total Expenditures	1,424	1,177	1,376	1,300	1,300	1,215	1,215
Current Difference	(1,424)	(714)	(901)	(815)	(815)	(725)	(725)

Background Information

The transfer of the notary function from the Department of Commerce to the Office of the Secretary of State occurred at the beginning of the 2006/2007 biennium. The fees collected are for new notary commissions and renewals.

Forecast Basis

No changes occurred in the fee structure or income to the general fund as a whole, nor any increases or decreases in the costs of administering the programs, other than the allocation just described. Thus the transfer had no net impact.

Recent Changes

None

Agency Analysis/Requested Changes

The Secretary of State's Office collects revenue far in excess of expenditures. When broken down by separate EARNINGS GROUPS and attributed to a particular activity some activities will show an excess or deficit in the accumulated balances as they are not all self supporting. Therefore, the review forms do not reflect an accurate picture of the ratio of expenditures to receipts.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Agency Request	Current Law	Agency Request
<u>Non-Dedicated Receipts:</u>							
General	5,998	5,962	6,011	6,153	6,713	6,390	6,979
Total Non-Dedicated Receipts	5,998	5,962	6,011	6,153	6,713	6,390	6,979

<u>Fund Totals:</u>							
General	5,998	5,962	6,011	6,153	6,713	6,390	6,979
Departmental Earnings Total	5,998	5,962	6,011	6,153	6,713	6,390	6,979

STATE AUDITOR

AUDIT FEES

Fiscal Report

Revenue Category Description: AUDIT PRACTICE
DIVISION - AUDIT FEES

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To recover applicable costs related to audit, standards, legal, and support staff, including reimbursable travel expenses, necessary training, and other operating costs of the Audit Practice Division. To recover the costs of audit examinations, which are conducted primarily for the financial reviews of local governments and their related entities.

Appr Name:

Legal Citation(s): M.S. 6.56 to 6.58

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Agency Request	Current Law	Agency Request
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	5,998	5,962	6,011	6,153	6,713	6,390	6,979
Total Departmental Earnings	5,998	5,962	6,011	6,153	6,713	6,390	6,979
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	5,998	5,962	6,011	6,153	6,713	6,390	6,979
<u>Expenditures:</u>							
Direct Expenditures	5,998	5,962	6,011	6,153	6,713	6,390	6,979
Indirect Expenditures							
Total Expenditures	5,998	5,962	6,011	6,153	6,713	6,390	6,979
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

The State Auditor's Audit Practice Division plays a primary role in the Office of the State Auditor's Office ability to perform its oversight functions by examining the accounting systems of local governments. Under M.S. 6.58, all costs of the audit examination must be recovered through fees, generating a significant source of reimbursement for the state. These fees are non-dedicated revenues deposited in the General Fund. Audit work is billed on an hourly basis, plus reimbursable travel expenses, for each audited local government.

The Office of the State Auditor is committed to providing quality audit services to local governments in Minnesota at fees that recover the costs of the examination. Audit staff work closely with local governments to reduce audit costs wherever possible.

Forecast Basis

The current departmental earnings forecast is based on the assumption that the General Fund Expenditure Appropriation for the State Auditor's Audit Practice Division will be the same as the 2007 Appropriation.

Recent Changes

As required by law, the State Auditor reviews fees annually to verify the appropriateness of the fee structure and to ensure that total costs and expenses for examinations are recovered. As approved in conjunction with the Commissioner of Finance, a January 2005 and January 2006 fee increase was deemed necessary to keep the cost recovery formula in balance. The January 2005 and January 2006 increases were due primarily to increasing salary and healthcare costs.

Agency Analysis/Requested Changes

Increasing salary and health care costs continue to put pressure on hourly rates, however the State Auditor found it unnecessary to increase client rates in January 2007.

Because the Audit Practice Division recovers its costs, an increase in the Audit Practice Division's appropriation will be off set by an increase in non-dedicated revenue collected for the state General Fund, meaning that an increased appropriation for the Audit Practice Division will have no effect on the bottom line of the General Fund.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	648	603	600	600	600	600	600
Total Non-Dedicated Receipts	648	603	600	600	600	600	600

<u>Dedicated Receipts:</u>							
General	352	243	130	0	0	0	0
Misc Special Revenue	1,268	1,320	1,114	1,111	1,111	1,111	1,111
Total Dedicated Receipts	1,620	1,563	1,244	1,111	1,111	1,111	1,111

<u>Fund Totals:</u>							
General	1,000	846	730	600	600	600	600
Misc Special Revenue	1,268	1,320	1,114	1,111	1,111	1,111	1,111
Departmental Earnings Total	2,268	2,166	1,844	1,711	1,711	1,711	1,711

