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<https://www.dnr.state.mn.us/>

AT A GLANCE

Conserve and Manage Natural Resources

- Manage 1.3 million acres of wildlife management areas, 192,000 acres of scientific and natural areas, and 4.3 million acres of state forest
- Manage fisheries in 4,400 fishing lakes and 15,000 miles of fishable streams and rivers in Minnesota
- Manage 2,800 surface-water monitoring sites

Get People Outdoors

- Operate 75 state parks and recreation areas, 43 state forest campgrounds and nine state waysides
- Manage 2.4 million license sales and 1.4 million boat and vehicle registrations
- Provide more than 29,800 miles of trails for hiking, biking, snowmobiles, off-highway vehicles, horseback riding and cross-county skiing
- Manage 1,700 public water accesses, 390 fishing piers and 35 water trails

Build the Economy

- Provide recreation opportunities that contribute to the state’s \$16.7 billion outdoor recreation economy, which generates about \$1.4 billion in state and local tax revenues
- Manage 12 million acres of state mineral rights, including those on School Trust Lands, contributing directly to the state’s economy
- Offer 900,000 cords of timber annually while meeting forest certification requirements on 5 million acres of state lands, including 2.5 million acres of School Trust Lands, that provide habitat, clean water, carbon storage and recreational opportunities as well as timber

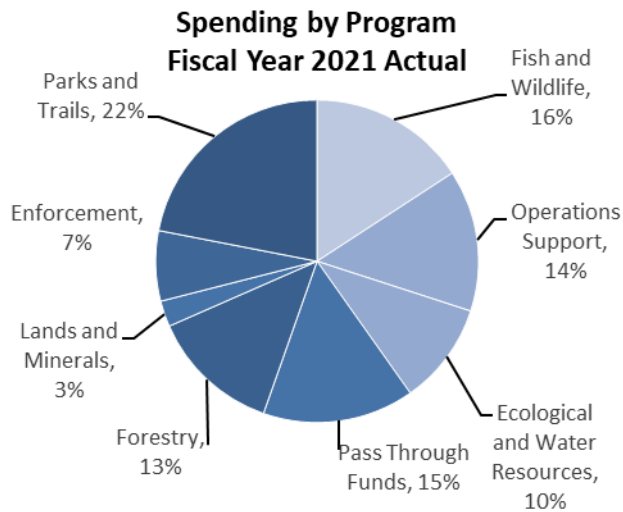
Serve the Public

- Respond to over 126,000 calls and emails from the public received by the DNR Information Center
- Ensure the health and safety of employees and visitors at 3,000 facilities statewide
- Deliver information via the DNR website, which had 94.5 million pages viewed by 14 million users
- Protect people and property from wildfires and other natural disaster emergencies

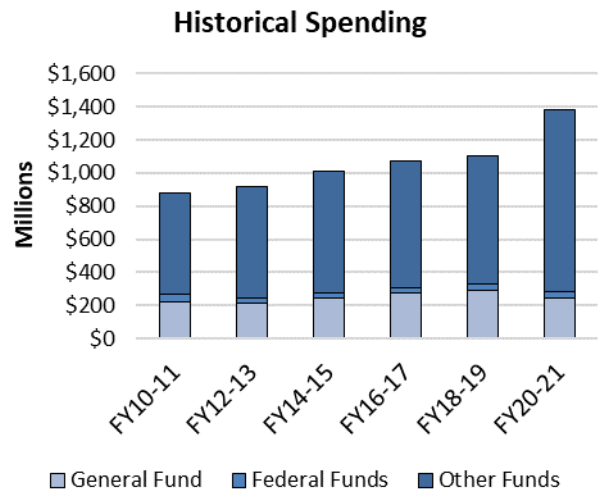
PURPOSE

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

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

The DNR operates out of 50 funds, which is indicative of the diverse services and programs provided by its seven divisions and four regions. The Game and Fish Fund and Natural Resources Fund comprise approximately 39 percent of budgeted expenditures. This spending focuses on conserving and managing natural resources so Minnesotans can enjoy the outdoors today and into the future. The General Fund provides 26 percent of the budget. The DNR's major General Fund expenditures relate to operating state parks and trails, managing state forests and responding to wildfires. Additionally, the DNR makes payments on behalf of the state to counties and tribal nations as required by statute and legal agreements. These county and tribal payments constitute almost a quarter of the DNR's General Fund spending. Legacy funds are invested for clean water, parks and trails, and outdoor heritage activities while Environment and Natural Resources Trust Fund appropriations focus on protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. Together, these funds account for approximately 19 percent of the DNR's budget.

STRATEGIES

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

- Minnesota's waters, natural lands, and diverse fish and wildlife habitats are conserved and enhanced.**
The DNR works closely with partners to achieve this goal by:

 - Enhancing management of surface waters and groundwater—through monitoring, permitting, education and compliance—to ensure sustainability and quality
 - Working with farmers, landowners, local officials and the public to promote conservation and enhancement of forests, prairies, grasslands and wetlands
 - Proactively identifying and preventing the spread of invasive species
 - Inventorying and monitoring the status of natural lands, waters, wildlife and plants
 - Implementing climate change mitigation and adaptation strategies through public land management activities and assistance to private landowners
- Minnesota's outdoor recreation opportunities meet the needs of new and existing participants so all benefit from nature.** The DNR seeks to engage more Minnesotans in outdoor activities to benefit health, community and conservation by:

 - Managing the state's parks, trails, forests, recreation areas and other lands to provide quality, accessible visitor experiences and attract new users

- Providing affordable outdoor learning experiences to beginners by implementing programs, such as the “I Can!” and “Learn to Hunt” Programs and the online Minnesota Outdoor Skills and Stewardship Series
 - Promoting user friendly, digital recreation information, available through new websites and mobile apps
3. **Minnesota’s natural resources contribute to strong and sustainable job markets, economies and communities.** While ensuring strong environmental stewardship, the DNR helps generate billions of dollars a year for the state through outdoor recreation, forest products, and mineral and water resources, by:
- Maintaining diverse, healthy, and productive forests that meet third party certification standards while also providing a sustainable and predictable source of timber for Minnesota’s forest products industry
 - Researching and developing mining technologies that protect the environment
 - Improving data management systems to provide better access to and analysis of groundwater and surface water data for sustainable communities
 - Leasing mineral rights and real estate and selling land and timber from the School Trust portfolio
 - Providing management of public lands, fish and wildlife populations, and facilities such as public water accesses and forest roads to support outdoor recreation experiences
4. **The DNR demonstrates operational excellence and continuous improvement in service to Minnesotans.** The DNR strives to continually improve services offered by:
- Ensuring the health and safety of employees and visitors at DNR facilities
 - Employing a diverse workforce that reflects the communities we serve
 - Improving access to parks, trails and other DNR facilities for people of all abilities
 - Maintaining work standards that reinforce positive and professional conduct, promote diversity and inclusion, and support staff training and development
 - Increasing energy efficiency and renewable energy use to reduce costs and reduce the environmental impact of our operations
 - Developing continuous improvement projects to improve efficiency of operations and customer satisfaction

In partnering with Minnesotans to advance the above goals, strategies and ultimately the DNR mission, the agency strives to ensure that the benefits of Minnesota’s abundant natural resources and outdoor places benefit all Minnesotans. These efforts also contribute to broader outcomes for Minnesota. For example, the DNR helps to improve the wellbeing of children and families by advancing connections to the outdoors and the health and wellness benefits those connections provide. The agency also advances diversity, equity and inclusion by striving to ensure its facilities, lands and engagement processes are welcoming and accessible, and its services are equitable across economic and cultural communities.

Finally, the DNR’s work is rooted in natural resources management and environmental protection. Thriving natural systems are critical for thriving communities, and by managing for the sustained health of natural resources, the DNR contributes to community health and economic opportunity. In this work, the agency is also committed to mitigating and adapting to climate change and enhancing the climate resiliency of natural systems and communities now and into the future.

Department of Natural Resources legal authority comes from Minnesota Statutes:

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

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

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

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

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

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

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

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

Natural Resources

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	113,305	130,119	135,038	155,810	128,063	127,865	298,468	180,054
2000 - Restrict Misc Special Revenue	9,484	8,607	8,810	9,505	7,294	6,966	7,294	6,966
2001 - Other Misc Special Revenue	133,425	161,583	151,491	149,330	146,352	148,092	146,352	148,092
2050 - Environment & Natural Resources	27,287	16,176	62,347	84,506				
2100 - Water Recreation	17,222	16,585	18,644	20,628	19,501	19,483	26,801	26,783
2101 - Snowmobile	14,337	13,929	14,418	18,534	16,504	16,503	16,504	16,503
2102 - All-Terrain Vehicle	10,259	9,531	9,717	10,540	8,898	8,897	9,598	9,847
2103 - Off-Highway Motorcycle	496	536	465	704	581	582	606	617
2104 - Off-Road Vehicle	911	964	902	2,710	1,669	1,669	1,749	1,759
2106 - State Park	18,129	18,011	18,441	22,907	20,675	20,675	25,675	25,675
2107 - State Pks & Trls Lott In Lieu	5,676	7,278	5,650	8,552	7,101	7,101	8,101	8,101
2109 - Local Trls Grants Lott In Lieu	890	890	1,124	1,156	1,140	1,140	1,140	1,140
2110 - Zoos Lottery In Lieu	380	380	660	380	380	380	380	380
2111 - Nongame	0	0	0					
2112 - Invasive Species	4,209	3,680	3,923	5,262	4,592	4,592	5,767	5,792
2113 - Forest Management Investment	14,732	14,351	15,196	18,958	16,577	16,577	16,577	16,577
2114 - Mineral Management	2,943	3,600	3,006	3,584	3,295	3,295	3,595	3,595
2115 - Mining Administration Account	971	610	1,021	817	817	817	817	817
2116 - Cross Country Ski	339	333	317	340	340	340	340	340
2117 - Natural Resource Misc Statutory	5,289	5,011	6,194	7,177	6,237	6,237	7,267	7,327
2118 - Land Acquisition	406	285	146	1,696	968	548	968	548
2119 - State Land & Water Conservation	2,252	1,470	1,790	4,018	3,501	3,501	3,501	3,501
2120 - Water Management Account	5,332	5,325	5,291	6,529	5,894	5,894	6,394	6,394
2200 - Game and Fish (Operations)	85,370	88,340	92,291	103,127	96,565	96,497	106,894	108,700
2201 - Computerized Lic Deer/Bear Mgmt	1,040	695	592	768	1,051	1,049	1,051	1,049
2202 - Deer Habitat Improvement	7,864	7,671	7,223	9,869	8,546	8,546	8,546	8,546
2203 - Waterfowl Habitat Improvement	580	754	391	850	650	650	650	650
2204 - Trout And Salmon Management	943	915	984	1,350	1,200	1,100	1,390	1,280
2205 - Pheasant Habitat Improvement	344	360	353	446	500	500	500	500
2206 - Wild Rice Management	80	57	38	38	46	45	46	45
2207 - Wildlife Acquisition Surcharge	1,145	714	835	1,320	1,320	1,294	1,320	1,294
2208 - Wild Turkey Management	116	89	136	230	250	250	250	250

Natural Resources

Agency Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
2209 - Heritage Enhancement	13,071	14,762	13,374	18,749	14,363	14,388	17,838	17,900
2211 - Walleye Stamp Account	90	84	175	145	200	199	220	219
2212 - Peace Officer Training Account	88	86	113	157	135	135	135	135
2213 - Wolf Management & Monitoring	245	348	277	519	301	300	301	300
2300 - Outdoor Heritage	120,681	100,166	101,122	203,495				
2302 - Clean Water	9,487	8,775	9,032	12,077			12,780	12,780
2303 - Parks and Trails	30,801	30,115	34,109	61,805			39,805	38,538
2400 - Endowment				2				
2401 - Reinvest In Minnesota-Gifts	3,889	3,877	3,880	6,646	7,446	7,346	7,596	7,496
2403 - Gift	1,968	1,970	2,068	2,628	2,644	2,691	2,644	2,691
2801 - Remediation	1,641	4,105	377	1,002	621	20,609	621	20,609
3000 - Federal	16,674	21,268	20,694	53,983	80,701	56,378	80,701	56,378
3010 - Coronavirus Relief	348							
3015 - ARP-State Fiscal Recovery			353	1,730				
3800 - Permanent School	317	469	303	1,790	779	679	802	713
Total	685,055	704,873	753,313	1,016,369	617,697	613,810	871,984	750,881
Biennial Change				379,754		(538,175)		(146,817)
Biennial % Change				27		(30)		(8)
Governor's Change from Base								391,358
Governor's % Change from Base								32

Expenditures by Program

Lands and Minerals	17,076	18,288	17,294	21,655	17,845	17,318	21,903	21,169
Ecological and Water Resources	72,101	71,646	69,838	143,515	89,886	102,993	123,264	122,640
Forestry	85,091	91,265	109,426	119,912	93,168	93,085	110,376	112,635
Parks and Trails	122,055	153,814	125,967	207,976	111,672	110,851	235,150	171,945
Fish and Wildlife	114,157	110,758	111,660	184,327	121,219	103,885	183,010	124,227
Enforcement	52,999	53,211	63,698	72,433	64,610	64,460	76,503	75,571
Operations Support	102,059	99,509	110,412	111,462	107,935	110,154	110,369	111,562
Pass Through Funds	119,517	106,384	145,018	155,089	11,362	11,064	11,409	11,132
Total	685,055	704,873	753,313	1,016,369	617,697	613,810	871,984	750,881

Expenditures by Category

Natural Resources

Agency Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Compensation	241,704	246,287	255,142	283,490	249,290	247,339	305,117	312,985
Operating Expenses	240,870	248,537	263,470	459,204	288,939	305,282	404,223	351,818
Grants, Aids and Subsidies	158,132	131,376	184,218	200,477	35,376	34,665	57,179	56,788
Capital Outlay-Real Property	38,312	71,925	41,170	69,877	41,123	23,593	102,496	26,359
Other Financial Transaction	6,037	6,748	9,313	3,321	2,969	2,931	2,969	2,931
Total	685,055	704,873	753,313	1,016,369	617,697	613,810	871,984	750,881

Total Agency Expenditures	685,055	704,873	753,313	1,016,369	617,697	613,810	871,984	750,881
Internal Billing Expenditures	107,945	108,576	113,813	114,526	105,475	105,475	105,475	105,475
Expenditures Less Internal Billing	577,110	596,297	639,500	901,843	512,222	508,335	766,509	645,406

<u>Full-Time Equivalents</u>	2,599.95	2,514.58	2,519.60	2,454.24	2,184.29	2,121.04	2,596.97	2,544.18
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Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	3,391	14,085	2,756	13,551				
Direct Appropriation	93,208	90,497	104,592	106,703	95,203	95,203	265,608	147,392
Open Appropriation	64,295	70,280	81,059	73,677	74,624	74,678	74,624	74,678
Transfers In		3,308						
Transfers Out	37,518	41,876	39,245	37,371	41,764	42,016	41,764	42,016
Cancellations	33	3,419	574	750				
Balance Forward Out	10,038	2,756	13,551					
Expenditures	113,305	130,119	135,038	155,810	128,063	127,865	298,468	180,054
Biennial Change in Expenditures				47,425		(34,920)		187,674
Biennial % Change in Expenditures				19		(12)		65
Governor's Change from Base								222,594
Governor's % Change from Base								87
Full-Time Equivalents	620.19	592.64	628.70	590.31	563.24	549.62	718.77	694.14

2000 - Restrict Misc Special Revenue

Balance Forward In	19,732	17,342	23,866	23,065	19,649	19,831	19,649	19,831
Receipts	8,951	17,096	12,762	7,368	8,521	7,599	8,521	7,599
Internal Billing Receipts	9	11	6					
Transfers In	3,757	3,747	4,187	3,378	2,762	2,488	2,762	2,488
Transfers Out	6,065	5,810	8,942	4,657	3,807	3,695	3,807	3,695
Balance Forward Out	16,890	23,767	23,063	19,649	19,831	19,257	19,831	19,257
Expenditures	9,484	8,607	8,810	9,505	7,294	6,966	7,294	6,966
Biennial Change in Expenditures				224		(4,055)		(4,055)
Biennial % Change in Expenditures				1		(22)		(22)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	4.35	5.59	6.97	6.97	6.97	6.97	6.97	6.97

2001 - Other Misc Special Revenue

Balance Forward In	61,157	65,464	75,909	64,545	58,739	57,078	58,739	57,078
Receipts	134,452	168,393	141,268	143,758	144,925	146,955	144,925	146,955
Internal Billing Receipts	105,253	104,970	110,972	111,887	102,836	102,836	102,836	102,836
Transfers In	1,495	610	1,664	1,341	200	200	200	200

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Transfers Out	3,900	2,434	2,806	1,575	434	434	434	434
Balance Forward Out	59,778	70,450	64,544	58,739	57,078	55,707	57,078	55,707
Expenditures	133,425	161,583	151,491	149,330	146,352	148,092	146,352	148,092
Biennial Change in Expenditures				5,813		(6,377)		(6,377)
Biennial % Change in Expenditures				2		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	450.18	450.62	447.95	415.95	398.19	388.19	398.19	388.19

2050 - Environment & Natural Resources

Balance Forward In	18,682	37,968	59,407	43,381				
Direct Appropriation	39,124	40,308	46,632	41,125	0	0	0	0
Open Appropriation	40	55	48					
Transfers In			2,262					
Transfers Out		4,763	1,501					
Cancellations	5	127	1,120					
Balance Forward Out	30,554	57,265	43,380					
Expenditures	27,287	16,176	62,347	84,506				
Biennial Change in Expenditures				103,390		(146,853)		(146,853)
Biennial % Change in Expenditures				238		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	43.34	38.64	36.46	36.46				

2100 - Water Recreation

Balance Forward In	240	2,218	640	1,356	156	93	156	93
Direct Appropriation	18,684	19,193	19,255	19,255	19,255	19,255	26,555	26,555
Open Appropriation	101	135	123	123	123	123	123	123
Receipts	69	52	64	50	60	60	60	60
Transfers In	11,208	9,849	10,449	11,044	11,080	11,011	11,080	11,011
Transfers Out		322						
Cancellations	11,208	13,907	10,530	11,044	11,080	11,011	11,080	11,011
Balance Forward Out	1,872	635	1,357	156	93	48	93	48

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	17,222	16,585	18,644	20,628	19,501	19,483	26,801	26,783
Biennial Change in Expenditures				5,465		(288)		14,312
Biennial % Change in Expenditures				16		(1)		36
Governor's Change from Base								14,600
Governor's % Change from Base								37
Full-Time Equivalents	94.95	95.71	93.08	91.81	91.17	90.81	114.81	115.46

2101 - Snowmobile

Balance Forward In	314	2,178	559	2,515	393	301	393	301
Direct Appropriation	16,074	16,289	16,316	16,316	16,316	16,316	16,316	16,316
Open Appropriation	54	76	69	69	69	69	69	69
Receipts	34	28	31	27	27	27	27	27
Transfers In	7,450	6,525	6,920	7,329	7,353	7,305	7,353	7,305
Transfers Out		21						
Cancellations	7,450	10,587	6,961	7,329	7,353	7,305	7,353	7,305
Balance Forward Out	2,139	559	2,515	393	301	210	301	210
Expenditures	14,337	13,929	14,418	18,534	16,504	16,503	16,504	16,503
Biennial Change in Expenditures				4,686		55		55
Biennial % Change in Expenditures				17		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	39.30	34.50	37.66	37.01	36.68	36.49	36.68	36.49

2102 - All-Terrain Vehicle

Balance Forward In	332	2,254	565	1,836	191	188	191	188
Direct Appropriation	11,976	9,419	10,989	8,834	8,834	8,834	9,534	9,784
Open Appropriation	48	71	61	61	61	61	61	61
Transfers In	2,092	1,854	1,960	2,070	2,080	2,072	2,080	2,072
Transfers Out		30						
Cancellations	2,092	3,476	2,021	2,070	2,080	2,072	2,080	2,072
Balance Forward Out	2,097	560	1,837	191	188	186	188	186
Expenditures	10,259	9,531	9,717	10,540	8,898	8,897	9,598	9,847
Biennial Change in Expenditures				467		(2,462)		(812)

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				2		(12)		(4)
Governor's Change from Base								1,650
Governor's % Change from Base								9
Full-Time Equivalents	32.83	30.90	30.72	29.80	29.34	29.08	33.98	34.72

2103 - Off-Highway Motorcycle

Balance Forward In	20	162	16	127	3	2	3	2
Direct Appropriation	624	562	565	565	565	565	590	600
Open Appropriation	11	15	15	15	15	15	15	15
Transfers In	342	299	319	337	338	335	338	335
Transfers Out		3						
Cancellations	342	486	323	337	338	335	338	335
Balance Forward Out	159	14	127	3	2		2	
Expenditures	496	536	465	704	581	582	606	617
Biennial Change in Expenditures				137		(6)		54
Biennial % Change in Expenditures				13		(1)		5
Governor's Change from Base								60
Governor's % Change from Base								5
Full-Time Equivalents	2.24	2.22	2.08	2.08	2.08	2.08	2.25	2.28

2104 - Off-Road Vehicle

Balance Forward In	267	1,605	344	1,065	16	8	16	8
Direct Appropriation	2,227	1,644	1,647	1,647	1,647	1,647	1,727	1,737
Open Appropriation	12	15	14	14	14	14	14	14
Transfers In	1,214	1,063	1,129	1,194	1,198	1,189	1,198	1,189
Transfers Out		22						
Cancellations	1,214	3,005	1,167	1,194	1,198	1,189	1,198	1,189
Balance Forward Out	1,595	336	1,064	16	8		8	
Expenditures	911	964	902	2,710	1,669	1,669	1,749	1,759
Biennial Change in Expenditures				1,738		(274)		(104)
Biennial % Change in Expenditures				93		(8)		(3)
Governor's Change from Base								170
Governor's % Change from Base								5

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
Full-Time Equivalents	3.55	2.95	3.23	3.23	3.23	3.23	3.77	3.87

2106 - State Park

Balance Forward In	2,772	5,294	3,317	5,622	3,393	3,396	3,393	3,396
Direct Appropriation	18,634	18,929	18,954	18,934	18,934	18,934	23,934	23,934
Open Appropriation	89	129	119	119	119	119	119	119
Receipts	1,407	2,489	1,675	1,625	1,625	1,625	1,625	1,625
Transfers In	4	3	295	4	4	4	4	4
Cancellations	4	5,547	298	4	4	4	4	4
Balance Forward Out	4,773	3,288	5,621	3,393	3,396	3,399	3,396	3,399
Expenditures	18,129	18,011	18,441	22,907	20,675	20,675	25,675	25,675
Biennial Change in Expenditures				5,209		2		10,002
Biennial % Change in Expenditures				14		0		24
Governor's Change from Base								10,000
Governor's % Change from Base								24
Full-Time Equivalents	133.28	126.91	127.88	114.23	107.08	102.66	130.16	127.48

2107 - State Pks & Trls Lott In Lieu

Balance Forward In		784		1,451				
Direct Appropriation	6,415	6,506	7,056	7,056	7,056	7,056	8,056	8,056
Open Appropriation	37	51	45	45	45	45	45	45
Cancellations		63						
Balance Forward Out	776		1,451					
Expenditures	5,676	7,278	5,650	8,552	7,101	7,101	8,101	8,101
Biennial Change in Expenditures				1,248		0		2,000
Biennial % Change in Expenditures				10		0		14
Governor's Change from Base								2,000
Governor's % Change from Base								14
Full-Time Equivalents	39.55	37.62	39.36	39.36	39.36	39.36	45.99	47.42

2109 - Local Trls Grants Lott In Lieu

Balance Forward In		250		16				
Direct Appropriation	890	890	1,140	1,140	1,140	1,140	1,140	1,140

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Cancellations		250						
Balance Forward Out			16					
Expenditures	890	890	1,124	1,156	1,140	1,140	1,140	1,140
Biennial Change in Expenditures				500		0		0
Biennial % Change in Expenditures				28		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents			0.09	0.09	0.09	0.09	0.09	0.09

2110 - Zoos Lottery In Lieu

Direct Appropriation	380	380	660	380	380	380	380	380
Expenditures	380	380	660	380	380	380	380	380
Biennial Change in Expenditures				280		(280)		(280)
Biennial % Change in Expenditures				37		(27)		(27)
Governor's Change from Base								0
Governor's % Change from Base								0

2111 - Nongame

Direct Appropriation	971	985	1,300	1,000	1,000	1,000	1,150	1,150
Open Appropriation	0	0	0					
Transfers Out	971	985	1,300	1,000	1,000	1,000	1,150	1,150
Expenditures	0	0	0					
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				(37)				
Governor's Change from Base								0
Governor's % Change from Base								

2112 - Invasive Species

Balance Forward In		418		670				
Direct Appropriation	4,533	4,582	4,582	4,582	4,582	4,582	5,757	5,782
Open Appropriation	8	11	10	10	10	10	10	10
Transfers In	1,170	1,309	1,185	940	940	940	940	940
Cancellations	1,170	2,640	1,185	940	940	940	940	940

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Balance Forward Out	332		669					
Expenditures	4,209	3,680	3,923	5,262	4,592	4,592	5,767	5,792
Biennial Change in Expenditures				1,296		(1)		2,374
Biennial % Change in Expenditures				16		(0)		26
Governor's Change from Base								2,375
Governor's % Change from Base								26
Full-Time Equivalents	25.10	23.59	24.88	22.76	21.65	20.97	25.15	26.57

2113 - Forest Management Investment

Balance Forward In		1,390		1,881				
Direct Appropriation	15,963	16,230	17,005	17,005	16,505	16,505	16,505	16,505
Open Appropriation	62	76	72	72	72	72	72	72
Transfers In	10,269	10,701	10,558	10,845	10,629	10,602	10,629	10,602
Transfers Out	0							
Cancellations	10,269	14,046	10,558	10,845	10,629	10,602	10,629	10,602
Balance Forward Out	1,293		1,881					
Expenditures	14,732	14,351	15,196	18,958	16,577	16,577	16,577	16,577
Biennial Change in Expenditures				5,072		(1,000)		(1,000)
Biennial % Change in Expenditures				17		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	119.83	124.92	108.81	100.05	95.47	92.63	95.47	92.63

2114 - Mineral Management

Balance Forward In		301		289				
Direct Appropriation	3,232	3,283	3,283	3,283	3,283	3,283	3,583	3,583
Open Appropriation	3,436	4,145	6,430	2,188	1,099	137	1,099	137
Transfers Out	3,424	4,130	6,418	2,176	1,087	125	1,087	125
Cancellations		0						
Balance Forward Out	301		290					
Expenditures	2,943	3,600	3,006	3,584	3,295	3,295	3,595	3,595
Biennial Change in Expenditures				47		0		600
Biennial % Change in Expenditures				1		0		9

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								600
Governor's % Change from Base								9
Full-Time Equivalents	18.39	18.75	16.84	15.55	14.87	14.45	16.86	16.87

2115 - Mining Administration Account

Balance Forward In	1,564	1,269	1,212	1,139	939	739	939	739
Receipts	677	553	948	617	617	617	617	617
Balance Forward Out	1,269	1,212	1,139	939	739	539	739	539
Expenditures	971	610	1,021	817	817	817	817	817
Biennial Change in Expenditures				257		(204)		(204)
Biennial % Change in Expenditures				16		(11)		(11)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	6.83	6.66	6.54	6.54	6.54	6.54	6.54	6.54

2116 - Cross Country Ski

Balance Forward In	565	186	382	476	476	476	476	476
Receipts	418	516	421	350	350	350	350	350
Transfers In	116	208						
Transfers Out	116	223	10	10	10	10	10	10
Cancellations	472	0						
Balance Forward Out	171	354	476	476	476	476	476	476
Expenditures	339	333	317	340	340	340	340	340
Biennial Change in Expenditures				(15)		23		23
Biennial % Change in Expenditures				(2)		3		3
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.60	0.55	0.78	0.78	0.78	0.78	0.78	0.78

2117 - Natural Resource Misc Statutory

Balance Forward In	5,047	6,155	10,976	11,587	10,667	10,680	10,667	10,680
Receipts	5,189	8,168	4,993	4,868	4,861	4,861	5,891	5,951
Internal Billing Receipts	2,274	2,593	2,543	2,538	2,538	2,538	2,538	2,538

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Transfers In	883	1,348	1,812	1,389	1,389	1,389	1,389	1,389
Balance Forward Out	5,830	10,660	11,587	10,667	10,680	10,693	10,680	10,693
Expenditures	5,289	5,011	6,194	7,177	6,237	6,237	7,267	7,327
Biennial Change in Expenditures				3,071		(897)		1,223
Biennial % Change in Expenditures				30		(7)		9
Governor's Change from Base								2,120
Governor's % Change from Base								17
Full-Time Equivalents	21.66	19.17	27.30	27.30	27.30	27.30	33.30	33.30

2118 - Land Acquisition

Balance Forward In	1,667	3,281	3,792	3,930	2,495	1,773	2,495	3,920
Receipts	2,014	796	283	261	246	246	2,393	246
Internal Billing Receipts		246						
Balance Forward Out	3,274	3,792	3,930	2,495	1,773	1,471	3,920	3,618
Expenditures	406	285	146	1,696	968	548	968	548
Biennial Change in Expenditures				1,151		(326)		(326)
Biennial % Change in Expenditures				167		(18)		(18)
Governor's Change from Base								0
Governor's % Change from Base								0

2119 - State Land & Water Conservation

Balance Forward In		76		517				
Direct Appropriation	266	269	1,250	2,250	2,250	2,250	2,250	2,250
Open Appropriation	1	1	1	1	1	1	1	1
Receipts	2,061	1,240	1,055	1,250	1,250	1,250	1,250	1,250
Cancellations		116						
Balance Forward Out	76		517					
Expenditures	2,252	1,470	1,790	4,018	3,501	3,501	3,501	3,501
Biennial Change in Expenditures				2,086		1,194		1,194
Biennial % Change in Expenditures				56		21		21
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.59	1.46	1.43	1.43	1.43	1.43	1.43	1.43

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25

2120 - Water Management Account

Balance Forward In	51	571	19	635				
Direct Appropriation	5,807	5,894	5,894	5,894	5,894	5,894	6,394	6,394
Open Appropriation	21	29	29					
Cancellations		1,150	16					
Balance Forward Out	547	19	635					
Expenditures	5,332	5,325	5,291	6,529	5,894	5,894	6,394	6,394
Biennial Change in Expenditures				1,163		(32)		968
Biennial % Change in Expenditures				11		(0)		8
Governor's Change from Base								1,000
Governor's % Change from Base								8
Full-Time Equivalents	35.96	33.78	29.95	27.56	26.30	25.53	29.63	28.93

2200 - Game and Fish (Operations)

Balance Forward In	837	7,839	3,963	8,021	1,525	1,526	1,525	1,526
Direct Appropriation	87,872	91,780	92,622	92,621	92,621	92,621	102,950	104,824
Open Appropriation	1,053	1,336	1,101	1,098	1,098	1,098	1,098	1,098
Receipts	4,904	5,170	4,862	4,300	4,231	4,157	4,231	4,157
Internal Billing Receipts		1						
Transfers In	1,035	1,120	999	1,056	1,106	1,152	1,106	1,152
Transfers Out	1,705	1,862	1,653	1,388	1,384	1,378	1,384	1,378
Cancellations	1,242	13,171	1,583	1,056	1,106	1,152	1,106	1,152
Balance Forward Out	7,383	3,873	8,020	1,525	1,526	1,527	1,526	1,527
Expenditures	85,370	88,340	92,291	103,127	96,565	96,497	106,894	108,700
Biennial Change in Expenditures				21,709		(2,356)		20,176
Biennial % Change in Expenditures				13		(1)		10
Governor's Change from Base								22,532
Governor's % Change from Base								12
Full-Time Equivalents	536.71	525.60	499.83	464.16	445.70	434.47	498.73	497.85

2201 - Computerized Lic Deer/Bear Mgmt

Balance Forward In	1,322	1,311	1,673	2,117	2,334	2,242	2,334	2,242
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Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Receipts	968	1,057	1,036	985	959	934	959	934
Transfers In	50							
Transfers Out	50							
Balance Forward Out	1,250	1,673	2,118	2,334	2,242	2,127	2,242	2,127
Expenditures	1,040	695	592	768	1,051	1,049	1,051	1,049
Biennial Change in Expenditures				(375)		740		740
Biennial % Change in Expenditures				(22)		54		54
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.75	2.50	2.02	2.02	2.02	2.02	2.02	2.02

2202 - Deer Habitat Improvement

Balance Forward In	1,369	721		1,323				
Direct Appropriation	8,546	8,546	8,546	8,546	8,546	8,546	8,546	8,546
Cancellations	1,369	1,595						
Balance Forward Out	682		1,323					
Expenditures	7,864	7,671	7,223	9,869	8,546	8,546	8,546	8,546
Biennial Change in Expenditures				1,557		0		0
Biennial % Change in Expenditures				10		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	58.84	62.72	55.39	51.00	48.70	47.28	48.70	47.28

2203 - Waterfowl Habitat Improvement

Balance Forward In	981	1,259	1,118	1,289	972	841	972	841
Receipts	558	601	563	533	519	506	519	506
Balance Forward Out	958	1,107	1,289	972	841	697	841	697
Expenditures	580	754	391	850	650	650	650	650
Biennial Change in Expenditures				(93)		59		59
Biennial % Change in Expenditures				(7)		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.86	0.31	0.43	0.43	0.43	0.43	0.43	0.43

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
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2204 - Trout And Salmon Management

Balance Forward In	983	1,275	1,608	1,729	1,434	1,253	1,434	1,253
Receipts	1,228	1,248	1,105	1,055	1,019	985	1,209	1,165
Balance Forward Out	1,269	1,608	1,729	1,434	1,253	1,138	1,253	1,138
Expenditures	943	915	984	1,350	1,200	1,100	1,390	1,280
Biennial Change in Expenditures				476		(34)		336
Biennial % Change in Expenditures				26		(1)		14
Governor's Change from Base								370
Governor's % Change from Base								16
Full-Time Equivalents	4.28	3.79	4.64	4.64	4.64	4.64	4.64	4.64

2205 - Pheasant Habitat Improvement

Balance Forward In	265	404	604	771	808	762	808	762
Receipts	478	558	520	483	454	427	454	427
Balance Forward Out	399	601	771	808	762	689	762	689
Expenditures	344	360	353	446	500	500	500	500
Biennial Change in Expenditures				94		201		201
Biennial % Change in Expenditures				13		25		25
Governor's Change from Base								0
Governor's % Change from Base								0

2206 - Wild Rice Management

Balance Forward In	65	65	61	63	65	59	65	59
Receipts	40	53	40	40	40	40	40	40
Balance Forward Out	25	61	63	65	59	54	59	54
Expenditures	80	57	38	38	46	45	46	45
Biennial Change in Expenditures				(61)		15		15
Biennial % Change in Expenditures				(45)		20		20
Governor's Change from Base								0
Governor's % Change from Base								0

2207 - Wildlife Acquisition Surcharge

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Balance Forward In	2,413	2,733	3,520	4,080	4,016	3,903	4,016	3,903
Receipts	1,465	1,496	1,395	1,256	1,207	1,160	1,207	1,160
Balance Forward Out	2,733	3,516	4,080	4,016	3,903	3,769	3,903	3,769
Expenditures	1,145	714	835	1,320	1,320	1,294	1,320	1,294
Biennial Change in Expenditures				297		459		459
Biennial % Change in Expenditures				16		21		21
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	3.59	0.57	3.07	3.07	3.07	3.07	3.07	3.07

2208 - Wild Turkey Management

Balance Forward In	363	490	634	718	693	645	693	645
Receipts	243	234	220	205	202	200	202	200
Balance Forward Out	490	634	718	693	645	595	645	595
Expenditures	116	89	136	230	250	250	250	250
Biennial Change in Expenditures				161		134		134
Biennial % Change in Expenditures				78		36		36
Governor's Change from Base								0
Governor's % Change from Base								0

2209 - Heritage Enhancement

Balance Forward In	25	1,636	25	2,786	25	25	25	25
Direct Appropriation	14,904	14,563	16,138	15,988	14,363	14,363	17,838	17,875
Transfers Out		537						
Cancellations	292	875	3					
Balance Forward Out	1,566	25	2,786	25	25		25	
Expenditures	13,071	14,762	13,374	18,749	14,363	14,388	17,838	17,900
Biennial Change in Expenditures				4,290		(3,372)		3,615
Biennial % Change in Expenditures				15		(11)		11
Governor's Change from Base								6,987
Governor's % Change from Base								24
Full-Time Equivalents	78.81	61.10	76.48	70.98	68.10	66.31	82.86	84.02

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
2211 - Walleye Stamp Account								
Balance Forward In	96	157	244	227	239	195	239	195
Receipts	151	172	158	157	156	154	176	174
Balance Forward Out	157	244	227	239	195	150	195	150
Expenditures	90	84	175	145	200	199	220	219
Biennial Change in Expenditures				146		79		119
Biennial % Change in Expenditures				84		25		37
Governor's Change from Base								40
Governor's % Change from Base								10

2212 - Peace Officer Training Account

Balance Forward In		48		22				
Direct Appropriation	135	135	135	135	135	135	135	135
Cancellations		97						
Balance Forward Out	47		22					
Expenditures	88	86	113	157	135	135	135	135
Biennial Change in Expenditures				96		0		0
Biennial % Change in Expenditures				55		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2213 - Wolf Management & Monitoring

Balance Forward In	1,197	1,290	1,295	1,360	1,166	1,182	1,166	1,182
Receipts	320	349	343	325	317	308	317	308
Balance Forward Out	1,273	1,291	1,360	1,166	1,182	1,190	1,182	1,190
Expenditures	245	348	277	519	301	300	301	300
Biennial Change in Expenditures				203		(195)		(195)
Biennial % Change in Expenditures				34		(24)		(24)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.13							

2300 - Outdoor Heritage

Balance Forward In	56,152	65,751	66,492	66,034				
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Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Direct Appropriation	119,867	106,254	107,684	137,461	0	0	0	0
Open Appropriation	83	106	88					
Transfers In		1,137	185					
Transfers Out	252	1,156	498					
Cancellations	405	9,094	6,795					
Balance Forward Out	54,764	62,831	66,034					
Expenditures	120,681	100,166	101,122	203,495				
Biennial Change in Expenditures				83,770		(304,617)		(304,617)
Biennial % Change in Expenditures				38		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	39.55	40.77	39.40	39.40				

2302 - Clean Water

Balance Forward In	3,241	2,874	3,557	3,347				
Direct Appropriation	9,310	9,310	8,735	8,730	0	0	12,780	12,780
Open Appropriation	77	91	86					
Cancellations	389	78	0					
Balance Forward Out	2,752	3,422	3,346					
Expenditures	9,487	8,775	9,032	12,077			12,780	12,780
Biennial Change in Expenditures				2,846		(21,109)		4,451
Biennial % Change in Expenditures				16		(100)		21
Governor's Change from Base								25,560
Governor's % Change from Base								
Full-Time Equivalents	70.45	60.99	58.34	58.34			70.70	70.70

2303 - Parks and Trails

Balance Forward In	22,828	27,028	29,064	28,069				
Direct Appropriation	30,229	30,928	33,081	33,736	0	0	39,805	38,538
Open Appropriation	46	66	41					
Cancellations	1	2	8					
Balance Forward Out	22,300	27,904	28,068					
Expenditures	30,801	30,115	34,109	61,805			39,805	38,538

