

**HF824 - 0 - "Pub Waters Work Permit Req Modifications"**

Chief Author: **Steve Green**  
 Committee: **Transportation Policy and Finance**  
 Date Completed: **03/02/2015**  
 Agency: **Natural Resources Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings	X	
Tax Revenue		X
Information Technology		X
Local Fiscal Impact	X	

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2015	FY2016	FY2017	FY2018	FY2019
<b>Water Mgmt. Account</b>	-	30	30	30	30	30
<b>Total</b>	-	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>Biennial Total</b>			<b>60</b>			<b>60</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2015	FY2016	FY2017	FY2018	FY2019
Water Mgmt. Account	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**Executive Budget Officer's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with MMB's Fiscal Note policies.

EBO Signature: Michelle Mitchell      Date: 3/2/2015 9:00:10 AM  
 Phone: 651 201-8025      Email michelle.mitchell@state.mn.us

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2015</b>	<b>FY2016</b>	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>
Water Mgmt. Account	-	30	30	30	30	30
<b>Total</b>	<b>-</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>	<b>30</b>
<b>Biennial Total</b>			<b>60</b>			<b>60</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Water Mgmt. Account	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>			<b>-</b>
<b>2 - Revenues, Transfers In*</b>						
Water Mgmt. Account	-	(30)	(30)	(30)	(30)	(30)
<b>Total</b>	<b>-</b>	<b>(30)</b>	<b>(30)</b>	<b>(30)</b>	<b>(30)</b>	<b>(30)</b>
<b>Biennial Total</b>			<b>(60)</b>			<b>(60)</b>

**Bill Description**

This bill exempts county or town road improvement and maintenance, including culvert restoration and replacement, from the public waters work permitting requirements.

**Assumptions**

Townships pay no more than \$100 for a permit and under most conditions counties can use the General Permit at a cost of \$100 per permit. Individual permits (that dont meet the criteria for the General Permit) have a minimum permit application fee of \$150. We reviewed permit fees for the last 3 complete fiscal years (2012-2014).

There were an average of 270 permit applications from townships and counties each fiscal year as described below.

We used numbers from permit use types including bridges, culverts, and roadway fill where we could determine that the applicant was either a county or township. There may have been other permits where it was not obvious that the applicant was a county or township, or permits that were not clearly for road work (excavation, erosion control, etc.). We also assume that individual permit application fees for counties is \$150, when in reality, some may have been higher because a large project can be assessed a fee based on 1% of the project cost up to a maximum of \$1,000.

There were an average of 270 township and county road permit applications per fiscal year.

General permit authorizations: (\$100/application)                      223 applications X \$100 = \$22,300

Average individual permit applications counties (\$150/application) 29 applications X \$150 = \$4350

Average individual permit applications townships (\$100/ application) 17 applications X \$100 = \$1700

Total average annual permit fees from county and township applications for road repairs and other work was at least \$28,350, because a few fees for counties are higher than \$150, we rounded to **\$30,000**.

The consequences of forgoing professional review of water-related road projects would be borne by local units of government, see the section on local impacts, below.

**Expenditure and/or Revenue Formula**

Box 4: Estimating Revenues								
Item (describe revenue item and unit measure)				Fee/Receipt		Number of units		Revenue
Permit fees not collected - total				\$ (30,000.00)	x	1	=	\$ (30,000)
				\$ -	x		=	\$ -
				\$ -	x		=	\$ -
						<b>Total Revenue</b>		<b>\$ (30,000)</b>

**Long-Term Fiscal Considerations**

The permit review process serves an important function by insuring proper design. Improper design can lead to unexpected disruption of road crossing and potential costs to the state.

**Local Fiscal Impact**

The permit review process serves an important function by insuring proper design. An improper design can cause local government to incur costs.

**References/Sources**

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**Date:** 3/2/2015 8:58:23 AM

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