SUPREME COURT

DATA PRACTICES/COST OF COPIES

Fiscal Report

Revenue Category Description: Reimbursement for copies

Requesting a Fee Change: No

Purpose: To reimburse the cost of providing copies to library patrons

Fund: MISC SPECIAL REVENUE

Legal Citation(s): M.S. 13.03 Subd. 10

Appr Name: COPY COST REIMB

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	9	6	14	19	19	19	19
<u>Resources:</u>							
Dedicated Receipts	6	11	11	8	8	8	8
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	6	11	11	8	8	8	8
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	6	11	11	8	8	8	8
<u>Expenditures:</u>							
Direct Expenditures	9	3	6	8	8	8	8
Indirect Expenditures							
Total Expenditures	9	3	6	8	8	8	8
Current Difference	(3)	8	5	0	0	0	0
Accumulated Ending Balance	6	14	19	19	19	19	19

Background Information

The State Law Library charges library patrons \$.20 per page for the use of library copy equipment to make copies. If library staff makes the copies for the patrons, \$.25 per page is charged. Revenue estimates are based on historic use patterns.

Forecast Basis

The State Law Library will charge a fee adequate to cover the equipment lease, maintenance costs and supplies needed to produce the copies made by library patrons.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

SUPREME COURT

REG OF ATTRNY ACTIONS & ETH PR

Fiscal Report

Revenue Category Description: Fees charged to attorneys for late annual registration.

Requesting a Fee Change: No

Purpose: Fund the operational costs of collecting the annual attorney registration fee.

Fund: MISC SPECIAL REVENUE

Appr Name: ATTORNEY REGIS OPERATIONS

Legal Citation(s): M.S. 481.01; Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	43	40	35	3	3	6	6
Resources:							
Dedicated Receipts	84	98	90	90	90	90	90
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	84	98	90	90	90	90	90
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	84	98	90	90	90	90	90
Expenditures:							
Direct Expenditures	87	103	122	87	87	87	87
Indirect Expenditures							
Total Expenditures	87	103	122	87	87	87	87
Current Difference	(3)	(5)	(32)	3	3	3	3
Accumulated Ending Balance	40	35	3	6	6	9	9

SUPREME COURT

REG OF ATTRNY ACTIONS & ETH PR

Narrative

Background Information

The Attorney Registration Office collects registration fee monies from attorneys that regulate the practice of law. This operation is supported solely from late fees collected from attorneys.

Forecast Basis

The projected dedicated revenues and operating costs were based on actual data from prior years. No major changes in the number of clients served or in operating expenses are anticipated. This office will operate within the dedicated revenues collected by the current fees.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

SUPREME COURT

FEES FR USERS OF TCIS COMP SYS

Fiscal Report

Revenue Category Description: Fees from Users of State Court Computer System

Requesting a Fee Change: No

Fund: GENERAL

Purpose: To cover costs for TCIS data base access for non-court users.

Appr Name: TCIS ACCESS

Legal Citation(s): M.S. 13.03

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	3	207	33	0	0	0	0
Resources:							
Dedicated Receipts	352	243	130	0	0	0	0
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	352	243	130	0	0	0	0
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	352	243	130	0	0	0	0
Expenditures:							
Direct Expenditures	148	417	163	0	0	0	0
Indirect Expenditures							
Total Expenditures	148	417	163	0	0	0	0
Current Difference	204	(174)	(33)	0	0	0	0
Accumulated Ending Balance	207	33	0	0	0	0	0

SUPREME COURT

FEES FR USERS OF TCIS COMP SYS

Narrative

Background Information

A fee is charged to non-court governmental agencies to access the TCIS database. TCIS is the database containing all court records. Typically, these are court services/probation agencies. Each agency is charged a monthly base rate and a transaction rate.

Forecast Basis

The revenue projections are based on actual prior year receipts. Revenue is expected to decline and be eliminated completely as MNCIS is rolled out.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

SUPREME COURT

MISCELLANEOUS COURT FEES

Fiscal Report

Revenue Category Description: Alternative dispute resolution registration fee

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To cover the costs of certifying mediators and arbitrators, disseminating a roster statewide, and supporting the activities of the Board.

Appr Name: ALTER DISPUTE RESOLUTION

Legal Citation(s): M.S. 481.01

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	69	74	76	74	74	70	70
<u>Resources:</u>							
Dedicated Receipts	51	53	56	56	56	56	56
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	51	53	56	56	56	56	56
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	51	53	56	56	56	56	56
<u>Expenditures:</u>							
Direct Expenditures	46	51	58	60	60	62	62
Indirect Expenditures							
Total Expenditures	46	51	58	60	60	62	62
Current Difference	5	2	(2)	(4)	(4)	(6)	(6)
Accumulated Ending Balance	74	76	74	70	70	64	64

SUPREME COURT

MISCELLANEOUS COURT FEES

Narrative

Background Information

The Alternative Dispute Resolution Review Board is charged with the responsibility of reviewing the credentials of mediators and arbitrators seeking to be certified for the statewide roster of qualified neutrals distributed to all courts. In addition the Board establishes policies and procedures for the maintenance of the neutral lists. An annual fee is charged to qualified neutrals for registration on the list.