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				34,997		(95,914)		(17,571)
Biennial % Change in Expenditures				57		(100)		(18)
Governor's Change from Base								78,343
Governor's % Change from Base								
Full-Time Equivalents	40.41	37.26	39.71	39.71			44.00	44.00

2400 - Endowment

Balance Forward In	2	2	2	2				
Receipts	0	0	0					
Balance Forward Out	2	2	2					
Expenditures				2				
Biennial Change in Expenditures				2		(2)		(2)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2401 - Reinvest In Minnesota-Gifts

Balance Forward In	25,075	27,989	31,075	34,896	34,648	33,600	34,648	33,600
Receipts	516	127	126	204	204	204	204	204
Transfers In	7,283	7,832	14,641	8,522	8,522	8,522	8,672	8,672
Transfers Out	1,013	1,013	7,067	2,328	2,328	2,328	2,328	2,328
Balance Forward Out	27,972	31,059	34,895	34,648	33,600	32,652	33,600	32,652
Expenditures	3,889	3,877	3,880	6,646	7,446	7,346	7,596	7,496
Biennial Change in Expenditures				2,761		4,266		4,566
Biennial % Change in Expenditures				36		41		43
Governor's Change from Base								300
Governor's % Change from Base								2
Full-Time Equivalents	12.00	15.96	16.39	16.39	16.39	16.39	17.38	17.60

2403 - Gift

Balance Forward In	4,270	5,064	6,158	6,459	6,273	6,110	6,273	6,110
Receipts	2,559	2,830	2,370	2,442	2,481	2,528	2,481	2,528
Internal Billing Receipts		66						

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Transfers In		0						
Transfers Out	29	15						
Balance Forward Out	4,833	5,909	6,460	6,273	6,110	5,947	6,110	5,947
Expenditures	1,968	1,970	2,068	2,628	2,644	2,691	2,644	2,691
Biennial Change in Expenditures				758		639		639
Biennial % Change in Expenditures				19		14		14
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.38	4.71	5.28	5.28	5.28	5.28	5.28	5.28

2801 - Remediation

Balance Forward In	24,419	23,312	21,605	21,488	20,734	20,361	20,734	20,361
Direct Appropriation	106	115	117	117	117	117	117	117
Receipts	395	2,337	144	131	131	131	131	131
Transfers In	3	3	3	3	3	3	3	3
Cancellations	3	67	6	3	3	3	3	3
Balance Forward Out	23,279	21,595	21,487	20,734	20,361		20,361	
Expenditures	1,641	4,105	377	1,002	621	20,609	621	20,609
Biennial Change in Expenditures				(4,368)		19,851		19,851
Biennial % Change in Expenditures				(76)		1,440		1,440
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.35	1.81	1.59	1.59	1.59	1.59	1.59	1.59

3000 - Federal

Balance Forward In	1,920	1,883	1,982	1,842				
Receipts	16,525	21,204	20,554	52,141	80,701	56,378	80,701	56,378
Internal Billing Receipts		7						
Balance Forward Out	1,772	1,819	1,842					
Expenditures	16,674	21,268	20,694	53,983	80,701	56,378	80,701	56,378
Biennial Change in Expenditures				36,736		62,402		62,402
Biennial % Change in Expenditures				97		84		84
Governor's Change from Base								0

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's % Change from Base								0
Full-Time Equivalents	47.94	46.52	44.26	125.90	114.54	99.29	114.54	99.29

3010 - Coronavirus Relief

Direct Appropriation	590							
Cancellations	242							
Expenditures	348							
Biennial Change in Expenditures				(348)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

3015 - ARP-State Fiscal Recovery

Direct Appropriation			1,000	1,730	0	0	0	0
Cancellations			647					
Balance Forward Out			0					
Expenditures			353	1,730				
Biennial Change in Expenditures				2,083		(2,083)		(2,083)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

3800 - Permanent School

Balance Forward In	13,959	11,825	13,708	13,977	12,031	11,661	12,031	11,638
Receipts	34,654	36,895	48,870	29,323	23,267	23,223	23,267	23,223
Internal Billing Receipts	171	683	293	101	101	101	101	101
Transfers In	7,378	5,329	8,562	4,749	3,370	2,442	3,393	2,476
Transfers Out	14,126	11,814	14,386	13,073	12,254	11,959	12,277	11,993
Cancellations	29,729	28,396	42,475	21,155	13,974	13,102	13,974	13,102
Balance Forward Out	11,819	13,371	13,978	12,031	11,661	11,586	11,638	11,529
Expenditures	317	469	303	1,790	779	679	802	713
Biennial Change in Expenditures				1,307		(635)		(578)
Biennial % Change in Expenditures				166		(30)		(28)

Natural Resources

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								57
Governor's % Change from Base								4
Full-Time Equivalents	2.18	2.79	2.06	2.06	2.06	2.06	2.21	2.25

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	105,703	105,703	105,703	211,406
Base Adjustments				
All Other One-Time Appropriations		(6,450)	(6,450)	(12,900)
Current Law Base Change		(4,050)	(4,050)	(8,100)
Forecast Base	105,703	95,203	95,203	190,406
Change Items				
Maintain Current Service Levels		20,621	33,059	53,680
“Get Out MORE” — Modernize Outdoor Recreation Experiences		115,000		115,000
Digital DNR: IT Modernization and Customer Experience Initiative		1,684	1,408	3,092
Chronic Wasting Disease Management		700	700	1,400
Planting Tomorrow’s Forests Today (Reforestation)		1,500	1,500	3,000
Modernizing Broadband Utility Licensing for State Lands Public Waters		1,320	510	1,830
Protecting and Managing Water Resources		400	400	800
Addressing Imminent Safety Needs at the Drill Core Library	1,000			
Legal Costs		750		750
Enhancing Grasslands and Restoring Wetlands on WMAs for Carbon Capture and Resiliency		10,000		10,000
Investing in Minnesota’s Wildlife and Aquatic Management Areas		1,500	1,500	3,000
Enforcement Aviation Modernization		3,050		3,050
Private Forest Landowner Technical Assistance, Cost Share, and Inventory		2,086	2,086	4,172
Enforcement Public Safety Preparedness		360	360	720
No Child Left Inside		500	500	1,000
Accelerated Tree Seed Collection		400	400	800
Protect and Restore Carbon Storage in State-Administered Peatlands		998	568	1,566
Enhancing Community Forests Through the Minnesota ReLeaf Program		7,598	7,598	15,196
Address State Trail Maintenance Funding Shortfall		1,000	1,000	2,000
Increase Mining Regulatory Capacity		600	600	1,200
Legalizing Adult-Use Cannabis		338		338
Total Governor's Recommendations	106,703	265,608	147,392	413,000
Fund: 2050 - Environment & Natural Resources				
FY2023 Appropriations	41,125	41,125	41,125	82,250
Base Adjustments				
All Other One-Time Appropriations		(41,125)	(41,125)	(82,250)
Forecast Base	41,125	0	0	0
Total Governor's Recommendations	41,125	0	0	0
Fund: 2100 - Water Recreation				
FY2023 Appropriations	19,255	19,255	19,255	38,510

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Forecast Base	19,255	19,255	19,255	38,510
Change Items				
Maintain Current Service Levels		700	700	1,400
Improving Minnesota's Water Recreation Experiences		6,600	6,600	13,200
Total Governor's Recommendations	19,255	26,555	26,555	53,110
Fund: 2101 - Snowmobile				
FY2023 Appropriations	16,316	16,316	16,316	32,632
Forecast Base	16,316	16,316	16,316	32,632
Total Governor's Recommendations	16,316	16,316	16,316	32,632
Fund: 2102 - All-Terrain Vehicle				
FY2023 Appropriations	8,834	8,834	8,834	17,668
Forecast Base	8,834	8,834	8,834	17,668
Change Items				
Maintain Current Service Levels		700	950	1,650
Total Governor's Recommendations	8,834	9,534	9,784	19,318
Fund: 2103 - Off-Highway Motorcycle				
FY2023 Appropriations	565	565	565	1,130
Forecast Base	565	565	565	1,130
Change Items				
Maintain Current Service Levels		25	35	60
Total Governor's Recommendations	565	590	600	1,190
Fund: 2104 - Off-Road Vehicle				
FY2023 Appropriations	1,647	1,647	1,647	3,294
Forecast Base	1,647	1,647	1,647	3,294
Change Items				
Maintain Current Service Levels		80	90	170
Total Governor's Recommendations	1,647	1,727	1,737	3,464
Fund: 2106 - State Park				
FY2023 Appropriations	18,934	18,934	18,934	37,868
Forecast Base	18,934	18,934	18,934	37,868
Change Items				
Maintain Current Service Levels		2,000	2,000	4,000
Improve Visitor Services at State Parks and Recreation Areas		3,000	3,000	6,000
Total Governor's Recommendations	18,934	23,934	23,934	47,868

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Fund: 2107 - State Pks & Trls Lott In Lieu				
FY2023 Appropriations	7,056	7,056	7,056	14,112
Forecast Base	7,056	7,056	7,056	14,112
Change Items				
Maintain Current Service Levels		1,000	1,000	2,000
Total Governor's Recommendations	7,056	8,056	8,056	16,112
Fund: 2109 - Local Trls Grants Lott In Lieu				
FY2023 Appropriations	1,140	1,140	1,140	2,280
Forecast Base	1,140	1,140	1,140	2,280
Total Governor's Recommendations	1,140	1,140	1,140	2,280
Fund: 2110 - Zoos Lottery In Lieu				
FY2023 Appropriations	380	380	380	760
Forecast Base	380	380	380	760
Total Governor's Recommendations	380	380	380	760
Fund: 2111 - Nongame				
FY2023 Appropriations	1,000	1,000	1,000	2,000
Forecast Base	1,000	1,000	1,000	2,000
Change Items				
Maintain Current Service Levels		150	150	300
Total Governor's Recommendations	1,000	1,150	1,150	2,300
Fund: 2112 - Invasive Species				
FY2023 Appropriations	4,582	4,582	4,582	9,164
Forecast Base	4,582	4,582	4,582	9,164
Change Items				
Maintain Current Service Levels		75	100	175
Prevent and Manage Spread of Aquatic Invasive Species in Minnesota		1,100	1,100	2,200
Total Governor's Recommendations	4,582	5,757	5,782	11,539
Fund: 2113 - Forest Management Investment				
FY2023 Appropriations	17,005	17,005	17,005	34,010
Base Adjustments				
All Other One-Time Appropriations		(500)	(500)	(1,000)
Forecast Base	17,005	16,505	16,505	33,010
Total Governor's Recommendations	17,005	16,505	16,505	33,010
Fund: 2114 - Mineral Management				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
FY2023 Appropriations	3,283	3,283	3,283	6,566
Forecast Base	3,283	3,283	3,283	6,566
Change Items				
Maintain Current Service Levels		300	300	600
Total Governor's Recommendations	3,283	3,583	3,583	7,166
Fund: 2119 - State Land & Water Conservation				
FY2023 Appropriations	2,250	2,250	2,250	4,500
Forecast Base	2,250	2,250	2,250	4,500
Total Governor's Recommendations	2,250	2,250	2,250	4,500
Fund: 2120 - Water Management Account				
FY2023 Appropriations	5,894	5,894	5,894	11,788
Forecast Base	5,894	5,894	5,894	11,788
Change Items				
Maintain Current Service Levels		50	50	100
Protecting and Managing Water Resources		450	450	900
Total Governor's Recommendations	5,894	6,394	6,394	12,788
Fund: 2200 - Game and Fish (Operations)				
FY2023 Appropriations	92,621	92,621	92,621	185,242
Forecast Base	92,621	92,621	92,621	185,242
Change Items				
Maintain Current Service Levels		9,329	11,203	20,532
Investments in Fishing		1,000	1,000	2,000
Total Governor's Recommendations	92,621	102,950	104,824	207,774
Fund: 2202 - Deer Habitat Improvement				
FY2023 Appropriations	8,546	8,546	8,546	17,092
Forecast Base	8,546	8,546	8,546	17,092
Total Governor's Recommendations	8,546	8,546	8,546	17,092
Fund: 2209 - Heritage Enhancement				
FY2023 Appropriations	15,988	15,988	15,988	31,976
Base Adjustments				
All Other One-Time Appropriations		(1,625)	(1,625)	(3,250)
Forecast Base	15,988	14,363	14,363	28,726
Change Items				
Maintain Current Service Levels		2,575	2,612	5,187
No Child Left Inside		500	500	1,000

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Walk-In Access Program (WIA) Sustainability and Expansion		400	400	800
Total Governor's Recommendations	15,988	17,838	17,875	35,713
Fund: 2212 - Peace Officer Training Account				
FY2023 Appropriations	135	135	135	270
Forecast Base	135	135	135	270
Total Governor's Recommendations	135	135	135	270
Fund: 2300 - Outdoor Heritage				
FY2023 Appropriations	137,461	137,461	137,461	274,922
Base Adjustments				
One-Time Legacy Fund Appropriations		(137,461)	(137,461)	(274,922)
Forecast Base	137,461	0	0	0
Total Governor's Recommendations	137,461	0	0	0
Fund: 2302 - Clean Water				
FY2023 Appropriations	8,730	8,730	8,730	17,460
Base Adjustments				
One-Time Legacy Fund Appropriations		(8,730)	(8,730)	(17,460)
Forecast Base	8,730	0	0	0
Change Items				
Clean Water Legacy – Aquifer Monitoring for Water Supply Planning		2,000	2,000	4,000
Clean Water Legacy – Fish Contamination Assessment		455	455	910
Clean Water Legacy – Lake IBI Assessment		1,450	1,450	2,900
Clean Water Legacy – Buffer Map Maintenance		25	25	50
Clean Water Legacy – Stream Flow Monitoring		2,550	2,550	5,100
Clean Water Legacy – Watershed Restoration and Protection Strategies		2,150	2,150	4,300
Clean Water Legacy – Nonpoint Source Restoration and Protection Activities		1,600	1,600	3,200
Clean Water Legacy – Freshwater Mussel Restoration		300	300	600
Clean Water Legacy – Modernize Minnesota’s Culvert System		1,000	1,000	2,000
Clean Water Legacy – Water Storage		500	500	1,000
Clean Water Legacy – Applied Research and Tools		650	650	1,300
Clean Water Legacy – County Geologic Atlas		100	100	200
Total Governor's Recommendations	8,730	12,780	12,780	25,560
Fund: 2303 - Parks and Trails				
FY2023 Appropriations	33,736	33,736	33,736	67,472
Base Adjustments				
One-Time Legacy Fund Appropriations		(33,736)	(33,736)	(67,472)
Forecast Base	33,736	0	0	0
Change Items				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Parks and Trails Legacy – DNR Parks and Trails		26,823	25,241	52,064
Parks and Trails Legacy – Greater Minnesota Regional Parks and Trails		12,305	12,660	24,965
Parks and Trails Legacy – Coordination Among Partners		677	637	1,314
Total Governor's Recommendations	33,736	39,805	38,538	78,343
Fund: 2801 - Remediation				
FY2023 Appropriations	117	117	117	234
Forecast Base	117	117	117	234
Total Governor's Recommendations	117	117	117	234
Fund: 3015 - ARP-State Fiscal Recovery				
FY2023 Appropriations	1,730	1,730	1,730	3,460
Base Adjustments				
All Other One-Time Appropriations		(1,730)	(1,730)	(3,460)
Forecast Base	1,730	0	0	0
Total Governor's Recommendations	1,730	0	0	0
Open				
Fund: 1000 - General				
FY2023 Appropriations	73,830	73,830	73,830	147,660
Base Adjustments				
Forecast Open Appropriation Adjustment	121	(338)	(276)	(614)
November Forecast Adjustment	(274)	1,132	1,124	2,256
Forecast Base	73,677	74,624	74,678	149,302
Total Governor's Recommendations	73,677	74,624	74,678	149,302
Fund: 2100 - Water Recreation				
Base Adjustments				
Forecast Open Appropriation Adjustment	123	123	123	246
Forecast Base	123	123	123	246
Total Governor's Recommendations	123	123	123	246
Fund: 2101 - Snowmobile				
Base Adjustments				
Forecast Open Appropriation Adjustment	69	69	69	138
Forecast Base	69	69	69	138
Total Governor's Recommendations	69	69	69	138
Fund: 2102 - All-Terrain Vehicle				
Base Adjustments				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Forecast Open Appropriation Adjustment	61	61	61	122
Forecast Base	61	61	61	122
Total Governor's Recommendations	61	61	61	122
Fund: 2103 - Off-Highway Motorcycle				
Base Adjustments				
Forecast Open Appropriation Adjustment	15	15	15	30
Forecast Base	15	15	15	30
Total Governor's Recommendations	15	15	15	30
Fund: 2104 - Off-Road Vehicle				
Base Adjustments				
Forecast Open Appropriation Adjustment	14	14	14	28
Forecast Base	14	14	14	28
Total Governor's Recommendations	14	14	14	28
Fund: 2106 - State Park				
Base Adjustments				
Forecast Open Appropriation Adjustment	119	119	119	238
Forecast Base	119	119	119	238
Total Governor's Recommendations	119	119	119	238
Fund: 2107 - State Pks & Trls Lott In Lieu				
Base Adjustments				
Forecast Open Appropriation Adjustment	45	45	45	90
Forecast Base	45	45	45	90
Total Governor's Recommendations	45	45	45	90
Fund: 2112 - Invasive Species				
Base Adjustments				
Forecast Open Appropriation Adjustment	10	10	10	20
Forecast Base	10	10	10	20
Total Governor's Recommendations	10	10	10	20
Fund: 2113 - Forest Management Investment				
Base Adjustments				
Forecast Open Appropriation Adjustment	72	72	72	144
Forecast Base	72	72	72	144
Total Governor's Recommendations	72	72	72	144

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Fund: 2114 - Mineral Management				
Base Adjustments				
Forecast Open Appropriation Adjustment	2,188	1,099	137	1,236
Forecast Base	2,188	1,099	137	1,236
Total Governor's Recommendations	2,188	1,099	137	1,236
Fund: 2119 - State Land & Water Conservation				
Base Adjustments				
Forecast Open Appropriation Adjustment	1	1	1	2
Forecast Base	1	1	1	2
Total Governor's Recommendations	1	1	1	2
Fund: 2200 - Game and Fish (Operations)				
Base Adjustments				
Forecast Open Appropriation Adjustment	1,098	1,098	1,098	2,196
Forecast Base	1,098	1,098	1,098	2,196
Total Governor's Recommendations	1,098	1,098	1,098	2,196
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	9,505	7,294	6,966	14,260
Forecast Base	9,505	7,294	6,966	14,260
Total Governor's Recommendations	9,505	7,294	6,966	14,260
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	149,330	146,352	148,092	294,444
Forecast Base	149,330	146,352	148,092	294,444
Total Governor's Recommendations	149,330	146,352	148,092	294,444
Fund: 2100 - Water Recreation				
Planned Spending	107	116	100	216
Forecast Base	107	116	100	216
Total Governor's Recommendations	107	116	100	216
Fund: 2101 - Snowmobile				
Planned Spending	40	40	40	80
Forecast Base	40	40	40	80
Total Governor's Recommendations	40	40	40	80
Fund: 2106 - State Park				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Planned Spending	1,722	1,622	1,622	3,244
Forecast Base	1,722	1,622	1,622	3,244
Total Governor's Recommendations	1,722	1,622	1,622	3,244
Fund: 2115 - Mining Administration Account				
Planned Spending	817	817	817	1,634
Forecast Base	817	817	817	1,634
Total Governor's Recommendations	817	817	817	1,634
Fund: 2116 - Cross Country Ski				
Planned Spending	340	340	340	680
Forecast Base	340	340	340	680
Total Governor's Recommendations	340	340	340	680
Fund: 2117 - Natural Resource Misc Statutory				
Planned Spending	7,177	6,237	6,237	12,474
Forecast Base	7,177	6,237	6,237	12,474
Change Items				
Updating Utility License Fees for State Lands and Public Waters		730	790	1,520
Improve Visitor Services at State Parks and Recreation Areas		300	300	600
Total Governor's Recommendations	7,177	7,267	7,327	14,594
Fund: 2118 - Land Acquisition				
Planned Spending	1,696	968	548	1,516
Forecast Base	1,696	968	548	1,516
Total Governor's Recommendations	1,696	968	548	1,516
Fund: 2119 - State Land & Water Conservation				
Planned Spending	1,250	1,250	1,250	2,500
Forecast Base	1,250	1,250	1,250	2,500
Total Governor's Recommendations	1,250	1,250	1,250	2,500
Fund: 2200 - Game and Fish (Operations)				
Planned Spending	3,357	3,069	3,001	6,070
Forecast Base	3,357	3,069	3,001	6,070
Total Governor's Recommendations	3,357	3,069	3,001	6,070
Fund: 2201 - Computerized Lic Deer/Bear Mgmt				
Planned Spending	768	1,051	1,049	2,100
Forecast Base	768	1,051	1,049	2,100

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Total Governor's Recommendations	768	1,051	1,049	2,100
Fund: 2203 - Waterfowl Habitat Improvement				
Planned Spending	850	650	650	1,300
Forecast Base	850	650	650	1,300
Total Governor's Recommendations	850	650	650	1,300
Fund: 2204 - Trout And Salmon Management				
Planned Spending	1,350	1,200	1,100	2,300
Forecast Base	1,350	1,200	1,100	2,300
Change Items				
Investments in Fishing		190	180	370
Total Governor's Recommendations	1,350	1,390	1,280	2,670
Fund: 2205 - Pheasant Habitat Improvement				
Planned Spending	446	500	500	1,000
Forecast Base	446	500	500	1,000
Total Governor's Recommendations	446	500	500	1,000
Fund: 2206 - Wild Rice Management				
Planned Spending	38	46	45	91
Forecast Base	38	46	45	91
Total Governor's Recommendations	38	46	45	91
Fund: 2207 - Wildlife Acquisition Surcharge				
Planned Spending	1,320	1,320	1,294	2,614
Forecast Base	1,320	1,320	1,294	2,614
Total Governor's Recommendations	1,320	1,320	1,294	2,614
Fund: 2208 - Wild Turkey Management				
Planned Spending	230	250	250	500
Forecast Base	230	250	250	500
Total Governor's Recommendations	230	250	250	500
Fund: 2211 - Walleye Stamp Account				
Planned Spending	145	200	199	399
Forecast Base	145	200	199	399
Change Items				
Investments in Fishing		20	20	40
Total Governor's Recommendations	145	220	219	439

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Fund: 2213 - Wolf Management & Monitoring				
Planned Spending	519	301	300	601
Forecast Base	519	301	300	601
Total Governor's Recommendations	519	301	300	601
Fund: 2400 - Endowment				
Planned Spending	2			
Forecast Base	2			
Total Governor's Recommendations	2			
Fund: 2401 - Reinvest In Minnesota-Gifts				
Planned Spending	6,646	7,446	7,346	14,792
Forecast Base	6,646	7,446	7,346	14,792
Change Items				
Maintain Current Service Levels		150	150	300
Total Governor's Recommendations	6,646	7,596	7,496	15,092
Fund: 2403 - Gift				
Planned Spending	2,628	2,644	2,691	5,335
Forecast Base	2,628	2,644	2,691	5,335
Total Governor's Recommendations	2,628	2,644	2,691	5,335
Fund: 2801 - Remediation				
Planned Spending	832	504	20,492	20,996
Forecast Base	832	504	20,492	20,996
Total Governor's Recommendations	832	504	20,492	20,996
Fund: 3000 - Federal				
Planned Spending	53,983	80,701	56,378	137,079
Forecast Base	53,983	80,701	56,378	137,079
Total Governor's Recommendations	53,983	80,701	56,378	137,079
Fund: 3800 - Permanent School				
Planned Spending	56	11	11	22
Forecast Base	56	11	11	22
Total Governor's Recommendations	56	11	11	22

Revenue Change Summary

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<i>Dedicated</i>				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	7,368	8,521	7,599	16,120
Total Governor's Recommendations	7,368	8,521	7,599	16,120
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	143,758	144,925	146,955	291,880
Total Governor's Recommendations	143,758	144,925	146,955	291,880
Fund: 2100 - Water Recreation				
Forecast Revenues	50	60	60	120
Total Governor's Recommendations	50	60	60	120
Fund: 2101 - Snowmobile				
Forecast Revenues	27	27	27	54
Total Governor's Recommendations	27	27	27	54
Fund: 2106 - State Park				
Forecast Revenues	1,625	1,625	1,625	3,250
Total Governor's Recommendations	1,625	1,625	1,625	3,250
Fund: 2115 - Mining Administration Account				
Forecast Revenues	617	617	617	1,234
Total Governor's Recommendations	617	617	617	1,234
Fund: 2116 - Cross Country Ski				
Forecast Revenues	350	350	350	700
Total Governor's Recommendations	350	350	350	700
Fund: 2117 - Natural Resource Misc Statutory				
Forecast Revenues	4,868	4,861	4,861	9,722
Change Items				
Updating Utility License Fees for State Lands and Public Waters		730	790	1,520
Improve Visitor Services at State Parks and Recreation Areas		300	300	600
Total Governor's Recommendations	4,868	5,891	5,951	11,842
Fund: 2118 - Land Acquisition				
Forecast Revenues	261	246	246	492
Change Items				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Lands Bill		2,147		2,147
Total Governor's Recommendations	261	2,393	246	2,639
Fund: 2119 - State Land & Water Conservation				
Forecast Revenues	1,250	1,250	1,250	2,500
Total Governor's Recommendations	1,250	1,250	1,250	2,500
Fund: 2200 - Game and Fish (Operations)				
Forecast Revenues	4,300	4,231	4,157	8,388
Total Governor's Recommendations	4,300	4,231	4,157	8,388
Fund: 2201 - Computerized Lic Deer/Bear Mgmt				
Forecast Revenues	985	959	934	1,893
Total Governor's Recommendations	985	959	934	1,893
Fund: 2203 - Waterfowl Habitat Improvement				
Forecast Revenues	533	519	506	1,025
Total Governor's Recommendations	533	519	506	1,025
Fund: 2204 - Trout And Salmon Management				
Forecast Revenues	1,055	1,019	985	2,004
Change Items				
Investments in Fishing		190	180	370
Total Governor's Recommendations	1,055	1,209	1,165	2,374
Fund: 2205 - Pheasant Habitat Improvement				
Forecast Revenues	483	454	427	881
Total Governor's Recommendations	483	454	427	881
Fund: 2206 - Wild Rice Management				
Forecast Revenues	40	40	40	80
Total Governor's Recommendations	40	40	40	80
Fund: 2207 - Wildlife Acquisition Surcharge				
Forecast Revenues	1,256	1,207	1,160	2,367
Total Governor's Recommendations	1,256	1,207	1,160	2,367
Fund: 2208 - Wild Turkey Management				
Forecast Revenues	205	202	200	402
Total Governor's Recommendations	205	202	200	402

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Fund: 2211 - Walleye Stamp Account				
Forecast Revenues	157	156	154	310
Change Items				
Investments in Fishing		20	20	40
Total Governor's Recommendations	157	176	174	350
Fund: 2213 - Wolf Management & Monitoring				
Forecast Revenues	325	317	308	625
Total Governor's Recommendations	325	317	308	625
Fund: 2401 - Reinvest In Minnesota-Gifts				
Forecast Revenues	204	204	204	408
Total Governor's Recommendations	204	204	204	408
Fund: 2403 - Gift				
Forecast Revenues	2,442	2,481	2,528	5,009
Total Governor's Recommendations	2,442	2,481	2,528	5,009
Fund: 2801 - Remediation				
Forecast Revenues	131	131	131	262
Total Governor's Recommendations	131	131	131	262
Fund: 3000 - Federal				
Forecast Revenues	52,141	80,701	56,378	137,079
Total Governor's Recommendations	52,141	80,701	56,378	137,079
Fund: 3800 - Permanent School				
Forecast Revenues	29,323	23,267	23,223	46,490
Total Governor's Recommendations	29,323	23,267	23,223	46,490
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	919	919	919	1,838
Change Items				
Improve Visitor Services at State Parks and Recreation Areas		210	210	420
Total Governor's Recommendations	919	1,129	1,129	2,258
Fund: 2050 - Environment & Natural Resources				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Forecast Revenues	8	8	8	16
Total Governor's Recommendations	8	8	8	16
Fund: 2100 - Water Recreation				
Forecast Revenues	7,756	7,756	7,756	15,512
Change Items				
Improving Minnesota's Water Recreation Experiences		6,000	8,800	14,800
Total Governor's Recommendations	7,756	13,756	16,556	30,312
Fund: 2101 - Snowmobile				
Forecast Revenues	7,981	6,281	7,681	13,962
Total Governor's Recommendations	7,981	6,281	7,681	13,962
Fund: 2102 - All-Terrain Vehicle				
Forecast Revenues	7,115	7,321	7,421	14,742
Total Governor's Recommendations	7,115	7,321	7,421	14,742
Fund: 2103 - Off-Highway Motorcycle				
Forecast Revenues	198	208	218	426
Total Governor's Recommendations	198	208	218	426
Fund: 2104 - Off-Road Vehicle				
Forecast Revenues	136	154	176	330
Total Governor's Recommendations	136	154	176	330
Fund: 2106 - State Park				
Forecast Revenues	20,492	20,492	20,492	40,984
Change Items				
Improve Visitor Services at State Parks and Recreation Areas		2,630	2,630	5,260
Total Governor's Recommendations	20,492	23,122	23,122	46,244
Fund: 2107 - State Pks & Trls Lott In Lieu				
Forecast Revenues	1	1	1	2
Total Governor's Recommendations	1	1	1	2
Fund: 2111 - Nongame				
Forecast Revenues	1,131	1,131	1,131	2,262
Total Governor's Recommendations	1,131	1,131	1,131	2,262
Fund: 2112 - Invasive Species				

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Forecast Revenues	2,431	2,431	2,431	4,862
Change Items				
Prevent and Manage Spread of Aquatic Invasive Species in Minnesota		2,570	2,570	5,140
Total Governor's Recommendations	2,431	5,001	5,001	10,002
Fund: 2113 - Forest Management Investment				
Forecast Revenues	4,660	4,310	4,310	8,620
Total Governor's Recommendations	4,660	4,310	4,310	8,620
Fund: 2114 - Mineral Management				
Forecast Revenues	4,628	3,423	3,194	6,617
Total Governor's Recommendations	4,628	3,423	3,194	6,617
Fund: 2119 - State Land & Water Conservation				
Forecast Revenues	1,250	1,250	1,250	2,500
Total Governor's Recommendations	1,250	1,250	1,250	2,500
Fund: 2120 - Water Management Account				
Forecast Revenues	5,035	5,035	5,035	10,070
Change Items				
Protecting and Managing Water Resources		1,700	1,700	3,400
Total Governor's Recommendations	5,035	6,735	6,735	13,470
Fund: 2200 - Game and Fish (Operations)				
Forecast Revenues	91,735	84,206	86,358	170,564
Change Items				
Maintain Current Service Levels		658	960	1,618
Chronic Wasting Disease Management		1,793	1,793	3,586
Investments in Fishing		4,300	7,100	11,400
Enhancing Grasslands and Restoring Wetlands on WMAs for Carbon Capture and Resiliency		7,500		7,500
Investing in Minnesota's Wildlife and Aquatic Management Areas		1,125	1,125	2,250
Total Governor's Recommendations	91,735	99,582	97,336	196,918
Fund: 2202 - Deer Habitat Improvement				
Forecast Revenues	8,016	7,803	7,597	15,400
Total Governor's Recommendations	8,016	7,803	7,597	15,400
Fund: 2209 - Heritage Enhancement				
Forecast Revenues	8	8	8	16
Total Governor's Recommendations	8	8	8	16

Natural Resources

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Fund: 2210 - Lifetime Fish & Wildlife Trust				
Forecast Revenues	893	781	641	1,422
Change Items				
Investments in Fishing		200	220	420
Total Governor's Recommendations	893	981	861	1,842
Fund: 2300 - Outdoor Heritage				
Forecast Revenues	2	2	2	4
Total Governor's Recommendations	2	2	2	4
Fund: 2302 - Clean Water				
Forecast Revenues	18	18	18	36
Total Governor's Recommendations	18	18	18	36
Fund: 2303 - Parks and Trails				
Forecast Revenues	3	2	2	4
Total Governor's Recommendations	3	2	2	4

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Maintain Current Service Levels

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	20,621	33,059	33,059	33,059
Revenues	0	0	0	0
Other Funds				
Expenditures	17,007	19,224	19,224	19,224
Revenues	658	960	960	960
Net Fiscal Impact = (Expenditures – Revenues)	36,970	51,323	51,323	51,323
FTEs	181	220	220	220

Recommendation:

The Governor recommends additional funding of \$37.6 million in FY 2024 and \$52.3 million each year thereafter from the General Fund and other funds to maintain the current level of service delivery at the Minnesota Department of Natural Resources. A small portion of the DNR’s compensation leverages federal Pittman-Robertson dollars that by law are deposited into the Game and Fish Fund.

Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like the cost of utilities, gasoline, vehicles, IT costs, and contracts for core services such as septic pumping and portable toilets have risen considerably and are anticipated to continue to grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources, but there are limits to the extent to which additional efficiencies can offset inflation-related cost increases. For the DNR, the following efficiencies have been implemented to help offset rising operating costs:

- Restructured purchasing and contracting functions in several program areas across the DNR to increase efficiency and improve compliance with state and federal purchasing requirements.
- Deployed new technology tools including new communication platforms, on-line tools and work efficiency applications.
- Trained staff across the DNR in continuous improvement methods so staff have the skills and tools they need to make process improvements in their work areas.
- Weatherized buildings and installed solar panels at DNR-managed facilities across the state to reduce energy costs.
- Increased the use of virtual and hybrid meetings to reduce staff travel time and expense and decrease greenhouse gas emissions.

However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

For the DNR, operating cost pressures exist in multiple categories—increases in compensation and insurance costs at the agency, increasing costs to maintain our current staff compliment in a challenging labor market, growing IT costs, and the rising cost of utilities, vehicles and core services such as garbage removal. If an operational increase

is not provided, the services the DNR delivers to Minnesotans will be impacted. Some examples of potential impacts include:

- Erosion of visitor services and maintenance in Minnesota’s much-visited state parks and recreation areas.
- Reductions in state forest management activities such as forest inventory, stewardship planning, forest road maintenance, and landowner assistance, all of which support the habitat, water quality, climate and economic benefits of healthy forests.
- Reductions in aquatic invasive species (AIS) inspections, compliance activities, and AIS trainings for local governments.
- Reduced capacity to manage the fish and wildlife populations across Minnesota for outdoor recreation and conservation.
- Slower permit processing times for businesses and landowners.
- Strained capacity to meet state requirements for prompt payment of expenses, revenue deposits, and legislative reporting.

Proposal:

The Governor recommends increasing agency operating budgets to support maintaining the delivery of current services. For the DNR, this funding will cover compensation growth, IT cost growth, fleet and gasoline cost increases, rising facility maintenance costs, utility cost growth, and increases to the cost of contracts for core services such as trash and recycling removal, septic pumping, and portable toilets.

Results:

This proposal is intended to allow the DNR to continue to provide current levels of service and information to the public.

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: “Get Out MORE” — Modernize Outdoor Recreation Experiences

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	115,000	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	115,000	0	0	0
FTEs	29	0	0	0

Recommendation:

The Governor recommends a one-time investment of \$115 million in FY24 from the General Fund for the Minnesota Department of Natural Resources (DNR) to implement the “Get Out MORE” initiative, an effort to modernize Minnesota’s state-managed outdoor recreation experiences to benefit the well-being of all Minnesotans, our communities and our economy.

Rationale/Background:

Minnesota consistently ranks among the top states in which to live, and a key factor to that ranking is our healthy natural environment with abundant parks, natural lands and high-quality outdoor recreation opportunities. People are embracing outdoor activities – often in record numbers – to manage stress and anxiety and to find solace in nature. The DNR provides enriching public outdoor recreation opportunities—such as hunting, fishing, wildlife-watching, camping, skiing, hiking, biking, off-highway vehicle riding and place-based conservation education—for Minnesotans of all ages and backgrounds. We do so, in part, by managing a state-wide outdoor recreation system that includes state parks, trails, forests, wildlife and aquatic management areas, public water access sites and other recreation facilities.

These outdoor recreation opportunities are fundamental to the state’s economic development and tourism industry. The Bureau of Economic Analysis estimates that outdoor recreation contributes more than \$9.9 billion annually to Minnesota’s gross domestic product and makes up more than 91,000 jobs (Bureau of Economic Analysis, 2022). Further, Minnesota ranks within the top 12 states for the economic value added by most major outdoor recreation activities. These opportunities are widespread throughout the state. For example, Explore Minnesota notes that of the state’s top 50 tourism attractions located in regions around the state, 25 of them are state parks and recreation areas.

Many of Minnesota’s outdoor recreation facilities were developed through New Deal programs (1930s) and significant state and federal outdoor recreation investment programs in the 1960s. Facilities from these eras are now showing their age, and in some cases are not fully relevant to today’s outdoor users. As we look to enhance marketing of outdoor recreation and tourism as an economic development strategy, modernization is needed to meet the needs of today’s outdoor recreationists and sustain the natural systems that support outdoor recreation. This proposal is designed to achieve transformative improvements to our outdoor recreation system to benefit Minnesotans and our communities long into the future.

Proposal:

The DNR proposes to modernize Minnesota’s Outdoor Recreation Experiences through five (5) major categories of accelerated revitalization of our infrastructure.

Category	Investment (in thousands)	FTE (FY24)
Enhancing Access and Welcoming New Users to Public Lands and Outdoor Recreation Facilities	\$25,000	8
Modernizing Camping and Related Infrastructure	\$5,000	1
Modernizing Boating Access	\$35,000	6
Enhancing Fisheries and Fishing Infrastructure	\$35,000	6
Restoring Streams and Modernizing Water-related Infrastructure to Support Outdoor Recreation	\$15,000	8
Total	\$115,000	29

Enhancing Access and Welcoming New Users to Public Lands and Outdoor Recreation Facilities. Minnesotans are blessed with a vast outdoor recreation system, yet many public lands are not accessible to all Minnesotans. Much of the DNR’s infrastructure is 60-90 years old and was designed without the benefit of current accessibility standards. Such shortcomings limit use by Minnesotans with mobility and other disabilities, and in some cases present safety concerns. The DNR requests \$25 million to enhance the accessibility of state-managed lands and facilities for Minnesotans of all abilities, thereby advancing the strategic priorities of connecting people to the outdoors and creating a more inclusive outdoor recreation system, as well as investments to enhance access to public lands. Minnesota’s public lands also require renovations including improving roads that serve outdoor recreation facilities, upgrading walking and hiking trails in state parks, forests, and recreation areas, maintaining paved trails with sealcoating, and revitalizing and adding amenities at trailhead facilities in state forests, wildlife and aquatic management areas and scientific and natural areas (e.g., drinking water stations, vault toilets, electric vehicle charging stations, and information kiosks).

Revitalizing Camping and Related Infrastructure. Much of Minnesota’s camping and related outdoor recreation infrastructure was developed in the 1930s and 1960s and is not designed to meet the needs of today’s recreationists. For example, many of today’s campers travel with larger family groups, arrive with multiple vehicles and have a variety of recreational vehicles (RVs) and/or boats. Surveys and visitation patterns also suggest many current visitors prefer higher-amenity experiences compared to previous generations and now need access to technological infrastructure to accommodate self-service payment and remote work while vacationing. These changing trends necessitate creating more separation between user groups and a better balance in the variety of experiences the state provides in our state parks, recreation areas and forest campgrounds. This request includes \$5 million to modernize a campground at one state park, adding amenities such as larger campsites and increased capacity for RV camping, to reflect the desires of today’s campers.

