

**HF949 - 0 - Watercraft Operator Permit, Safety Program**

Chief Author: **Erin Koegel**  
 Committee: **Environment and Natural Resources Finance And Policy**  
 Date Completed: **1/30/2023 1:32:48 PM**  
 Lead Agency: **Natural Resources Dept**  
 Other Agencies:  
     Public Safety 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.

<b>State Cost (Savings)</b>	Biennium			Biennium	
Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue	-	58	-	-	-
<b>State Total</b>					
Restrict Misc. Special Revenue	-	58	-	-	-
<b>Total</b>	-	<b>58</b>	-	-	-
<b>Biennial Total</b>			<b>58</b>		-

<b>Full Time Equivalent Positions (FTE)</b>	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Jim Carlson      **Date:** 1/30/2023 1:32:48 PM  
**Phone:** 651-284-6540      **Email:** jim.carlson@lbo.mn.gov

**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>	
<b>Dollars in Thousands</b>		<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
<b>Public Safety Dept</b>						
Restrict Misc. Special Revenue		-	58	-	-	-
<b>Total</b>		-	<b>58</b>	-	-	-
<b>Biennial Total</b>				<b>58</b>		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Public Safety Dept						
Restrict Misc. Special Revenue						
Expenditures		-	90	-	-	-
Absorbed Costs		-	(32)	-	-	-
<b>Total</b>		-	<b>58</b>	-	-	-
<b>Biennial Total</b>				<b>58</b>		-
<b>2 - Revenues, Transfers In*</b>						
Public Safety Dept						
Restrict Misc. Special Revenue		-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

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 Agency: **Natural Resources Dept**

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Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2023	FY2024	FY2025	FY2026	FY2027
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Jim Carlson      **Date:** 1/26/2023 9:11:51 AM  
**Phone:** 651-284-6540      **Email:** jim.carlson@lbo.mn.gov

**State Cost (Savings) Calculation Details**

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Dollars in Thousands		FY2023	FY2024	FY2025	FY2026	FY2027
	<b>Total</b>	-	-	-	-	-
	<b>Biennial Total</b>			-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
	<b>Total</b>	-	-	-	-	-
	<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>						
	<b>Total</b>	-	-	-	-	-
	<b>Biennial Total</b>			-		-

**Bill Description**

This bill modifies the DNR's watercraft safety education program by adding new permit requirements for certain watercraft operators, changing some permit definitions, and adding requirements of motorboat rental businesses.

**Assumptions**

The DNR currently offers watercraft safety education through an outside vendor, and this bill would expand the group of watercraft operators subject to education requirements. The majority of the operator permits will be administered through the current online vendor platform directly with the individual. The Recreational Boating Safety Grant administered by the United States Coast Guard will continue to cover associated costs for those that choose to utilize the DNR's free paper version. The DNR's current boat and water safety programs would be modified without estimated measureable fiscal impact.

**Expenditure and/or Revenue Formula**

none

**Long-Term Fiscal Considerations**

none

**Local Fiscal Impact**

none

**References/Sources**

none

**Agency Contact:** Rodmen Smith 612-237-6391

**Agency Fiscal Note Coordinator Signature:** Tyler Teggatz

**Phone:** 651-259-5304

**Date:** 1/25/2023 12:12:33 PM

**Email:** tyler.teggatz@state.mn.us

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 Agency: **Public Safety Dept**

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<b>Total</b>	-	<b>58</b>	-	-	-	-
<b>Biennial Total</b>			<b>58</b>			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2023	FY2024	FY2025	FY2026	FY2027
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Laura Cecko      **Date:** 1/27/2023 12:17:31 PM  
**Phone:** 651-284-6543      **Email:** laura.cecko@lbo.mn.gov

**State Cost (Savings) Calculation Details**

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<b>Total</b>	-	<b>58</b>	-	-	-	-
<b>Biennial Total</b>			<b>58</b>			-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Restrict Misc. Special Revenue						
Expenditures	-	90	-	-	-	-
Absorbed Costs	-	(32)	-	-	-	-
<b>Total</b>	-	<b>58</b>	-	-	-	-
<b>Biennial Total</b>			<b>58</b>			-
<b>2 - Revenues, Transfers In*</b>						
Restrict Misc. Special Revenue	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

**Bill Description**

Adding a subdivision to 171.07 to create an indicator to display on driver’s licenses and identification cards specific to individuals who have been issued a watercraft operator’s permit by the commissioner of the Department of Natural Resources (DNR).

**Assumptions**

Assume DNR will transfer information about an individual’s watercraft operator’s permit to Department of Public Safety Driver and Vehicle Services Division (DVS) using existing interface. MNDRIVE will request data file from DNR about the applicant.

Assume programming for MNDRIVE to match DNR data about an individual’s watercraft operator’s permit with driver’s license or identification information to add the indicator to the credential.

Assume 160 hours of programming at \$200 per hour to include development, testing, and support for a total cost of \$32,000. (160 hours x \$200 = \$32,000). Assume DVS can absorb this programming cost via the DVS technology account special revenue fund.

Assume watercraft operator indicator would be written out as text on the credential, consistent with other DNR indicators.

Assume watercraft operator indicator will be prioritized before other DNR indicators that can appear on the credential.

Assume indicator would be printed on the back of Standard and REAL ID credentials.

Assume indicator cannot be printed on the back of the Enhanced Driver’s License (EDL) ID as there is no space on the EDL for indicators. Assume the indicator will be on the individual’s driving record for law enforcement to view.

Assume on Standard and REAL ID credentials precedent of the individual’s indicator will determine if the indicator will be printed (for example a commercial driver’s license marker will have priority in printing on the credential). If the watercraft operator permit indicator cannot be printed on the credential, the indicator will be on the individual’s driving record for law enforcement to view.

Assume no changes to the paper application form as watercraft operator permit is not an optional indicator to the applicant.

Assume IDEMIA, card vendor for credentials, will create programming and necessary changes to print indicator on credentials at a total cost of \$58,460. Programming to take four months and costs related to credential design and printing include:

- \$ 3,700 Program Management
- \$ 1,060 Architecture
- \$ 6,625 Card Design
- \$21,200 Manufacturing Engineering
- \$ 7,875 Quality Assurance
- \$18,000 Managed Services

Assume DVS will need an appropriation of \$58,460 in FY24 from the Driver Services Account in the special revenue fund.

Assume watercraft indicator will be added at time of next renewal following the effective date for individuals who have obtained the watercraft operator permit.

Assume DNR will answer questions related to obtaining watercraft operator permit and there will be minimal increase, if any, in customer contact to DVS Public Information Center (PIC) that can be absorbed by DVS.

Assume costs for training staff and business partners and website update will be minimal and can be absorbed by existing DVS staff.

Assume effective date July 1, 2025.

### **Expenditure and/or Revenue Formula**

FY24

Expenditures

#### **Driver and Vehicle Services Technology Account**

\$32,000 programming (absorbed)

#### **Driver Services Operating Account**

Card vendor programming cost = \$58,460

Total Expenditures Driver Services Operation Account FY24 = \$58,460

### **Long-Term Fiscal Considerations**

#### **Local Fiscal Impact**

#### **References/Sources**

**Agency Contact:** Pong Xiong 651-201-7580

**Agency Fiscal Note Coordinator Signature:** Dan Boytim

**Phone:** 651-201-7040

**Date:** 1/27/2023 10:20:46 AM

**Email:** Dan.Boytim@state.mn.us