Forecast Basis

The activities of the Board and staff are maintained by the certification and registration fees collected from qualified neutrals. The projected dedicated revenues and operating costs were based on actual data from prior years. No major changes in the number of clients served or in operating costs are anticipated. This office will operate within the dedicated revenues collected by the current fees.

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended in the current fee structure.

SUPREME COURT

CIVIL LEGAL SERVICES DEDICATED

Fiscal Report

Revenue Category Description: Fees charged to MN attorneys to support legal services for the poor.

Requesting a Fee Change: No

Purpose: To provide partial funding for legal services for the poor by assessing MN attorneys.

Fund: MISC SPECIAL REVENUE

Appr Name: CIVIL LEGAL SERVICES-DED

Legal Citation(s): M.S. 481.01 and Court Rules

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	18	33	2	0	0	0	0
Resources:							
Dedicated Receipts	1,088	1,106	900	900	900	900	900
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	1,088	1,106	900	900	900	900	900
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	1,088	1,106	900	900	900	900	900
Expenditures:							
Direct Expenditures	1,073	1,137	902	900	900	900	900
Indirect Expenditures							
Total Expenditures	1,073	1,137	902	900	900	900	900
Current Difference	15	(31)	(2)	0	0	0	0
Accumulated Ending Balance	33	2	0	0	0	0	0

SUPREME COURT

CIVIL LEGAL SERVICES DEDICATED

Narrative

Background Information

The Supreme Court collects registration fees from attorneys that regulate the practice of law. A portion of the Attorney Registration Fee is used to support legal services for the poor in Minnesota. This funding is administered by the Legal Services Advisory Committee which is appointed by the Supreme Court. Funds are distributed in the form of grants.

Forecast Basis

Revenue and cost projections were based on actual data from prior years. No major changes in the number of attorneys assessed are anticipated in. Grant distribution will be based on the revenue received. This initiative will operate within the dedicated revenues collected by the current fees.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

SUPREME COURT

TESTING/TRAINING INTERPRETERS

Fiscal Report

Revenue Category Description: Fee for testing and training court interpreters

Requesting a Fee Change: No

Purpose: To supplement funding available to train and test court interpreters through a user fee

Fund: MISC SPECIAL REVENUE

Appr Name: INTERPRETER

Legal Citation(s): M.S. 480.175

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	34	12	10	13	13	18	18
Resources:							
Dedicated Receipts	39	52	57	57	57	57	57
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	39	52	57	57	57	57	57
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	39	52	57	57	57	57	57
Expenditures:							
Direct Expenditures	61	54	54	52	52	65	65
Indirect Expenditures							
Total Expenditures	61	54	54	52	52	65	65
Current Difference	(22)	(2)	3	5	5	(8)	(8)
Accumulated Ending Balance	12	10	13	18	18	10	10

SUPREME COURT

TESTING/TRAINING INTERPRETERS

Narrative

Background Information

Fees which underwrite the cost of administering a certification and testing program for court interpreters are established by the Supreme Court. The fees vary depending on the estimated costs of the various courses. Course costs vary from \$25-\$125.

Forecast Basis

The revenue forecast is based on the historic number of participants for each of the various courses.

Recent Changes

None.

Agency Analysis/Requested Changes

No changes are recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	205	199	165	165	165	165	165
Trunk Highway	7,452	7,536	5,661	6,561	111,161	6,561	6,561
Total Non-Dedicated Receipts	7,657	7,735	5,826	6,726	111,326	6,726	6,726

<u>Dedicated Receipts:</u>							
Misc Special Revenue	343	1,036	1,483	1,700	1,700	1,800	1,800
State Airports	505	401	500	500	500	500	500
Trunk Highway	2,466	4,918	3,900	3,900	3,900	3,900	3,900
Miscellaneous Agency	0	0	1	1	1	1	1
Total Dedicated Receipts	3,314	6,355	5,884	6,101	6,101	6,201	6,201

<u>Fund Totals:</u>							
General	205	199	165	165	165	165	165
Misc Special Revenue	343	1,036	1,483	1,700	1,700	1,800	1,800
State Airports	505	401	500	500	500	500	500
Trunk Highway	9,918	12,454	9,561	10,461	115,061	10,461	10,461
Miscellaneous Agency	0	0	1	1	1	1	1
Departmental Earnings Total	10,971	14,090	11,710	12,827	117,427	12,927	12,927

TRANSPORTATION DEPT

ADVERTISING PERMITS

Fiscal Report

Revenue Category Description: Permits for the erection of advertising devices along interstate highways

Requesting a Fee Change: No

Fund: TRUNK HIGHWAY

Purpose: To promote the safety of the traveling public, and to conserve the natural beauty of areas adjacent to highways, permits are issued to regulate and control the placement and characteristics of advertising devices along highways.