Modernizing Boating Access. Minnesota’s state public water accesses need significant investment to make them accessible to all users (accessibility upgrades), meet the increased demand of modern vessels (both motorized and paddle sports), retrofit accesses for improved protection of public waters from stormwater runoff and invasive species, and enhance resilience from more frequent climate-related storm events. This proposal invests \$35 million to rehabilitate and renew approximately 90 of Minnesota’s 1,700 state-managed public water access sites.

Enhancing Fisheries and Fishing Infrastructure. Minnesota’s renowned fishing heritage is supported by fish hatcheries that are in critical need of renewal and modernization. Many state hatcheries were constructed in the 1950s and are still operating with original equipment. Investments in these facilities will help ensure

quality and sustainable fish populations across Minnesota and support fishing opportunities into the future. The DNR also manages 360 shore-fishing sites and fishing piers across the state. Many new anglers, families and children and Minnesotans with more limited economic resources rely on these facilities. This investment will revitalize 80-100 sites, increase accessibility and add facilities where communities are currently underserved. This proposal invests \$35 million to modernize fish hatcheries and revitalize the state's shore-fishing and fishing piers.

Restoring Streams and Modernizing Water-related Infrastructure to Support Outdoor Recreation. Protecting public waters while embracing our outdoor recreation heritage is the focus of this proposed \$15 million investment. Investments will be made to modernize culverts and replace bridges to improve overall stream ecology by ensuring connectivity – including passage of fish and other aquatic life – between upstream and downstream stream segments bisected by this infrastructure. In addition, fisheries habitats will be improved through selective dam removals and habitat restoration to further ensure opportunities for fish passage and improve habitat for fish spawning and protection. Finally, modernizing water control structures and dikes will enable the DNR to better manage watersheds for quality waterfowl production and hunting recreation.

A modernization effort of this magnitude will require a total 29 full-time-equivalents (FTEs) across multiple programmatic areas. The stream restoration and bridge/culvert modernization activities are particularly staff-intensive given the importance of rigorous construction/project management to the success of these efforts. An extended appropriation timeframe of six years, through July of 2029, will also be necessary to allow sufficient time to fully accomplish the investments outlined above. The staffing associated with Get Out MORE is one-time and will last only the duration of the funding.

Impact on Children and Families:

Children and families today and long into the future will benefit from Get Out MORE's modernization of Minnesota's treasured outdoor recreation experiences. A growing body of empirical research finds that access to nature benefits all people, but particularly children, through improved fitness, cognitive well-being and interpersonal relationships. This proposal will improve access to nature for families throughout Minnesota.

This proposal is also aligned with the Minnesota Children's Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature. Two of the rights specifically identified in the Children's Outdoor Bill of Rights are allowing every Minnesota child to 1) explore and play outdoors in a safe, welcoming and culturally affirming place and 2) to hike, hunt and forage on public lands.

Finally, enhancing the state's green infrastructure and outdoor recreation system also contributes to the state's climate resiliency, which has a positive impact on families and future generations. When we modernize the outdoor recreation system with energy-efficient practices and sustainable land management, we create green jobs, sequester carbon and model sustainability.

Equity and Inclusion:

This proposal will reduce inequities for BIPOC communities and people with disabilities by creating a more welcoming environment through revitalizing assets, increasing accessibility to the outdoors and outdoor recreation infrastructure for people with physical disabilities and modernizing infrastructure so it is reliable and available for current and future generations. Adding more group campsites and fishing piers are specific investments that will encourage outdoor recreation for communities that prefer recreating in large and multi-generational groups.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

While this proposal does not have a direct effect on one or more Tribal governments, it will benefit Tribal members by enhancing access to outdoor resources, improving recreational experiences and improving fish habitat and stream connectivity. Furthermore, following state legislation passed in 2021, the DNR is now providing free state park passes to members of the 11 federally recognized Tribal nations that share Minnesota's geography; efforts to revitalize state park infrastructure will benefit tribal members who avail themselves of this opportunity. The DNR has been holding meetings with interested tribal staff to share and discuss our budget and policy proposals.

IT Costs:

Some IT costs will be incurred to provide broadband/Wi-Fi connectivity at campgrounds across many state park and forest campgrounds as a part of revitalizing camping and related infrastructure.

Results:

The Get Out MORE modernization initiative will advance statewide goals of equity and inclusion and have a lasting impact on the lives of all Minnesotans by revitalizing aging facilities and providing updated amenities to meet the needs of today's families and future generations through:

- Enhanced Access to Welcome New Users to Public Lands and Outdoor Recreation Facilities
 - Refreshed and accessible recreational facilities
 - Revitalized and sustainably re-engineered roads and trails/trailheads in state forests, wildlife management areas, aquatic management areas, scientific and natural area state recreation areas and state parks and recreation areas
- Modernized Camping and Related Infrastructure
 - Revitalized campgrounds and group-oriented areas
 - Remodeled/refurbished state park ranger stations with self-service technology
 - Enhanced broadband and Wi-Fi to outdoor recreation facilities in Greater Minnesota
 - Up-to-date utilities and amenities at state-operated recreation facilities
 - Modernized and compliant wastewater treatment systems at state-run facilities
- Modernized Boating Access
 - Upgraded public water accesses that meet increased demand and the needs of modern boats
 - Improved protection of public waters from storm events and invasive species
- Enhanced Fisheries and Fishing Infrastructure
 - Modernized fish hatcheries
 - Quality and sustainable fish populations
 - New and revitalized shore fishing opportunities
 - Rejuvenated shore-and pier-fishing sites
- Restored Streams and Modernized Water-related Infrastructure to Support Outdoor Recreation
 - Selected dam removal and stream restorations
 - Culvert modernization and bridge replacements

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Digital DNR: IT Modernization and Customer Experience Initiative

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	1,684	1,408	1,408	1,408
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,684	1,408	1,408	1,408
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$1.684 million in FY24 and \$1.408 million annually thereafter from the General Fund to invest in IT modernization initiatives that improve Minnesotans’ digital access to natural resources and recreational outdoor experiences. These IT investments lay the foundation for enhancing the customer experience by moving away from using cash or checkbooks for payment and creating a modern experience for engaging with the Minnesota Department of Natural Resources (DNR) online. These investments also enable the DNR to become a more efficient and modern operation.

Rationale/Background:

In the last decade, the use of digital platforms has transformed the public’s expectations for how they interact with the DNR. Simply put, Minnesotans expect to be able to buy firewood at a state park via their mobile device or purchase tree seedlings online without having to make a payment at a cashbox, over the phone or by mailing in a check. The DNR’s customer-facing IT applications and the underlying systems that support them have not kept pace with these rapidly evolving expectations and require significant investment to meet current needs, particularly in the area of online business transactions and payment methods.

The investments included in this proposal not only help meet public expectations, but also enable the DNR to become a more efficient, effective and modern operation. Currently, many DNR business processes are highly manual as a result of historic underinvestment in technology. This proposal prioritizes investments that will enable the DNR to move from manual processes to automated systems for both DNR staff and constituents.

The DNR has developed an IT strategic plan to guide and sequence modernization investments. This plan encompasses multiple business considerations, including which investments result in enhancement of services to the public, address cyber security needs and make data management improvements. The DNR has identified over \$10 million in annual investment needs for at least the next three years to fully implement this strategic plan. However, we have prioritized these needs down to just over \$1 million in annual investments included in this proposal—recognizing that a more rapid pace of IT advancement is unrealistic given capacity constraints.

Proposal:

This proposal provides \$1.684 million in FY24 and \$1.408 million annually thereafter and focuses on IT initiatives that will modernize payment options for the public, improve the customer experience and increase operational efficiency.

Specific investments included in this proposal include:

- **Payment modernization projects.** These projects focus on modernizing DNR payment processes that are currently cash, check or phone-based. Externally, many state parks solely utilize cash boxes to collect payment for firewood and day passes and the State Forest Nursery tree seedling system relies on an

inefficient inventory system that requires Minnesotans to provide payment over the phone or mail in a check. Internally, many permitting processes get bogged down by the large number of checks that need to be managed. Not only are these processes inefficient, but they also pose risk. This project would implement the necessary tools to enable our systems to accept credit cards via a mobile phone application or the DNR website, which will provide faster servicing for Minnesotans and create significant efficiency gains for the state.

- **Customer experience modernization projects.** These projects are focused on modernizing systems to be more user friendly and bring business processes into the 21st century. Specific examples include: upgrading the DNR Burning Permit system off an analog dial in phone-based system to a modern application that will help Minnesotans apply for permits faster, improving real time data reporting for closing and conditions of roads and trails in state forests and improving data on flooding conditions on the DNR’s website. Several of these projects not only provide a better customer experience but can also enhance the public’s access to immediate and current data during emergency situations such as fire, drought and flooding.
- **Operational modernization projects.** These projects are focused on bringing the DNR’s operations up to speed with modern technology solutions. For example, a significant number of rural DNR sites statewide lack high-speed internet. Investment in these tools and software will improve operations and result in cost savings.

Impact on Children and Families:

These initiatives will have a direct impact on the millions of Minnesotans who engage with the DNR online each year, improving access to recreation and natural resource opportunities, and will also have a focus on ensuring digital equity across geographic and demographic areas.

Equity and Inclusion:

Investments in payment modernization and the customer experience will particularly benefit rural areas where investments in high-speed internet and payment options are needed to meet public expectations. Additionally, IT investments provide significant opportunities to both attract skilled and diverse employees, as well as contracting with Disadvantaged Business Enterprises and Targeted Group Business.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

While this proposal is not expected to have a substantial direct effect on Minnesota Tribal governments, the DNR will be holding meetings with Tribal governments in the fall of 2022 to discuss policy and budget proposals.

IT Costs

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll	997	997	997	997	997	997
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software	187	187	187	187	187	187

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Training						
Enterprise Services	500	224	224	224	224	224
Staff costs (MNIT or agency)						
Total	1,684	1,408	1,408	1,408	1,408	1,408
MNIT FTEs	7	7	7	7	7	7
Agency FTEs						

Results:

The proposal will allow the DNR to better protect the state from cyber-security risks. In addition, it will provide necessary enhancements for critical IT initiatives. It is paramount as an agency that to keep pace with technology to better inform agency stakeholders, to provide a more user-friendly and mobile experience for the public and to ensure that critical state assets are maintained. With this proposal, the DNR will also have increased capacity to fully leverage new and emerging technology, ensuring efficient and modern natural resources development and delivery.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Chronic Wasting Disease Management

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	700	700	700	700
Revenues	0	0	0	0
Game & Fish Fund				
Expenditures	0	0	0	0
Revenues (Pittman-Robertson)	1,793	1,793	1,793	1,793
Net Fiscal Impact = (Expenditures – Revenues)	(1,093)	(1,093)	(1,093)	(1,093)
FTEs	2.75	2.75	2.75	2.75

Recommendation:

The Governor recommends additional funding of \$700,000 annually starting in FY24 from the General Fund to support chronic wasting disease (CWD) surveillance and management activities. This request, along with existing funding, will allow the Department of Natural Resources (DNR) to fully implement the state’s CWD prevention and response activities. This proposal is eligible for federal match through the Pittman-Robertson program. The DNR estimates this match at \$1.793 million annually and by state law, deposits it in the Game and Fish Fund. This request represents less than a 1% increase to the Fish and Wildlife Division’s total FY22/23 budget.

Rationale/Background:

The DNR is committed to managing a healthy and robust wild deer population for current and future generations. As highlighted in the Minnesota White-Tailed Deer Management Plan (2019-2028), one of the primary goals is to have healthy deer and the plan supports the needs for monitoring and addressing disease risks to deer.

CWD is a fatal neurological disease that affects cervids, including white-tailed deer. CWD has been identified in wild and farmed deer in Minnesota and neighboring states. There is no known cure or certified way to test live animals. While there has not been a confirmed case of transmission to humans, laboratory studies have shown that similar diseases can potentially be transmitted between species. For this reason, the Minnesota Department of Health does not recommend that people consume meat from a CWD-infected animals.

The objective of CWD surveillance is to detect the disease as early as possible, if it is present in the wild deer herd, and to monitor ongoing outbreaks. Surveillance is directed by the CWD Response Plan ([Surveillance and Management Plan for Chronic Wasting Disease in Free-ranging Cervids in Minnesota](#)) which lays out the thresholds and pivot points for evaluating the risk involved with CWD infections. Areas that are known to have elevated risks, such as CWD-positive farmed cervid facilities or detections of CWD in wild deer in adjacent state borders, are monitored through surveillance methods by obtaining tissue samples from hunter-harvested deer. If the DNR detects CWD in wild deer, we immediately implement CWD management efforts along with enhanced surveillance. Management efforts are designed to control the spread of the disease and minimize prevalence (eliminating it, if possible) in the wild herd.

During the fall 2021 hunting season, CWD surveillance took place across 8 areas of the state and 15,500 deer were tested. From this surveillance, CWD was detected in 53 wild deer. Southeast Minnesota continues to have a persistent infection in deer in Fillmore and Winona counties, present in about 1% of the wild deer population. However, the continued detection of disease in farmed cervids and sporadic detection in wild deer have increased the footprint of the DNR’s CWD surveillance work to 10 areas of the state for fall 2022. Therefore, starting in

2022, the DNR will initiate a statewide approach to monitoring and surveillance, which includes new and expanded opportunities for hunters to participate in CWD testing statewide at taxidermists across the state and through mail-in sampling kits—all at no cost to the hunter.

Proposal:

This proposal invests \$700,000 annually starting in FY24 to address known and anticipated needs for surveillance and response related to disease outbreak detections in wild deer. This request, along with existing CWD funding, meets the need of \$4.3 million annually for the state’s CWD efforts.

Since base funding for CWD efforts was established, the DNR’s need has increased because disease was detected in wild deer in two new areas of the state (Itasca and Polk Counties) and a second farmed cervid herd was found with CWD in Winona County.

The activities listed below reflect the spending plan for the full \$4.3 million annual program.

- **Science-based CWD surveillance.** In all high-risk areas of the state, statistically-based sampling is designed to detect the disease with 95% confidence, if present in $\geq 1\%$ of the deer population. This is largely accomplished through mandatory sampling of all adult deer harvested by hunters during the opening weekend of firearms season, when the largest proportion of deer are harvested by hunters and available for testing. This is expected to cost approximately \$2.7 million in fall 2022, which includes the IT infrastructure needs associated with this work.
- **Hunter-service testing opportunities.** In addition to the mandatory sampling effort, other opportunities are needed to meet the expectation of the public for desired testing availability. This approach utilizes voluntary testing opportunities, generally outside of mandatory sampling periods, and is designed for hunter convenience and engagement in the agency’s effort to manage the disease. This could include self-service stations available throughout all deer hunting seasons, mail-in kits for hunters to submit samples on their own for free testing and sampling by appointment with local Division staff. Anticipated costs for this testing are \$600,000.
- **USDA post-season culling.** The DNR maintains a contract with the United States Department of Agriculture-Wildlife Services to cull/remove deer in CWD management areas from January–March annually. The FY23 contract is \$475,000.
- **Dumpster Program.** Accessible dumpsters are an important component of the state’s CWD management plan to ensure proper disposal of carcasses and ensure hunters can safely clean and transport meat out of CWD management areas while minimizing the risk of transporting the disease to new areas. In FY22, expenditures approached \$250,000 and required a full-time employee to manage the program. With the recent expansion of disease into two new areas of the state, dumpster costs are expected to increase to \$400,000 in FY23. Hunters continue to utilize the dumpsters and quartering stations provided throughout every CWD management zone. The DNR has disposed of approximately 250 tons of deer remains annually since the program’s inception in 2019.
- **Partner Sampling Program.** The recent discovery of new disease outside of established surveillance areas has demonstrated a need for expanding testing opportunities for hunters statewide. The DNR has expanded its network of partners—mostly taxidermists—to include all areas of the state. We anticipate this partner sampling program will cost approximately \$125,000 annually.

Impact on Children and Families:

Sustainable deer populations are important to current and future generations of Minnesotans, who benefit from the protection of a species that supports healthy ecosystems, promotes outdoor recreational opportunities and contributes to strong economies. Some communities in Minnesota, including Tribal nations and immigrant communities, rely on venison as a healthy food source and subsequently will benefit from the proposal’s goal to protect and improve the health of Minnesota’s natural resources. In addition, CWD testing is vital to ensure

families are not consuming meat from infected animals and alleviating potential transmission of this neurological disease.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature. The bill of rights has a goal of allowing every Minnesota child to participate in outdoor sports and recreational activities and participate in traditions and culturally specific ancestral practices rooted in nature. In addition, this proposal seeks to protect and preserve our environment, and more specifically white-tailed deer, for future generations.

Equity and Inclusion:

This proposal was brought forward to further a broadly shared value of sustainably managing our wild and farmed cervid populations. Communities more reliant on healthy white-tailed deer populations for subsistence hunting, often including Tribal members and members of some immigrant communities, will specifically benefit from the proposal, as negative impacts to these deer populations from CWD will be minimized.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

The effectiveness of CWD management and our ability to sustain healthy deer populations has a direct impact on treaty resources and the ability of Tribal members to exercise their treaty rights. CWD has been detected in the 1837, 1851, 1855, and 1863 Ceded Territories and close to the 1854 Ceded Territory. The DNR has been working closely with Tribal representatives and have provided consultation about the farmed cervid facility in Pine County. We anticipate working very closely with our tribal counterparts during all stages of the response.

The DNR has been holding meetings with the Minnesota Tribal Environmental Committee to provide an overview of the proposal, answer questions and receive input.

IT Costs

IT services include the addition of one FTE for additional MNIT @ DNR within the Wildlife IT Business Services Team to support CWD management activities. This includes map production, data management, application development and support for sampling efforts and public information. This includes hardware for staff to use at staffed sampling locations.

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware	\$28		\$7	\$7		\$28
Software						
Training						
Enterprise Services	\$39	\$39	\$39	\$39	\$39	\$39

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Staff costs (MNIT or agency)	\$157	\$157	\$157	\$157	\$157	\$157
Total	\$224	\$196	\$203	\$203	\$196	\$224
MNIT FTEs	1	1	1	1	1	1
Agency FTEs						

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	CWD wild deer tests	23,900	FY21-22	32,000	64,000	FY24-27
Quality	Healthy Wild Deer Populations	Low prevalence	FY22	Unclear	Low prevalence	FY24-27

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Planting Tomorrow's Forests Today (Reforestation)

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	1,500	1,500	1,500	1,500
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,500	1,500	1,500	1,500
FTEs	4	4	4	4

Recommendation:

The Governor recommends \$1.5 million each year in FY24 and FY25 and \$1.5 million thereafter from the General Fund for reforestation on Minnesota Department of Natural Resources (DNR)-managed forest land. This request, in combination with the \$5 million DNR bonding request, will meet reforestation needs for planned harvests and natural disasters, address deferred work, protect seedlings from animal browse, release trees from competition and address inflationary increases in contract and supply costs. This request represents an approximately 2% increase to the Forestry Division's total FY22/23 budget.

Rationale/Background:

Reforestation on DNR-managed forest lands (including state forests, school trust lands, and forested wildlife management areas) is critical for sustainable forest management. In addition to supporting a sustainable forest products industry, Minnesota's forests filter drinking water, provide habitat for a diverse array of plants and animals, create oxygen, moderate temperatures and store atmospheric carbon.

Minnesota Statutes require the DNR to reforest following timber harvest or natural disturbance on DNR-managed lands (M.S. 89.002, subd. 2). The DNR plans and permits harvest on approximately 35,000-40,000 acres each year. Of this, about 20,000 acres are final harvests of species that naturally regenerate and 10,000 acres are thinned, which does not require reforestation work. This leaves up to 10,000 acres of DNR-managed forest land in need of reforestation each year. This is in addition to tending approximately 10,000 acres of previously planted tree seedlings each year to ensure long-term survival by protecting seedlings from animal browse and releasing trees from competition. Beyond harvested acres, the DNR also reforests and tends land damaged by insects, disease and wildfire, which is likely to increase due to climate change impacts over the next decade.

Reforestation funding has averaged \$3 million annually over the last five years, primarily from the Forest Management Investment Account (FMIA) in the Natural Resources Fund. The FMIA will not be able to support this level of funding beginning in FY24. The DNR has a backlog of reforestation work from the past five years due to funding shortfalls, inflation and COVID-19 impacts. Reforestation efforts require \$4 million each year. The DNR is requesting \$3 million this biennium from the General Fund and \$5 million from the Bond Fund to support the full \$8 million biennial reforestation need. If reforestation funding is not available, the DNR will need to reduce timber sale offerings that require planting or seeding to reforest the site, which would reduce the ability to meet Minnesota's forest management goals and also severely impact Minnesota's forest products industry.

Proposal:

This annual investment of \$1.5 million in FY24 and FY25 and \$1.5 million in FY26 and beyond from the General Fund includes the following components:

- Establishing service contracts to prepare reforestation sites and plant seedlings or seed.
- Tending tree seedlings by protecting seedlings from deer browse and improving tree growth and health through practices like removing competing vegetation, selective tree removal and pruning.

- Planning and implementing reforestation projects including contract administration, managing materials and monitoring regeneration sites (4 FTE).

Impact on Children and Families:

Reforestation helps ensure wildlife habitat, clean air, clean water, forest products and other benefits. This proposal advances the Children’s Outdoor Bill of Rights by creating healthy and diverse public forest land that provides a culturally affirming place for children and families to explore, play and experience the outdoors. Research shows this childhood opportunity is correlated to better physical and mental health, improved school performance, positive self-image, stronger social skills and more fulfilling lives. Further, shared positive experiences in the woods foster inter-generational appreciation, conservation and stewardship for the forest and natural world.

Equity and Inclusion:

This proposal promotes healthy and diverse public forests that provide habitat for game and non-game animals, non-timber forest products and clean water that supports fisheries. While this benefits all Minnesotans, it is a significant positive impact for communities that rely on subsistence fishing, hunting and foraging such as Tribal members and some immigrant communities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Tribal governments benefit from reforestation on DNR-managed lands nearby or adjacent to tribal lands and within ceded territory where tribal members retain rights to hunt, fish and gather. For example, failure to adequately reforest lands can reduce habitat quality, result in erosion or affect surface waters. Additionally, reforestation of certain tree species is important to tribal members that rely on those species for cultural purposes.

IT Costs

Not applicable

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)*</i>	<i>Date</i>
Quantity	Acres prepared for seeding and planting	3,400 acres each year	FY 22/23	400 acres each year	3,900 acres each year	FY 24/25
Quantity	Acres planted or seeded	5,900 acres each year	FY 22/23	400 acres per year	7,800 acres each year	FY 24/25
Quantity	Acres tended for health improvement, release from competition, deer-browse protection	7,700 acres each year	FY22/23	0 acres each year	10,300 acres each year	FY 24/25

*" Projected Value With" assumes full funding of both this GF and bonding request totaling \$4 million each year.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Modernizing Broadband Utility Licensing for State Lands and Public Waters

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	1,320	510	510	510
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,320	510	510	510
FTEs	3	3	3	3

Recommendation:

The Governor recommends \$1.32 million in FY24 and \$510,000 annually thereafter to keep pace with the current volume of utility license applications to cross state land and public waters and to specifically support Minnesota’s investment in broadband expansion. This effort modernizes the license application process through a web-based system and increases the staffing complement dedicated to utility licensing to ensure timely review of applications and improved user experience. This request represents an approximately 8% increase to the Lands and Minerals Division’s total FY22/23 budget. The largest component of this initiative involves a one-time investment in a modern, online application system.

Rationale/Background:

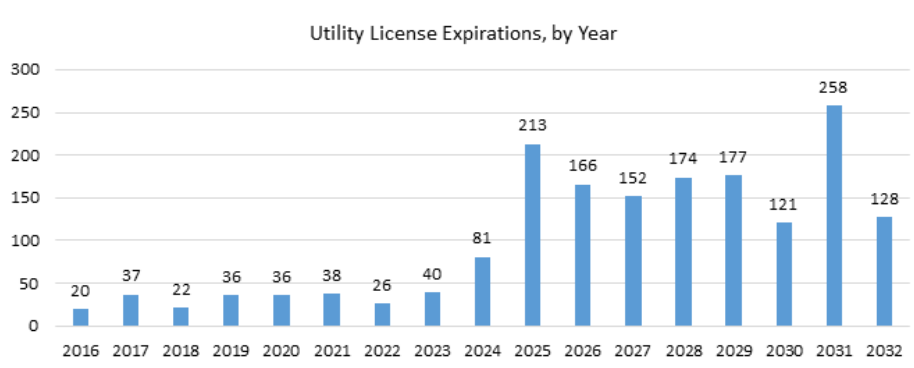
As the administrator of 5.6 million acres of state land, the Minnesota Department of Natural Resources (DNR) has land management responsibilities relating to utilities, including the review of license applications for broadband infrastructure proposed to cross DNR-administered state land or public waters (M.S. 84.415). These reviews include, but are not limited to, impacts on public waters, rare species or rare plant communities and determining whether the impacted lands have a federal interest to ensure the DNR handles these licenses in accordance with federal rules and laws.

Utility license transactions have increased nearly 8% annually since 2012. The DNR anticipates a significant increase in demand for broadband licensing over the next three to four years. This increase will be driven by Minnesota’s goal to provide all homes and business with access to high-speed broadband coupled with significant federal and state investment and funding in broadband infrastructure, including through the federal American Rescue Plan Act (ARPA). The DNR currently does not have sufficient resources to handle this anticipated surge of demand for licenses and has highly manual permitting systems and processes.

The Minnesota [Office of Broadband Development](#) describes: “It is a state goal that (1) no later than 2022, all Minnesota businesses and homes have access to high-speed broadband that provides minimum download speeds of at least 25 megabits per second and minimum upload speeds of at least three megabits per second; and (2) no later than 2026, all Minnesota businesses and homes have access to at least one provider of broadband with download speeds of at least 100 megabits per second and upload speeds of at least 20 megabits per second.”

New state and federal funding allow for a potential significant investment in expanding broadband infrastructure and access across Minnesota and the nation. It is important that the DNR is ready with sufficient staffing to manage the increased workload associated with this investment.

Staffing levels prior to this influx of critical investment and attention were already strained due to increased demand over the past ten years. Additionally, the DNR expects that as many as half of the state’s current licenses will expire between 2023 and 2033, placing further strain on the DNR’s ability to keep pace with demand.



Without additional investment, utility license review will unintentionally slow Minnesota’s progress in meeting its broadband goals and maximizing this unique federal funding opportunity, ultimately resulting in the reduced expansion of access to broadband in homes and businesses.

Proposal:

This proposal invests \$1.32 million in FY24 and \$510,000 annually thereafter to keep pace with the current and anticipated increased volume of utility license applications. First, this proposal provides a one-time investment of \$1.026 million in FY24/25 to create a modern and efficient online licensing application as well as ongoing funding for annual system maintenance (\$105,000) starting in FY26. The online licensing application work includes analyzing, planning and creating a web-based system to facilitate the submittal of accurate utility license applications online. The benefits for applicants and DNR staff include a user friendly ‘interactive web map’ tool that allows applicants to map their proposed land and water crossings within the system; tools for DNR staff to efficiently process and review these applications.

Additionally, this proposal includes an annual, ongoing investment of \$402,000 to ensure an adequate staffing to support timely review of broadband applications.

Together, these components will position the DNR to help meet the demands for expanded broadband access throughout Minnesota and maximize this unique opportunity through the American Rescue Plan Act.

Impact on Children and Families:

Increased and/or improved broadband access is an important service for Minnesota’s children and families and provides the public with online access to DNR and other state services and information. Providing children better access to high-speed internet at home and school is even more important now given the increased use of educational technology and distance learning opportunities. High-speed broadband access is an essential component to rural children and families being full participants in the digital age.

Equity and Inclusion:

Digital equity is an essential component of employment, civil and cultural participation, lifelong learning and access to essential services. Approximately 240,000 Minnesota households—primarily rural households—lack wireline access to 100/20 broadband service. This proposal aims to benefit these Minnesotans. Enabling the DNR to timely meet the increased demand for review of broadband utility license requests will ultimately improve access to quality broadband services in various communities, including rural communities, and supports the goal of eliminating disparities in existing broadband access to Minnesotans.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Enabling the DNR to meet the increased demand for review of broadband utility license requests will ultimately improve access to quality broadband services in various communities, potentially including Tribal nations.

IT Costs:

As to review of broadband utility license requests, not applicable. As to the Online License Application, see below.

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts	36	36				
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services	12	12	12	12	12	12
Staff costs (MNIT or agency)	870	60	96	96	96	96
Total	918	108	108	108	108	108
MNIT FTEs	5.4	.6	.6	.6	.6	.6
Agency FTEs						

Results:

This investment will result in timely review and issuance of broadband licensing permits and allow applicants the option to make license applications online.

Statutory Change(s):

None

Change Item Title: Updating Utility License Fees for State Lands and Public Waters

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Land Management Fund				
Expenditures	730	790	850	920
Revenues	730	790	850	920
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	6	6	6	6

Recommendation:

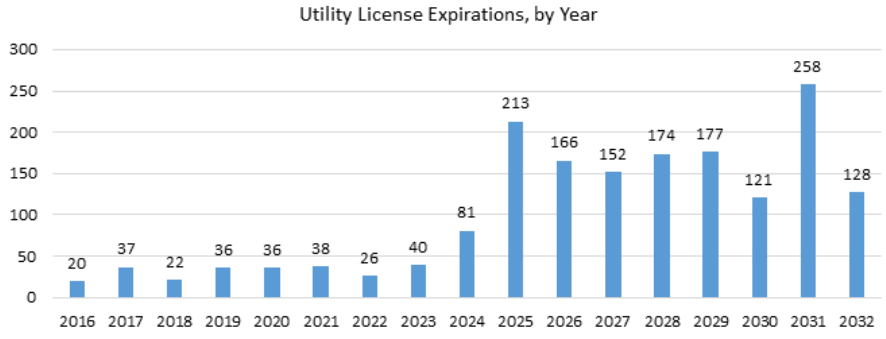
The Governor recommends restructuring the Minnesota Department of Natural Resources’ (DNR) utility license program to enhance capacity to provide services to the public. The proposed restructuring will result in an increase of revenues through increased licensing application fees of between \$730,000 and \$920,000 per year through FY24-27, which will be used to cover the cost of DNR’s utility licensing program. The increased revenues will allow the DNR to manage the existing and anticipated increased workload for processing utility license applications. This is particularly important in light of significant increases in applications expected given the large number of expiring licenses and anticipated renewals.

Rationale/Background:

The DNR administers 5.6 million acres of state land, approximately 11% of the state’s total land base. The DNR’s land management responsibilities include the review of license applications for utility infrastructure proposed to cross DNR-administered state land or public waters (M.S. 84.415). These reviews include, but are not limited to, determining potential impacts to and protecting public waters, rare species, rare plant communities and historic and archeological resources and ensuring compliance with state and federal laws pertaining to funding restrictions that prohibit or restrict non-conservation uses of certain DNR-administered state land. DNR staff evaluates licensure applications for completeness and accuracy, works directly with applicants to address deficiencies in the applications, evaluates proposed construction methods and their impacts, answers questions that applicants may have, and maintains a web page and resource materials that are available to applicants.

The number of utility license applications has increased at a rate of nearly 8% annually since 2012 and staffing levels are already strained due to these significant increases. The rate of growth is expected to continue increasing at an even greater rate, because:

1. The DNR will soon be receiving applications for licenses to cross state land and public waters for several large transmission line projects, including the Northern Reliability Project in Eastern and Northern Minnesota. A large carbon sequestration pipeline project across several counties in Central and Southern Minnesota is also in the planning and routing stage.
2. Approximately half of the state’s existing utility licenses will expire between 2023 and 2033, placing additional strain on the DNR’s ability to keep pace with demand driven by renewal applications. By calendar year 2025, the number of license renewal applications will have increased ten-fold over 2016 levels, as shown in the following table (displaying calendar year data):



The DNR lacks dedicated funding to handle the current volume of license applications and the anticipated surge in demand for new licenses and license renewals will further strain resources. The DNR charges application fees for processing certain utility licenses. However, the current application fee structure does not provide sufficient revenue to cover the licensing program and the anticipated surge in demand for licenses and renewals will result in an even greater funding gap. Without increased funding, reviews of applications for utility licenses and license renewals will slow, impeding the ability of utility providers to provide needed services across the state.

Application Fee Structure:

Minnesota statutes and rules govern utility license application fees. Since 2009, statutory amendments have changed the amounts of the application fees and the types of utility lines that are subject to the application fees. Certain statutory amendments significantly reduced the application fees collected by the DNR. Additionally, the current application fee structure allows applicants to include an unlimited number of land or water crossings in one application at no additional cost. For example, one application may seek authority to cross one river in three different locations plus cross several other streams or lakes. Applications containing multiple crossings require more processing time for DNR staff but provide no additional revenue.

Minnesota Rule 6135.0400 includes a \$500 application fee for a utility to cross state land or public waters. This application fee is credited to the general fund. In 2009, M.S. 84.415 was amended to require the DNR to include a supplemental application fee in addition to the application fee required by the rule. The following fees have been in effect since 2009:

Effective Year	Type	Supp. Appl. Fee per M.S. 84.415 (credited to land management fund)	Appl. Fee per Minn. Rule 6135.0400 (credited to general fund)	Total Appl. Fee
2009	Land Crossing	\$4,500	\$500	\$5,000
2010	Land Crossing	\$3,000	\$500	\$3,500
2009	Water Crossing	\$1,500	\$500	\$2,000
2010	Water Crossing	\$1,750	\$500	\$2,250

The statutory application fee has not increased since 2010, and the land crossing application fee actually decreased from 2009 to 2010. In comparison, the DNR’s costs to process applications have risen significantly.

Type of Utility Lines Subject to Application Fees:

Before 2012, the application fees applied to all utility license applications. In 2013 and 2015, M.S. 84.415 was amended to exempt many utility crossings from application fees. As a result, the DNR may charge application fees only for electric power lines, cables, or conduits 100 kilovolts or greater or for main pipelines for gas, liquids, or solids in suspension. A large majority of utility lines pay no application fees.

The DNR has lost substantial dedicated revenue as a result of the 2013 and 2015 statutory changes. If restored, this lost revenue could address the high current volume of license applications and the anticipated future surge in demand for licenses.

Proposal:

This proposal will amend M.S. 84.415 to:

- a. Remove the statutory fee exemption currently applicable to certain types of utility line proposals, set a new fee for those proposals currently exempt at \$1,000, and retain the fee for currently non-exempt utility lines at \$1,750 for water crossings and \$3,000 for land crossings;
- b. Require all applicants to pay an additional fee of \$500 for each additional crossing contained within an application, beyond a baseline of two crossings;
- c. Clarify that an applicant is required to pay the application fee when renewing an application; and Without these changes, the DNR is challenged to handle the current volume of licenses and the anticipated surge in demand for licenses.

Impact on Children and Families:

Increased and/or improved utility access is an important service for Minnesota’s children and families and is critical to ensuring the public has access to DNR and other state services and information. Providing children better access to high-speed internet at home and school is even more important now given the increased use of educational technology and distance learning opportunities. DNR’s ability to timely process applications for utility licenses is also critical to meet families’ needs for electricity, natural gas and other utilities.

Equity and Inclusion:

Access to quality utility services is an essential component of employment, civil and cultural participation, lifelong learning and overall quality of life. Approximately 240,000 Minnesota households—primarily rural households—lack wireline access to 100/20 communication services. This proposal aims to benefit these Minnesotans. Enabling the DNR to timely meet the increased demand for review utility licenses will ultimately improve access to quality services in various communities, including rural communities, and supports the goal of eliminating disparities in existing access to Minnesotans.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Enabling the DNR to meet the increased demand for review of utility license requests will ultimately improve access to quality utility services in various communities, potentially including Tribal nations.

IT Costs:

The DNR expects that some IT costs may need to be updated in the Lands Record System to reflect the proposal changes. Because the DNR has separately proposed updates to the application process through a web-based system through the “Modernizing Broadband Licensing for State Lands and Public Waters” Change Item, the DNR expects that any necessary software changes for this proposal could be addressed as part of that modernization project.

Results:

This proposal will result in timely review and issuance of utility licensing permits.

Statutory Change(s):

M.S. 84.415

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Investments in Fishing

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Game and Fish Fund				
Expenditures	1,210	1,200	1,200	1,190
Revenues	4,710	7,520	7,440	7,350
Net Fiscal Impact = (Expenditures – Revenues)	(3,500)	(6,320)	(6,240)	(6,160)
FTEs	5	5	5	5

Recommendation:

The Governor recommends additional funding of \$1.2 million annually starting in FY24 from the Game and Fish Fund to support increased fisheries-related management activities. This request will increase the Department of Natural Resources’ (DNR) ability to manage important fisheries in the state. To support this initiative and help maintain current service levels, the Governor recommends increases to angling related licenses and associated stamps and fees to generate \$4.7 million in FY 2024 and approximately \$7.4 million annually thereafter for deposit in the Game and Fish Fund.

Rationale/Background:

Inflationary economic pressures have decreased the level of fisheries management the DNR is able to provide. Additional funding is needed to maintain current operations while adapting to emerging fisheries issues like climate impacts or high angling pressure. These emerging issues require focused lake surveys, creel surveys and management evaluations to ensure appropriate management response. Without increasing the base budget for fisheries management, staffing levels will need to be adjusted downward, providing less capacity for ongoing work and less responsiveness to emerging issues.

Proposal:

The investment of \$1.2 million will increase fisheries staffing by five positions and provide funds for additional survey, assessment and evaluation. Activities funded with this proposal will include additional surveys used to evaluate management actions to estimate fishing pressure, catch rates, and fish harvest on select waterbodies. This work will be done in areas of high resource abundance and high angling activity.

To support these investments, the Governor recommends increases to angling related licenses and associated stamps and fees. The legislature last increased select license prices in 2017. This change generates approximately \$7.4 million annually. This reflects a 20 percent for resident anglers and 30 percent for non-resident anglers. Trout and Walleye stamps are also increased by 20 percent. Lifetime licenses and combination licenses that include one or more angling licenses (e.g., resident combination angling, resident individual sports) are also increased in this proposal.

The table below shows revenue (in thousands) breakdown by license type and resident and nonresident angling.

License type	Current Revenue	Projected increase in revenue			
		FY 2024	FY 2025	FY 2026	FY 2027
Angling and related licenses	32,991	4,300	7,100	7,000	6,900
Trout and Salmon Stamp	971	190	180	180	170
Walleye Stamp	157	20	20	20	20
Lifetime License Trust Fund Account	1,462	200	220	240	260
Subtotal					
Resident angling	22,474	2,342	3,803	3,714	3,621
Non-resident angling	10,517	1,958	3,297	3,286	3,279

Increased revenue from the Trout and Salmon Stamp (roughly \$180,000 annually) will secure approximately two additional miles of trout stream easements, providing cold water angler access as well as stream corridor protection and management. The Walleye Stamp revenue increase of \$20,000 annually will further the agency’s partnership with private fish growers to produce and stock walleye fingerlings. Lifetime license sale receipts will remain in the lifetime license trust fund until a customer activates their license for a particular year. The amount transferring from the trust each year is based on the number of licenses activated that year.

Impact on Children and Families:

Quality, close to home angling opportunities enable Minnesotans to get outdoors. This proposal supports the ability, stated in the Minnesota Children’s Bill of Rights, for all children to catch and eat a fish.

The agency offers free angling to children under 16, discounted angling licenses for youth ages 16-17, and all visitors to state parks may fish for free.

Equity and Inclusion:

The DNR is responsible for stewarding natural resources for current and future generations and providing access to the outdoors for all Minnesotans to enjoy. This funding will help ensure the DNR’s continued ability to provide these natural resource and outdoor recreation services. Communities more reliant on the public lands and natural resources the DNR manages for recreation; subsistence hunting, fishing and gathering; and economic opportunities will specifically benefit from this proposal.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Minnesota’s Tribal nations work in partnership with the DNR to ensure the state’s natural resources are managed for equitable access, natural resources are managed to allow for the use as outlined in their respective treaties and that resources are managed for future generations. Sustained funding will benefit these resources and partnerships. The DNR has been holding several meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Lake and Stream surveys	666	2021-2022 average	666	50 additional surveys (716 total)	2025
Quantity	Trout stream easements acquired	5 miles	FY 21-22	5 miles	2 additional miles (7 total)	2025
Quantity	Angler creel surveys	10	2021-2022	4	8 additional surveys (12 total)	2025

Statutory Change(s):

97A. 475 Subd. 6-8, 10-13.

97A.473; 97A.474

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Improve Visitor Services at State Parks and Recreation Areas

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Revenues (Sales Taxes)	210	210	210	210
State Park Account				
Expenditures	3,000	3,000	3,000	3,000
Revenues	2,630	2,630	2,630	2,630
State Parks and Trails Donation Account (License Plates)				
Expenditures	300	300	300	300
Revenues	300	300	300	300
Net Fiscal Impact = (Expenditures – Revenues)	160	160	160	160
FTEs (Maintained)	15	15	15	15

Recommendation:

The Governor recommends an additional \$3 million each year from the State Park Account in the Natural Resources Fund to the Minnesota Department of Natural Resources (DNR) to enhance visitor services at Minnesota state parks and recreation areas to address increasing use and changes in how the system is being used. This proposal is funded by increasing state parks vehicle permit fees and the state parks and trails specialty license plates. The proposal increases the capacity to protect Minnesota’s most important natural and cultural resources. This request represents an approximately 2% increase to the Parks and Trails Division’s total FY22/23 budget.

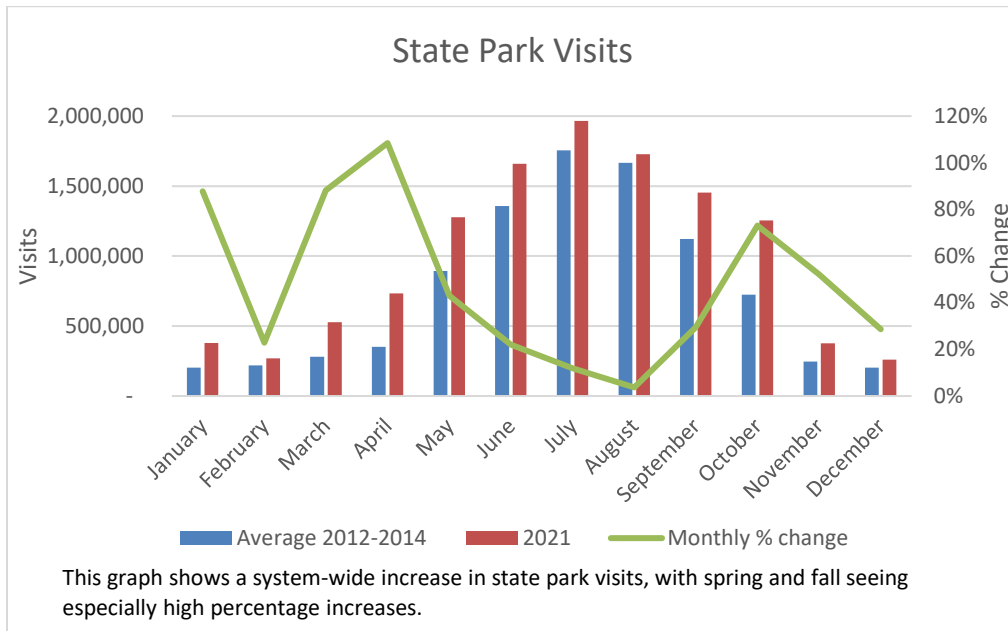
Rationale/Background:

State parks and recreation areas advance a key agency priority of connecting people to the outdoors. Time spent outdoors is known to improve people’s quality of life through health and wellness benefits. Minnesota state parks and recreation areas serve 12 million visitors each year, a number which is growing, and are a cornerstone of Minnesota’s \$9.9 billion outdoor recreation economy (Outdoor Industry Association survey, 2022). In 2021, there was a record 1.3 million overnight visitors to state parks and recreation areas. In addition to meeting basic visitor service and operational needs, state parks and recreation areas also offer services and amenities to attract the next generation of outdoor recreation enthusiasts such as the popular I Can! programs.

The State Park Account in the Natural Resources Fund is instrumental in providing the resources necessary to operate and maintain state parks and recreation areas. Revenue into this account comes from state park vehicle permit fees and visitor service fees, such as camping and lodging reservations, facility rentals and special-use permits. Significant funding to support state park and recreation area operations has also historically been provided from the General Fund.

There has been a long-term trend of increasing visitation to state parks and recreation areas, with the highest use so far in 2020 and 2021. The pandemic demonstrated how important outdoor spaces are for Minnesotans’ physical and mental health and recreational enjoyment. This new, sustained high level of use has put significant operational and maintenance pressures on state parks and recreation areas. It has also resulted in greater revenue from user fees, such as park permits and camping fees. This additional revenue has helped ensure that the State Park Account can sustain the increased appropriation from this funding request.

As can be seen from the following graph, visits to state parks and recreation areas are up in all seasons, with the largest percentage increases in use in the spring and fall months. For example, visits in May, September and October 2021 are at levels similar to June averages from a decade ago. People are visiting and relying on state parks and recreation areas year-round and more than ever.



Proposal:

This proposal provides an additional \$3 million each year for expanded operations and maintenance at state park and recreation areas to meet visitor needs. This increase is funded by increasing the annual vehicle permit fee by \$10 (to \$45), the daily vehicle permit fee by \$3 (to \$10), and the state parks and trails license plate by \$10 (to \$70). The increased fees will provide \$2.63 million in additional revenue to the State Park Account and \$300,000 to the Parks and Trails license plate account to fund the additional expenditures for enhanced state park and recreation area operations.

State Park Vehicle Permit Category	Current Fee	Proposed Fee	Number of Permits Sold (3-year average FY18-FY20 unless otherwise specified)
Specialty License Plate	\$60	\$70	(FY22) 30,200
Annual	\$35	\$45	185,650
Annual 2 nd Vehicle	\$26	\$35	12,370
Annual Disability Permits	\$12	\$20	3,110
Annual Motorcycle	\$30	\$40	875
Total Annual Permits			200,005
Daily Permits	\$7	\$10	275,110
Group Daily Permits	\$5	\$8	3,790
Total Daily Permits			278,900

These funds will be used to improve operations and maintenance with a focus on direct and on-the-ground benefits to visitors. This proposal will provide visitors with important services during extended seasons to meet public health and safety needs and connect people to the outdoors. It will also provide necessary natural and cultural resource protection.

- **Expand visitor services and maintenance in spring and fall seasons to meet growing visitation (\$1.8 million).** As noted above, the number of visitors to state parks and recreation areas in May, September and October is now similar to summer season levels. High visitation is becoming year-round, yet staffing levels have remained relatively the same. The DNR must adapt to meet the evolving outdoor recreation system needs in Minnesota.
 - Maintain basic campground services and public health and safety in an extended season: Bathroom and shower cleaning, campsite security and vegetation clearing, mowing high-use hiking trails and visitor engagement in the extended seasons will improve experiences, safety and comfort to visitors in the spring and fall.
 - Optimize state park and recreation area staffing: The DNR will pilot an approach to increase staff capacity to meet visitor needs. The pilot will focus on the 10-15 state parks and recreation areas that have experienced the most significant changes in visitor use and season length over recent years. The pilot will also determine the best ways to expand staffing levels to address visitor services, focused on public health and safety.
- **Improve maintenance conditions at state parks and recreation areas (\$500,000).** The DNR has been serving unprecedented numbers of visitors, but funding for maintenance of facilities has not kept pace with the growing use and growing state park and recreation area system.
 - Improve campsite maintenance: Clearing and leveling campsites will ensure safer tent and RV sites.
 - Maintain gravel and paved roads and parking lots: Improving the roads and parking conditions will make it easier for visitors to safely access state parks and recreation areas. The DNR has only been able to minimally budget for gravel road maintenance in state parks during the past 10 years.
 - Manage erosion and visitor impacts on state park trails: Improving state park hiking trails will be a huge benefit to the millions of visitors to state parks and recreation areas, which will especially benefit visitors with mobility limitations by making more trails accessible. Hiking is the most popular activity for state park visitors (72%), but funding and maintenance capacity limitations mean the DNR has not been able to keep up with basic trail maintenance standards.
 - Ensure that utilities, basic contracted services and supplies are available for visitors: Basic services, such as portable toilets, operational supplies and garbage disposal are crucial to healthy and safe state parks and recreation areas.
- **Increase natural and cultural resource management capacity (\$400,000).** As the demand for improving and growing infrastructure continues, so does the demand on natural and cultural resource management at state parks and recreation areas.
 - Expand cultural and archaeological review: The DNR contracts with the Minnesota Historical Society (MNHS) for archaeological and cultural resources staffing. These investments will provide the DNR capacity for cultural resource reviews to relieve current project bottlenecks and to advance needed rehabilitation projects more quickly. Currently, the DNR is processing approximately 360 projects within the state parks system annually. This investment would allow projects to move through the review process more quickly, cutting the time to approximately 7 months compared to the year-long timeframe currently experienced.
 - Expand natural resource management: Increasing use and pressure on state park and recreation areas also translates to increased natural resource management needs – especially in the face of climate change. Many sites require more intense care in order to maintain the natural resource qualities for which state parks are known. For example, the DNR’s Strategic Plan for Natural and Cultural Resource Management identifies a goal of 800 acres of prairie, forest and wetland restoration annually based on historical performance, but the average over the last 5 years has only been able to accomplish 600 acres per year. This proposal would allow the DNR to add capacity to meet the growing natural resource management needs and reduce the need for even greater investments in future restorations.

- **Outreach and Interpretive Services (\$300,000).** As the DNR works to make state parks and recreation areas more welcoming and accessible for all visitors, it is critical to keep investing in outreach and interpretive services.
 - Enhance programming and build community partnerships to connect people to the outdoors: Increasing interpretive programming in the parks and recreation areas that are experiencing the greatest demands. This is critical to serve growing numbers of visitors and enhance the DNR’s efforts toward diversity, equity and inclusion.
 - Improve and expand interpretation at state parks and recreation areas: Interpretation, including exhibits, brochures, mobile apps, web content and interpretive displays. In addition, the DNR will work with members of underrepresented communities to identify stories and develop content. Interpretive products currently serve millions of virtual and on-site visitors each year, providing another way for people to connect to the outdoors.

Impact on Children and Families:

This proposal provides needed maintenance and operations funds to Minnesota’s state parks and recreation areas and will help ensure that the DNR is able to continue to serve the many children and families who visit each year. Public health research into outdoor recreation participation has demonstrated an associated health and wellness benefits for children, including increased ability to focus and learn as well as positive impacts on mental and cardiovascular health. This proposal supports the state park and recreation area system so that these known health and wellness benefits are available to children and families from all backgrounds throughout Minnesota.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature. Two of the rights specifically identified in the Children’s Outdoor Bill of Rights are allowing every Minnesota child to 1) explore and play outdoors in a safe, welcoming and culturally affirming place and 2) to hike, hunt and forage on public lands.

Equity and Inclusion:

This proposal aligns the Parks and Trails division’s operational capacity with visitor needs. With increased funds, the DNR can maintain many core services and continue to provide access to state parks and recreation areas now and into the future. Studies show that there are barriers to participation in outdoor recreation activities for people of color. This funding supports programs that help make the outdoors more accessible to new users and will help support a positive impact to these and other underserved communities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

While this proposal does not have a known substantial direct effect on one or more of Minnesota Tribal governments, the DNR has been holding several meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This proposal will result in direct benefits to visitors of state parks and recreation areas. The DNR will be able to measure visitation numbers during extended seasons, as well as the delivery of visitor services during these extended seasons. For example, measures include the increased availability of clean bathrooms and showers, the availability of well-maintained campsites and day-use areas, the completion of basic maintenance for health and safety and the availability of staff to support visitor needs and security. This proposal will provide the resources to create an experience for visitors where they feel safe and comfortable in Minnesota's state parks system.

This proposal will also result in natural and cultural resource management improvements, allowing for a comprehensive review process in a timely manner while protecting the outstanding resources for which these areas are designated. Natural or cultural areas that are under greater pressure from increased use or climate change will receive additional attention, which can be measured as acres protected/enhanced and/or outdoor spaces that are more resilient to climate change.

This proposal will also result in direct benefit to children and recipients of outreach and interpretation. Measurable deliverables will show expanded outreach to target audiences and a greater ability to connect people to the outdoors.

Finally, we will also be able to demonstrate the benefits of increased park visitation to local businesses and economies. The DNR's Park Visitor Survey can be applied to demonstrate tangible benefits to local communities.

Statutory Change(s):

M.S. 85.055 Subd. 1

M.S. 168.1295

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Protecting and Managing Water Resources

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	400	400	400	400
Revenues	0	0	0	0
Water Management Account				
Expenditures	450	450	450	450
Revenues	1,700	1,700	1,700	1,700
Net Fiscal Impact = (Expenditures – Revenues)	(850)	(850)	(850)	(850)
FTEs	6	6	6	6

Recommendation:

The Governor recommends investing \$400,000 from the General Fund and \$450,000 from the Water Management Account annually to strengthen and enhance water protection and management work. Water resources are a vital component of Minnesota’s economy and culture. This investment ensures that a base level of staffing and resources are devoted to water resources protection and permitting work and adds additional expertise in drainage and hydrology to address areas of emerging work. It also funds overdue updates to specialized field equipment and computer-based resources. Additionally, it increases water-related fees to support this critical investment in the state’s waters. This request represents an approximately 3% increase to the Ecological and Waters Division’s total FY22/23 budget.

Rationale/Background:

Minnesota’s water resources support, and in turn are affected by, a wide variety of uses and development projects. Projects involving work in public waters may address the improvement of transportation infrastructure, the development of residential and commercial properties, mining projects, the redevelopment of urban riverfronts, and a wide range of other activities that change land use. Additionally, all Minnesotans use water – be it for residential drinking water, agricultural irrigation, industrial processes, or any number of other uses.

Protecting and responsibly managing Minnesota’s water resources is critical to maintaining our quality of life and is an essential part of public health. The DNR’s responsibility for public waters and for water resource sustainability comes from Minnesota Water Law, specifically M.S. 103G. Water is a public resource and the funding for the protection and management of public resources must be appropriately balanced with fees and non-fee-based sources. The fees must be appropriately sized to advance broader policy goals—in this case, safeguarding the public waters and ensuring sustainability of water resources —and stable General Fund support should provide the remainder.

The current fee structure does not adequately support public waters protection – projects requiring permits may take many hours of staff time to complete. Right-sizing permit applications fees would better reflect the staff effort needed to implement the public waters program. However, it is not prudent to expect that public waters permit fees fully address all aspects of public waters management. The costs of determining whether a project avoids ecological harm or may impact water quality in lakes, streams and wetlands far exceeds what most single applicants can pay—especially for larger projects. Additionally, DNR hydrologists spend significant time working with proposers to reduce project impacts and eliminate the need for permit (and therefore associated permit fee revenue), and providing guidance and direction to local governments, individual shoreline owners, and other stakeholders to plan land use and develop projects in a way that avoids and minimizes public waters impacts.

Increases in water use summer surcharge fees helps to support the work of DNR hydrologists across all water regulatory programs. The summer surcharge largely covers non-essential uses; this type of summer use can be a significant driver in the staff time and cost of monitoring and managing Minnesota’s groundwater resources. The water use summer surcharge fee has not been increased since 2009. Increasing the surcharge will help to safeguard Minnesota’s water resources.

Proposal:

This proposal invests \$850,000 annually for the protection of Minnesota’s water resources. This proposal ensures that a base level of staffing and resources are devoted to water resource management.

To fund these investments, this proposal increases public water permit fees and summer water use surcharge fees, which will generate about \$1.7 million annually. The revenue will address a structural deficit in the Water Management Account within the Natural Resource Fund, allow the DNR to restore hydrologist staffing capacity, and adds a drainage coordinator position - a growing area of work for DNR. The proposal better ensures that the DNR can continue to respond to floods and lake level concerns, sustainably manage water resources especially in times of drought, assist local governments with water-related land-use decisions, provide effective early engagement and more efficient review of drainage projects and coordinate better with other state and local entities on important projects. This proposal also provides critical field equipment such as ruggedized notebooks, water-level measuring and surveying gear.

Overall, the proposal right-sizes funding for the water resource management work, in order to meet existing and expected public need to serve more clients more efficiently, and restores important balance in the financing of this critical public resource —Minnesota’s waters.

Impact on Children and Families:

The DNR’s water resource management work ensures that one of Minnesota’s most valued natural resources, its waters, are sustainably managed for the benefit of all Minnesotans. Future generations of Minnesotans will benefit from the careful management of our public and ground waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all.

Some communities in Minnesota, including some Tribal nations and immigrant communities, practice subsistence fishing and subsequently would benefit from the policy’s goal to protect and improve the health of Minnesota’s surface waters. Additionally, efforts to ensure sustainability of appropriations to protect surface waters would also likely have the effect of continuing to ensure sustainable protection of groundwater resources.

Equity and Inclusion:

Ensuring sufficient resources to manage and protect water resources benefits all Minnesotans. Though all Minnesotans may be affected by impacts to water resources, members of certain protected classes may experience disproportionate impacts if water resources are not well-managed, whether due to the cumulative effects of already-existing higher exposure to other environmental impacts and health effects, or because their lives and livelihoods are specifically linked to water resources. For example, some tribal communities may depend on healthy waters supporting robust wild rice stands for harvest, or practice subsistence fishing that requires healthy aquatic ecosystems.

The DNR has not conducted targeted engagement on the proposal, but we have worked to engage with community leaders and organizations that advocate for consideration of equity in our work, such as the Minnesota Center for Environmental Advocacy (MCEA) and Freshwater Society.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, to the extent that the proposal may result in a general positive impact of more sustainably managed water resources, Tribal governments would also benefit. The proposal may be viewed as generally compatible with tribal interests. More specifically, sustainable management of Minnesota’s water resources supporting healthy surface waters and aquatic ecosystems can benefit tribal communities who rely on subsistence fishing or the harvesting of wild rice.

The DNR has been hosting meetings with tribal natural resource directors and staff to discuss legislative proposals.

IT Costs:

Not applicable

Results:

The most impactful result of this proposal will be to increase capacity to conduct all water resource management work – including technical advisory work and coordination with local governments and stakeholders – that will result in more sustainable water resource management and often less costly projects for potential proposers.

The DNR’s goal is to ensure that resources for the water management program are sufficient to meet public demand. Though much of the work associated with water regulatory programs does *not* involve permitting and instead focuses on technical advisory work, data collection, and providing information to project proposers, local governments and interested citizens, ensuring sufficient staff resources should serve to improve overall permitting efficiency (and improve customer service generally). The DNR currently tracks the time needed to reach permitting decisions, to meet a statutory goal for the timing of such decisions: 90-days for general permit authorizations and 150-days for individual permits. The vast majority of permitting decisions are made well within these timeframes. The DNR will continue to track these data and will be able to determine whether overall permit decisions times are reduced.

Funding for the drainage coordinator position will serve to ensure more efficient governance and more environmentally sustainable drainage projects by ensuring capacity to engage early with drainage authorities. The DNR’s early engagement can provide information and technical review of projects to identify and address environmental concerns before significant time, money and resources are expended to advance projects.

Statutory Change(s):

M.S. 103G.301, M.S. 103G.271

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Addressing Imminent Safety Needs at the Drill Core Library

Fiscal Impact (\$000s)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
General Fund					
Expenditures	1,000	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,000	0	0	0	0
FTEs	4.0	0	0	0	0

Recommendation:

The Governor recommends \$1.0 million in FY23 from the General Fund to address a deficiency to make essential upgrades and prevent the potential collapse of aging and visibly-strained shelves holding bedrock core in order to reopen the Drill Core Library (DCL) as soon as possible. Acting on feedback from a safety inspection, the DNR shut down access to the DCL in Hibbing in June 2022 to prevent injury. This investment replaces the shelving, buys equipment and temporary storage and hires labor needed to fully implement the replacement project. This project will both protect the irreplaceable bedrock core samples and provide for safe facility operation. With this funding, the DNR expects to safely reopen the DCL in FY25.

Rationale/Background:

The DCL has been closed since June 2022 to both the public and DNR staff due to the imminent danger that a shelving collapse would pose to life, the buildings’ structure and to the collection of core—valued at over \$300 million. During a routine inspection in 2022, DNR staff noticed strain in some of the shelving, the oldest of which dates back to 1972. Further consultation with a shelving specialist identified serious issues with the older shelves in the facility.

The DCL in Hibbing, MN is the single location in Minnesota for archiving state-wide drill core samples. The facility consists of three buildings with a total capacity of 4 million linear feet of core. The DCL was initially established to drive mining, mineral and related investment in northeast Minnesota and to support environmental research for state, federal, private parties and academia. The amount of core within the library continues to grow based on current state law requiring exploration companies to submit at least ¼ diameter of an entire core for any exploratory borehole (M.S. 1031.605) drilled within the state. The facility has played a critical role in attracting more than \$600 million in research and investment into Minnesota over the past 20 years. The DCL attracts mineral exploration staff and researchers from around the world looking for new mineral deposits or conducting various research projects.

By statute (M.S. 93.61), the DCL is mandated to remain open during business hours. Outside of temporary closures due to the COVID-19 pandemic, this is the first time in its 50-year history that it has been closed. As a result of the facility being closed for the past 3 months, the DNR has denied the following types of requests: (1) to receive core from 6 different companies/agencies, (2) to allow for the examination of core by 5 different local and international organizations and (3) to tour the facility, including a scheduled fieldtrip associated with the national conference for the American Society of Reclamation Sciences. Given the risk of imminent danger, the DNR needs to keep the DCL closed until we secure funding to safely replace the failing storage system.

Proposal:

This proposal addresses a one-time deficiency of \$1 million to address safety concerns and reopen the DCL. Handling drill core is labor-intensive. Retrieving and moving core must be done by hand, on a box-by-box basis,

because of the way the facilities were designed. It is estimated that 54,000 to 90,000 boxes, weighing on average between 15-45 pounds per box, will need to be taken off the shelves, moved and reshelved within the same building or transported to a different building two blocks away. The scope of work associated with each building is:

- Building One will likely require replacement of original 1972 shelving for approximately 300,000 feet of the 400,000 feet of core stored in the building. The original shelving consists of thin metal racks that are not bolted to the floor, under-constructed for the stored weight and at the highest risk of failure.
- Building Two will likely require replacement of original 1979 shelving for approximately 200,000 feet of the 600,000 feet of core stored in the building. These shelves are under-constructed for the stored weight capacity and are not bolted to the floor.
- Building Three is estimated to require the replacement of shelving for anywhere between 40,000 to 400,000 feet of core. The results of the engineer report will further refine the scope of the shelving requests.

This proposal covers the costs for:

- \$536,000 total to fund 4 temporary unclassified FTEs for one year;
- \$300,000 for new shelving materials and installation; and
- \$164,000 for equipment, temporary storage and disposal.

Work would start in FY23 and is expected to conclude in FY25. The DNR is seeking to obtain a final report from a structure engineer and recommendations to safely address all situations they have identified to further inform planning of this project.

Impact on Children and Families:

The DCL includes the storage of core drilled from School Trust Lands. This library assists the DNR in managing School Trust lands for the benefit of all K-12 schools in Minnesota. Mineral resource management is important to all future generations of Minnesotans, who will benefit from revenue generated on School Trust Lands and other land classes. The DCL provides access to school groups and is an opportunity for Minnesota students to learn more about both current and historical mineral management.

Equity and Inclusion:

The DCL is accessible to any member of the public and is regularly accessed by tour groups, government agencies, schools, media, university researchers and companies. The DNR does not charge a fee to view or sample core, which further ensures equity and inclusion of users.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

While no substantial or direct effect on Tribal governments is noted, there are potential benefits from the environmental research conducted using materials stored at the facility. All core drilled for the Geologic and Groundwater County Atlas are stored at the DCL. This collection is used to observe, analyze and map the regionally significant aquifers and hydraulic susceptibility to groundwater pollution.

IT Costs:

Not applicable

Results:

As a result of this proposal, the DNR expects the DCL will be fully operational again in FY25 with all old and/or damaged shelves replaced. The updated shelving design will meet modern safety standards and the facility will once again be a safe environment for staff and users.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Legal Costs

Fiscal Impact (\$000s)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
General Fund					
Expenditures (DNR)	(750)	750	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(750)	750	0	0	0
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends extending the General Fund appropriation to the Minnesota Department of Natural Resources (DNR) under Minnesota Laws of 2019, Special Session 1, Chapter 4, Article 1, Section 3, Subdivision 8 for legal costs. This one-time appropriation is set to cancel on June 30, 2023. This proposal would extend the appropriation by two years, until June 30, 2025.

Rationale/Background:

The DNR is mandated to make natural resources and environmental regulatory, permit, leasing and other types of decisions. The DNR's decisions are often challenged in federal or state court, contested case hearings and other venues.

In 2019, the DNR was appropriated \$2.7 million for legal costs associated with defending its regulatory decisions, of which \$700,000 transferred to the MPCA. The remaining \$750,000 of this one-time appropriation will cancel on June 30, 2022, unless extended.

Proposal:

To adequately defend natural resources and environmental regulatory, permit, leasing and other types of agency decisions, this proposal would extend the one-time appropriation for legal costs under Minnesota Laws of 2019, Special Session 1, Chapter 4, Article 1, Section 3, Subdivision 8 until June 30, 2025. The DNR anticipates that this extension will allow approximately \$750,000 of that appropriation to carry forward through FY25 to be spent in that biennium.

Impact on Children and Families:

The entire public (including children and families) has an interest in science-based and well-vetted natural resource and environmental regulatory, permitting and leasing decisions. The litigation process is an important part of the democratic dialogue, by which interested parties express their concerns regarding complex natural resource issues. This proposal will allow the DNR to adequately and transparently defend its decisions without pulling resources from other environmental programs on which children, families and other segments of the public depend.

Equity and Inclusion:

This proposal will allow the DNR to adequately defend its regulatory decisions regarding some of the state's most pressing natural resource issues. While the entire public has an interest in the outcome of these cases, rural communities, low-income communities and communities of color are disproportionately affected by environmental policy decisions. The litigation process is an important part of the democratic process by which policy decisions are finalized and this proposal will allow the DNR to adequately defend its decisions.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

While this proposal is not expected to have a substantial direct effect on Minnesota Tribal governments, the DNR has been holding meetings with Tribal governments to discuss policy and budget proposals.

IT Costs:

Not applicable

Results:

This proposal will allow the DNR to defend its regulatory, permitting and leasing decisions.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Enhancing Grasslands and Restoring Wetlands on WMAs for Carbon Capture and Resiliency

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	10,000	0	0	0
Revenues	0	0	0	0
Game and Fish Fund				
Expenditures	0	0	0	0
Revenues	7,500	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,500	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$10 million in FY24 from the General Fund to the Minnesota Department of Natural Resources (DNR) to enhance grasslands and restore wetlands on existing state wildlife management areas (WMAs). These funds will be available through FY27 to ensure sufficient native seed is available for planting and to contract with local restoration companies. Once these areas are restored and/or enhanced with native vegetation, they will sequester more carbon than they currently do – up to 6,400 metric tons of carbon dioxide per year – while also providing higher-quality wildlife habitat and better protecting water quality. This proposal leverages federal Pittman-Robertson dollars that by law are deposited into the Game and Fish Fund. This proposal reflects a 4% increase to the Fish and Wildlife Division’s FY22/23 total budget.

Rationale/Background:

Minnesota has the premier public hunting lands system in the country with its extensive system of state WMAs. While these areas have traditionally been viewed as habitat for game species such as pheasant, ducks and deer, they also provide habitat for pollinators and hundreds of other species. Grassland WMAs, and their embedded “pothole” wetlands, can also absorb and store significant amounts of carbon in the soil, making these lands an important part of a natural climate solutions strategy.

Grasslands start to accumulate soil carbon very quickly after enhancement or restoration, removing carbon from the air over relatively short periods of time. The carbon is locked into the soil and stays there unless the soils are heavily disturbed. Newly acquired WMA lands include native grassland restoration as part of the acquisition process. However, in the past many WMAs were planted with brome or other shallow-rooted (and often non-native) grasses before the DNR acquired the land. Recent research has shown that a diverse mix of deep-rooted native grasses and flowers are much more effective in storing carbon than shallow-rooted, non-native grasses. Studies have found that the total carbon per acre in diverse grasslands can be as high as 78 metric tons. Diverse native plants also enhance the climate resiliency of the grassland itself, along with the wildlife and pollinators these lands support.

Wetland restoration also has climate benefits. Over time restored wetlands become a carbon “sink,” removing carbon dioxide from the atmosphere. Scientists estimate that the total amount of carbon per acre in a healthy prairie wetland can reach 258 metric tons. Recent surveys have identified older WMAs with highly degraded wetlands that filled with sediment before the DNR acquired the land. The technology and methodology now exist to identify and restore these wetlands in a manner that increases carbon capture while also enhancing their value for wildlife.

In addition to providing climate mitigation and habitat benefits, grassland and wetland enhancement and restoration also advances climate resiliency by increasing water storage and thereby reducing the potential for downstream flooding during extreme weather events. For example, the leaves and stems of grassland plants can hold almost 13,000 gallons of water per acre after a rainstorm. Grasslands and wetlands also filter chemicals such as nitrates from runoff before it reaches surface and groundwater. These chemicals can have health impacts such as blue-baby syndrome and cause toxic algal blooms in lakes, impacting recreation and fishing.

Proposal:

This proposal invests \$10 million to enhance and restore more than 6,000 acres of grasslands and wetlands on existing state WMAs in western and southern Minnesota. This includes enhancing low diversity brome grasslands and strategically restoring some food plots, which are annually planted to corn or soybeans, to native grasses and wildflowers. The DNR will contract with small businesses in rural Minnesota to complete these projects. Key benefits of this proposal include:

- **Carbon storage** will increase dramatically on these public natural lands. Currently available estimates indicate these grasslands and wetlands could annually sequester as much as 6,800 and 1,800 metric tons of carbon dioxide, respectively.
- **Climate resiliency** will improve, benefitting Minnesotans and our natural systems.
 - Improved habitat will enhance the climate resiliency of wildlife and pollinators, benefitting both the animals as well as the Minnesotans who participate in birdwatching, fishing, hunting and related outdoor recreation activities.
 - Increased water storage and filtration will lead to less flooding and cleaner surface and groundwater and enhance the resiliency of the watershed to future climate scenarios.
- **Quality of life** in rural areas will improve with cleaner, safer drinking water as well as improving places Minnesotans can go to connect with the natural world and improve mental health.
- **Rural small businesses** will harvest and plant the seed needed for the grassland restorations and complete work to restore the wetlands, such as excavating sediment from and re-grading basins.

Improving the quality of grasslands and wetlands on public lands will benefit Minnesotans by slowing climate change, meeting our carbon reduction goals and adapting to the impacts of climate change such as more severe weather events. These efforts will have the added benefit of protecting water quality and enhancing habitat that supports outdoor recreation on WMAs.

Restoring and enhancing grassland and wetlands are key climate strategies identified in Minnesota's Climate Action Framework and therefore the members of the Governor's Climate Change Subcabinet recommend this proposal.

Impact on Children and Families:

Climate change is one of the most serious environmental threats facing children today. This proposal benefits future generations by slowing the rate of climate change, enhancing the climate resiliency of natural lands, helping to mitigate flooding risks and better protecting groundwater and surface water quality.

This proposal also supports the Minnesota Children's Outdoor Bill of Rights by helping provide children the opportunity to hike, hunt and forage on public lands and protecting and preserving our environment for future generations.

Equity and Inclusion:

Climate change affects all Minnesotans, but the effects of climate change are not experienced equally. While this proposal is not specifically focused on equity and inclusion, we recognize that climate change disproportionately impacts low-income individuals and tribal communities and communities of color.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that all Minnesotans are impacted by climate change. Plant and animal species of tribal significance (e.g., walleye or ooga, wild rice or manoomin, sweetgrass or wiingashk, moose or mooz na) are already impacted by the effects of climate change. The DNR has been holding meetings with tribal natural resource directors and other specialists to discuss our legislative proposals.

IT Costs

Not applicable

Results:

With these funds the DNR can enhance approximately 2,000 acres of grassland and restore approximately 300 acres of wetland. These grasslands and wetlands will sequester approximately 5,100 and 1,300 metric tons of carbon dioxide per year, respectively. DNR staff will monitor both outcomes and outputs relative to climate and wildlife.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Investing in Minnesota’s Wildlife and Aquatic Management Areas

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	1,500	1,500	1,000	1,000
Revenues	0	0	0	0
Game and Fish Fund				
Expenditures	0	0	0	0
Revenues	1,125	1,125	750	750
Net Fiscal Impact = (Expenditures – Revenues)	375	375	250	250
FTEs	2	2	1	1

Recommendation:

The Governor recommends \$1.5 million annually in FY24 and FY25 and \$1 million annually thereafter from the General Fund to improve state land accessibility for people of all abilities and to invest in the quality of experience those lands provide. This proposal will 1) improve physical accessibility and visitor information at select Wildlife Management Areas (WMAs), 2) fund needed maintenance on roads and trails that provide access and 3) develop a framework to guide habitat and recreation management that includes increasing climate resiliency and accessibility. This request is aligned with recommendations contained in a 2021 legislative report the DNR wrote in conjunction with the Minnesota Council on Disability. This proposal leverages federal Pittman-Robertson dollars that by law are deposited into the Game and Fish Fund. This proposal reflects a 2% increase to the Fish and Wildlife Division’s FY22/23 total budget.

Rationale/Background:

WMAs and Aquatic Management Areas (AMAs) are part of Minnesota's outdoor recreation system and are established to protect those lands and waters that have a high potential for wildlife production, public hunting, trapping, fishing and other compatible recreational uses. Besides protecting wildlife habitat for future generations, WMAs and AMAs conserve a diversity of plants and animals and offer opportunities for hunting, fishing and wildlife watching.

Minnesotans are the beneficiaries of an extensive WMA/AMA system, yet many of these public lands are not accessible to all. Much of the WMA/AMA system’s infrastructure is 40-70 years old and was designed without the benefit of current accessibility standards. Such shortcomings limit use by Minnesotans with mobility limitations and other disabilities, and in some cases present safety concerns. The DNR recognizes the responsibility to serve all Minnesota better by becoming more accessible.

This time is right for Minnesota to act. Federal wildlife conservation funding through the Pittman-Robertson Act (PR) has grown to historic levels, creating a unique opportunity for a significant federal match on this investment. Combined, this funding opportunity and the untapped potential of state lands to better serve Minnesota create an unprecedented opportunity to invest in wildlife now.

Proposal:

This proposal invests \$1.5 million annually in FY24 and FY25 and \$1 million annually thereafter for improvements to Minnesota’s WMA and AMA lands.

Of this request, \$1 million annually in FY24/25 and \$600,000 annually thereafter will be used to reduce barriers and increase access to WMAs and AMAs for hunting, fishing and other natural resource-based recreational opportunities, including constructing Americans with Disabilities Act (ADA) accessible trailheads for people with disabilities. The approach taken in this proposal allows for adaptation to best determine how to develop new facilities, including parking lots and gated trail accesses, using specifications that meet accessibility standards.

This investment also ensures that the public can access accurate information about WMAs and AMAs through the DNR's outward-facing *WMA and AMA Finder* applications. The DNR is currently updating the internally-facing database (behind the *Finder* applications) that records assets and manages activity on these public lands. This proposal supports the ongoing maintenance of the internal-facing database, so outdoor enthusiasts can access the most up-to-date information about Minnesota's WMAs and AMAs.

This proposal will result in the development of a WMA/AMA system plan. This plan will guide management on more than 1.3 million acres across 1,500 WMAs and AMAs by clarifying each unit's role in providing habitat for game species, conserving biological diversity and providing appropriate recreation opportunities for the next 15 years. This system plan will also address accessibility and climate resiliency needs. This proposal includes staffing to 1) develop the WMA/AMA system plan (1 temporary FTE each year in FY 24 and 25) and 2) administer the federal funding in accordance with state and federal laws and policies (1 FTE ongoing).

Impact on Children and Families:

Increasing accessibility makes it easier for all children and families to enjoy treasured outdoor recreation experiences. A growing body of empirical research finds that access to nature benefits all people, but particularly children, through improved fitness, cognitive well-being and interpersonal relationships. This proposal will improve access to nature for families throughout Minnesota.

This proposal also supports the Minnesota Children's Outdoor Bill of Rights by helping provide all Minnesotans the chance to hike, hunt and forage on public lands.

Equity and Inclusion:

This proposal will reduce physical barriers to WMAs and AMAs for all Minnesotans, particularly those with disabilities. In addition, it will make information on WMAs and AMAs more readily available to the public.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that Tribal nations also benefit from improved access to public lands. The DNR has been holding meetings with tribal liaisons and tribal natural resource directors this fall to discuss the legislative proposals the DNR intends to advance in 2023.

IT Costs

This proposal supports the ongoing maintenance of the data system and application that allows Minnesotans to access accurate information about WMAs and AMAs through the DNR's *WMA and AMA Finder* applications.

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure	\$12	\$12	\$12	\$12	\$12	\$12
Hardware						
Software						
Training						
Enterprise Services	\$65	\$65	\$65	\$65	\$65	\$65
Staff costs (MNIT or agency)	\$94	\$94	\$94	\$94	\$94	\$94
Total	\$171	\$171	\$171	\$171	\$171	\$171
MNIT FTEs	0.7	0.7	0.7	0.7	0.7	0.7
Agency FTEs						

Results:

This proposal will result in full ADA accessibility at three WMA/AMA sites and improve public access through better maintained roads and trails. The proposal will also result in a system plan to guide WMA and AMA management.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Enforcement Aviation Modernization

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	3,050	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	3,050	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends one-time funding in FY24 of \$3 million from the General Fund to modernize the Minnesota Department of Natural Resources' (DNR's) aviation fleet. This proposal initiates a process to improve effective service delivery and increase pilot safety, while simultaneously decreasing the size of the fleet itself. This proposal relates to DNR's non-firefighting related aviation fleet. This request represents an approximate increase of less than 3% to the Enforcement Division's total FY22/23 budget, although it represents a one-time investment rather than an ongoing budget increase and provides future budget savings.

Rationale/Background:

More than half of the aviation fleet's aircraft are more than 35 years old (the oldest is more than 50 years old). The proposal allows the aviation program to adhere to the recommendations of the State of Minnesota's fleet replacement schedule, which recommends replacement at 20 years.