Appr Name:

Legal Citation(s): MS 173.13, Subd 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	79	175	390	390	605	605
Resources:							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	409	382	510	510	510	510	510
Total Departmental Earnings	409	382	510	510	510	510	510
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	409	382	510	510	510	510	510
Expenditures:							
Direct Expenditures	280	242	250	250	250	250	250
Indirect Expenditures	50	44	45	45	45	45	45
Total Expenditures	330	286	295	295	295	295	295
Current Difference	79	96	215	215	215	215	215
Accumulated Ending Balance	79	175	390	605	605	820	820

Background Information

Permits for placement of advertising devices along state highways. This revenue code results in a positive adjustment to the Trunk Highway fund balance.

Forecast Basis

Revenues are expected to remain fairly constant each year of the biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

TRANSPORTATION DEPT

HIGHWAY TOLL REVENUE

Fiscal Report

Revenue Category Description: Fees and Rental of Transponders for Highway Congestion Pricing

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: Fees collected from single passenger vehicles in the fast lane and rental of transponders to highway commuters to create a base for charging drivers for peak to slack driving hours on a sliding scale. Revenue is used to pay for and maintain the current Mn/PASS system.

Appr Name: MN/PASS FARE RECEIPTS

Legal Citation(s): MS 031 019 02 007 002

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	298	1,199	0	0	0	0
Resources:							
Dedicated Receipts	298	901	1,100	1,300	1,300	1,400	1,400
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	298	901	1,100	1,300	1,300	1,400	1,400
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	298	901	1,100	1,300	1,300	1,400	1,400
Expenditures:							
Direct Expenditures	0	0	2,299	1,300	1,300	1,400	1,400
Indirect Expenditures							
Total Expenditures	0	0	2,299	1,300	1,300	1,400	1,400
Current Difference	298	901	(1,199)	0	0	0	0
Accumulated Ending Balance	298	1,199	0	0	0	0	0

Background Information

Mn/DOT has investigated several methods to reduce congestion on primarily metro highways during peak traffic flows. One possible solution is to charge a fee for travel on the most populous routes, based on a sliding per mile schedule according to traffic counts and road capacities. Also, to encourage multi-passenger commutes, a fee can be charged for single occupancy vehicles to enter the faster pay-as-you go lane.

Forecast Basis

Revenues and expenditures have remained quite stable since initiation. The forecast is for a slight growth in both use and expense of the transponders as the public gains acceptance of this method of congestion mitigation.

Recent Changes

None.

Agency Analysis/Requested Changes

It could take more time for the general public to accept paying for a faster commute in peak travel times. As the state gains more drivers, more people probably will be willing to accept an additional cost for the benefit of faster travel.

TRANSPORTATION DEPT

AIRP, COMM, OPER&AIRCRAFT D LI

Fiscal Report

Revenue Category Description: Licenses for airports, aviation dealers, and persons engaged in commercial operations at airports.

Requesting a Fee Change: No

Fund: GENERAL

Appr Name:

Purpose: To promote safety in aeronautics, Mn/DOT will license any person engaged in commercial operations in or at an approved airport, such as an aircraft dealer, or persons involved in air instruction. The agency also issues licenses for airports, restricted landing sites, and other air navigation facilities.

Legal Citation(s): MS 360.015, MS360.63, MS360.018

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(17)	(31)	(45)	(45)	(59)	(59)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	12	15	15	15	15	15	15
Total Departmental Earnings	12	15	15	15	15	15	15
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	12	15	15	15	15	15	15
<u>Expenditures:</u>							
Direct Expenditures	25	25	25	25	25	25	25
Indirect Expenditures	4	4	4	4	4	4	4
Total Expenditures	29	29	29	29	29	29	29
Current Difference	(17)	(14)	(14)	(14)	(14)	(14)	(14)
Accumulated Ending Balance	(17)	(31)	(45)	(59)	(59)	(73)	(73)

TRANSPORTATION DEPT

AIRP, COMM, OPER & AIRCRAFT D LI

Narrative

Background Information

The aeronautics program promotes aviation and air safety by inspecting and licensing public, private, and personal-use airports, helipads, seaplane bases, and restricted landing areas. Mn/DOT also will license any person engaged in commercial operations at an approved air site in accordance with rules set by state statutes and/or the agency. Aircraft registration also helps offset the cost of maintaining this aspect of the aeronautics program.

Forecast Basis

The number of aeronautics licenses remains fairly stable from year to year.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

TRANSPORTATION DEPT

LABORATORY TESTING & INSPECT

Fiscal Report

Revenue Category Description: Laboratory sampling, testing, and inspection of road materials for other government agencies.

Requesting a Fee Change: No

Fund: TRUNK HIGHWAY

Appr Name:

Purpose: Mn/DOT will test aggregates, soil, concrete, pipes, posts, and other materials to provide technical assistance and to ensure purchase of safe materials being used in capital projects throughout the state. As costs of the service are fully recovered, and Mn/DOT labs and lab personnel are more fully utilized at non-peak times, the benefits of this service are mutual to Mn/DOT and cities or counties.

Legal Citation(s): MS131.69, Subd 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	0	0	0	0	0	0
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	130	101	100	100	100	100	100
Total Departmental Earnings	130	101	100	100	100	100	100
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	130	101	0	0	0	0	0
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	260	202	100	100	100	100	100
<u>Expenditures:</u>							
Direct Expenditures	260	202	100	100	100	100	100
Indirect Expenditures							
Total Expenditures	260	202	100	100	100	100	100
Current Difference	0	0	0	0	0	0	0
Accumulated Ending Balance	0	0	0	0	0	0	0

Background Information

If additional state aid funds for counties and municipalities become available for capital projects, there could be an increase in usage of services from MnDOT labs. Rates are reviewed yearly in an attempt to fully recover department costs. Work performed for which no rates exist is charged back on the basis of actual costs plus indirect expenses as identified in the MAPS system.

Forecast Basis

Revenues are not expected to change dramatically in the next biennium.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

TRANSPORTATION DEPT

MOTOR CARRIER PERMITS & FEES

Fiscal Report

Revenue Category Description: Motor Carrier Permits and Fees

Requesting a Fee Change: No

Fund: GENERAL, TRUNK HIGHWAY

Purpose: Motor carrier permits and fees ensure compliance with state laws, rules, and regulations governing motor carrier operations, so that transportation of persons and property on Minnesota's public highways is safe and meets the needs of carriers, shippers, passengers, and the traveling public.

Appr Name:

Legal Citation(s): MS 221.0355, Subd 4

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(2,554)	(4,907)	(7,577)	(7,577)	(10,247)	(10,247)
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	2,029	2,635	2,401	2,401	2,401	2,401	2,401
Total Departmental Earnings	2,029	2,635	2,401	2,401	2,401	2,401	2,401
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	1,959	2,085	2,499	2,499	2,499	2,499	2,499
Current Year Resources	70	550	(98)	(98)	(98)	(98)	(98)
<u>Expenditures:</u>							
Direct Expenditures	2,624	2,903	2,572	2,572	2,572	2,572	2,572
Indirect Expenditures							
Total Expenditures	2,624	2,903	2,572	2,572	2,572	2,572	2,572
Current Difference	(2,554)	(2,353)	(2,670)	(2,670)	(2,670)	(2,670)	(2,670)
Accumulated Ending Balance	(2,554)	(4,907)	(7,577)	(10,247)	(10,247)	(12,917)	(12,917)

TRANSPORTATION DEPT

MOTOR CARRIER PERMITS & FEES

Narrative

Background Information

Since January 1995, all intrastate for-hire property carriers were made exempt from cab card fees. They are required to register, but at no cost to them. This results in a loss of income to our program. With less emphasis placed on economic regulation there is a transition to more safety training and regulation in the motor carrier program. The negative cash flow is considered an acceptable cost to the entire traveling public.

Forecast Basis

This activity should remain relatively stable as long as other economic factors in the state maintain consistent motor carrier involvement.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

TRANSPORTATION DEPT

TRANSPORTATION PERMITS

Fiscal Report

Revenue Category Description: Oversize or overweight vehicle permits

Requesting a Fee Change: No

Purpose: To regulate the movement of oversize/overweight vehicles on the trunk highway system and to compensate for damage to the highways.

Fund: MISC SPECIAL REVENUE, TRUNK HIGHWAY

Appr Name: FOREST PROD HAULER - LOCAL

Legal Citation(s): MS 169.86, Subd 5

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	2,747	5,814	6,896	6,896	7,995	7,995
<u>Resources:</u>							
Dedicated Receipts	28	108	108	125	125	125	125
Non-Dedicated Receipts	3,464	3,772	1,800	1,800	1,800	1,800	1,800
Total Departmental Earnings	3,492	3,880	1,908	1,925	1,925	1,925	1,925
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	3,492	3,880	1,908	1,925	1,925	1,925	1,925
<u>Expenditures:</u>							
Direct Expenditures	631	689	700	700	700	700	700
Indirect Expenditures	114	124	126	126	126	126	126
Total Expenditures	745	813	826	826	826	826	826
Current Difference	2,747	3,067	1,082	1,099	1,099	1,099	1,099
Accumulated Ending Balance	2,747	5,814	6,896	7,995	7,995	9,094	9,094

TRANSPORTATION DEPT

TRANSPORTATION PERMITS

Narrative

Background Information

The positive difference of income over expenditures for this permit revenue source continues to accumulate as planned compensation for damage to highways caused by overweight vehicles.