The DNR aviation fleet flies a wide variety of missions that support other DNR divisions and efficiently and effectively accomplish natural resource and safety related tasks on behalf of the people of Minnesota. These missions include: aerial telemetry; census and survey; resource assessment; aerial fish stocking; search and rescue; invasive aerial herbicide application; law enforcement; fire detection and suppression; remote area transport and supply; and aerial photography.

Adherence to an updated fleet replacement plan will increase the safety of DNR pilots while they undertake missions that benefit Minnesota's people and natural resources. This proposal not only will modernize the aircraft fleet itself, but also the equipment on the aircraft. Evolving airborne sensor technology has exponentially increased flight safety and the ability to locate lost people or survey animals. Airborne thermal imaging systems have saved countless lives and is an in-demand capability for conservation-based aviation. Modern camera systems can significantly enhance mission effectiveness and provide capabilities not previously available to resource managers.

Proposal:

This proposal provides \$3 million to begin the process of modernizing the DNR's aviation fleet. This program has a long history of working on behalf of Minnesota's people and natural resources. However, the aircraft fleet is aging, which decreases its ability to complete its work as efficiently and effectively as possible and increases the risks to pilots each time they fly. The proposal allows the aviation fleet to incorporate new technology into its aircraft fleet – enabling it to better assist in fighting wildfires and finding lost people, for example – while reducing the size of the fleet itself.

Specifically, this proposal replaces a 1979 aircraft with a similar-sized, modern airplane that includes a camera system. This proposal does not increase the staff numbers in the aviation fleet. The fleet replacement plan itself will contain costs in the long run by reducing the aviation fleet size and minimizing the costs of aircraft ownership. Aircraft maintenance costs are lowest for the first five years of ownership. After that, they increase annually, and by the 25th year annual maintenance costs have doubled. They continue to climb from there.

While this aviation program is housed within the Enforcement Division, its aircraft support a wide variety of other DNR work areas including fish stocking, wildlife census, and disaster response and wildfire detection.

Impact on Children and Families:

This proposal provides assurance to children and families that should they become lost, stranded or injured while recreating in the outdoors, the State of Minnesota has the aviation assets to assist or rescue them. In addition, it continues to provide children the opportunity to see aircraft at school during natural resources days, provides opportunities for children and their families to catch fish in remote lakes that could not otherwise be stocked with fish and increases the DNR’s ability to monitor wildlife populations, thereby ensuring children and their families have the same opportunities in the future that we have today to hunt, fish and see wildlife.

Equity and Inclusion:

This proposal provides assurance to all Minnesotans that the State of Minnesota is committed to investing in the sorts of assets that protect the state’s natural resources and people and assures new users of the outdoors that the State of Minnesota has the capabilities and resources to assist or rescue them should the need arise. Overall, the proposal helps ensure all people have the ability to enjoy Minnesota’s natural resources now and into the future.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

IT Costs

Not applicable

Results:

Right-sizing and modernizing the aviation program’s fleet will enhance its ability to effectively and efficiently protect Minnesota’s people and natural resources. In addition to improving service to other DNR divisions and the people of Minnesota, it will increase pilot safety and reduce the costs of aircraft ownership.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Prevent and Manage Spread of Aquatic Invasive Species in Minnesota

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Invasive Species Account				
Expenditures	1,100	1,100	1,100	1,100
Revenues	2,570	2,570	2,570	2,570
Transfer In (eliminated)	(375)	(375)	(375)	(375)
Water Recreation Fund				
Transfer Out (eliminated)	(375)	(375)	(375)	(375)
Net Fiscal Impact = (Expenditures – Revenues)	(1,470)	(1,470)	(1,470)	(1,470)
FTEs	5	5	5	5

Recommendation:

The Governor recommends investing \$1.1 million from the Aquatic Invasive Species (AIS) Account in the Natural Resources Fund to prevent and manage the spread of aquatic invasive species (AIS) in Minnesota. The request invests \$440,000 annually in AIS management grants and increases investment in the DNR’s regulatory and technical assistance work to manage AIS by \$660,000 in FY24 and each year thereafter. This request represents an approximately 1% increase to the Ecological and Water Resources Division’s total FY22/23 budget.

Rationale/Background:

Minnesotans value our lakes, rivers and other natural resources. Preventing the spread of invasive species and managing any impacts of invasive species is part of the DNR’s mission and is vital to continuing Minnesota’s legacy of healthy and vibrant lakes and natural resources for all Minnesotans to enjoy. Invasive species infestations can occur through recreation, trade, natural pathways and other economic drivers. As Minnesota’s economy grows and recreational opportunities expand, so too does the potential for AIS spread. Invasive species have serious economic, environmental and recreational impacts in Minnesota, and the movement of species in Minnesota’s waterways requires a robust and multi-faceted management approach. This approach includes financial and technical support for partners such as lake associations, Tribal governments, and local government units (LGUs), well-trained inspectors and decontamination resources that serve as a front-line defense against the spread of invasives and thoughtful oversight of applications for permits to manage AIS through mechanical removal or treatment. Watercraft users help support these efforts through an AIS watercraft surcharge once every three years when watercraft registration is renewed. The AIS surcharge has not been increased since 2019 when it was increased from \$5 to \$10.60. The proposed surcharge level of \$20 would address the structural deficit in the AIS Account and make needed investments in preventing the spread of AIS.

The threat of AIS is particularly high in the most populated and heavily used outdoor recreation spaces and in areas where centers of commerce lay along some of Minnesota’s most cherished water resources. Some of Minnesota’s most popular lakes and the Mississippi and St Croix River corridors account for the largest portion of requests for permits to manage AIS through mechanical removal or treatment. These areas also include most of the state lake vegetation management plans. Providing sufficient capacity to meet these increasing demands will best ensure that critical AIS management, coordination and technical support work is targeted where it is most needed.

While this request has not been initiated from a designated advisory group, it is consistent with the Environment and Climate Change priorities contained within the One MN Plan as well as DNR’s strategic priorities related to addressing climate change and proactively managing natural resource issues.

Proposal:

This proposal invests \$1.1 million annually to continue AIS prevention and management statewide and increase capacity in the highest need areas of the state, specifically:

- \$440,000 annually for invasive aquatic plant management grants to local government units (LGUs), Tribal nations and lake associations.
- \$660,000 to increase the DNR’s ability to respond to new and existing invasive species infestations in the most populated and heavily used outdoor recreation spaces and in areas where centers of commerce lay along the Mississippi and St. Croix river corridors. The DNR will also provide technical assistance to lake associations and other stakeholders on long-term lake vegetation management plans as well as support work on invasive aquatic plant management grants.

This proposal increases the AIS surcharge to \$20—up from \$10.60. This additional revenue supports this critical investment as well as addresses the structural deficit in the Invasive Species Account and eliminates an annual \$375,000 transfer from the Water Recreation Account to the AIS Account.

Altogether, this proposal provides critical investments in Minnesota’s AIS program that protects the health of our aquatic ecosystems and safeguards our lakes, streams and waterways for all Minnesotans to enjoy.

Impact on Children and Families:

This proposal aims to preserve Minnesota’s clean water, high quality fishing and remarkable recreational opportunities. Preventing the spread of AIS serves children and families today and preserves resources and opportunities for future generations.

Equity and Inclusion:

Preventing the spread and managing the impact of invasive species in Minnesota serves to benefit all Minnesotans by preserving Minnesota’s clean water, world-class fishing and water recreational opportunities. As Minnesota seeks to expand and advance recreational opportunities for traditionally underrepresented or marginalized communities, DNR works to protect those recreational opportunities is critically important. Likewise, for Tribal nations or some immigrant communities reliant on healthy waters for subsistence fishing, the proposal will help to ensure these important activities remain viable.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though we do not anticipate substantial direct effects on any Tribal government, we frequently partner with Minnesota’s Tribal nations on AIS issues and anticipate the proposal will allow us to build upon on these existing partnerships. To the extent that the proposal would result in a positive impact of furthering efforts to address AIS and better ensuring healthy waters (that can support subsistence fishing and wild rice harvesting), tribal communities may see specific benefits from this investment. Tribal governments also have the opportunity to seek and receive AIS grants and partner with DNR for public awareness initiatives. The DNR has been holding several meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This investment will increase the investment in AIS management grants, lower the response time for AIS management permit application requests, enhance the number of lake vegetation plans and increase overall efficiency. Data collected as a result of this investment will improve the DNR's ability to assess AIS infestations, aquatic habitat and the needs of LGUs, lake associations and Tribal governments.

Statutory Change(s):

M.S. 86B.415 Subd. 7

M.S. 84D.15 Subd. 2

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Private Forest Landowner Technical Assistance, Cost Share and Inventory

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	2,086	2,086	1,320	1,320
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,086	2,086	1,320	1,320
FTEs	4	4	5	5

Recommendation:

The Governor recommends \$2.086 million each year in FY24 and FY25 and \$1.32 million annually thereafter from the General Fund to support forest management, cost-share assistance and plot-based inventory (PBI) on private woodlands. This funding will help ensure private woodlands are healthy, well-managed forests that provide clean air and water, carbon benefits, improved wildlife habitat and raw materials for the forest products economy. This request represents an approximately 3% increase to the Forestry Division’s total FY22/23 budget.

Rationale/Background:

The Minnesota Department of Natural Resources (DNR) provides forest management assistance to private woodland owners in Minnesota who collectively own approximately 7 million acres, or 45%, of our state’s forested landscape. There are over 80,000 private family woodland owners in Minnesota that own 20 or more acres. Woodland owners often desire advice from professional foresters on best management practices. Research shows coupling this advice with financial incentives for woodland owners to conduct management activities is a highly effective approach for achieving healthy, well-managed forests. Minnesota’s Climate Action Framework also notes the need for technical and financial assistance to encourage woodland owners to manage their lands for climate mitigation and adaptation.

DNR foresters cannot serve all the woodland owners requesting forest management technical and financial assistance. There is currently a backlog of requests for technical assistance and cost-share applications routinely exceed the amount of funding available. Furthermore, there is a need to enhance the diversity of foresters providing technical assistance to better represent and serve the growing diversity of woodland owners. Partnerships with soil and water conservation districts (SWCDs), the Minnesota Forestry Association (MFA) and consultant foresters will help address these gaps.

Woodland owners and foresters also need an accurate inventory of forest composition, age and health on private forest lands to help ensure sound forest management decisions. The DNR has not had the resources to complete a forest inventory on private lands to date. Thanks to new lidar technology coupled with PBI, the opportunity now exists to develop the first-ever inventory of all forested lands in Minnesota. This new inventory approach is currently being employed on publicly-owned forest land. Collecting private forest land inventory, with the collaboration of willing landowners, is necessary to create a full view of Minnesota’s forest landscape.

Proactive forest inventory, planning and management on private woodlands is needed to address climate change and forest pest issues, as well as ensure the sustainability of the benefits landowners gain from their forests. Supporting sustainable forest management and increasing tree planting on family woodlands to optimize forest health and carbon capture and storage, while providing associated water quality, habitat, economic and recreation benefits, is necessary to reach state climate goals.

Proposal:

This proposal builds on existing government and non-profit partnerships to advance the health and management of private woodlands to capture carbon; enhance the climate resiliency of Minnesota's forests; and provide fish and wildlife habitat, recreation, clean water, timber and jobs. This proposal includes the following components:

- \$536,000 each year for FY24 and FY25 and \$670,000 each year for FY26 and FY27 to DNR to:
 - Provide technical assistance such as Woodland Stewardship Plans, tree planting guidance and promoting cost-share opportunities (includes 3 FTEs)
 - Coordinate private woodland PBI data collection, processing, analyzing; create modeled inventory products; and conduct quality assurance and control (includes 1 FTE starting in FY26)
 - Expand and enhance consultant forester skills to best serve woodland owners, including exploring ways to increase the diversity of those in the consulting forester field to best meet changes in landowner demographics
 - Improve coordination and delivery of conservation-grade, climate-adapted seedlings from the State Forest Nursery to SWCDs and woodland owners (includes 1 FTE)
 - This funding may complement opportunities presented in the federal Inflation Reduction Act
- \$350,000 each year in FY24 and FY25 and \$250,000 each year in FY26 and FY27 for SWCDs to:
 - Deliver technical assistance to woodland owners and promote cost-share opportunities focused on small parcels and riparian areas
 - Provide outreach and conduct PBI for private landowners
- \$300,000 each year in FY24 and FY25 and \$400,000 each year in FY26 and FY27 to:
 - Increase cost-share assistance to private woodland owners, with an emphasis on underserved and underrepresented woodland owners, through existing DNR Private Forest Management cost-share program and SWCD cost-share efforts focused on smaller ownerships and riparian areas
 - Enhance equity will targeting outreach efforts to underserved/underrepresented woodland owners, such as women and Tribal members, and a higher cost-share rate will be offered to underserved audiences
- \$150,000 each year for FY24 and FY25 for grants to the Minnesota Forestry Association (MFA) to:
 - Contract with consultant foresters to provide technical assistance and timber sales consultation
 - Incentivize small timber harvests designed to maximize forest health
 - Develop a web-based mapping system to aid coordination between landowners and foresters
- \$750,000 each year for FY24 and FY25 for consultant foresters to:
 - Provide PBI outreach efforts to private woodland owners
 - Collect on the ground PBI data to inform private land inventory models

Impact on Children and Families:

Many privately owned forests are considered “family forests”, providing children and families with positive recreational opportunities and a connection to nature that frequently leads to a long-term commitment and understanding of natural resources. Healthy public and private forests provide many benefits that contribute to raising the quality of life and supporting the economy in Minnesota.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of protecting and preserving our environment for future generations.

Equity and Inclusion:

This proposal will increase management of private woodlands to ensure clean air and water, healthy wildlife habitat and a strong economy for all Minnesotans. Increasing the number of female and minority consultant foresters will increase participation in forest management activities by underserved landowners.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

The DNR maintains open communication with tribal natural resource managers to ensure healthy, diverse and productive forestlands that benefit the needs of all people across the landscape. The DNR has been holding meetings with interested tribal natural resources directors and tribal specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Number of private woodland owners assisted	1,310	FY20	1310 each year	2,375 each year	FY24-27
Quantity	Acres of cost-share projects	3,159	FY20	3,159 each year	6,000 each year	FY24-27
Quantity	Acres in Stewardship Plans	127,703	FY20	127,703 each year	153,000 each year	FY24-27
Quantity	Acres of modeled inventory on private land	0	FY20	0	3,750,000	FY27

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Enforcement Public Safety Preparedness

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	360	360	360	360
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	360	360	360	360
FTEs	0.5	0.5	0.5	0.5

Recommendation:

The Governor recommends \$360,000 annually from the General Fund for ongoing training and equipment maintenance and storage for conservation officer public safety responses. This request also funds the staff effort needed to manage and oversee these training and equipment needs as well as provide coordination with partnering agencies. This request represents an approximately 1% increase to the Enforcement Division’s total FY22/23 budget.

Rationale/Background:

The Minnesota Department of Natural Resources (DNR) conservation officers are licensed peace officers whose overall mission, like all law enforcement personnel, is protecting public safety. Their regular responsibilities revolve around the protection of Minnesota’s natural resources and the safety of the people who use them. In that role, they focus on fish and game protection, education and enforcement; recreational safety and enforcement; and natural resource protection.

Conservation officers are part of the statewide fabric of law enforcement and assist their state and local partners when called upon. Such requests for assistance have been frequent since late spring 2020.

To continue to be available to provide assistance to partnering law enforcement agencies in situations not typically part of conservation officer training and duties, DNR conservation officers need to maintain ongoing training. This training will include topics related to First Amendment rights, rights of the media, field tactics, legal authority and other civil processes.

Along with ongoing training costs, it is equally important that officers maintain their personal protective equipment and the DNR maintain and store equipment needed to safely address these public safety responses. These events normally happen with little or no pre-planning, so it is important that equipment used for these responses are ready to deploy at all times.

Proposal:

This proposal provides \$360,000 annually starting in FY24 to provide ongoing training and equipment needs related to non-conservation-centered law enforcement. When expected to potentially perform high-risk activities, a law enforcement officer has ongoing training plans to ensure the officer understand their role, the tactics to be performed and the legal ramifications if they are not followed. Funding these on-going expenses will make public safety response part of the annual training plan for conservation officers.

Impact on Children and Families:

When conservation officers are part of these responses, it is because events dictate there is a broader public safety need than local jurisdictions can address without assistance. Minnesota’s children and families depend on law enforcement – including conservation officers – to ensure their safety during these events. Conservation officers having the proper equipment and training to be effective in these situations is essential to maintaining communities in which people can live, learn and work while feeling safe.

Equity and Inclusion:

Communities of color and economically disadvantaged communities are frequently among those most affected when public safety is not maintained and criminal behavior is not addressed. In addition, unfunded expenditures related to maintaining public safety in connection with protests and civil unrest would have a direct impact on the Enforcement Division’s future hiring ability, including for the Conservation Officer Prep Program, which is aimed specifically at recruiting diverse candidates as conservation officers. In the past five years, the program has been instrumental in increasing the Division’s staff diversity and making it more representative of Minnesota as a whole.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Conservation officers routinely work with tribal public safety partners and with Tribal members off tribal lands. This proposal ensures conservation officers are prepared as well as possible when and if public safety concerns arise on or near tribal lands, or when they’re working to ensure the safety of the public, including Tribal members. The DNR has been holding meetings with tribal biologists and tribal natural resource directors this fall to discuss the legislative proposals the DNR intends to advance in 2023.

IT Costs:

Not applicable

Results:

This will ensure the DNR has the proper training and equipment – and can maintain and store it – to ensure conservation officers have the ability to protect themselves and the public when they are called to assist with non-conservation related public safety needs.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: No Child Left Inside

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	500	500	500	500
Heritage Enhancement Account				
Expenditures	500	500	500	500
Net Fiscal Impact = (Expenditures – Revenues)	1,000	1,000	1,000	1,000
FTEs	1	1	1	1

Recommendation:

The Governor recommends \$1.0 million annually--\$500,000 from the General Fund and \$500,000 from the Heritage Enhancement Account—starting in FY24 for No Child Left Inside (NCLI) grants. Launched with one-time funding, this grant program brings natural-resource-based education and recreation programs to children with limited opportunities to participate in the outdoors. Demand for this program far exceeds available funding. This proposal provides stable, ongoing funding for NCLI and helps connect children with the outdoors. Additionally, this request aims to provide grant applicants and recipients with seamless grant administration by supporting adequate staffing and the construction and maintenance of an online application system. This request represents an approximately 1% increase to the Fish and Wildlife Division’s total FY22/23 budget.

Rationale/Background:

Recent and emerging research indicates that students are increasingly disconnected from nature. Getting more people into the outdoors is crucial for the future stewardship of Minnesota's natural resources and the health and wellness of future generations. The NCLI program aims to support and increase efforts to expand programming that connects youth to the outdoors. Per M.S. 84.876, these grants support “outdoor environmentally, ecological and other natural-resource-based education and recreation programs serving youth.” A focus of the program has been to reach new and diverse audiences, and the amount of applications for the program have always exceeded the amount of funds available.

The DNR launched the NCLI Grant Program in September 2019 to an overwhelming response from schools and non-profit, local government and community organizations. The initial phase was distributed through a first-come, first-served mini grant process (providing grants of \$5,000 or less). Within six minutes of opening, the amount of available funds were fully requested. Phase 2 was announced in late 2019 with a competitive process and allowed larger grants up to \$50,000. During the six weeks that Phase 2 that applications could be submitted, there were more than 200 applications requesting \$5 million.

NCLI is reaching diverse audiences and providing new opportunities to connect children with the outdoors. Although most of the NCLI grants are still in process, we know from applications and evaluations that we are reaching a significant number of new and diverse participants. During the solicitation and selection process, we have stressed reaching new audiences as a priority and estimate potentially half of participants come from diverse communities. A review of applicants from our first round of funding found that on average 39.7% of their students receive free or reduced lunch. If we would have been able to fund all the applicants from the second round, over a quarter of a million students would have had meaningful opportunities to be introduced to Minnesota’s natural resources.

Proposal:

This proposal invests \$1.0 million annually for the NCLI program to continue to connect people to the outdoors. The DNR will continue to prioritize applications to maximize the reach to those who have limited opportunities to participate in the outdoors and nature-based education. NCLI program helps introduce new generations to the thrill of trap shooting, archery, hunting, and angling activities. It teaches youth about nature, our environment and the vast inter-related ecological systems that support animal and plant life. No matter what the specific focus of any single grant, NCLI represents an opportunity to change a life by connecting a child to the outdoors.

Additionally, this proposal includes one full-time position to successfully administer the grants consistent with state laws and policies. This staffing level reflects the time and effort experienced in the previous funding rounds.

Impact on Children and Families:

Continuing the NCLI program will positively affect children and families by providing them the resources and education to learn about Minnesota’s natural resources and experience our many outdoor recreation opportunities. This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity, and appreciation for nature.

Equity and Inclusion:

This proposal will continue to fund projects that prioritize programming for Minnesotans with limited opportunities to experience the outdoors and provide new resources to introduce people of color, Native Americans, people with disabilities, people in the LGBTQ community, and veterans that have not previously experienced fishing and hunting to Minnesota’s special outdoor spaces. Connecting Minnesotans to the outdoors in meaningful ways will contribute to their health, prosperity and quality of life, and will build stewardship for our shared natural resources.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

DNR staff coordinated with tribal educators in the development of the NCLI Program, including input into the program priorities and eligible activities. Likely as a result, there were several projects submitted by tribal communities in Phase 1 and 2, many of which were selected for funding. We will continue to work with tribes to support their involvement and engagement in the programs by including the DNR Tribal Liaison and tribal educators in review of application development and invite tribal representatives to be involved in application reviews.

IT Costs

Not applicable

Results:

The table below shows NCLI dollars DNR awarded since 2020 and the number of youth who participated. The DNR anticipates that these results to continue based on the unmet demand experienced in the first four rounds of funding.

<i>Fiscal Year Awarded</i>	<i>Grant Type</i>	<i># of Awards</i>	<i>Amount awarded</i>	<i># of Participants</i>
2020	No Child Left Inside Phase 1	59	\$233,707	12,619
2020 and 2021	No Child Left Inside Phase 2	38	\$662,268	10,165
2022	No Child Left Inside Phase 3	44	\$190,234	9,607*
2022	No Child Left Inside Phase 4	16	\$261,868	8,551*

**estimate based on grantee applications, final numbers not yet reported.*

Statutory Change(s):

None

Change Item Title: Accelerated Tree Seed Collection

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	400	400	400	400
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	2	2	2	2

Recommendation:

The Governor recommends \$400,000 annually from the General Fund for increased tree seed collection to support rapidly growing demand for tree planting on public and private lands. The funds support upgrading and expanding the Minnesota Department of Natural Resources’ (DNR) ability to produce and harvest quality tree seed at DNR-managed sites and developing an inventory of wild seed collection sites. Increasing annual tree seed collection will help meet growing demand for tree seedlings from Minnesota State Forest Nursery and all reforestation efforts that rely upon those seedlings. This request represents an approximately 1% increase to the Forestry Division’s total FY22/23 budget.

Rationale/Background:

Increasing demand for tree seed and seedlings is a national, state and local challenge as public and private landowners address climate change mitigation and adaptation, wildfire restoration and reforestation after timber harvests. The Minnesota State Forest Nursery (Nursery) is the only nursery in the state that provides large quantities of conservation grade seedlings needed for reforestation efforts. The Nursery has struggled in recent years to obtain enough seed to sustain production of 3-4 million seedlings per year.

Tree seeds and cones are collected from forests each fall by collectors who are paid by the bushel at DNR Forestry offices. Because fewer and fewer people have been willing to do this work each year, we need to supplement seed collection efforts with other methods. To that end, this proposal will fund improvements to and expansion of DNR tree seed orchards – stands of trees specifically managed to produce large volumes of quality seeds at accessible locations. This proposal also funds the staff needed to implement the expansion and carry out the expanded duties on an ongoing basis. Finally, a portion of the funds will be used to contract with seed collectors to ensure adequate seed collection each year.

Increasing reforestation is a priority action recommended by Minnesota’s Climate Action Framework to increase carbon sequestration and storage of greenhouse gas emissions to mitigate climate change. Additionally, The Nature Conservancy and other partners have recently published goals calling for more reforestation in Minnesota. Tree seed collection is the critical first step in seedling production to support reforestation. Without this investment to accelerate seed collection, the Nursery will not be able to support increased tree planting efforts across the state. Counties, soil and water conservation districts, the DNR, Tribal governments, private landowners and others rely on the Nursery to collect tree seeds used to grow seedlings for reforestation.

Proposal:

This ongoing \$400,000 annual investment will increase existing seed collection activities at the DNR by:

- Developing and implementing a plan for expanding the capacity of seed orchards, creating an inventory of wild seed collection efforts and working with seed collectors and contractors to optimize seed collection and coordinating with the Nursery to identify and achieve seed collection targets (1 FTE);

- Providing two seasonal laborers (equaling 1 FTE) for propagation, planting and maintenance of seed orchards;
- Contracts for seed collection; and
- Equipment and supplies for weeding and pruning at seed orchards, seed collection and seed storage.

Impact on Children and Families:

This proposal will increase Minnesota’s capacity to plant more trees. Increasing tree cover in Minnesota has many benefits to children and families. Increasing forest cover will improve water and air quality, build forest wildlife habitats, offset greenhouse gas emissions and provide forest recreational opportunities on public and private lands.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of protecting and preserving our environment for future generations.

Equity and Inclusion:

This proposal will support an increase in forested areas of the state and improve overall environmental, recreational and economic benefits from forest lands for all Minnesotans. By ensuring adequate tree seed supplies to the Nursery, this proposal could build additional forests and greenspaces in communities where these opportunities are not as prevalent.

Forests supported by this proposal benefit many Minnesotans where they live, work and play. A quality community forest provides a multitude of benefits including decreasing heat island impacts, increasing physical and mental well-being and many others.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Red Lake and Fond du Lac staff have expressed support for increasing native tree seed availability in Minnesota at meetings convened by The Nature Conservancy. The DNR has been holding meetings with interested tribal natural resources directors and tribal specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Volume of seed collected	2,000 bushels each year	FY22	2,000 bushels each year	4,000 bushels each year	FY28

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Protect and Restore Carbon Storage in State-Administered Peatlands

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	\$998	\$568	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	998	568	0	0
FTEs	2.25	2.25	0	0

Recommendation:

The Governor recommends \$998,000 in FY24 and \$567,000 in FY25 from the General Fund to protect and restore carbon storage in state-administered peatlands by reviewing and updating Minnesota’s peatland inventory; piloting an approach for identifying, prioritizing and buying out the trust interest for peatlands vulnerable to disturbance on school trust lands; and understanding the magnitude of impact on carbon storage from peatland restoration through a pilot restoration project.

Rationale/Background:

State lands play important roles in providing clean water and air, wildlife and non-game habitat, recreation and sustainable economic uses of natural resources. Peatlands, in particular, capture large amounts of carbon dioxide from the atmosphere and hold approximately 37% of the carbon stored by ecosystems (by comparison, forests hold 3%). Peatlands can also be mined for use as an important soil amendment and energy source. When peatlands are drained, burned or mined, they transition from a being carbon sink to a carbon source, releasing centuries of stored carbon into the atmosphere. Therefore, retaining Minnesota’s peatlands are an important element of Minnesota’s climate change strategy.

Many state-administered peatlands are located on school trust lands, a class of state lands that are statutorily managed to generate revenues for the Permanent School Fund, the interest and dividends from which are used annually to contribute to public education funding. Considering the school trust interest is an important element of managing peatlands on state-administered lands.

Given the current and accelerating impacts of climate change and the importance of peatlands in climate change mitigation, the DNR seeks to evaluate and evolve its approach to managing the state’s peatlands to maintain carbon storage, capture additional carbon by identifying and restoring drained peatlands and continue to allow for sustainable economic use of peat.

Proposal:

This proposal invests \$1.566 million in FY24/FY25 from the General Fund to optimize the management of state-administered peatlands. It contains two components.

Component 1: Peatland protection demonstration project. The first component of the proposal is to develop and pilot a strategy to identify and protect peatlands on school trust lands that are vulnerable to disturbance. This includes:

- 1) Reviewing and updating the state’s peatland inventory. This will involve confirming the location and identifying the quantity and economic- and carbon-related characteristics of peat on state-administered lands.

- 2) Developing criteria for evaluating and prioritizing vulnerable and degraded peatlands for protection or restoration of their carbon benefits. As part of this development, the DNR will engage with stakeholders and partners to ensure that the criteria consider the full range of peatland benefits in Minnesota, including carbon storage and economic use.
- 3) Identifying and implementing a process to buy out the trust interest on high-priority school trust peatlands and permanently protect those acres from disturbance. This will provide revenue to the Permanent School Fund and maintain the carbon stored in those peatlands.

The DNR estimates that \$550,000 would be sufficient to buy out the trust interest on up to 500 acres of school trust lands, depending on their appraised value. Appraisal and real estate services for the buy-out are expected to be \$40,000. In addition, 1.5 temporary FTE (\$201,000 per year for two years) are needed to facilitate and support the project, review existing inventory data and fill in gaps, develop the evaluation and prioritization criteria and facilitate partner and stakeholder engagement. **Total Cost: \$992,000.**

Component 2: Peatland restoration demonstration project. The second project component involves completing a peatland restoration and monitoring project on non-school trust DNR-administered lands. In doing so, the DNR will determine the net effect of the restoration on carbon storage and mercury export to quantify the climate change mitigation and ecosystem benefits.

This effort will build off an earlier Phase I completed June 30, 2015 (LCCMR funded), which investigated the effects of historical ditching on the hydrology and habitat of the Winter Road Lake Peatland and evaluated strategies for ditch abandonment to restore the ecological health of patterned peatlands. The DNR will apply the Phase I findings to restore a segment of the Winter Road Lake Peatland and then monitor the results.

The proposal will fund 0.75 FTE to provide project management and support, conduct fieldwork, maintain equipment and assist a contractor on site when needed (\$101,000 per year for two years). It will also fund a contract for the peatland restoration and the monitoring costs/equipment (\$372,000 total for the biennium). **Total cost: \$574,000.**

Impact on Children and Families:

Climate change is one of the most serious environmental threats facing children today. This proposal benefits future generations by slowing the rate of climate change, enhancing the climate resiliency of natural lands, helping to mitigate flooding risks and better protecting groundwater and surface water quality.

This proposal also supports the Minnesota Children's Outdoor Bill of Rights by preserving our environment for future generations.

Equity and Inclusion:

Climate change affects all Minnesotans, but the effects of climate change are not experienced equally. While this proposal is not specifically focused on equity and inclusion, we recognize that climate change disproportionately impacts low-income individuals and tribal communities and communities of color.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

This proposal has the opportunity to benefit all Minnesota tribes as well as those in bordering states and bordering the Great Lakes. Tribal staff have expressed interest and support for projects that protect and enhance carbon storage, reduce mercury methylation and improve water quality; this proposal advances those goals. In

addition, data gleaned from the project could be used by Tribal nations for peatland management efforts on Tribal lands.

The Red Lake Nation, specifically, has acknowledged the benefits to water quality and wildlife habitat from hydrological restoration including ditch abandonment efforts and supported similar projects that advance climate change adaptation and mitigation. They have also expressed interest in working with the DNR to study the benefits of peatland restoration efforts like those funded in this proposal and may be interested in serving as a collaborative partner on the project.

IT Costs:

Not applicable

Results:

The proposal will result in a roadmap through data collection, analysis, mapping and prioritization that will be used to ensure that future peatland management efforts on state-administered lands will:

- Adequately maintain and improve carbon storage in the most carbon-rich areas
- Target restoration efforts to the areas that need it the most

In addition, the specific components will accomplish the following:

Component 1: Peatland protection demonstration project. The proposal will permanently protect high-quality peatlands that are vulnerable to disturbance, preventing them from releasing carbon in the atmosphere and maintaining their use as a carbon sink. In addition, it will generate \$550,000 worth of revenue for the Permanent School Fund, which will go towards supporting public schools in the state.

Component 2: Peatland restoration demonstration project. The proposal will restore a segment of previously ditched peatland in the Winter Road Lake Peatland Scientific and Natural Area and allow the DNR to quantify the increase in carbon storage and reduction in mercury export resulting from the restoration project. This information will be used to identify and prioritize restoration of other ditched peatland systems on state-administered lands.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Enhancing Community Forests Through the Minnesota ReLeaf Program

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	7,598	7,598	402	402
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	7,598	7,598	402	402
FTEs	4	4	4	4

Recommendation:

The Governor recommends \$7.6 million annually from the General Fund to provide grants and support communities through the Minnesota ReLeaf Program (M.S. 88.82). These funds will help address urban and community reforestation needs created by emerald ash borer (EAB) and other tree pests and disease through tree removal, tree planting, development and implementation of community forest management plans and education and technical assistance to forestry professionals and homeowners. FY24/25 appropriations will be available through June 30, 2027. This request represents an approximately 10% increase to the Forestry Division’s total FY22/23 budget.

Rationale/Background:

Community tree cover provides a multitude of benefits including decreasing heat island impacts, increasing physical and mental wellbeing, increasing air quality and decreasing stormwater runoff. Community tree canopy inequity is a serious issue in Minnesota that is further exacerbated by invasive pests and disease. Many communities have not been able to keep pace with the spread of EAB and other forest health issues. In particular, lower income communities often lack resources needed to maintain or replace trees. Communities now face safety hazards to people and property from standing dead trees that are extremely brittle and prone to unpredictable falling branches or stems. This program is designed to help communities address the significant financial burden of removing and replanting dead and dying trees, with an emphasis on low-income communities.

Maintaining and advancing healthy community forests and urban tree canopy has been recognized as a priority action by the Minnesota Shade Tree Advisory Committee, League of Minnesota Cities, Minnesota’s Climate Action Framework, and the Environmental Quality Board (EQB) EAB Interagency Workgroup. Significant funding is needed to address the full scope of community forest health issues. In 2019, the EQB EAB Report recommended \$8.5 million each year to support EAB needs alone.

Proposal:

This proposal invests \$7.6 million annually in the Minnesota ReLeaf Program to address reforestation needs and inequities in tree coverage among neighborhoods and communities created by EAB and other community forest health concerns. By maintaining and expanding community tree canopy, this program will enhance Minnesota’s forest ecosystem health as well as minimize impacts of EAB and other tree pests and diseases, increase carbon sequestration and improve community tree equity. This proposal includes three components.

- \$6.6 million for grants to local units of government and non-profit organizations to conduct community forestry work on public land and residential property. These grants will help 50-200 communities each year with tree inventory, planting, assessment, maintenance, improvement, treatment, protection and restoration, as well as promote responsible wood use to reduce wood waste throughout the state.
- \$500,000 for community forest technical assistance, outreach, education to residents and professional, and grant administration. Includes 4 FTEs.

- \$500,000 for community forest outreach and education to residents and tree care professionals to increase awareness of the benefits of trees, EAB and other forest health management options, as well as best practices for safe ash tree removal.

Impact on Children and Families:

Maintaining community tree cover in Minnesota has many benefits for children and families and supports the Minnesota Children’s Outdoor Bill of Rights. Research indicates that a healthy community forest is correlated to safer and healthier places to live. Additionally, studies have shown a connection between exposure to plants and trees and mental health benefits, improved classroom behavior and academic achievement.

Equity and Inclusion:

Grant applications will be evaluated in part on their ability to reduce or eliminate inequities in access to the benefits of community/neighborhood tree cover for people of color, Native Americans, people with disabilities, people in the LGBTQ community, Veterans and low-income communities. Projects are encouraged to not only focus on serving these populations but also by targeting healthy tree canopy in service to these communities. The Minnesota Shade Tree Advisory Committee, alongside other organizations working to reduce these inequities, has been engaged in the development of this proposal.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

As EAB and other forest health concerns threaten tribal lands, grant funding will be used to work towards minimizing canopy inequities and impacts to tribal communities and their lands. The DNR has been holding meetings with interested tribal natural resources directors and tribal specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Projected FY24 Value (without)</i>	<i>Projected FY24 Value (with)</i>
Quantity	Number of community tree inventories	2	25
Quantity	Number of management plans	2	20
Quantity	Number of trees removed	275	4,620
Quantity	Number of ash trees treated with non-neonicotinoid treatment	450	7,425
Quantity	Number of trees planted	275	4,069
Results	Tree canopy equity	N/A	Increase in healthy canopy equity in underserved communities

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Address State Trail Maintenance Funding Shortfall

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	1,000	1,000	1,000	1,000
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,000	1,000	1,000	1,000
FTEs	4	4	4	4

Recommendation:

The Governor recommends \$1 million each year starting in FY24 from the General Fund for needed state trail operations and maintenance (O&M). This investment in state trails will ensure that the state trail system is keeping pace with visitor needs and the critical need for O&M. This request represents less than 1% increase to the Parks and Trails Division’s total FY22/23 budget.

Rationale/Background:

The public continues to demand new trails throughout the state. Since 2009, the state has added about 150 miles of paved state trails, while over that same time-period maintenance funding has remained steady at about \$2,300 per mile despite rising costs for materials, contracts and staff time. To address this challenge, the Minnesota Department of Natural Resources (DNR) has developed staffing efficiencies, such as co-managed state park and state trail units, and created a state trail system plan to allocate and focus scarce resources. However, despite these efficiencies, the agency’s capacity to maintain these trails is now stretched to a critical point. In order to protect the state’s investment in state trails, funds for O&M are urgently needed for crack sealing and repair of buckling pavement; clearing downed trees and weeds on trails; trail surface sweeping; brushing, mowing and signing along trails; and parking lot and trailhead maintenance.

Minnesota state trail visitors have noted the need to invest in the trail system and this opportunity to enhance maintenance will save the state money in the long-term. This additional O&M funding will slow deterioration of state trails, which will increase visitor satisfaction and encourage increased trail use. Trail maintenance is important to preserve the state’s investment by extending the useful life of the pavement, which prevents higher and more frequent repair and repaving costs from the effects from unmanaged erosion and vegetation damage to trail surfaces.

Proposal:

This proposal invests \$1 million annually to address the most immediate, critical maintenance needs on state trails, including crack sealing, trail surface repair, culvert repair, replacement of wayfinding and safety signage, vegetation management along the trail corridor and trailhead maintenance. This proposal would also increase partnership opportunities with local trail groups. This funding request represents about a \$650 per mile increase in the state trail O&M investment. The following benefits would be realized by this proposal:

- Trail surface maintenance and repair: This proposal would allow the DNR to crack seal about 100 miles of paved trail each year, ensuring that all paved state trails are crack sealed every 6 years. At the current level of funding, only a few miles of the poorest-condition state trails can be crack sealed each year. At this pace, trails are only sealed, on average, once every 30 years. Crack sealing trails once every 6 years would significantly improve surface conditions, thereby enhancing safety and trails user experience, and extend the pavement lifespan by 5-10 years.

- Vegetation management in trail corridors: Managing vegetation is crucial to preserving trail pavement and improving trail users' experiences. Examples of this work include tree and shrub brushing contracts, erosion control, protecting trail surface conditions from encroaching vegetation, removing downed trees and debris on the trail and managing natural resources and invasive species. These activities will improve sightlines for trail user safety and ensure a smoother and safer trail surface that is free of debris and obstructions. They will also better protect the state's investment by preserving the pavement and extending the life of the trail.
- Trailhead and parking improvements: Additional activities associated with this request include trailhead maintenance and parking lot repairs, trail sweeping, replacing trail safety, orientation and interpretative signage and continued collection of user counts and surveys to help provide for data-driven management of the state trail system.
- Greater partnerships: This proposal also provides the opportunity to pursue greater partnerships for managing state trails, such as contracting with local units of government for basic trail maintenance and soliciting and managing volunteers who can assist maintenance staff in support of the trail system.