Permits sold in FY05 and FY06	FY05	FY06
Singles @ \$15	44,628	47,281
Singles over \$15.00	15,083	16,447
Permit Revisions	5,316	5,720
Annual Permits	9,103	9,376
Total Permits	73,628	78,581

Forecast Basis

Stable usage for exceptional vehicle access.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current rate structure.

TRANSPORTATION DEPT

AIR TRANSP REVOLVING ACCT.

Fiscal Report

Revenue Category Description: Air Transportation
Revolving Account

Requesting a Fee Change: No

Fund: STATE AIRPORTS

Purpose: To provide air transportation for state officials traveling on government business. The fares for the flights are used to maintain the airplanes and correlating expenses.

Appr Name: AIR TRANSPORT SERVIC

Legal Citation(s): M.S. 360.024

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	418	550	511	279	279	279	279
<u>Resources:</u>							
Dedicated Receipts	505	401	500	500	500	500	500
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	505	401	500	500	500	500	500
<u>Other Resources:</u>							
Earnings Transferred In	11	0	0	0	0	0	0
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	516	401	500	500	500	500	500
<u>Expenditures:</u>							
Direct Expenditures	384	440	732	500	500	500	500
Indirect Expenditures							
Total Expenditures	384	440	732	500	500	500	500
Current Difference	132	(39)	(232)	0	0	0	0
Accumulated Ending Balance	550	511	279	279	279	279	279

TRANSPORTATION DEPT

AIR TRANSP REVOLVING ACCT.

Narrative

Background Information

The aircraft available in this activity are used for transporting government officials and their staff. This will increase the efficiency of state government by reducing the time necessary for travel involved in governmental duties. Using centrally located air transportation services increases the ability of state government to respond more productively and immediately to constituent needs in Greater Minnesota. The air transportation service is operated as a revolving account. Rates for use of the aircraft are set so that the costs of operating the aircraft, maintenance of the aircraft, and recovery of acquisition costs are covered by the account. Rates are periodically reviewed and adjusted so that the fund maintains a positive balance.

Forecast Basis

This activity operates from a revolving fund, and would expect little change from year to year. Continued department emphasis on electronic communication channels such as electronic conferencing has decreased ridership, but it is predicted that in the next biennium the planes should be back to full passenger capacity.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

TRANSPORTATION DEPT

DOT: MISCELLANEOUS

Fiscal Report

Revenue Category Description: Miscellaneous Income

Requesting a Fee Change: No

Purpose: Miscellaneous revenue includes rent collection on use of highway right of way, revenues from agreements with local governments for highway construction and maintenance, sale of sand, gravel, and salt at cost to other governmental units, sign fabrication cost recovery, strip operation and replacement expense recovery.

Fund: MISC SPECIAL REVENUE, TRUNK HIGHWAY, MISCELLANEOUS AGENCY

Appr Name: DAMAGE DEPOSIT, EXCESS R/W RENT, HIGHWAY SIGN REVOLVING ACCOUN, PAVEMENT STRIPE REV ACCT, RAIL BANK MAINTENANCE

Legal Citation(s): MS Chapter 221

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	0	(245)	(906)	(231)	(231)	1,344	1,344
Resources:							
Dedicated Receipts	2,396	4,813	4,076	4,076	4,076	4,076	4,076
Non-Dedicated Receipts	1,613	830	1,000	1,900	1,900	1,900	1,900
Total Departmental Earnings	4,009	5,643	5,076	5,976	5,976	5,976	5,976
Other Resources:							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
Resource Reductions:							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	4,009	5,643	5,076	5,976	5,976	5,976	5,976
Expenditures:							
Direct Expenditures	4,064	6,007	4,086	4,086	4,086	4,086	4,086
Indirect Expenditures	190	297	315	315	315	315	315
Total Expenditures	4,254	6,304	4,401	4,401	4,401	4,401	4,401
Current Difference	(245)	(661)	675	1,575	1,575	1,575	1,575
Accumulated Ending Balance	(245)	(906)	(231)	1,344	1,344	2,919	2,919

Background Information

Mn/DOT Leases, External: Mn/DOT will continue to utilize available resources (vacant land and buildings) in a fiscally prudent manner until needed for construction purposes. Many leases are long-term such as parking for churches, or hay cutting along state roads. Also some lease collections are for inter-governmental co-operation property utilization. These earnings are collected as miscellaneous income and are not identified with specific operating expenditures in the department.