Impact on Children and Families:

This proposal provides needed O&M funds to Minnesota's state trails and will help ensure the DNR is able to continue to serve the many children and families who enjoy the state trail system each year. Public health research has demonstrated the health and wellness benefits outdoor recreation provides to children, including increased ability to focus and learn as well as positive impacts on mental and cardiovascular health. This proposal supports the state trail system so that these known health and wellness benefits are available to children and families from all backgrounds throughout Minnesota. This proposal is also aligned with the Minnesota Children's Outdoor Bill of Rights, which has a goal of allowing every Minnesota child to bike, ride or ski a public trail.

Equity and Inclusion:

State trails provide outstanding outdoor recreation opportunities for everyone. The absence of a user fee for the state trail system means that less affluent Minnesotans do not experience a cost barrier to enjoy a state trail. In order to ensure state trails are safe and well-maintained to offer a quality user experience, General Fund dollars for maintenance are urgently needed. Minnesota has a rich tradition of creating open and low-cost access to public lands and recreational opportunities. The DNR seeks to continue this strong legacy of providing quality nature-based recreation. Many state trails are accessible and provide a great way to connect people of all abilities to the outdoors. This funding will support the DNR's ability to maintain this important recreation resource and allow Minnesota to continue providing safe and enjoyable trail recreation for all.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that any of Minnesota's Tribal nations may utilize state trails and would benefit from this proposal. The DNR has been holding meetings with interested tribal natural resources directors and others to share and discuss our budget and policy proposals.

IT Costs:

Not applicable

Results:

The DNR monitors the condition of paved state trails and assigns maintenance activities based on the highest needs. The DNR currently has an O&M investment on state trails of about \$2,300 per mile, and this request would increase that level to about \$2,950 per mile. This will result in direct on-the-ground benefits to trail users by improved trail surface conditions and less debris and encroaching vegetation along trails providing users with a safe and confident experience. The DNR completes surveys of state trail users every 5 years and concerns about trail surface conditions are consistently associated with lower user satisfaction.

The Parks and Trails Council of Minnesota completed a [State of the Trails Report](#) assessing the surface conditions of state trails. This report found that the state trail roughness index (TRI) is expected to increase in the coming years if the DNR is not able to better maintain trail pavement. The report estimates the percent of trail surfaces that are in good or excellent condition will decrease from 75% to only 50% of the state trail system by 2030 if current funding trends continue.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Miles of paved trail crack sealed annually	3 per year	2012-2022	3 per year	100 per year	2024-27
Result	Trail surface condition (TRI): Percent of state trail surfaces excellent or good (TRI <45)	75% TRI good or excellent	2019	50% TRI good or excellent	75% TRI good or excellent	2030

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Improving Minnesota’s Water Recreation Experiences

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Natural Resources Fund				
Expenditures	6,600	6,600	6,600	6,600
Revenues	6,000	8,800	8,800	8,800
Net Fiscal Impact = (Expenditures – Revenues)	600	(2,200)	(2,200)	(2,200)
FTEs	19	19	19	19

Recommendation:

The Governor recommends \$6.6 million each year from the Water Recreation Account in the Natural Resources Fund to the Minnesota Department of Natural Resources (DNR) to support critical investments in Minnesota’s water recreation facilities, amenities and services. To pay for this additional funding, the Governor recommends increasing watercraft registrations fees to generate \$8.8 million in additional revenues annually. These funds will enhance the operations and maintenance of public water accesses for the benefit of all who enjoy Minnesota’s lakes and rivers as well as provide crucial funding for boat and water safety education, enforcement, and state and local public water protection programs. This proposal addresses a critical backlog of work to maintain Minnesota’s public water access system and improves boating, fishing, paddling and other water recreation experiences. The increased fees will provide enough revenue to address a deficit in the Water Recreation Account and provide these key investments. This request represents an approximately 34% increase to the Water Recreation Account’s total FY22/23 budget.

Rationale/Background:

With more than 2.5 million acres of rivers and lakes, Minnesota is renowned for its abundant water recreation opportunities. In 2022, there are 822,000 watercraft registered in Minnesota, a number that has held steady for the last decade. Recreational boating is a \$3.1 billion economic engine in the state supporting 10,900 jobs and 690 businesses (source: National Marine Manufacturers Association, 2019). Many of these businesses and jobs rely on public water access infrastructure to serve boaters, paddlers anglers and other water recreationalists.

The DNR is charged with operating and maintaining 1,700 public water access sites across Minnesota and providing boat and water safety outreach, training, enforcement and emergency response to serve the thousands of Minnesotans and visitors who recreate on Minnesota waters each year. The DNR cares for public water access sites those sites through ongoing operations and maintenance that includes installing and removing docks each open water season, mowing open spaces, repairing boat ramps, maintaining parking lots and contracting for portable toilets. The DNR also renews and rehabilitates aging sites via ramp replacements and extensions; parking lot repaving; and projects that support shoreline, stormwater and aquatic invasive species best management practices.

Funding and investments to support water recreation in Minnesota has not kept pace with the needs, especially as use has expanded and infrastructure continues to age. Watercraft registration fees, which provide a significant portion of the funding for these activities, have not increased since 2006. The funding from this proposal will begin to address the critical backlog in maintaining and improving Minnesota’s water recreation system.

Proposal:

This proposal invests \$6.6 million annually to address critical needs for public water accesses; additional boat and water safety education, enforcement, outreach and training; and state and local public water protection

programs. The proposal provides an opportunity to make progress on addressing the backlog of routine and preventative maintenance needs at public water accesses, while also supporting an increase in the amenities that water recreationalists have identified as most important to them, such as docks and toilets. Below is a list of the activities associated with this request.

- **Enhanced operation and maintenance of public water access sites based on the highest need priorities across the state (\$1.5 million).**
 - Add and/or replace approximately 20 docks annually. Recent survey data shows that docks are the most highly requested amenity at public water accesses.
 - Restore and add accessible portable toilets to enhance the comfort of water recreationists and prevent waste from entering waterways.
 - Upgrade approximately 50 parking lots annually.
 - Fix and replace approximately 50 boat ramps annually.
- **Extended seasonal maintenance at public water access sites (\$1 million).** Water recreation in Minnesota is experiencing new demands driven by climate change, larger boats and high use. On average, the boating season is starting earlier and ending later, and more people are enjoying water recreation. This proposal will allow DNR staff to ready public water access sites earlier in the spring and maintain site amenities later into the fall for the benefit of the recreating public. In general, this will allow public water access at popular angling lakes to be ready and available for use from April 15th to November 5th (depending on ice-out and ice-in dates), rather than the current window of May 8th to October 25th.
- **Rehabilitation of existing public water accesses, in collaboration with local government and tribal partners (\$2 million).** State funds are needed to match federal funds, which together will allow for 4 to 8 additional rehabilitation projects to be completed each year. This funding will:
 - Better serve Minnesotans of all abilities by upgrading facilities to meet current Americans with Disabilities Act (ADA) design standards.
 - Help prevent the spread of aquatic invasive species by adding boat-cleaning areas.
 - Protect water quality and enhance habitat for pollinators and other wildlife by incorporating native vegetation and best practices for stormwater runoff management, erosion control and shoreline buffers.
- **Additional boat and water safety education, enforcement, outreach and training (\$1.2 million).** This will support the DNR’s Boat and Water Safety Program with the goal to reduce watercraft accidents and injuries with outreach, better equipment with newest technologies, increasing patrol hours and specialized training for officers.
- **Additional support for state and local public water protection programs, including aquatic plant management permitting, monitoring of water quality and stream-flow data (\$800,000).**
- **Supporting the monitoring of scenic easements along wild and scenic rivers (\$100,000).**

This proposal would fund these investments by increasing watercraft registration fees starting January 1, 2024. The proposal generates approximate \$8.8 million in revenues annually starting in FY25, with slightly less revenue in FY24 due to the midyear effective date. The proposed increases vary based on the type and length of watercraft. The chart below shows the current and proposed registration fees by watercraft type.

Proposed Watercraft Registration Fees (3-year)

Type of Watercraft	Current Registration Fee	Proposed Registration Fee
Watercraft owned by a non-profit organization (scout/youth camps, YMCA)	\$4.50	\$8.00
Sailboats up to 19 ft.	\$10.50	\$23.00
Rental or Lease watercraft up to 19 ft.	\$9.00	\$14.00
Non-Motorized watercraft (longer than 10 ft.)	\$10.50	\$22.00

Proposed Watercraft Registration Fees (3-year)

Type of Watercraft	Current Registration Fee	Proposed Registration Fee
Personal Watercraft (Jet Skis), including Rental/Lease	\$37.50	\$85.00
Pleasure craft less than 17 ft.	\$18.00	\$36.00
Pleasure craft 17 ft. up to 19 ft.	\$27.00	\$59.00
Pleasure craft 19 ft. to less than 26 ft.	\$45.00	\$113.00
Pleasure craft 26 ft. to less than 40 ft.	\$67.50	\$164.00
Pleasure craft 40 ft. and longer	\$90.00	\$209.00
Dealer's License	\$67.50	\$142.00
Watercraft over 19 ft. in length for hire with operator	\$75.00	\$164.00

Impact on Children and Families:

This proposal supports opportunities for children and families to safely recreate on Minnesota lakes and rivers and will improve the quality of those experiences, enhancing the public’s ability to connect to the outdoors and experience the health and educational benefits of outdoor experiences. Having docks, toilets and public water access sites in good condition ensures that families with children can access and enjoy Minnesota’s waters for years to come.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity, and appreciation for nature and has a goal of providing the opportunity to every Minnesota child to boat or paddle on one of our 11,842 lakes.

Equity and Inclusion:

While all users of Minnesota’s water recreation system benefit from better-maintained public water accesses and enhanced boat and water safety efforts, the investments supported by this proposal will particularly enhance service to boaters with disabilities by funding accessible portable toilets and docks, as well as an additional public water access renewal project each year that will meet current ADA standards. In addition, whether you own a watercraft or not, public water access sites are free to use by all people who want to be on, in or near the water for boating, paddling, fishing, picnicking, sunset watching or rock skipping. Public water access sites allow all people to use lakes and rivers, which may otherwise only be open to those privileged enough to own lakeshore property. Communities more reliant on subsistence fishing, often including Tribal members and members of some immigrant communities, would specifically benefit from the proposal.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that any of Minnesota’s Tribal nations may utilize these access sites and can apply for partnership funding to improve access sites on tribal lands. The DNR has been holding several meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This investment will provide a crucial level of urgently needed support for public water accesses. The DNR has implemented an internal maintenance and performance measure system for public water accesses – the Public Water Access Application (PWA App). This management tool is used to track accomplishments and maintenance needs across over 1,700 public water access sites. Below are examples of current measures and projected values with and without this funding request.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Docks	12	FY22	10 (fewer because costs are increasing)	20	Annually
Results	Accessible portable toilets (contracts)	Large and busy sites	FY22	Reducing	Restoring those that were previously reduced and adding 60 new locations	FY24 and FY25 then maintain
Quantity	Parking lot repairs	~20	FY22	<20	50	Annually
Results	Boating Fatalities and Accidents	8 and 50	CY22	Similar	Reducing to a Goal of 0	Annually
Quality	Water Permits	Processing time	FY22	Reducing	Decrease time public waits for permits	Annually
Quantity	Rehabilitate public water access	2-6 (Varies by cost)	FY22	Reducing since costs are increasing	4 - 10	Annually

Statutory Change(s):

M.S. 86B.415 Watercraft License Fees

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Increase Mining Regulatory Capacity

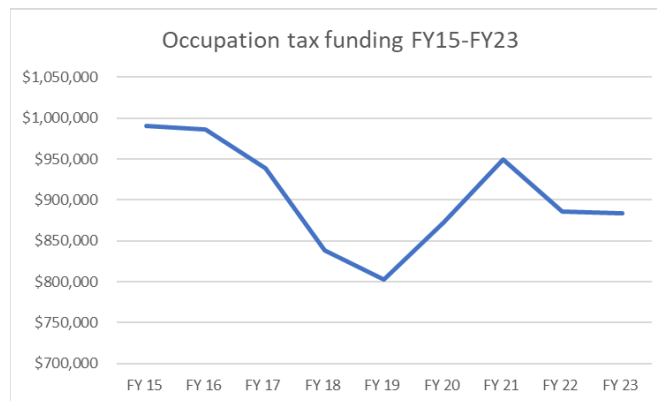
Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	600	600	600	600
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	600	600	600	600
FTEs	2	2	2	2

Recommendation:

The Governor recommends \$600,000 annually from the General Fund to support critical mining regulatory work at the Department of Natural Resources (DNR) and the Minnesota Pollution Control Agency (MPCA). This proposal will bring the total level investment in mining regulatory work across the two agencies to approximately \$1.5 million annually, which includes existing occupation tax-related funding that agencies receive. The proposed investment will stabilize existing funding, which changes every year (see graph), and help ensure that the DNR can conduct critical environmental research related to mining, better manage review of both existing and proposed mining projects and improve response to the substantial growth in mining regulatory work. This request represents an approximately 5% increase to the Lands and Minerals Division’s total FY22/23 budget; note that this money also goes to the MPCA and the DNR’s environmental review unit.

Rationale/Background:

The DNR currently receives occupation tax equal to 2.5 cents per taxable ton of iron ore mined in the state. In FY24, this is estimated at \$893,000 (see graph for previous allotments). Occupation tax is paid by mining companies into the General Fund. The DNR’s distribution from the occupation tax is transferred from the General Fund to the mining environmental and regulatory account in the Special Revenue Fund and is spent on mining regulation.



This proposal would provide an additional General Fund investment of \$600,000 to achieve a total minimum funding level of approximately \$1.5 million. Establishing a minimum funding level provides stability to our existing funding for the critical mining regulatory work of the DNR and the MPCA and helps ensure we are able to conduct environmental research to inform permitting decisions.

Research

Minnesota's mineral resources are unique due to its geography, geologic features and climate. Therefore, effective environmental review and permitting of mines requires ongoing, specialized applied research to fully understand and address existing and emerging issues related to the management of mine wastes. The DNR has been conducting this research since the 1970s.

The general public, environmental interest groups and Tribal nations have demonstrated their interest understanding the environmental impacts of mining and it is the state's responsibility to carefully consider any potential impacts prior to making permitting decisions. The DNR's environmental research work is vital to evaluating a company's mine waste management proposals to ensure accuracy and the long-term protection of Minnesota's resources.

The research program is critically underfunded and its existing budget is cobbled together to make up for previous funding sources that dried up over the last several years. Historically, the research program had been funded by four primary sources: the General Fund, the Minerals Management Account in the Natural Resource Fund, voluntary industry contributions and a portion of the occupation tax funding. The General Fund and the Minerals Management Account currently provide an annual appropriation of \$119,000 and \$200,000 respectively. For many years, mining companies provided voluntary contributions to match these direct appropriations, but these contributions have largely ceased. As a result, the DNR has roughly half the financial resources it once had for environmental research, which means the agency has not been able to fill open research positions even while the quantity of work for the research team has increased. This funding proposal will support the needed research work, which is necessary to make timely and well-informed permit decisions.

Permitting and Environmental Review

The occupation tax is levied on mining companies in lieu of corporate taxes based on ferrous minerals mined or produced in previous years. In 2014, the DNR started receiving a portion of the occupation tax calculated at 2.5 cents per taxable ton and shares this distribution with the MPCA. Since its inception, this occupation tax distribution has ranged from approximately \$800,000 to \$990,000 each year (see graph above).

FY15 (2014 funding level) was the highest amount of funding received by the agencies and provided for as many as 9 positions at the DNR and the MPCA for essential work on mining research, environmental review and permitting. When fully funded, this program is able to:

- Decrease the response time of regulatory work, such as environmental review and permitting;
- Decrease the backlog of regulatory activities for existing taconite facilities;
- Efficiently and effectively review amendments, assignments and new mining proposals;
- Provide a more predictable process for all involved – including project proposers, the interested public and other interested parties; and
- Conduct applied research, such as developing tools to minimize and mitigate environmental impacts, collecting and analyzing mine waste rock information and understanding the source and pathway of any contaminants.

The unstable and declining funding along with rising costs has resulted in the inability for the DNR and the MPCA to appropriately support key mining research, environmental review and permitting work. Additionally, based on the growing workload, the original 2014 target of funding 9 positions is not enough to manage the existing and new mining projects as well as the litigation associated with regulatory decisions. Based on workplans and annual reports from new and existing mining projects, as well as the complicated nature of environmental review and pending litigation, we know that the DNR's and the MPCA's regulatory work will continue increasing. For example, the active list of permits and amendments under DNR review increased 40% from 2021 to 2022 and work time in environmental review and litigation has grown from 0.46% in FY18 to 16.8% in FY22. Currently, only 6.5 FTE can be supported from the occupation tax funding source (this is based on the estimated \$893,000 in FY24 funding).

This proposal brings funding to a level that will help ensure thorough, effective and timely review of mining regulatory work, based on sound science.

Proposal:

This proposal would provide an additional General Fund investment of \$600,000 to achieve a total investment for mining regulatory work of approximately \$1.5 million annually. The DNR and the MPCA currently receive occupation tax funding, a distribution amount calculated at 2.5 cents per taxable ton, which fluctuates on a yearly basis. While DNR and MPCA’s regulatory work in the iron ore industry is increasing, the revenue to the occupation tax is not expected to grow as the overall tonnage of ore mined may remain steady or even decrease in the future. This means funding to the DNR and the MPCA will continue to be out of balance with what is needed to fund the research and permitting work required. This proposal provides much needed stability. The DNR will transfer this amount to the mining environmental and regulatory account in the Special Revenue Fund, consistent with how the DNR currently handles occupation tax revenue. This provides for critical investments which will help stabilize our existing positions in environmental research, environmental review and permitting of existing and proposed mining projects in Minnesota, as follows:

- Continue environmental review, water quality permitting, air quality permitting, 401 certification, permit to mine, water appropriation and work in public waters permitting. Stabilize funding for 10.5 targeted positions at the DNR and the MPCA.
- Continue to conduct critical environmental research projects and deliver final reports and peer reviewed publications, which is used to inform environmental review and permitting decisions. In addition, review permit submittals, environmental review documents, and provide critical agency expertise in litigation activities.
- Work towards addressing the current backlog of MPCA regulatory activities to efficiently and effectively review proposed amendments, assignments, and new mining proposals.
- Continue to provide regulatory services for permitting project management and wetland related matters at the mines.
- Continue to conduct environmental review of mining Environmental Assessment Worksheets and Environmental Impact Statements.

A total investment of approximately \$1.5 million annually is needed to support the critical mining research, environmental review and permitting work described above.

Impact on Children and Families:

Keeping up-to-date on research, environmental review and permitting is expected to continue to improve the environmental protections in place through permits and give us more information to make data driven/informed decisions on challenging issues.

Equity and Inclusion:

This proposal would increase the quality of life for Minnesotans, by allowing the DNR and the MPCA to continue to effectively regulate mining in the State of Minnesota. Communities that are heavily reliant on healthy surface waters for subsistence fishing or the harvesting of aquatic plants, often including Tribal members and members of some immigrant communities, may particularly benefit from the proposal, as the DNR would be better able to continue study of potential environmental impacts to surface waters and assist in the development of tools to mitigate and minimize impacts.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Many of Minnesota's Tribal nations have been actively engaged with the DNR and the MPCA on mining issues. For fourteen years, the DNR and the MPCA have been meeting regularly with tribal environmental staff and managers to discuss mining. These meetings have included technical conversations, company presentations and field site visits, and they have included the MPCA and the DNR Tribal liaisons. The tribal staff have expressed concern and frustration over the number of permits needing updates and reissuance. Tribal nations have also expressed specific concerns for wild rice and fish consumption.

The need for additional MPCA and DNR resources has been discussed with tribal staff. They have expressed support for additional staff if it will lead to reissuance of permits with up to date standards. As the agencies move forward with this legislative proposal, we will update the tribal staff at our state/tribal mining meetings which are held every other month. We will also provide information at formal consultations if desired by the tribes.

IT Costs:

Not applicable

Results:

We anticipate the following results from this proposal will stabilize existing funded positions to:

1. Improve the slowing trend of regulatory work;
2. Lessen the backlog of regulatory activities for taconite facilities;
3. Increase predictability in the process for all involved: and
4. Continue research to understand and address existing and emerging issues related to the management of mine wastes.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Walk-In Access Program (WIA) Sustainability and Expansion

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Heritage Enhancement Account				
Expenditures	400	400	400	400
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	400	400	400	400
FTEs	1	1	1	1

Recommendation:

The Governor recommends \$400,000 annually starting in FY24 from the Heritage Enhancement Account to maintain the existing Department of Natural Resource (DNR) Walk-in Access (WIA) program and expand the WIA program should federal funding continue. This program provides Minnesotans access to private lands for hunting and nature observation. This request represents less than a 1% increase to the Fish and Wildlife Division’s total FY22/23 budget.

Rationale/Background:

The WIA program allows Minnesotans to gain access to private land for hunting and nature observation through landowner agreements. Last year, the WIA program made over 30,000 acres owned by approximately 260 landowners available to nearly 30,000 Minnesotans.

The WIA program is popular—hunters and nature watchers enjoy increased and more-accessible opportunities. Participating landowners, who are typically already part of another state land conservation program, receive additional financial incentives to continue using conservation-minded farming practices that provide other environmental benefits.

Unfortunately, the future of the program is uncertain. The WIA program receives the largest portion of its current funding through the Voluntary Public Access (VPA) program offered by the U.S. Department of Agriculture. The current funding expires in October 2023. Without federal reauthorization or this state investment, this program will end. This state funding will sustain the program if federal funds are not available.

If federal funds continue, state funds will expand the opportunities to new acres or expand into new counties.

Proposal:

This proposal invests \$400,000 annually starting in FY24 to sustain the WIA program, providing recreational opportunities and supporting conservation-minded farming practices on approximately 15,000 acres currently enrolled in the program. With continued federal funding, this proposal will nearly double the enrolled acres in the program and offer landowner participation in 26 new counties (to a total of 61) in the southeast and north of the Twin Cities metro area.

This annual investment provides \$266,000 for payments to landowners and the soil and water conservation districts that enroll landowners within their counties. It also funds the staff time necessary to implement the program’s expansion.

Impact on Children and Families:

Our vision is a state where all of Minnesota’s children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity, and appreciation for nature. Minnesota’s children will have an opportunity to hike, hunt and observe nature on these lands as part of the WIA program. This program contributes to the outdoor experiences that Minnesota is known for and Minnesotans are so proud of. Families can also harvest wildlife locally and better understand where their food comes from.

Equity and Inclusion:

This proposal expands access to the outdoors. WIA lands are open to anyone who pays a \$3 validation fee. The WIA program provides opportunity for those who do not own rural property to recreate and hunt.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, to the extent that the proposal may result in a general positive impact of more access to otherwise private land and the natural resources present, Tribal governments would also benefit. The proposal may be viewed as generally compatible with tribal interests. More specifically, access to privately held lands through the agreements of the WIA program can benefit tribal communities who rely on subsistence hunting.

While the DNR has not conducted formal consultation or coordination specific to this proposal, the DNR regularly engages with Tribal governments on access to public and private lands and hunting generally. A number of tribes in Minnesota identify concerns about access to lands and the foods they traditionally harvested. This proposal would likely be viewed favorably in light of such concerns. The DNR has been holding meetings with tribal natural resource directors and staff to discuss legislative proposals.

IT Costs

Not applicable

Results:

The DNR estimates that this proposal will sustain approximately 15,000 acres of WIA-enrolled land and provide stable funding alternative if federal funding for the program is lost. Additionally, the DNR expects increased hunter and landowner satisfaction as a result of stable funding for WIA opportunities.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Acres enrolled	~30,000	2022	0	~15,000, likely double with federal funds	2024
Quantity	WIA users	~30,000	2021	0	>30,000, especially if policy changes to M.S. 97A.126 are adopted	2024

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Lands Bill

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Natural Resources Fund				
Expenditures	0	0	0	0
Revenues	2,147*	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,147*	0	0	0
FTEs	0	0	0	0

* Estimated values of the Becker, Cass, Fillmore, Kandiyohi and Itasca parcels are based on current county assessed values. The DNR will offer the surplus state lands in these counties by public sale in FY24, but it is unknown whether the parcels will sell. The DNR expects to conduct appraisals of these parcels before offering them for sale, which may result in substantial changes to the values. This will be updated as more information becomes available.

Recommendation:

The Governor recommends undertaking specific land sales that require legislative authorization. Proceeds from the sales will be deposited in the Land Acquisition Account in the Natural Resources Fund to be reinvested in other lands that meet the Minnesota Department of Natural Resources’ (DNR’s) natural resource goals. Additionally, this proposal grants the DNR the flexibility to cover an applicant’s costs and fees when the land transaction benefits the state’s land management interest. This provision will result in an immaterial revenue loss.

Rationale/Background:

The DNR manages 5.6 million acres of state land on behalf of the people of Minnesota and is continually working to improve its land portfolio. The DNR regularly evaluates the state's land holdings and looks for ways to improve habitat, conservation and recreation. The DNR’s Strategic Land Asset Management (SLAM) acquisition goals represent a holistic set of priorities used to evaluate acquisition projects. The DNR works to sustain the interdependent values of a healthy environment, a sustainable economy and livable communities.

Each year, the DNR proposes a lands bill that includes items such as: amendments to statutes affecting DNR-administered state land or the DNR’s land transactions; changes to state park, state recreation areas and waysides, or state forest boundaries; and authorization to sell certain riparian lands, to sell certain lands by private sale or to sell certain lands at less than market value. The land sale provisions in the proposal are part of the DNR’s ongoing Sales and Reinvestment Initiative under the umbrella of SLAM, which seeks to improve the DNR’s lands portfolio. Enactment of the proposal will enable the DNR to complete certain land sale transactions for which it would otherwise lack authority. The Legislature did not pass a lands bill in 2022, so this year the land bill will include the items included in last year’s proposal as well as new items.

Proposal:

This proposal undertakes specific land sales that require legislative authorization. When the DNR decides to sell land that is no longer meeting its strategic land management goals and the land is riparian or the DNR wishes to sell the land to a specific individual or entity, the proposal must first be reviewed and approved by the legislature. Specific sales authorized by this proposal are:

- The private sale of certain surplus land bordering public water located in Aitkin County
- The public sale of certain surplus state lands bordering public water located in Becker County
- The public sale of certain surplus state land bordering public water located in Cass County

- The private sale of certain surplus land located in Crow Wing County
- The public sale of certain surplus state land bordering public water located in Fillmore County
- The private sale of certain surplus state land bordering public water in Hennepin County
- The public sale of certain surplus state land bordering public water located in Itasca County
- The public sale of certain surplus state land bordering public water located in Kandiyohi County
- The private sale of certain surplus state land in Pine County
- The private sale of certain surplus state land bordering public water in Sherburne County
- Other land sales may be added to this list

M.S. 84.63, 84.631 and 84.632 authorize the DNR to grant easements and easement releases as provided in those sections after an applicant has submitted the required application. Those sections require the applicant to pay an application fee. The applicants may include governmental subdivisions, Tribal nations, corporations, and individuals seeking easements over state land. Although the DNR believes the costs of the review, monitoring and other services provided in connection with applications for easements and easement releases should be borne by applicants who are requesting use of state land, some circumstances warrant that the DNR should cover or waive some or all of the fees or costs provided in those sections. The proposed amendments to M.S. 84.63, 84.631 and 84.632 will allow the commissioner of natural resources to cover or waive some or all of the fees or costs provided in those sections instead of the applicant, when the commissioner determines that the easement or easement release will benefit the state's land management interests. For example, it may be appropriate for the DNR to cover or waive the fees and costs if it needs to move a landowner's existing access because of a DNR project and the landowner will need an easement to cross state land for legal access in the future. It is expected that the option to cover or waive costs will only rarely be used. The amount of revenue from the proposed land sales in Aitkin, Becker, Cass, Crow, Fillmore, Hennepin, Itasca, Kandiyohi, Pine and Sherburne counties is unknown at this time. Revenues from sales of these parcels will be deposited in the Land Acquisition Account in the Natural Resources Fund. The DNR will follow a public auction process for the sale of surplus state land bordering public water. It is not known whether the DNR's efforts to sell the parcels will be successful.

The proposal provides for an amendment to M.S. 84.63, 84.631 and 84.632 that will allow the commissioner of natural resources to cover or waive some or all of the fees or costs provided in those sections instead of the applicant, when the commissioner determines that the easement or easement release will benefit the state's land management interests. The fees and costs may include: (1) the \$2,000 application fee to cover costs for reviewing the application and preparing the easement and (2) a market value payment for the easement. The fiscal impacts of this are unknown at this time. However, the DNR anticipates the number of applications for easement or easement release that will qualify to have fees and costs covered or waived by the DNR to be very few, likely no more than one per year.

Impact on Children and Families:

This proposal would overall have a positive impact on children and families and would provide for the use and enjoyment of public lands to all Minnesotans. The DNR's SLAM goals include increasing close-to-home recreation opportunities, protecting significant and/or rare natural resources, protecting and restoring water resources, mitigating and adapting to climate change, expanding access to existing land holdings, consolidating land ownership and creating larger contiguous blocks of DNR lands. This proposal includes the DNR's recommended land sales and those sales are one necessary part of advancing SLAM goals. Revenue from the land sales would be reinvested into other lands that better meet SLAM goals, such as providing close-to-home recreational opportunities.

Equity and Inclusion:

Advancing SLAM goals will provide for the use and enjoyment of public lands to all Minnesotans, including people of color, Native Americans, people with disabilities, people in the LGBTQ community, other protected classes or veterans. Advancing SLAM goals is important to all future generations of Minnesotans.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

To date, no specific engagement with Tribal governments has occurred on this proposed policy. However, considerable engagement with several Tribal governments has occurred regarding other potential land sales not included in this bill that are on or near tribal land and the DNR provided the tribes an option to purchase the land before going to auction. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This proposal will enhance the DNR's ability to manage its land portfolio efficiently and strategically. The sale of the land described in this bill will eliminate the need to manage these parcels, which no longer meet DNR goals. For example, the parcel of riparian land in Cass County does not have legal access and is no longer used for fish rearing. The parcel of land in Pine County is only two rods wide and was intended to provide legal access to the Kraft Wildlife Management Area but because other access is available, this strip of land is no longer needed.

Selling parcels that no longer meet the DNR's goals will reduce the DNR's need to manage these lands and will provide sale proceeds that could be used to acquire other land that meets DNR's SLAM goals of increasing close-to-home recreation opportunities, protecting significant and/or rare natural resources, protecting and restoring water resources, mitigating and adapting to climate change, expanding access to existing land holdings, consolidating land ownership and creating larger contiguous blocks of DNR lands.

Statutory Change(s):

M.S. 84.63, 84.631, 84.632, 84.66 and 92.502.

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Parks and Trails Legacy – DNR Parks and Trails

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Parks and Trails Legacy Fund				
Expenditures	26,823	25,241	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	26,823	25,241	0	0
FTEs	42	42	0	0

Recommendation:

The Governor recommends \$26.823 million in FY24 and \$25.241 million in FY25 from the Parks and Trails Legacy Fund for the Minnesota Department of Natural Resources (DNR) to advance core goals of the 25-year Parks and Trails Legacy Plan within Minnesota’s state parks, recreation areas and trails. The core goals include connecting people to the outdoors, acquiring land and creating opportunities, taking care of what we have and coordinating with partners.

Rationale/Background:

The Clean Water, Land and Legacy Amendment created the Parks and Trails Fund, which is an important source of funding for improving parks, recreation areas and trails of state and regional significance. The DNR relies on the Legacy Fund to supplement core operational funding and help transition our system into a 21st century operation that will continue to serve existing users while attracting new and underserved groups and future generations to experience the outdoors, while ensuring the protection of the state’s unique resources and supporting the economic vitality of surrounding communities. While the Legacy Fund plays an important role in enhancing the system, it does not take the place of critical general fund and bond-financed investments to sustain the parks and trails system.

The DNR, the Greater Minnesota Regional Parks and Trails Commission (GMRPTC) and the Metropolitan Council are working together to advance a coordinated approach to achieve outcomes for the Parks and Trails Legacy Fund. For the FY24-25 biennium, the three partner agencies support the following distribution from the Parks and Trails Legacy Fund: 40% to the DNR, 40% to the Metropolitan Council, and 20% for the GMRPTC, as well as approximately 1% allocated “off the top” for coordination and joint data gathering and outreach efforts. This percentage distribution was first recommended by the 2011 Park and Trails Legacy Funding Workgroup and has continued through FY22/23.

Proposal:

This proposal provides the DNR with \$26.823 million in FY24 and \$25.241 million in FY25 from the Parks and Trails Legacy Fund. With these funds, the DNR will continue to advance the four pillars of the 25-year Parks and Trails Legacy Plan:

- **Connect People to the Outdoors.** The DNR will continue to promote and provide innovative programs and special events that educate, interpret and build outdoor stewardship skills. For example, the "I Can!" series reaches out to new park and trail users to teach skills such as camping, paddling, archery and more, which is crucial to DNR’s goal of connecting more diverse communities to the outdoors. DNR typically reaches more than 250,000 participants annually through interpretive programs, with skill-building programs reaching nearly 50,000 of those participants.
- **Acquire Land, Create Opportunities.** The DNR will pursue high-priority acquisitions that provide important connections and/or preserve important natural and cultural resources. These include state park

and recreation area inholdings and critical segments for state trail corridors. New development projects create recreation opportunities with potential to increase visitation.

- **Take Care of What We Have.** The DNR will continue to manage, renew and restore natural landscapes within the state park, recreation area and trail system. The DNR will also ensure high-quality outdoor recreational experiences through built infrastructure renewal and increased accessibility. This will include, for example, new and enhanced campgrounds, trails, trail bridges, site restoration and energy efficiency projects.
- **Coordinate with Partners.** The DNR’s Legacy-funded work on the above pillars includes coordination with other outdoor recreation providers, thus ensuring a seamless and cost-effective system of parks and trails in Minnesota. There is also a separate appropriation (“Coordinating with Partners”) that supports specific projects shared by the DNR, the Metropolitan Council and the GMRPTC to advance the shared goals of the 25-year Parks and Trails Legacy Plan.

Impact on Children and Families:

Legacy funding for state parks, recreation areas and trails provides significant benefits to Minnesota families and children. The interpretive programming offered with the support of Legacy funding provides unforgettable experiences for 250,000 participants each year, many of whom are families and children. From programs on snakes, to fossils, to cave tours, visitors to state parks, recreation areas and trails light up from the opportunity to learn about nature and the outdoors. Connecting new users to the outdoors and building these relationships with nature will have lifelong benefits for Minnesotans’ health and well-being. In addition, Legacy investments in camping, lodging, biking and accessibility infrastructure ensures that families with children have the facilities to enjoy unforgettable experiences at state parks, recreation areas and trails.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity, and appreciation for nature and has a goal of allowing every Minnesota child to hike, hunt, or forage on public lands and protect and preserve our environment for future generations.

Equity and Inclusion:

Legacy funding helps to make the outdoors accessible to all Minnesotans, including communities of color in urban and rural Minnesota and people with disabilities. To continue to serve current visitors and diversify those who enjoy the system to include new and underserved groups, the partner agencies are guided by the audiences specifically identified in the 25-year plan, including youth and young adults, families with children, racial and ethnic minorities, new immigrants, people with disabilities and older adults. For example, low-cost skill building programs are marketed to diverse audiences through a variety of media and languages. Participants of the popular “I Can Camp” program, in particular, have been more ethnically diverse than state park visitors or the population of Minnesota as a whole.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

While this proposal does not have a known substantial direct effect on one or more of Minnesota’s Tribal governments, the DNR will conduct tribal consultations as appropriate on any development or rehabilitation projects that might have a cultural or historic impact to Tribal nations. Additionally, the DNR has been holding meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

In keeping with the strategic directions set forth in the Parks and Trails Legacy Plan, the DNR has expanded and improved outdoor recreation opportunities across the state. Key indicators of success include:

- **More people are getting outdoors.** State park permit sales, overnight stays and program participation have all increased since 2009. This was especially pronounced in 2020, as people sought outdoor recreation opportunities in large numbers for critical physical and mental health benefits.
- **New opportunities and acquisitions are available at Minnesota state parks, recreation areas and trails.** Over the past eleven years, Legacy-funded acquisitions have increased state park and recreation area acreage and the total miles of state trails. Legacy funding has also made a number of important development projects possible. For example, since 2009 the DNR has accomplished the following:
 - **Camping and lodging:** Developed six new campgrounds; enhanced amenities at six campgrounds, including RV stations and shower buildings; rehabilitation of Cedar Hill campground at Whitewater State Park; new Shipwreck Creek Campground with electrified camp sites and shower building at Split Rock Lighthouse State Park; and constructed seven yurts throughout the system.
 - **Visitor centers:** Constructed trail centers at Bear Head Lake State Park and Tettegouche State Park (leveraged with bonding); a new day use area at LaSalle State Recreation Area (SRA); and added amenities at rustic parks for self-service at Old Mill, Judge Magney, Monson Lake and Charles Lindbergh State Parks.
 - **Biking:** Built and improved a number of bike trails statewide, including at Glendalough State Park, on the Glacial Lakes State Trail, Browns Creek State Trail, Luce Line State Trail and multiple user facilities at the Cuyuna Country SRA. Recent engineering and construction for new trail segments included the Gitchi Gami, Gateway and Heartland, as well as a bridge on Gitchi Gami State Trail. Recent trail improvements have included work along Alex LaVeau, Blazing Star and Sakatah-Singing Hills State Trails.
 - **Accessibility:** Replaced picnic tables and fire rings with accessible models across the entire system of state parks and recreation areas (including many forest recreation areas). Added Adaptive Mountain Bike Trail and mountain biking infrastructure at Cuyuna Country. All construction projects funded by Legacy are built to the most current accessibility standards of the Americans with Disabilities Act.
 - **Clean energy:** Installed 14 renewable energy systems across state parks, recreation areas and trails; solar arrays added at Gilbert OHV Recreation Area and Afton State Park; electric vehicle charging station added at Bear Head Lake State Park.
 - **Unique experiences:** Reintroduced bison at Minneopa State Park as part of the National Bison Conservation Herd, and enhanced visitor access to viewing the bison herd at Blue Mounds State Park through the purchase of a "bison buggy" for tours. Launched in June 2021, the library pass program offers library patrons the ability to check-out a free state parks library pass from 71 libraries located in lower income communities throughout the state.
- **Native landscapes have been restored.** Since the start of Legacy funding, the pace of native plant restoration and prescribed burning at state parks, recreation areas and trails has increased by about 25% and control of invasive plants has increased by nearly 150%.
- **We are taking better care of Minnesota's state parks, recreation areas and trails.** Legacy funds have helped improve our aging infrastructure and invigorate visitor services. More than a third of the 300 bridges on state trails are more than 100 years old; Legacy funding has allowed the repair or replacement of over 62 bridges since 2009. The Parks and Trails Legacy Fund is intended to accelerate rehabilitation work and not take the place of traditional capital investments.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Parks and Trails Legacy – Greater Minnesota Regional Parks and Trails

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Parks and Trails Legacy Fund				
Expenditures	12,305	12,660	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	12,305	12,660	0	0
FTEs	1	1	0	0

Recommendation:

The Governor recommends \$12.305 million in FY24 and \$12.66 million in FY25 from the Parks and Trails Legacy Fund to support the Parks and Trails Legacy Grant Program for the Greater Minnesota Regional Parks and Trails Commission (GMRPTC). This funding provides grants to local governments in Greater Minnesota to connect people to the outdoors, help create new parks and trails of regional significance and maintain existing ones. This proposal represents 20% of the Parks and Trails Legacy funding available in FY24/25.

Rationale/Background:

The 2013 Legislature established the GMRPTC to advance system planning in greater Minnesota and to provide recommendations to the legislature for grants funded by the Parks and Trails Legacy Fund. The scope of this work is for parks and trails of regional significance in counties and cities outside the seven-county metropolitan area (M.S. 85.536).

The GMRPTC provides the leadership, system planning and strategic direction for the Parks and Trails Legacy Grant Program, while the Minnesota Department of Natural Resources (DNR) acts as the fiscal agent and administers the grants in accordance with requirements from the Minnesota Office of Grants Management. Up to 4.5% of the total appropriation may be used for the GMRPTC to carry out system planning and maintain an Executive Director and necessary support functions and up to 2.5% of the total appropriation may be used for DNR to manage the grants according to Office of Grants Management standards. This continues the partnership approach of recent biennia, with the GMRPTC providing leadership for the grant program and the DNR providing contract management services.

The DNR, the GMRPTC and the Metropolitan Council are working together to advance a coordinated approach to achieve outcomes for the Parks and Trails Legacy Fund. For the FY24-25 biennium, the three partner agencies support the following distribution from the Parks and Trails Legacy Fund: 40% to the DNR, 40% to the Metropolitan Council, and 20% for the GMRPTC, as well as approximately 1% allocated “off the top” for coordination and joint data gathering and outreach efforts. This percentage distribution was first recommended by the 2011 Park and Trails Legacy Funding Workgroup for three biennia, through FY18-19, and has continued through FY22-23.

Proposal:

This proposal provides \$12.305 million in FY24 and \$12.660 million in FY25 for a competitive grant program in Greater Minnesota that will help create a seamless system of outdoor recreation across the state and achieve the goals of the 25-year Parks and Trails Legacy Plan. This program provides grants to local governments to create and maintain outdoor recreation opportunities of regional or statewide significance. It plays a critical role for enhancing outdoor recreation participation, conserving important natural features, connecting people to the outdoors and contributing to local economic benefits throughout Greater Minnesota. The GMRPTC will continue

to lead the regional parks and trails competitive grant program by guiding system planning, the application process and grant selection. The DNR will continue to work closely with the commission and provide contract management for funded projects, as well as technical assistance to grant applicants and recipients.

Since 2010, Legacy Funds have been used in Greater Minnesota to acquire more than 2,300 acres of land for regional parks and build or rehabilitate more than 500 miles of regional trails. These important acquisition and infrastructure projects have provided new recreation opportunities mostly in rapidly growing areas. The acreage acquired and trail miles built vary from year to year due to a number of factors, including land prices, construction costs and specific project goals.

Impact on Children and Families:

This proposal helps achieve priorities for children and families by promoting and developing high-quality outdoor recreation opportunities throughout the state. Outdoor recreation enhances the physical and mental health of children. Connecting new users to the outdoors and building these relationships with nature will have lifelong benefits for Minnesotans’ health and well-being.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of allowing every Minnesota child to bike, ride or ski a public trail and protect and preserve our environment for future generations.

Equity and Inclusion:

A key goal of the 25-year Parks and Trails Legacy Plan is to make the outdoors accessible to all Minnesotans, including communities of color in urban and rural Minnesota. To continue to serve current visitors and diversify those who enjoy the system to include new and underserved groups, the Legacy programs are guided by the target audiences in the 25-year Plan including youth and young adults, families with children, racial and ethnic minorities, new immigrants, people with disabilities and older adults.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

While this proposal does not have a known substantial direct effect on one or more of Minnesota’s Tribal governments, the DNR has been holding meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This program provides grants to local governments to create and maintain outdoor recreation opportunities of regional or statewide significance in Greater Minnesota. Performance measures include:

- The number and type of grants and dollars awarded;
- Results achieved (e.g., acres acquired, parks and trails developed, and satisfaction of park and trail users); and
- Economic trends and benefits resulting from Greater Minnesota parks and trails of regional significance.

Since 2010, Legacy funds have been used in Greater Minnesota to acquire more than 2,300 acres of land for regional parks and build or rehabilitate over 500 miles of regional trails. These important projects, most in rapidly growing areas, provided the land and infrastructure for new recreational opportunities. The number of acres acquired or trail miles built vary from year to year due to a number of factors, including land prices, construction costs and specific project differences.

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	Number of grants	41	FY22-23	0	20-30	FY24-25
Results	Regional Park Acres Acquired	441	FY22-23	0	250	FY24-25
Results	Trails Miles Developed and/or Rehabilitated	30	FY22-23	0	45	FY24-25

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Parks and Trails Legacy – Coordination Among Partners

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Parks and Trails Legacy Fund				
Expenditures	677	637	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	677	637	0	0
FTEs	1	1	0	0

Recommendation:

The Governor recommends appropriation of \$677,000 in FY24 and \$637,000 in FY25 from the Parks and Trails Legacy Fund to advance a coordinated approach for a seamless system of parks and trails in Minnesota. Inter-agency work supported by this appropriation includes integrated research and planning; managing content on integrated web-based systems; facilitating the work of the Parks and Trails Legacy Advisory Committee (PTLAC); evaluating habitat restoration projects; and engaging underrepresented youth and people of color in the health and wellness benefits of nature-based outdoor recreation. The appropriation represents 1% of the available funding from the Parks and Trails Legacy Fund.

Rationale/Background:

The DNR, the Greater Minnesota Regional Parks and Trails Commission (GMRPTC) and the Metropolitan Council are working together to advance a more coordinated approach to achieve the desired outcomes of the Parks and Trails Legacy Plan (Plan). The state and regional parks and trails systems that are the focus of the Plan are administered by different providers across the state and are funded by numerous sources. This complex network poses coordination challenges to state and regional providers, as well as to end users who seek quality, connected and accessible outdoor recreation opportunities. Coordination is essential to achieve the vision laid out in the Parks and Trails Legacy Plan and to ensure that the principles Minnesotans identified for the use of Legacy Funds are achieved.

A major goal for all outdoor recreation providers is to increase and diversify participation in nature-based outdoor recreation. The primary driving factor behind this is concern for missed opportunities or declining involvement in outdoor activities among young adults and their children, older adults, urban residents and communities of color. Ongoing and coordinated data collection, research and program evaluation will help our joint efforts to increase outdoor recreation access and participation.

For the FY24-25 biennium, the three partner agencies support the following distribution from the Parks and Trails Legacy Fund: 40% to the DNR, 40% to the Metropolitan Council, and 20% for the GMRPTC, as well as approximately 1% allocated “off the top” for coordination and joint data gathering and outreach efforts. This percentage distribution was first recommended by the 2011 Parks and Trails Legacy Funding Workgroup and has continued through FY22-23. The products and benefits of this proposal are shared among these three implementing agencies.

Proposal:

This proposal provides \$677,000 in FY24 and \$637,000 in FY25 and builds on previous appropriations from the Parks and Trails Legacy Fund related to coordination and research. The goals and objectives of this proposal are as follows:

- **Research and system planning** – coordinated action continues to be needed across the three systems to understand who is using state and regional park and trail systems, where visitors are coming from, their satisfaction with facilities and programs and how to better connect target markets to the outdoors. Coordinated research and planning are critical to ensuring Minnesotans' expectations for use of the Parks and Trails Legacy Fund are being met.
- **Web-based systems** – One of the goals in the Parks and Trails Legacy Plan is enhanced, integrated and accessible information for park and trail users. This proposal will advance that goal by maintaining an integrated web discovery tool (mn.gov/greatoutdoors) and seeking new opportunities for marketing its use to Minnesota residents and visitors.
- **Support for the Parks and Trails Legacy Advisory Committee** – The mission of the PTLAC is to "champion the 25-year Parks and Trails Legacy Plan by providing recommendations to enhance promotion, coordination, and accountability throughout implementation of the plan" (www.legacy.mn.gov/ptlac). Volunteer committee members advise the partner agencies (the GMRPTC, the Metropolitan Council, and the DNR) on the implementation of the Plan. Reimbursement for travel expenses and support for their work makes participation on the PTLAC possible for a diverse group of Minnesotans from across the state.
- **Restoration evaluation** – Evaluation of natural resource restoration projects helps track progress toward habitat restoration goals and guide future investments. This proposal will help achieve legislative mandates for restoration evaluation.
- **Coordination** – Other priority coordination needs include joint marketing and youth involvement, promoting the health and local economic benefits of outdoor recreation and connecting racially and ethnically diverse audiences with the outdoors.

Impact on Children and Families:

This proposal supports the state's priorities for children and families by advancing a seamless system of parks and trails across Minnesota. Public engagement efforts following the ten-year celebration of the Parks and Trails Legacy Fund gave voice to a diversity of Minnesota residents who shared their stories about the meaningfulness of parks and trails in their lives. Families emphasized the importance of coordinating across park and trail systems to support public health benefits, community relationships and the opportunity to get outdoors and connect with nature. Connecting new users to the outdoors and building these relationships with nature will have lifelong benefits for the health and wellbeing of all Minnesotans, including children and families.

This proposal is also aligned with the Minnesota Children's Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of allowing every Minnesota child to bike, ride or ski a public trail and protect and preserve our environment for future generations.

Equity and Inclusion:

The Parks and Trails Legacy Plan partner agencies and PTLAC seek to make the outdoors accessible to all Minnesotans, including communities of color in urban and rural Minnesota. To continue to serve current customers and diversify those served to include new and currently underserved groups, the partner agencies are guided by the target audiences specifically identified in the 25-year Plan including youth and young adults, families with children, racial and ethnic minorities, new immigrants and older adults. Investments to rehabilitate aging infrastructure also incorporate current state and federal accessibility standards.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

While this proposal does not have a known substantial direct effect on one or more of Minnesota’s Tribal governments, the DNR has been holding meetings with interested tribal natural resources directors and other specialists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

Improve performance for achieving the goals of the 25-year *Parks and Trails Legacy Plan* and increase effectiveness and efficiency of Parks and Trails Legacy Funds. Specific results include:

- Maintain and enhance the integrated, user-friendly website (Minnesota’s Great Outdoors) and market it to the benefit of our target markets.
- Continue to implement shared research priorities across the three systems for standardized visitor information.
- Enhance collaboration with the State Arts Board who administer portions of the Arts and Culture Fund to consider joint opportunities for arts and parks and trails.
- Hold six PTLAC meetings per year with the completion of an annual work plan designed to monitor, evaluate and recommend how to implement the *Parks and Trails Legacy Plan*.
- Complete restoration evaluations and an assessment of natural resource site improvements.
- Increase engagement among youth and diverse audiences and promote the public health and local economic benefits of outdoor recreation.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Aquifer Monitoring for Water Supply Planning

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	2,000	2,000	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,000	2,000	0	0
FTEs	13	13	0	0

Recommendation:

The Governor recommends \$2 million annually in FY24 and FY25 from the Clean Water Fund for collecting and analyzing aquifer level data and groundwater flow dynamics, developing groundwater models and working with stakeholders to plan for sustainable water supply throughout Minnesota.

This funding will support the Minnesota Department of Natural Resources' (DNR's) efforts to contribute to a long-term partnership between Minnesota's state water agencies and local governments to fix and prevent water quality problems and ensure sustainable groundwater use.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state's growth and development. Good information about the quality and quantity of the water in Minnesota's lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota's water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use aquifer monitoring data to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts that State Agencies are using to improve water quality and the performance measures.

In Minnesota, growth in demand for water resources is outpacing population growth. As water use increases, planning for adequate water supply is crucial to preventing water shortages and protecting groundwater-connected lakes, streams, and wetlands — especially highly sensitive trout streams and calcareous fens.

Because groundwater is below the ground surface, we need long-term data collection from groundwater observation wells to understand trends in groundwater levels. We then relate the trend data to precipitation, land use changes, and groundwater use, to evaluate if that use is sustainable over time. Long-term data sets are

essential to understanding and properly managing this valuable resource, including the DNR’s management of existing and proposed water appropriations. The DNR leads statewide efforts with water level monitoring, groundwater modeling, education and data analysis for water supply planning and permitting.

Proposal:

This proposal invests \$2.0 million annually in FY24 and FY25 to continue funding for the DNR to:

- Expand and maintain a statewide network of groundwater level observation wells;
- Automate data collection and long-term data management with enhanced technology;
- Complete analyses and modeling to inform economic development, infrastructure investment, efficiency efforts and permit decisions; and
- Work with stakeholders to ensure groundwater is managed sustainably, including assisting small communities to develop water supply plans and providing educational workshops.

Impact on Children and Families:

Groundwater provides the drinking water for 75% of Minnesotans and supports Minnesota’s robust economy and natural resources. Water in sufficient supply and quality is essential to the health and quality of life of Minnesota’s children and families. The long-term data and analysis supported with the funding allows public water suppliers to make smart decisions based on the most current water level information and trends to ensure sustainable public water supply for today and tomorrow. Many private domestic well users live in rural areas that may lack reliable water resources and are therefore vulnerable to the impacts of unsustainable water use. The proposal would help to ensure and protect their access to water, a critical resource for children and families.

Equity and Inclusion:

Access to safe drinking water is important to all future generations of Minnesotans. Many private domestic well users live in rural areas that may lack reliable water resources and are therefore vulnerable to the impacts of unsustainable water use. Implementation of this proposal will help to ensure and protect access to clean drinking water for all.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that many of Minnesota’s Tribal nations rely on private domestic wells for their drinking water. The efforts supported by this proposal will likely have positive effects by supporting sustainable, long-term access to drinking water. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

The DNR has 1,214 active monitoring wells and is adding about 25-50 new monitoring sites per year, with a near term goal of about 1,700 wells throughout the state. The DNR analyzes water level trends in aquifers where there are at least 20 years of data. As of 2019, 310 sites met the criteria for this trend analysis shown in Figure 1. The trend analysis helps identify problem areas and supports better planning by local governments and water users. As we fill in the gaps by adding wells throughout the state, we can better ensure the future sustainability of Minnesota’s water supply. Groundwater level data are available through the interagency website and annual results are reported through the Legislative Coordinating Commission website.

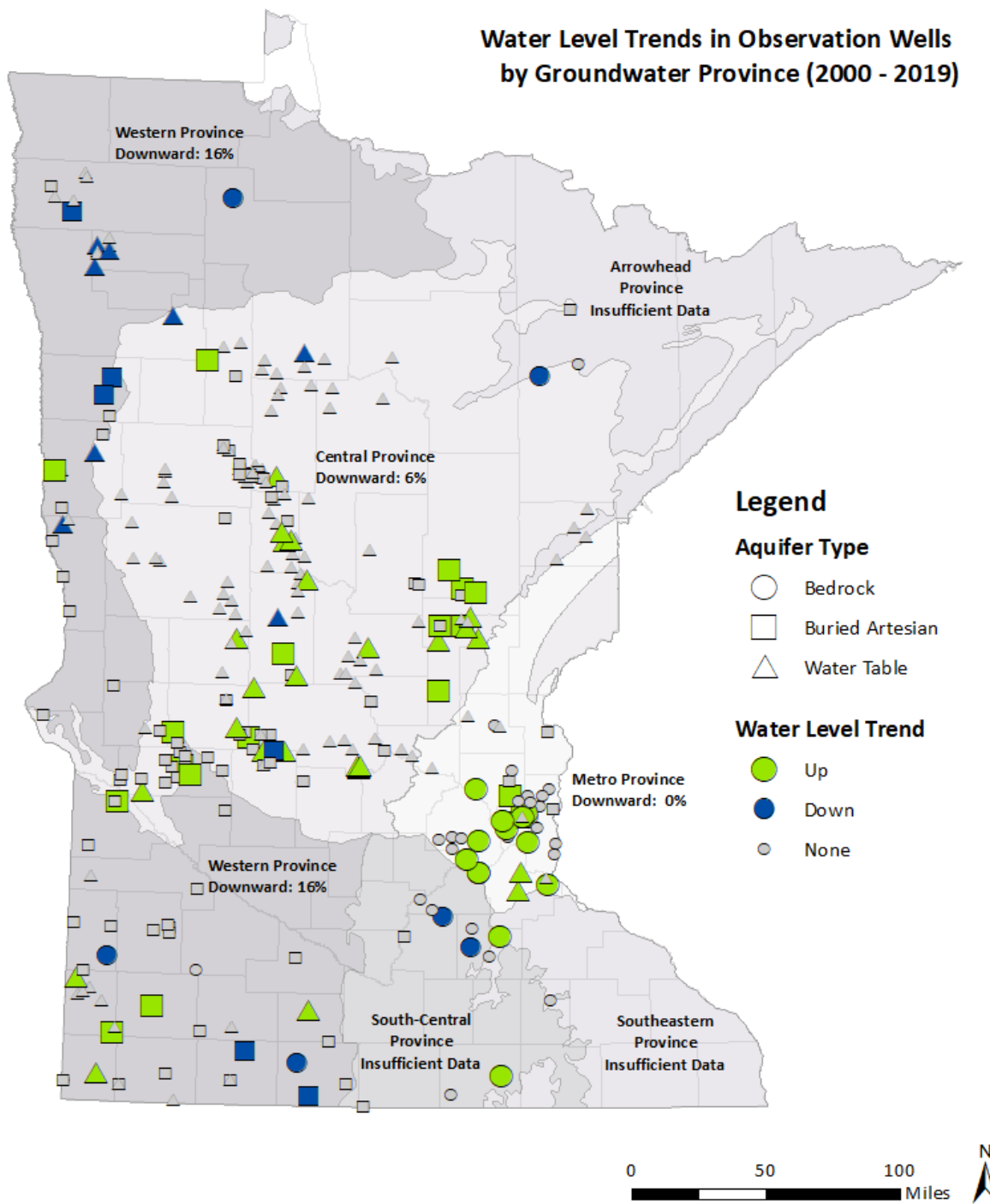


Figure 1. Statewide map showing water level trends for aquifers with monitoring data with at least 20 years of data. Percentage downward is aggregated by groundwater province. Trend analyses are updated every 5 years.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Fish Contamination Assessment

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	455	455	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	455	455	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$455,000 annually in FY24 and FY25 from the Clean Water Fund for sampling mercury, polychlorinated biphenyl (PCBs) and per- and polyfluoroalkyl substances (PFAS) contaminants in fish. These data allow the Minnesota Department of Health (MDH) to determine fish consumption advisories, the Minnesota Pollution Control Agency (MPCA) to develop water quality standards and assess impairment status and all agencies to monitor trends across the state.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the Minnesota Department of Natural Resource (DNR) working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Good water quality supports the healthy consumption of fish that are low in contaminants. Mercury is a long-standing concern, as levels of mercury in many fish across the state require people to limit their consumption of fish. PFAS are an emerging group of contaminants of concern now recognized as a global pollutant. PFAS are a group of synthetic chemicals that have been used in a wide array of consumer and industrial products since the 1940s. These chemicals do not easily break down, resulting in a relatively permanent reservoir in the environment that continues to impact the environment and human health. Some PFAS can stay in the human body for years. PFAS are being found in drinking water, fish, soils and surface water all over the state. The most common PFAS found in fish is called perfluorooctane sulfonic acid (PFOS). Minnesota has been testing for PFOS since 2004, when funds were available. Fish have been collected for analysis from 178 lakes and 12 rivers, many of which have led to fish consumption advisories based on PFOS. In the most recent survey in 2018 of 73 waterways, 94.5% of the

waterways (sample size of 69) had at least one fish with detectable PFOS concentration in the meat; 43 of those waters had been tested previously and all but one continued to have detectable PFOS concentrations.

Proposal:

This proposal invests \$910,000 in FY24 and FY25 for assessing fish contamination. This proposal is part of a long-term, collaborative effort that will lead to cleaner water through identifying areas of concern and leading to targeted implementation of projects and programs. The foundation of the effort is comprehensive assessments of water quality problems within the state’s 80 major surface watersheds. The fish contamination assessment funding is used to pay for the laboratory analysis of fish tissue, primarily for mercury and PCBs, under contract with the Minnesota Department of Agriculture (MDA). The data are shared with the MPCA and the MDH. The DNR collects the fish that are needed as part of its regular lake survey work which is paid for through the Game and Fish Fund.

This proposal also ramps up the sampling for PFAS compounds in fish by beginning to integrate PFAS analysis into the existing regular fish contaminant monitoring program. Conducted in coordination with MDH and MPCA, this investment would allow collection of fish for PFAS analysis from approximately 45 waterbodies in the state, in addition to the 100 to 150 waters targeted each year for mercury analysis. Many of Minnesota’s lakes and streams that may be potentially contaminated by PFAS have not been tested for PFAS in fish and those known to be contaminated need continued monitoring. Sampling will be targeted to include waterbodies that were previously tested and determined to be impaired, those not previously tested but suspected to be near sources of PFAS, and waters that are particularly important for fish harvest.

Impact on Children and Families:

A large number of Minnesota families rely on fish harvested from Minnesota lakes and rivers as a food resource. This proposal helps make sure they can make smart decisions on their consumption by collecting the data to support updating of the state’s guidelines with current information. Following consumption advisories is particularly important for pregnant women and young children, who are among the most vulnerable to health impacts from bioaccumulative pollutants such as mercury and PFAS.

This proposal is also aligned with the Minnesota Children’s Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of allowing every Minnesota child to catch and eat a fish safely.

Equity and Inclusion:

This proposal will help enhance the ability of all Minnesotans to know and follow fish consumption advisories. This knowledge may be particularly important for Minnesota’s Tribal nations and other communities of color that practice subsistence fishing. People more reliant on healthy fisheries for subsistence fishing, often including Tribal members and members of some immigrant communities, would specifically benefit from the proposal.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that any of Minnesota’s Tribal nations may be affected if fish are not safe to consume. Tribal representatives on the Clean Water Council have previously requested an expansion of effort to understand contaminants in fish tissue. The DNR has been meeting with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

The DNR collects fish for contamination analysis – primarily mercury - on about 150 waterbodies each year. Since the inception of the Clean Water Fund, the DNR has sampled fish in 720 waterbodies that we otherwise would not have been sampled. Long-term trends (updated every five years) are shown below (Figure 1) and are summarized in the *Clean Water Fund Performance Report*. This information is made available electronically and provides site specific advice where available.

Including PFAS in our contamination analysis will enhance our understanding of the distribution of PFAS and will inform fish consumption advice. It may also support the setting of future water quality standards or goals related to PFAS to protect human health and the environment.

Mercury Trend in Northern Pike and Walleye: NE, SW, and statewide

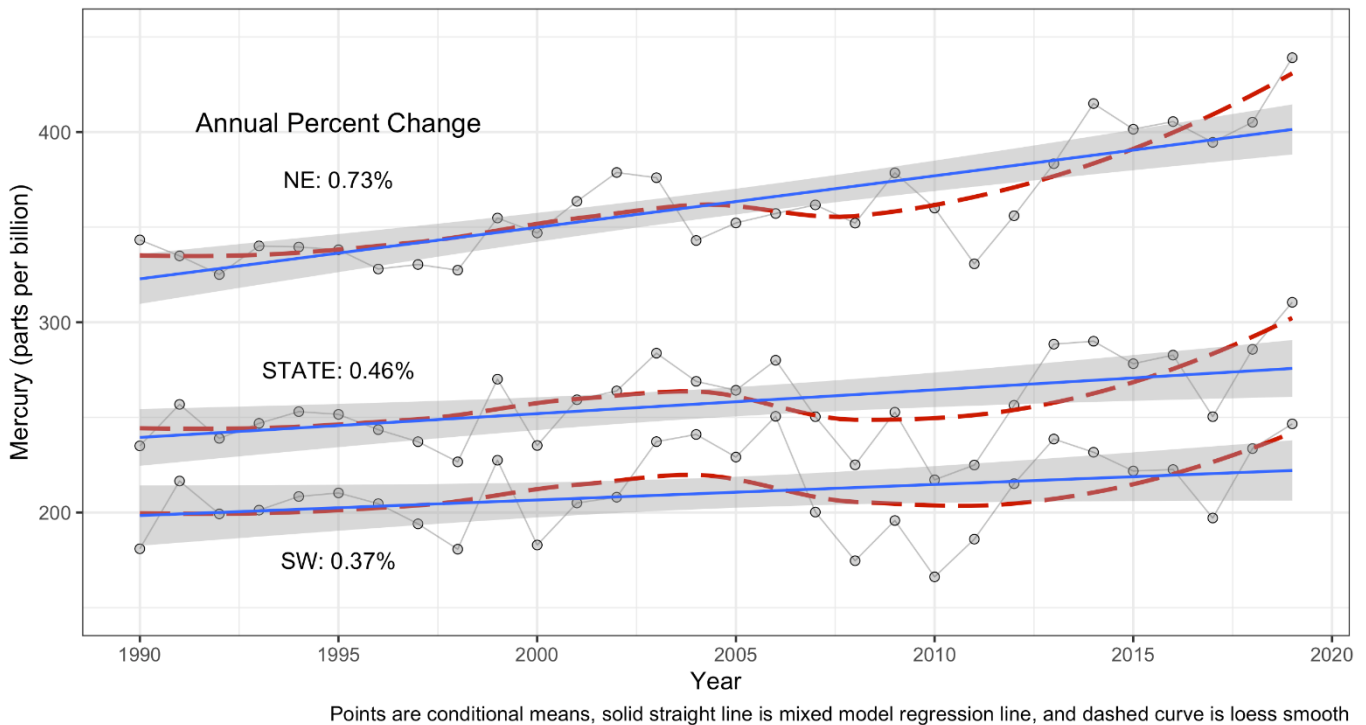


Figure 1. The plot shows the average trend for walleye and northern pike in the state and split out by regions of the state; the points represent the mean annual mercury concentration at the mean latitude and a smoother line through the annual means shows the nonlinear changes between 1990 and 2019. For reference, the Minnesota state water quality criterion for mercury in edible fish tissue is 200 parts per billion or 0.2 mg/kg.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Lake IBI Assessment

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	1,450	1,450	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,450	1,450	0	0
FTEs	13	13	0	0

Recommendation:

The Governor recommends \$1.45 million annually in FY24 and FY25 from the Clean Water Fund for the Department of Natural Resources (DNR) to support the Minnesota Pollution Control Agency’s (MPCA) lake water quality assessment by providing data and analysis about fish populations. By sampling fish in lakes across the state, the DNR will contribute to the calculation of what is known as an Index of Biological Integrity (IBI) for the lakes studied.

This funding will support the DNR’s efforts to contribute to a long-term partnership of Minnesota’s water agencies and local governments to monitor, fix and prevent water quality problems and protect Minnesota’s lake heritage.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$1.45 million annually in FY24 and FY25 to systematically collect fish data and analyze the biological health of Minnesota’s lakes as part of a long-term, collaborative effort that will lead to cleaner water through targeted implementation projects and programs. This work is part of the overall state effort to conduct comprehensive assessments of water quality within the state’s 80 major surface watersheds and develop prioritized strategies to address these problems.

By systematically sampling fish in lakes across the state, we can calculate an IBI Score, which is an analysis that can identify water quality problems based on the type and abundance of certain species in a biological community. The IBI gives a holistic picture of lake condition over time, complementing other traditional water quality measurements (e.g., phosphorus, water clarity, toxic contaminants). A key element of this effort is collecting information about the entire fish community, including non-game fish that are often more sensitive to watershed and shoreline disturbance. DNR's fishery managers traditionally have not sampled non-game fish communities. With the support of Clean Water Fund, biologists are now able to include these expanded survey efforts in lakes that have been selected for biological assessment by the DNR and the MPCA. The DNR participates in the MPCA watershed assessment process, providing the fish IBI and interpretation to identify impaired lakes, those meeting standards and lakes of exceptional biological quality. In addition, the DNR is providing an analysis of the stressors contributing to impairment on lakes listed as impaired for fish IBI.

The DNR annually completes about 135 fish IBI surveys and detailed shoreline habitat surveys on about 75 lakes. Data is used in assessment decisions for three to six watersheds per year. The survey work and associated IBI scores help the DNR identify the priority lakes for protection as well as those lakes that are already impaired or vulnerable to impairment and are top candidates for restoration. Impaired lakes are added to Minnesota's Impaired Waters List. Stressors impacting both impaired lakes and vulnerable lakes are investigated and reported in a formal stressor identification process. Stressor identification reports are published following assessment.

The DNR Fish IBI Program has also worked with MPCA scientists to expand the scope of biological assessments to include cold-water fishes and their habitats. Additional standards have been developed in 2022 for lakes that support cold-water fish species and the agencies are working on implementing these standards. Cold-water lakes are an important resource in Minnesota which provide a variety of beneficial uses. Many of these lakes harbor one or more species of Salmonidae including lake trout (*Salvelinus namaycush*), lake whitefish (*Coregonus clupeaformis*), cisco (*Coregonus artedii*), or stream trout species/hybrids (e.g., brook, rainbow, brown trout and splake). A major difference in the ecological requirements of cold-water species compared to cool and warm water species is the need for habitat with cooler temperatures and higher oxygen levels, therefore the standards are developed specifically for lakes with such habitat and species. These cold-water assessments will include additional monitoring, reporting and stressor identification moving forward.

The DNR Fish IBI program will also expand the geographical scope and develop tools to describe fish communities on lakes within the Canadian Shield part of the state, including lakes within the Lake Superior watersheds in FY23/24. Current Fish IBI tools were developed for lakes in the Mississippi, Red River, St. Croix, Rainy River and Missouri River basins.

Impact on Children and Families:

This lake IBI work helps Minnesota families know where the cleanest, highest quality lakes are located. It can inform their choices for recreation and their efforts to protect or restore lakes that do not meet standards and need help.

This proposal is also aligned with the Minnesota Children's Outdoor Bill of Rights, which envisions a state where all Minnesota children and families are inspired to engage with the natural world in ways that support physical activity, mental well-being, creativity and appreciation for nature and has a goal of allowing every Minnesota child to catch and eat a fish safely.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will enhance the ability of disparate groups to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

Yes

No

DNR staff consult with Minnesota Tribal governments throughout the planning, sampling and assessment of lakes. Tribal partners are invited to propose lakes for sampling and assessment, including lakes within and external to reservation boundaries through a MPCA-led watershed planning process. The DNR Fish IBI Program staff share proposed lakes and schedules with Tribal governments during spring coordination meetings and through written proposals for lakes within reservation boundaries. Similarly, results are shared via coordination meetings and reports. Three Minnesota Tribal governments (Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa and recently the Leech Lake Band of Ojibwe) have authority to oversee standards development and certifications under the Clean Water Act for waters located within reservation boundaries. Monitoring, assessment and stressor identification is coordinated between the MPCA, the DNR Fish IBI program and the Tribal governments.

IT Costs:

Not applicable

Results:

Through FY22, the appropriation has funded fish IBI surveys on approximately 1,153 lakes and plant (habitat) surveys on at least 450 lakes. Over 700 lakes in 35 watersheds have been assessed based on the Fish IBI, with remaining watersheds scheduled in the next 2.5 years. Of the lakes assessed, 148 lakes were identified as impaired based on the Fish IBI and another 58 lakes were identified as vulnerable to impairment. Stressor identification reports were published for 21 watersheds, with 9 watersheds in progress. Each impaired and vulnerable lake is investigated and reported on within watershed stressor identification reports. In addition, 106 lakes were identified as supporting exceptional fish communities to date.

DNR Fisheries staff will conduct about 135 fish IBI lake surveys and detailed shoreline habitat surveys on about 75 lakes annually, including expanding into lakes within the Canadian Shield. In addition, temperature and oxygen profiles will be collected for assessment with the new cold-water standards.

Moving forward, additional funding is required to maintain current levels of monitoring and assessment, to expand to include survey and assessment with cold water standards and to include assessment on lakes in the Canadian Shield portion of Minnesota.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Buffer Map Maintenance

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	25	25	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	25	25	0	0
FTEs	0.20	0.20	0	0

Recommendation:

The Governor recommends \$25,000 annually in FY24 and FY25 from the Clean Water Fund for updating and maintaining maps of public waters and ditch systems that require permanent vegetation buffers.

This funding will support the long-term partnership with MNIT, and Minnesota’s executive branch water agencies, and local governments efforts to maintain and improve water quality.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the Minnesota Department of Natural Resources (DNR) work on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$25,000 annually in FY24 and FY25 to update, maintain and periodically publish updated maps of public waters and public ditches that require permanent vegetation buffers. This proposal is part of a larger, long-term collaborative effort that will lead to cleaner water through targeted implementation projects and programs.

Impact on Children and Families:

Local governments will be able to make smart decisions and enforce the riparian buffer laws based on the most current maps. Permanently vegetated buffers improve water quality and help Minnesota achieve cleaner water for drinking, swimming and fishing.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will help ensure clean surface waters for drinking water supply and enhance the ability of disparate groups to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations practice subsistence fishing, and subsequently, ensuring compliance with buffer laws helps to protect and improve the health of Minnesota’s waters. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)	25	25				
Total	25	25				
MNIT FTEs	.2	.2				
Agency FTEs						

Results:

Minnesota will have updated and publicly accessible maps identifying where buffers are required. These maps inform landowners of where buffers are required and inform local governments to allow for enforcement of riparian buffer laws based on the most current maps. Publishing these buffer maps has helped the state achieve exceptionally high compliance, as of July 2019, approximately 98% of parcels adjacent to Minnesota waters are compliant with the Buffer Law.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Stream Flow Monitoring

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	2,550	2,550	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	0	0	0	0
FTEs	15	15	0	0

Recommendation:

The Governor recommends \$2.55 million annually in FY24 and FY25 from the Clean Water Fund for the Department of Natural Resources (DNR) to collect stream flow data, which is used to calculate pollutant loads for the Minnesota Pollution Control Agency’s (MPCA) water quality assessments and sampling sediment at select stations to analyze sediment transport in streams and provides information needed for flood forecasting.

This funding will support the DNR’s efforts that contribute to a long-term partnership of Minnesota’s executive branch water agencies and local governments to fix and prevent water quality problems and to ensure sustainable use.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$2.55 million annually in FY24/25 as part of a long-term, collaborative effort that will lead to cleaner water through targeted implementation projects and programs. The foundation of the effort is comprehensive assessments of water pollution within the state’s 80 major surface watersheds and prioritized strategies to address these problems. The DNR supports these efforts by maintaining an extensive network of streamflow gages throughout the state.

As part of this effort, Clean Water Legacy funds have allowed the DNR to expand a network of stream gages that are critical for the MPCA's water quality assessments and flood forecasting. Funds are used to install, maintain and calibrate stream gages and to collect, compile, analyze and distribute data collected at gage stations. This request includes one-time funds that are needed to replace outdated satellite transmission equipment. The Clean Water Fund supports 177 permanent monitoring sites out of 271 total stations. The Cooperative [Stream Gaging Website](#) provides a portal for agencies and the public to see stream flow data, site photos, water quality information and links to other information. In addition, a Monthly Hydrologic Conditions Report provides general trend information on water resources using climatic data, lake and river gages and groundwater monitoring information.

Impact on Children and Families:

Minnesota communities and local governments will be able to make smart decisions based on the most current water level information and trends. Decisions about infrastructure for public safety, including structures in floodplains and other low-lying areas, rely on accurate stream and river flows, all of which are essential to keeping children and families safe. Accurate and timely flood forecasts protect all Minnesotans by helping people understand safe water recreation opportunities and avoid dangerous flooding situations.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will help ensure the availability of clean drinking water and enhance the ability of disparate groups to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, it should be noted that many of Minnesota's Tribal nations may benefit from access to water level and flood information related to their decisions about infrastructure and public safety around water. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals

IT Costs

Not applicable

Results:

The DNR annually collects about 1,300 stream flow measurements and compiles records at continuous gage locations. The stream flow and sediment information collected from these gage stations is used by the MPCA to calculate pollution loads for Total Maximum Daily Loads. These data are also used to evaluate trends in base flow conditions, determine the frequency and magnitude of floods and low flows, assist in assessing changes in land use and watershed conditions and the potential effects of climate change. Streamflow data are available through the interagency website and annual results are reported through the Legislative Coordinating Commission website.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Watershed Restoration and Protection Strategies

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	2,150	2,150	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	2,150	2,150	0	0
FTEs	16	16	0	0

Recommendation:

The Governor recommends \$2.15 million annually in FY24 and FY25 from the Clean Water Fund to provide state and local partners with technical expertise, data and analysis that helps identify restoration and protection strategies and targets their implementation efforts. This funding will support the Minnesota Department of Natural Resources' (DNR's) participation in a long-term partnership of Minnesota's executive branch water agencies and local governments to fix and prevent water quality problems.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state's growth and development. Good information about the quality and quantity of the water in Minnesota's lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota's water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Minnesota has experienced widespread changes in hydrology that affect water management and watershed health, including impacts to infrastructure, farmland, water quality, stream stability and aquatic habitat. Agencies and local governments rely on the DNR's data and analysis and technical expertise to help prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$2.15 million annually in FY24 and FY25 for the DNR's Watershed Restoration and Protection Strategies (WRAPS) work as part of a long term, collaborative effort that will lead to cleaner water through targeted implementation projects and programs. The foundation of the effort is comprehensive assessments of water pollution problems within the state's 80 major watersheds and prioritized strategies to address these problems.

The DNR contributes specialized expertise in watershed science that helps the Minnesota Pollution Control Agency (MPCA) and local partners build watershed models, identify stressors, prioritize waters for protection and develop watershed restoration and protection strategies. We do this through scientific analyses, local participation in WRAPS teams and a statewide Watershed Health Assessment Framework.

The Watershed Health Assessment Framework is a [web-based tool](#) for resource managers and others to access watershed data and explore watershed health concepts. The framework is based on the five components of watershed health: water quality, hydrology, geomorphology, connectivity and biology. A suite of more than 20 health scores have been calculated to describe watershed characteristics at multiple scales. The online map gives users easy access to extensive data without the need for GIS technology. New data layers are added each year, based on partner requests and needs.

Impact on Children and Families:

Water quality impairments have direct and indirect effects on public health, recreation and Minnesota’s economy, all of which are essential to making Minnesota the best place for families and children. The DNR’s efforts to help assess water quality and understand the factors causing impairments are essential to effective implementation planning and projects to achieve better water quality outcomes for all Minnesotans.

Equity and Inclusion:

Clean water is important to all Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies. Implementation of this change item will help ensure clean drinking water and enhance the ability of disparate groups to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations practice subsistence fishing, harvest wild rice and rely on clean, safe drinking water. The DNR’s efforts to help target projects and practices as part of a comprehensive effort to support healthy ecosystems and clean water will be of general interest to Minnesota’s tribal governments. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Staff costs (MNIT or agency)	150	150				
Total	150	150				
MNIT FTEs	1	1	1	1	1	1
Agency FTEs						

Results:

All major watersheds in the state will be monitored every 10 years to see if conditions are improving or declining. As we start the second round of monitoring, we will focus on detecting changes and filling in data gaps to further inform on-the-ground practices. The DNR’s expertise in hydrology, geomorphology and connectivity helps the MPCA determine the cause of water quality impairments and directly informs local governments’ efforts to implement projects. Each year, the DNR supports local implementation with watershed and site-specific information and technical assistance that helps partners address the root causes of pollution problems.