Vacant rail right-of-way is also leased to interested parties until needed by Mn/DOT.

Mn/DOT Agreements with Local Governments: To continue providing Mn/DOT expertise to local units of government for project engineering and finalization. Agreements are billed on an actual time used basis.

Sale of Gravel, Sand, and Salt: The agency sells gravel, sand, and salt to local units of government where locations are convenient, supplies are adequate and at a cost basis. Activity is expected to remain constant at current levels.

Pavement Striping Revenue Account: After extensive analysis it was determined to be more cost effective to the state to own a striper than to keep leasing one whenever that procedure was needed for roadway purposes. By contracted some time and materials out to other agencies, the agency hopes to recover more than the expenses of owning a striping machine, thereby creating a fund for future striper purchases.

Sign Fabrication Cost Recovery: The state sign shop create signs for Mn/DOT districts as well as local units of government. By placing the revenues and corresponding expenses into an expense recovery account, the sign operations will act as a business within Mn/DOT.

Forecast Basis

Road maintenance services regarding the above activities are not scheduled to change in the near future.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Non-Dedicated Receipts:</u>							
General	36	19	15	0	0	0	0
Total Non-Dedicated Receipts	36	19	15	0	0	0	0

<u>Dedicated Receipts:</u>							
Misc Special Revenue	27	41	41	41	41	41	41
Total Dedicated Receipts	27	41	41	41	41	41	41

<u>Fund Totals:</u>							
General	36	19	15	0	0	0	0
Misc Special Revenue	27	41	41	41	41	41	41
Departmental Earnings Total	63	60	56	41	41	41	41

VETERANS AFFAIRS DEPT

VETERAN'S AFFAIRS

Fiscal Report

Revenue Category Description: Reimbursement for burials and unrestricted donations.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE

Purpose: To collect allowable reimbursement from the federal department of veterans affairs (\$300.00), and donations for the development and maintenance of the cemetery.

Appr Name: CEM DEV & MAINT ACCT-INT-ITC

Legal Citation(s): M.S. 197.236

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	309	342	424	447	447	376	376
<u>Resources:</u>							
Dedicated Receipts	27	41	41	41	41	41	41
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	27	41	41	41	41	41	41
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	71	84	93	93	93	93	93
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	98	125	134	134	134	134	134
<u>Expenditures:</u>							
Direct Expenditures	65	43	111	205	205	226	226
Indirect Expenditures							
Total Expenditures	65	43	111	205	205	226	226
Current Difference	33	82	23	(71)	(71)	(92)	(92)
Accumulated Ending Balance	342	424	447	376	376	284	284

Background Information

The department receives a reimbursement of \$300 per veteran burial from the US DVA for wartime veterans. The department currently charges various fees ranging from \$250 to \$750 for burial of veterans' dependents. This department receives private donations, which are unrestricted. Donations are usually received from veterans' organizations that adopt a project at the cemetery. These are considered gifts and processed with gift acceptance letters through the State Treasurer's Office. Then the department follows state policies and procedures when making purchases with these funds.

The department completed a rifle room during the past biennial budget period. This room has proven to be a comfortable place for the volunteers who help out at the cemetery in numerous ways.

Forecast Basis

Our numbers are based on current burials, interest rates, and the amount of fees we charge for dependents.

Recent Changes

The department is currently funding a full time groundskeeper position and an intermittent employee from the burial reimbursements.

Agency Analysis/Requested Changes

The commissioner has the authority by statute to change the fees charged for the dependents and will continue to analyze all aspects of the cemetery funding during the next two fiscal years.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Dedicated Receipts:							
Misc Special Revenue	28,430	29,547	30,299	31,269	31,269	32,041	32,041
Federal	11	7	0	0	0	0	0
Total Dedicated Receipts	28,441	29,554	30,299	31,269	31,269	32,041	32,041

Fund Totals:							
Misc Special Revenue	28,430	29,547	30,299	31,269	31,269	32,041	32,041
Federal	11	7	0	0	0	0	0
Departmental Earnings Total	28,441	29,554	30,299	31,269	31,269	32,041	32,041

VETERANS HOME BOARD

VETERANS COST OF CARE

Fiscal Report

Revenue Category Description: Maintenance charges and VA per diems for services provided to veterans homes residents.

Requesting a Fee Change: No

Fund: MISC SPECIAL REVENUE, FEDERAL

Purpose: To partially recover the cost of care of residents at the state veterans homes.

Appr Name: Various

Legal Citation(s): M.S. 198.34

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Resources:</u>							
Dedicated Receipts	28,441	29,554	30,299	31,269	31,269	32,041	32,041
Non-Dedicated Receipts	0	0	0	0	0	0	0
Total Departmental Earnings	28,441	29,554	30,299	31,269	31,269	32,041	32,041
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts							
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency							
Current Year Resources	28,441	29,554	30,299	31,269	31,269	32,041	32,041
<u>Expenditures:</u>							
Direct Expenditures	59,089	64,106	68,220	68,152	76,462	69,969	76,583
Indirect Expenditures							
Total Expenditures	59,089	64,106	68,220	68,152	76,462	69,969	76,583
Current Difference	(30,648)	(34,552)	(37,921)	(36,883)	(45,193)	(37,928)	(44,542)

VETERANS HOME BOARD

VETERANS COST OF CARE

Narrative

Background Information

The veterans homes provide skilled nursing care and domiciliary (board and care) services to veterans and their spouses. These services are provided in nursing homes located in Minneapolis, Hastings, Silver Bay, Luverne, and Fergus Falls.

Forecast Basis

Receipt projections are based on the history of the receipts collected. For maintenance charges this is based on the actual experience of the individual homes – average collected per resident times the projected average census. Per diems received from the U.S. Veteran's Administration are also based on the actual experience of number of residents, by level of care for which per diems were collected, times the per diem rates. Per diem rates are set each year by the Veterans Administration. A 3.0% increase for per diems and 2.0% for maintenance charges has been built into the forecast. Actual increases for per diems can vary from 0% - 10%. Maintenance charges are based on the resident's ability to pay. On July 1 of each year the homes calculate their cost of care, in accordance with our rules. Individual resident's maintenance charges are reviewed and recalculated at least once a year or whenever there is substantial change in the resident's income or assets. The veterans homes are also supported by a direct appropriation from the general fund.

Recent Changes

None.

Agency Analysis/Requested Changes

No change is recommended in the current fee structure.

(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Non-Dedicated Receipts:							
State Government Spec Revenue	303	310	310	310	315	310	315
Total Non-Dedicated Receipts	303	310	310	310	315	310	315

Fund Totals:							
State Government Spec Revenue	303	310	310	310	315	310	315
Departmental Earnings Total	303	310	310	310	315	310	315

VETERINARY MEDICINE BOARD

MN BD OF VETERINARY MEDICINE

Fiscal Report

Revenue Category Description: Licensing Fees

Requesting a Fee Change: Yes

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

Fund: STATE GOVERNMENT SPEC REVENUE

Appr Name:

Legal Citation(s): M.S. 156, M.S. 319B and MN Rules 9100

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

Revenue Category Summary (Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	FY 2008		FY 2009	
				Current Law	Governor Recomm.	Current Law	Governor Recomm.
Accumulated Balance Forward	116	143	207	209	209	224	170
<u>Resources:</u>							
Dedicated Receipts	0	0	0	0	0	0	0
Non-Dedicated Receipts	294	302	304	304	309	304	309
Total Departmental Earnings	294	302	304	304	309	304	309
<u>Other Resources:</u>							
Earnings Transferred In							
Rev Collected at Other Agency							
Other Receipts	9	8	6	6	6	6	6
<u>Resource Reductions:</u>							
Earnings Transferred Out							
Rev Collected for Other Agency	0	4	0	0	0	0	0
Current Year Resources	303	306	310	310	315	310	315
<u>Expenditures:</u>							
Direct Expenditures	182	165	193	179	238	179	203
Indirect Expenditures	94	77	115	116	116	116	116
Total Expenditures	276	242	308	295	354	295	319
Current Difference	27	64	2	15	(39)	15	(4)
Accumulated Ending Balance	143	207	209	224	170	239	166

Background Information

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

The Board of Veterinary Medicine provides the following services:

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

Forecast Basis

Fees charged to applicants, prospective applicants, licensees, and sponsors of continuing education programs approved by the board are set to recover the board's direct and indirect expenditures. Revenues are forecasted based on a number of factors, including actual revenue collected in the previous year, the number of applicants seeking initial licensure, and any fee changes set in current law. There are no significant changes anticipated to the amount of revenue generated in the upcoming biennium.

Recent Changes

The board last increased its licensure and renewal fees in 1997.

Requested Changes

The board is proposing to begin collecting fees for license verification and continuing education sponsor approval.

ZOOLOGICAL BOARD

ZOO RECEIPTS

Narrative

The Zoo receipts are exempt from the departmental earnings and cost recovery statute (M.S. 16A.1285) per M.S. 85A.02, Subd. 2. The Zoo receipts are deposited in a special revenue fund account and dedicated to the Zoo.

				FY 2008		FY 2009	
(Dollars in Thousands)	Actual FY 2005	Actual FY 2006	Budgeted FY 2007	Current Law	Governor Recomm.	Current Law	Governor Recomm.
<u>Dedicated Receipts:</u>							
Special Revenue	9,087	9,305	9,382	9,583	9,583	11,653	11,653
Total Receipts	9,087	9,305	9,382	9,583	9,583	11,653	11,653