In response to widespread changes in hydrology, the DNR developed and has begun implementing a consistent, repeatable evaluation of hydrologic conditions that quantifies key changes and their potential impacts by watershed. In FY24/25, DNR hydrologists and clean water specialists will interpret and communicate the results of these evaluations for at least 30 of the 47 watersheds assessed, in context with stream survey findings and connectivity information such as culvert data and fish passage barrier analyses. We will synthesize and convey this information in fact sheets and posters to help local water managers set water storage goals and identify effective strategies to reduce significant known or potential impacts of hydrologic change. We will continue to complete about 30 to 40 new stream geomorphology surveys each year and facilitate public access to years of survey results on a new website, along with ongoing access to a wealth of other data via the existing Watershed Health Assessment Framework online tool.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Nonpoint Source Restoration and Protection Activities

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	1,600	1,600	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,600	1,600	0	0
FTEs	9.0	9.0	0	0

Recommendation:

The Governor recommends \$1.6 million annually in FY24 and FY25 from the Clean Water Fund to support local planning and implementation efforts, including One Watershed, One Plan, and technical assistance with clean water implementation projects to protect and improve water quality.

This funding will support the Minnesota Department of Natural Resources' (DNR's) efforts in contributing to a long-term partnership between Minnesota's executive branch water agencies and local governments to fix and prevent water quality problems.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state's growth and development. Good information about the quality and quantity of the water in Minnesota's lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota's water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments work together to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$1.6 million annually in FY24 and FY25 for the DNR to provide unique technical expertise in support of local planning and implementation efforts, including One Watershed, One Plan, and clean water implementation projects to protect and improve water quality. This proposal is part of a long-term, collaborative effort that will lead to cleaner water through targeted implementation projects and programs. The DNR directly supports local planning and implementation work for clean water. This includes extensive support to One Watershed, One Plan efforts, technical assistance with implementation projects, and working with local communities to implement new model shoreland ordinances with higher standards for water quality. It also

includes work to assist permit applicants in the design of culvert systems at stream crossings to be more resilient to flooding and climate change impacts. DNR staff provide technical assistance on approximately 80 stream restoration or dam removal/improvement projects per year ranging from the identification of project sites to design assistance and construction oversight.

Impact on Children and Families:

Local governments will be able to make smart decisions and implement projects that help Minnesota achieve cleaner water for drinking, swimming and fishing. Water quality impairments have direct and indirect effects on public health, recreation and Minnesota’s economy, all of which are essential to making Minnesota the best place for families and children. Clean water is especially important for children because ingesting toxins is more harmful to children than adults. The DNR’s efforts to support effective planning and implementation of projects helps to achieve better water quality outcomes for all Minnesotans.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will help ensure and protect access to clean drinking water for all.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations practice subsistence fishing. Effective planning and implementation will help to protect and improve the health of Minnesota’s waters, including important areas for wild rice. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

Each year, DNR staff support the completion of around six to eight comprehensive watershed management plans developed under the One Watershed, One Plan program. We provide expertise and input to local water managers as they identify high-priority implementation projects. This helps to facilitate early DNR engagement in projects, well in advance of the formal planning and proposal process. DNR staff provide technical assistance on 60 to 90 actual, planned or proposed implementation projects each year, resulting in multi-benefit solutions that address the root causes of water quality problems and improve watershed health. DNR lake experts supply watershed partners with annual updates to key data used to prioritize lake protection. DNR collaborates with the Board of Soil and Water Resources and Soil and Water Conservation Districts to write forest stewardship plans covering several thousand acres. To date, over 315 plans covering more than 37,500 acres in high-priority watersheds relative to water quality, at least 20,000 acres of which were subsequently enrolled in a program that keeps the land wooded. At least 20 local governments (county, city, or township) have adopted a higher shoreland standard following their work with DNR technical experts since 2012. DNR staff present on various watershed science topics to hundreds of natural resource managers each year at local and statewide meetings and training events. All of these efforts will continue in FY24 and FY25.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Freshwater Mussel Restoration

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	300	300	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	300	300	0	0
FTEs	2	2	0	0

Recommendation:

The Governor recommends \$300,000 annually in FY24 and FY25 from the Clean Water Fund for accelerating production and restoration of native mussel species and placing them into their natural habitats. Native mussels are efficient natural filterers of water, including removal of sediment, nutrients and bacteria and they provide habitat for other aquatic species.

This funding will support the Minnesota Department of Natural Resources (DNR) efforts to contribute to a long-term partnership between Minnesota’s executive branch water agencies and local governments to fix and prevent water quality problems.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Freshwater mussels are nature's water filter and a key component of the ecological system. They remove bacteria and excess nutrients and provide habitat and food resources for other organisms. They have declined largely because of dams, other types of fish barriers and water quality degradation. Even when barriers are removed, many mussel species are no longer present in sufficient numbers to repopulate rivers and streams. This restoration program would alleviate this constraint by restoring mussels in sufficient numbers to become self-sustaining populations. Of the 50 native freshwater mussel species in MN, 61% are low in number, declining and their persistence is in jeopardy.

Proposal:

This proposal invests \$300,000 annually in FY24 and 25 to accelerate production and restoration of native mussel species and place them into their natural habitats. This proposal is part of a long-term, collaborative effort that will lead to cleaner water through targeted restoration of native mussel populations. The foundation of the larger collaborative effort is comprehensive assessments of water pollution within the state's 80 major surface watersheds and prioritized strategies to address these problems, including dam removals and culvert replacements.

The DNR has developed unique expertise to hatch and grow native freshwater mussels and to restore populations in Minnesota rivers. This proposal will accelerate production of six native mussel species and place them into their natural habitats in three different watersheds. Funding would support collection, rearing, distribution and monitoring costs.

Impact on Children and Families:

Water quality impairments have direct and indirect effects on public health, recreation and Minnesota's economy, all of which are essential to making Minnesota the best place for families and children. Clean water is especially important for children, because ingesting toxins is more harmful to children than adults. As part of a comprehensive approach to water management, this proposal helps to ensure and protect access to clean water, a critical resource for children and families.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will help ensure clean drinking water and enhance the ability of all Minnesotans to safely fish, swim and participate in other water recreation activities. It also helps to ensure and protect access to clean drinking water for all.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
 No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota's Tribal nations practice subsistence fishing. Restoring native mussels helps to protect and improve the health of Minnesota's waters. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

This proposal will reintroduce up to six species of mussels that were historically present in the targeted watersheds. Reestablishing the water cleansing and nutrient processing capacity that mussel populations provide will improve water quality and restore the biotic communities that mussels support and that fish and wildlife depend on while helping recover endangered and threatened species.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Modernize Minnesota’s Culvert System

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	1,000	1,000	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	1,000	1,000	0	0
FTEs	2	2	0	0

Recommendation:

The Governor recommends \$1.0 million annually in FY24 and FY25 from the Clean Water Fund to provide financial and technical assistance for counties and other local governments to modernize culvert systems to address climate resiliency, restore fish communities and reduce sediment loads.

This funding will support the Minnesota Department of Natural Resources’ (DNR’s) efforts in contributing to a long-term partnership of Minnesota’s executive branch water agencies and local governments to fix and prevent water quality problems.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal provides \$1.0 million annually in FY24 and FY25 to help modernize Minnesota’s culvert systems. This proposal is part of a long-term, collaborative effort that will lead to cleaner water through targeted implementation projects and programs.

Minnesota’s public roads intersect the state’s natural perennial flowing watercourses at approximately 65,000 locations. Many of the culverts at these locations are failing and require replacement. A culvert replacement and incentive program would provide financial and technical assistance for counties and other local governments to

modernize culvert systems to address climate resiliency, restore fish communities and reduce sediment loads (two major sources of impairment). This proposal will accelerate the adoption of alternative culvert designs that improve biological connectivity, channel stability, reduce flood stage and lower long-term maintenance costs. This proposal funds approximately 16 projects with a 25% cost share. Funds would need to be available until spent to allow for sufficient local planning and implementation.

Impact on Children and Families:

Water quality impairments and the loss of road infrastructure have direct and indirect effects on public health, recreation and Minnesota’s economy, all of which are essential to making Minnesota the best place for families and children. As part of a comprehensive approach to water management, this proposal helps to ensure and protect access to clean water, a critical resource for children and families.

Equity and Inclusion:

Clean water is important to all future generations of Minnesotans, who will benefit from the protection of surface waters that support healthy ecosystems, access to outdoor recreational opportunities and strong economies for all. Implementation of this change item will help protect the state’s road infrastructure and the ability of disparate groups to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations practice subsistence fishing. Restoring fish passage helps to protect and improve the health of Minnesota’s waters and the opportunities to harvest fish. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

DNR staff will collect necessary field data and work with county and local governments to develop modern designs for about 16 sites throughout the state. Properly sized infrastructure at river/road intersections provides floodplain connectivity, which improves local water stage, reduces velocities and reduces transport of sediment and associated nutrients. This decreases necessary maintenance and increases the operational lifespan of the infrastructure – even under more intense precipitation events as a result of climate change. Over time, more Minnesota counties and local governments will experience the benefits of modern designs and move to adopt these designs in future replacements.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Water Storage

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	500	500	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	500	500	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$500,000 annually in FY24 and FY25 from the Clean Water Fund to enhance water storage on state administered lands in southern Minnesota. This funding will support engineering design and construction expenses to contribute to a long-term partnership of Minnesota’s executive branch water agencies and local governments to fix and prevent water quality problems.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the Minnesota Department of Natural Resource (DNR) work on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Minnesota has experienced widespread changes in hydrology that affect water management and watershed health, including impacts to infrastructure, farmland, water quality, stream stability and aquatic habitat. Agencies and local governments rely on the DNR’s data and analysis and technical expertise to help prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

The DNR administers a large number of acres at 408 wildlife management areas (WMAs) across southern Minnesota. There are about 813 miles of altered natural watercourses on these WMAs. Many of them are potential candidates for restoration efforts that would enhance water storage, restore river functions, promote floodplain connectivity, improve water quality, provide improved fish and other aquatic species passage and provide greater resiliency to climate change. The DNR has identified pilot project sites to demonstrate these benefits in watersheds where water storage was identified as a strategy to improve water quality.

Proposal:

This proposal invests \$500,000 annually in FY24 and FY25 to design and implement projects in WMAs or other state administered lands that increase water storage, while also stabilizing streambanks in impaired watersheds where watershed restoration and protection strategies or One Watershed, One Plans have identified the need for water storage and water quality improvements. Initially, these funds will be used to design and construct water storage projects on state administered WMAs in southern Minnesota. The foundation of the effort is comprehensive assessments of water pollution and supply problems within the state’s 80 major watersheds and prioritized strategies to address these problems.

Impact on Children and Families:

Water quality impairments have direct and indirect effects on public health, recreation and Minnesota’s economy, all of which are essential to making Minnesota the best place for families and children. The DNR’s efforts to store water and improve water quality on state administered lands will achieve better water quality outcomes for all Minnesotans.

Equity and Inclusion:

Improving water quality through enhanced water storage on state lands will especially benefits those who live and recreate close to these projects as well as help to ensure and protect access to clean drinking water. The DNR’s efforts to support effective implementation of projects help to achieve better water quality outcomes for all Minnesotans.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations practice subsistence fishing and harvest wild rice; depending on location, water storage projects have the potential to help to protect and improve the health of Minnesota’s waters, including important areas for wild rice. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

The DNR will enhance water storage on state administered lands in watersheds where a water plan or watershed strategies identify the need for increased water storage. In the process, the DNR will use these opportunities to demonstrate the ability to improve channel stability and floodplain connectivity, improve water quality, fish and other aquatic species passage and provide greater resiliency to climate change.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – Applied Research and Tools

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	650	650	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	650	650	0	0
FTEs	0.5	0.5	0	0

Recommendation:

The Governor recommends \$650,000 annually in FY24 and FY25 from the Clean Water Fund for maintaining and updating high resolution elevation data, assessing relationships among disturbance patterns, best management practice applications and water quality in forested watersheds.

This funding will support the Minnesota Department of Natural Resources' (DNR's) participation in a long-term partnership of Minnesota's executive branch water agencies and local governments to fix and prevent water quality problems and prevent groundwater over-use.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state's growth and development. Good information about the quality and quantity of the water in Minnesota's lakes, rivers, streams and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota's water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$650,000 annually in FY24 and 25 for the DNR to provide unique technical expertise for maintaining and updating high resolution elevation data, assessing relationships among disturbance patterns, best management practice applications and water quality in forested watersheds. This work supports local planning and implementation efforts, including One Watershed, One Plan, and clean water implementation projects to protect and improve water quality. The DNR maintains and provides access to high resolution elevation data that is widely used for watershed modeling to aid targeting and designing on-the-ground water quality improvement and protection projects. In forested watersheds, we also monitor the implementation of forest management

guidelines and best management practices (BMPs) and assess relationships among BMPs, forest disturbance patterns and water quality. These efforts help Minnesota meet its forest certification goals.

Impact on Children and Families:

Local governments will be able to make smart decisions and implement projects that help Minnesota achieve cleaner water for drinking, swimming and fishing. Water quality impairments have direct and indirect effects on public health, recreation and Minnesota’s economy, all of which are essential to making Minnesota the best place for families and children. Clean water is especially important for children, because ingesting toxins is more harmful to children than adults. The DNR’s efforts to support effective planning and implementation of projects help to achieve better water quality outcomes for all Minnesotans.

Equity and Inclusion:

The water quality impairments this proposal will address, in some instances, disproportionately affect low-income groups and people of color. Implementation of this change item will help ensure clean drinking water for all and enhance the ability of all Minnesotans to safely fish, swim and participate in other water recreation activities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, Minnesota’s Tribal nations will benefit from having this updated elevation data and the best management practices developed as a result of this proposal. Effective planning and implementation will help to protect and improve the health of Minnesota’s waters, including important areas for wild rice. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)	300	300				
Total						
MNIT FTEs	2	2				
Agency FTEs						

Results:

The DNR maintains and hosts lidar (Light Detection and Ranging) elevation data online on the [MnTOPO website](#). Lidar data provides a fine-scale, detailed digital representation of the landscape. It is used to derive other data products including several that accurately show how water flows across the landscape. This extremely valuable dataset is used to identify and design implementation projects, reducing the need for field assessments and enhancing accuracy of the predicted effectiveness of those projects. In recent years, the DNR collaborated with the Board of Soil and Water Resources and others to develop a state standard for addressing “digital dams” in lidar data (apparent watercourse barriers in the raw data that do not exist in the real world), making the data more useful and accurate for watershed modeling and travel time analysis. The DNR also finished major updates to a much-utilized [travel time tool](#) and spearheaded the establishment of a new 3D Geomatics Committee of the Minnesota Geospatial Council to ensure broad interdisciplinary participation in identifying and promoting the need for planning, funding, acquisition and management of lidar and related products.

The DNR also annually monitors the implementation of forest management guidelines and BMPs at about 90 selected logging sites in Minnesota’s forested watersheds, with a focus on potential impacts to water resources. The DNR analyzes data on BMP implementation along with watershed characteristics (slope, soils, etc.) and disturbance patterns (logging, blowdown, fire, etc.) to identify risks to water quality and strategies to reduce these risks. The final step is outreach to forest landowners, managers and loggers aimed at mitigating these risks and ensuring full implementation of water quality BMPs. In FY21, the DNR completed intensive field monitoring on 92 timber harvest sites in seven targeted watersheds in northern and central Minnesota.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Clean Water Legacy – County Geologic Atlas

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
Clean Water Fund				
Expenditures	100	100	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	100	100	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends \$100,000 annually in FY24 and FY25 from the Clean Water Fund for working with the Minnesota Geological Survey (MGS) to accelerate and complete County Geologic Atlases that provide critical groundwater and geology information to local governments.

This funding will support the efforts of the Minnesota Department of Natural Resources (DNR) to contribute to a long-term partnership of Minnesota’s executive branch water agencies and local governments to support sustainable access to clean, safe drinking water.

Rationale/Background:

The management of water resources is one of the most challenging environmental issues facing Minnesota over the next 50 years, and it is a key economic driver for the state’s growth and development. Good information about the quality and quantity of the water in Minnesota’s lakes, rivers, streams, and groundwater is critical to ensure clean water for economic vitality, drinking water, recreation, ecological integrity, and fish and wildlife habitat. The Clean Water Fund, established under Article XI, Section 15 of the Minnesota Constitution, is one of the primary sources of funding for water quality.

The specific uses of the Clean Water Fund are treated as new initiatives each biennium. The Clean Water Council and the executive branch agencies agree that we need to fund long-term programs to address water quality and quantity problems. The Clean Water Fund supports the DNR working on data gathering and analysis, technical support for project implementation and tools to help local partners target water quality improvement efforts. The DNR partners with Minnesota’s water agencies and local governments to fix and prevent water quality problems and prevent groundwater overuse.

Agencies and local governments use Clean Water Fund resources to prevent waters from becoming impaired, restore impaired waters and protect long-term water supplies from overuse and contamination. The ultimate goal is that Minnesotans can enjoy swimming, fishing and drinking water without adverse health effects. The Clean Water Fund performance report describes the efforts agencies are using to improve water quality.

Proposal:

This proposal invests \$100,000 annually in FY24 and FY25 to help the DNR and the MGS acquire the data and information necessary to complete County Geologic Atlases. A geologic atlas provides essential information about the region’s geology and groundwater: location and depth of aquifers, direction of water flow, pollution sensitivity, connections to surface waters and other characteristics like natural quality and age of groundwater. This information is essential for local planning and environmental protection efforts. Water supply planning, source water protection and well sealing programs are examples of local programs that need geologic and

groundwater information. Other typical uses include providing information for permit applications, resource management, monitoring needs and emergency response to contaminant releases.

The DNR works with the MGS to develop County Geologic Atlases that convey geology and groundwater information and interpretations to government units at all levels, but particularly to local governments. The MGS focuses on geology (Part A reports) and the DNR focuses on groundwater (Part B reports). Atlases are developed in response to requests by counties, who contribute money and data to the development of Part A reports.

Clean Water funding is used to improve the quality of County Geologic Atlases by collecting additional subsurface geologic samples, expanding the number of sites sampled for water chemistry, starting the process of installing a research well to collect stratified groundwater data from multiple aquifers and purchasing and repairing equipment.

Impact on Children and Families:

Groundwater provides the drinking water for 75% of Minnesotans and supports Minnesota’s robust economy and natural resources. Water in sufficient supply and quality is essential to the health and quality of life of Minnesota’s children and families. The geologic and aquifer data collected with this funding provides public water suppliers with information to make smart decisions based on the most current understanding of aquifers to help ensure sustainable public water supply for today and tomorrow. Furthermore, many private domestic well users live in rural areas that may lack reliable water resources and are therefore vulnerable to the impacts of unsustainable water use. The proposal will help to ensure and protect their access to water, a critical resource for children and families.

Equity and Inclusion:

Access to safe drinking water is important to all future generations of Minnesotans. Many private domestic well users live in rural areas that may lack reliable water resources and are therefore vulnerable to the impacts of unsustainable water use. Implementation of this proposal will help to ensure and protect access to clean drinking water for all.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Though no Tribal government is expected to be directly affected by the proposal in a substantial way, many of Minnesota’s Tribal nations will benefit from the information as each of the geologic atlases are completed. The DNR has been holding meetings with interested tribal natural resources directors and tribal biologists to share and discuss our budget and policy proposals.

IT Costs

Not applicable

Results:

The DNR in partnership with the Minnesota Geological Survey is annually completing about 4 geologic atlases throughout the state (Figure 1).

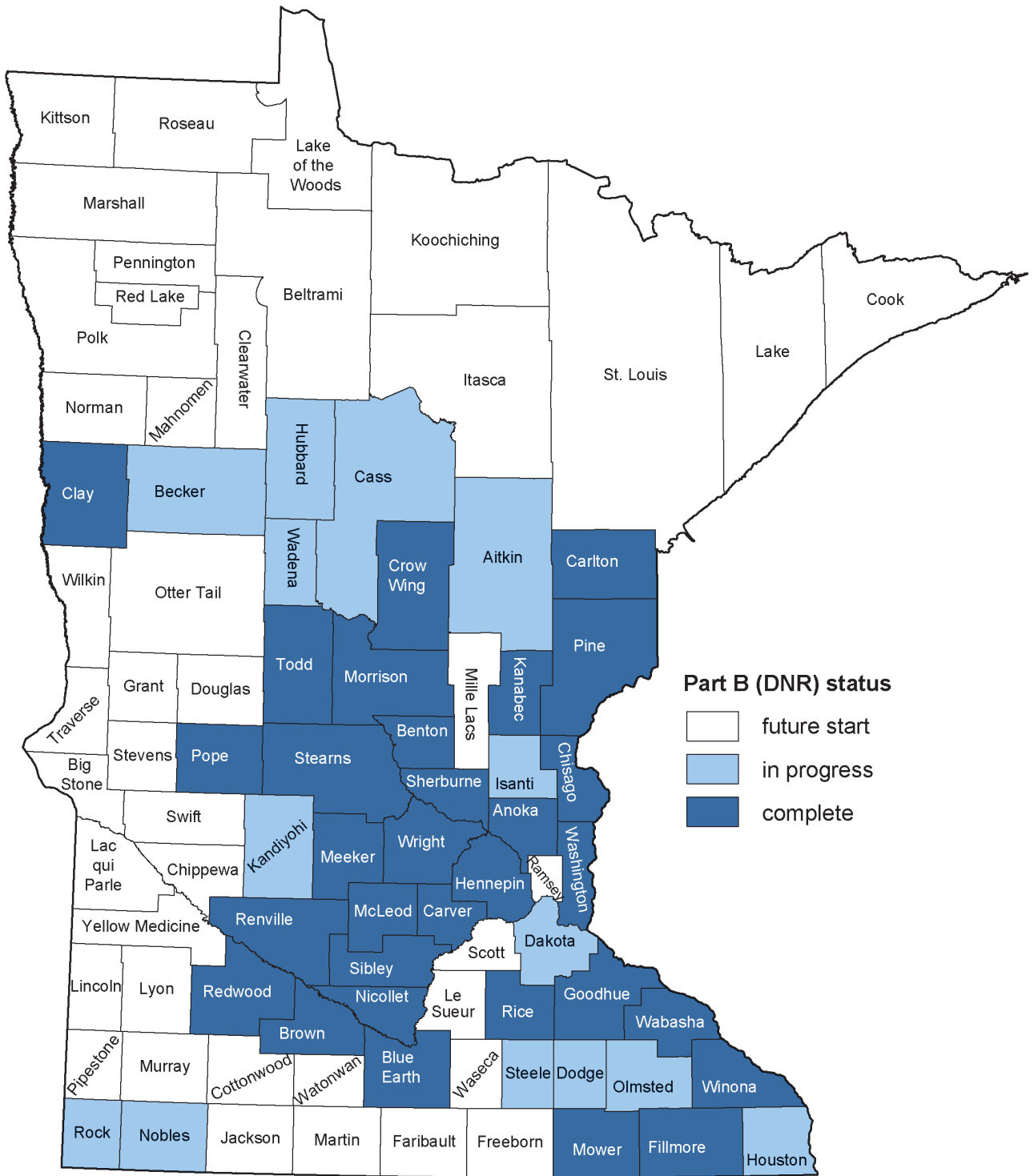


Figure 1. Statewide progress completing Part B of the County Geologic Atlases.

Statutory Change(s):

None

Department of Natural Resources

FY 2024-25 Biennial Budget Change Item

Change Item Title: Legalizing Adult-Use Cannabis

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Cannabis Management Office Expenditures	15,430	14,841	13,980	13,711
DEED Expenditures	10,400	6,700	0	0
Health Expenditures	8,115	8,115	8,115	8,115
Public Safety Expenditures	4,175	2,662	2,662	2,662
Revenue Expenditures	3,673	3,118	3,138	3,153
Human Services Expenditures	2,260	6,476	6,476	6,476
Cannabis Expungement Board Expenditures	921	844	844	844
Pollution Control Expenditures	607	496	70	70
Supreme Court Expenditures	545	545	0	0
Higher Education Expenditures	500	500	500	500
Agriculture Expenditures	411	411	338	338
Natural Resources Expenditures	338	0	0	0
Education Expenditures	180	120	120	120
Labor and Industry Expenditures	132	132	132	132
Commerce Expenditures	75	283	569	799
Corrections Expenditures	(177)	(345)	(407)	(458)
Tax Aids, Credits, and Refunds Revenues	5,800	31,000	79,300	130,800
Cannabis Management Office Revenues	1,996	3,330	4,000	6,000
State Government Special Revenue Fund				
Health Expenditures	(3,424)	(3,424)	(3,424)	(3,424)
Health Revenues	(7,411)	(10,879)	(12,973)	(19,223)
Trunk Highway Fund				
Public Safety Expenditures	5,608	1,668	1,668	1,668
Outdoor Heritage Fund				
Tax Aids, Credits, and Refunds Revenues	(3)	96	330	594
Arts and Cultural Heritage Fund				
Tax Aids, Credits, and Refunds Revenues	(2)	57	198	356
Clean Water Fund				
Tax Aids, Credits, and Refunds Revenues	(3)	96	330	594
Parks and Trails Fund				
Tax Aids, Credits, and Refunds Revenues	(1)	41	142	257
Net Fiscal Impact = (Expenditures – Revenues)	49,393	19,401	(36,546)	(84,672)
FTEs	92	98	104	104

Recommendation:

The Governor recommends funding for the safe and responsible legalization of cannabis for adults in Minnesota. A new Cannabis Management Office will be responsible for the implementation of the regulatory framework for adult-use cannabis, along with the medical cannabis program, and a program to regulate hemp and hemp-derived products. This recommendation also includes funding for grants to assist individuals entering the legal cannabis market, provides for expungement of non-violent offenses involving cannabis, and implements taxes on adult-use cannabis.

Rationale/Background:

Prohibiting the use of cannabis in Minnesota has not worked. Despite the current prohibition, marijuana is widely consumed across Minnesota. The most recent Minnesota Survey on Adult Substance Use conducted in 2014-2015 found that nearly half (44%) of Minnesota adults reported using marijuana at some point during their lives. The maturation of the market for hemp-derived cannabinoid products following the 2018 Farm Bill culminating in the 2022 legislation authorizing hemp-derived THC edible cannabinoids have created urgency for comprehensive regulation and reform at the state level.

Regulating cannabis for use by adults will replace the abundant illicit market with a tightly regulated system with controls similar to those currently accepted for the sale of alcohol. This proposal will allow for the monitoring and regulation of its cultivation, processing, transportation and sale, activities currently occurring to the profit of drug cartels and criminals and without consumer protection guardrails.

Importantly, this proposal will begin to address racial inequities our current system has created. Despite survey data suggesting that Black and white Minnesotans use cannabis at similar rates, in 2021 Black Minnesotans were over four times more likely than their white counterparts to be arrested for marijuana according to data from the Bureau of Criminal Apprehension.

Marijuana prohibition additionally leaves potential tax revenue uncollected and furthers an opportunity for economic growth in the underground market. This proposal will bolster amounts available the General Fund for policymakers to prioritize while grant programs administered by DEED and the Office of Cannabis Management will further ensure Minnesotan entrepreneurs have the best opportunity to become the new adult-use market.

Finally, this approach is now well-tested across the country. Nineteen states and the District of Columbia have passed laws to legalize and regulate cannabis for adults. In Colorado, the first state to adopt this approach, legal sales began in January 2014 so there is now nearly a decade of implementation experience in other states to help craft this proposal for Minnesota.

Proposal:

This proposal creates a new agency, the Cannabis Management Office, which would be responsible for the implementation of a new regulatory framework for adult-use cannabis. The Office of Medical Cannabis will also move from the Department of Health to join this new agency. The office will be headed by a director appointed by the Governor and receive advice from a Cannabis Advisory Council with representatives from experts, local governments, the cannabis industry and relevant state agencies. The core duties of the office will include:

- to develop, maintain, and enforce an organized system of regulation for the lawful cannabis industry
- to establish programming, services, and notification to protect, maintain, and improve the health of citizens.
- to prevent unauthorized access to cannabis by individuals under 21 years of age.
- to establish and regularly update standards for product testing, packaging, and labeling.
- to promote economic growth with an emphasis on growth in areas that experienced a disproportionate, negative impact from cannabis prohibition.
- to issue and renew licenses.
- to impose and collect civil and administrative penalties.
- to authorize research and studies on cannabis, cannabis products, and the cannabis industry.

Adult-use cannabis will be subject to a new 15% gross receipts tax and state sales tax with retail sales beginning January 1, 2025. A new 15% gross receipts tax would also be imposed on the retail sale of edible cannabinoid products with retail sales beginning October 1, 2023.

The proposal authorizes three grant programs to support the establishment of cannabis businesses in Minnesota. Cannabis grower grants administered by the Office of Cannabis Management will provide farmers with assistance navigating the new industry and regulations along with subsidized loans for expanding into legal cannabis.

Administered by the Department of Employment and Economic Development industry navigation grants and industry training grants will assist individuals in setting up a legal cannabis business through technical assistance and navigation services while providing grants to organizations and individuals for training on cannabis jobs.

The proposal provides for automatic sealing of dismissals, exonerations, convictions, or stayed sentences of petty misdemeanor and misdemeanor marijuana offenses by the Bureau of Criminal Apprehension, which will provide notice of the expungement to local law enforcement agencies as well as the Judicial Branch for compliance purposes. It also provides for the establishment of a Cannabis Expungement Board to review other cannabis convictions to consider eligibility for expungement or resentencing.

The proposal authorizes the Governor to enter into compacts with Minnesota Tribal governments on issues related to medical cannabis and adult-use cannabis.

The proposal finally provides significant resources to address substance use disorders. The proposal includes initial funding for grants directed by the advice of a Substance Use Disorder Advisory Council convened by the Department of Human Services. Five percent of the revenue from the cannabis gross receipts tax would flow into this fund to support these grants into the future.

Appropriations necessary for its implementation include:

- \$30,271,000 in FY2024/2025 and \$27,691,000 in FY2026/2027 to establish and begin operations of a new Cannabis Management Office responsible for the implementation of the new regulatory framework.
- \$822,000 in FY2024/2025 and \$ 676,000 in FY2026/2027 to the Department of Agriculture for food safety and pesticide enforcement lab testing and rulemaking related to changes in cannabis laws.
- \$1,765,000 in FY2024/2025 and \$1,688,000 in FY2026/2027 for a newly created Cannabis Expungement Board for staffing and other expenses related to reviewing criminal convictions and issuing decisions related to expungement and resentencing.
- \$358,000 in FY2024/2025 and \$1,368,000 in FY2026/2027 for the Department of Commerce for staffing and other expenses to complete scale, and packaging inspections.
- A reduction of \$522,000 in FY2024/2025 and \$865,000 in FY2026/2027 to the Department of Corrections' base budget to account for an expected reduction in marijuana-related incarcerations.
- \$300,000 in FY2024/2025 and \$240,000 in FY2026/2027 for the Department of Education to support schools and districts in accessing resources on cannabis use and substance use.
- \$17,100,000 in FY2024/2025 for the Department of Employment and Economic Development for cannabis industry navigator and startup grants.
- \$16,230,000 in FY2024/2025 and \$16,230,000 in FY2026/2027 for the Department of Health for education of women who are pregnant, breastfeeding, or who may become pregnant; data collection and reports; and youth education.
- \$8,736,000 in FY2024/2025 and \$12,952,000 in FY2026/2027 for the Department of Human Services to implement the substance use disorder treatment and prevention grant program and process background studies relevant to the work of the Cannabis Expungement Board.
- \$264,000 in FY2024/2025 and \$264,000 in FY2026/2027 for the Department of Labor and Industry to identify occupational competency standards and provide technical assistance for developing dual-training programs.
- \$338,000 in FY2024/2025 for the Department of Natural Resources for training of DNR Conservation Officers relating to the new cannabis regulatory system and requirements, recognition of impairment, and for the enforcement of the purposed environmental standards adopted by the Cannabis Management Office.
- \$1,000,000 in FY2024/2025 and \$1,000,000 in FY2026/2027 for the Office of Higher Education for Dual Training Competency Grants to employers in the legal cannabis industry.

- \$1,103,000 in FY2024/2025 and \$140,000 in FY2026/2027 for the Pollution Control Agency for rulemaking to establish of water, energy, odor, and solid waste environmental standards for cannabis businesses and provide technical assistance for small businesses.
- \$6,837,000 in FY2024/2025 and \$5,324,000 in FY2026/2027 for the Department of Public Safety Bureau of Criminal Apprehension for identifying and sealing records, forensic science services, and investigations.
- \$7,276,000 in FY2024/2025 and \$3,336,000 in FY2026/2027 for the Department of Public Safety Minnesota State Patrol from the Trunk Highway Fund for additional Drug Recognition Expert (DRE) troopers, crash reconstruction specialist troopers, and replacement drug detection canines.
- \$6,791,000 in FY2024/2025 and \$6,291,000 in FY2026/2027 for the Department of Revenue to collect and administer the tax requirements.

Impact on Children and Families:

The current widespread underground market for marijuana provides no controls against the sale and access to children. This proposal provides age restrictions to prevent the sale of cannabis to those under 21. Additionally, the biannual Healthy Kids Colorado Survey found no increase in the use of marijuana from 2011 to 2015 in the period where legal sales initiated in the state, a finding that has been consistent in Washington, Oregon, Alaska, California, Massachusetts, Maine, and Nevada. The proposal additionally provides funding for MDH to conduct a long-term, coordinated education program to raise public awareness about and address adverse health effects associated with the use of cannabis or cannabis products by persons under age 21.

Equity and Inclusion:

This proposal seeks to begin to address the inequities the current system of marijuana prohibition has created, beginning with the expungement of nonviolent marijuana offenses. A Division of Social Equity at the Office of Cannabis Management will work to further promote the consideration of equity and inclusion in the development and implementation of cannabis regulatory systems. The proposal additionally requires the prioritization of social equity applicants in cannabis license selection along with the cannabis grower and industry training and navigation grant programs.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

- Yes
- No

Minnesota tribal governments, in particular the Red Lake Nation and the White Earth Nation, have raised significant concerns about the current interactions between their medical cannabis programs and current restrictions in statute. This proposal will provide broad authority for the Governor or designated representatives to negotiate compacts with an American Indian tribe regulating cannabis and cannabis products including medical cannabis.

Results:

The proposal requires Department of Health to engage in research and data collection activities to measure the prevalence of cannabis use and the use of cannabis products in the state by persons under age 21 and persons age 21 or older.

Statutory Change(s):

13.411, by adding a subdivision; 13.871, by adding a subdivision; 152.02, subdivisions 2, 4; 152.022, subdivisions 1, 2; 152.023, subdivisions 1, 2; 152.024, subdivision 1; 152.025, subdivisions 1, 2; 181.938, subdivision 2; 181.950, subdivisions 2, 4, 5, 8, 13, by adding a subdivision; 181.951, by adding subdivisions; 181.952, by adding a subdivision; 181.953; 181.954; 181.955; 181.957, subdivision 1; 244.05, subdivision 2; 256.01, subdivision 18c;

256D.024, subdivision 1; 256J.26, subdivision 1; 273.13, subdivision 24; 275.025, subdivision 2; 290.0132, subdivision 29; 290.0134, subdivision 19; 297A.67, subdivisions 2, 7; 297A.99, by adding a subdivision; 297D.01, subdivision 2; 297D.04; 297D.06; 297D.07; 297D.08; 297D.085; 297D.09, subdivision 1a; 297D.10; 297D.11; 609.135, subdivision 1; 609.531, subdivision 1; 609.5311, subdivision 1; 609.5314, subdivision 1; 609.5316, subdivision 2; 609.5317, subdivision 1; 609A.01; 609A.03, subdivisions 5, 9; 624.712, by adding subdivisions; 624.713, subdivision 1; 624.714, subdivision 6; 624.7142, subdivision 1; 624.7151; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 28A; 34A; 116J; 116L; 120B; 144; 152; 289A; 295; 604; 609A; 624; proposing coding for new law as Minnesota Statutes, chapter 342; repealing Minnesota Statutes 2020, sections 152.027, subdivisions 3, 4; 152.21; 152.22, subdivisions 1, 2, 3, 4, 5, 5a, 5b, 6, 7, 8, 9, 10, 11, 12, 13, 14; 152.23; 152.24; 152.25, subdivisions 1, 1a, 1b, 1c, 2, 3, 4; 152.26; 152.261; 152.27, subdivisions 1, 2, 3, 4, 5, 6, 7; 152.28, subdivisions 1, 2, 3; 152.29, subdivisions 1, 2, 3, 3a, 4; 152.30; 152.31; 152.32, subdivisions 1, 2, 3; 152.33, subdivisions 1, 1a, 2, 3, 4, 5, 6; 152.34; 152.35; 152.36, subdivisions 1, 1a, 2, 3, 4, 5; 152.37; 297D.01, subdivision 1; Minnesota Rules, parts 4770.0100; 4770.0200; 4770.0300; 4770.0400; 4770.0500; 4770.0600; 4770.0800; 4770.0900; 4770.1000; 4770.1100; 4770.1200; 4770.1300; 4770.1400; 4770.1460; 4770.1500; 4770.1600; 4770.1700; 4770.1800; 4770.1900; 4770.2000; 4770.2100; 4770.2200; 4770.2300; 4770.2400; 4770.2700; 4770.2800; 4770.4000; 4770.4002; 4770.4003; 4770.4004; 4770.4005; 4770.4007; 4770.4008; 4770.4009; 4770.4010; 4770.4012; 4770.4013; 4770.4014; 4770.4015; 4770.4016; 4770.4017; 4770.4018; 4770.4030.

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

AT A GLANCE

- Manage permits to mine, including inspections, amendments, reclamation and financial assurance
- Collect revenue from state-owned mineral resources
- Manage 12 million acres of state-owned mineral rights, including 3.5 million acres of school trust mineral assets
- Calculate in lieu of tax payments of approximately \$36 million for distribution to local governments annually
- Manage real estate activities for 5.6 million acres of state-owned land, including 2.5 million acres of School Trust Lands
- Improve recreation opportunities and natural resource conservation efforts through acquisitions of land and interests in land

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) ensures that mining is designed to protect natural resources and sites are properly reclaimed for future use once mining is complete. The mineland reclamation activity promotes a healthy environment with sustainable use of natural resources and contributes to a strong natural resource-based economy.

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

The DNR's land management responsibilities within the Division of Lands and Minerals include oversight of School and University Trust Lands, which generate revenue by leasing state surface lands and mineral rights. These funds go to school districts throughout the state and the University of Minnesota and its students. In addition, the DNR manages minerals on tax-forfeited land, providing revenue to local school districts, counties, cities and townships.

SERVICES PROVIDED

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

Mine Permitting and Reclamation

- Administer permits to mine that are required before metallic mineral mining operations may start on any land, ensuring that these permits include conditions to protect the environment, preserve natural resources, provide for financial assurance, govern mine reclamation and plan for future use of the land
- Administer water appropriation permits and work in public water permits needed for metallic minerals mining and peat mining, ensuring that these permits include conditions to allow reasonable use and protect the state's water resources
- Utilize tools to increase transparency and public participation in complex mining projects to give the public enhanced access to information, provide timely updates and receive public comments
- Ensure permit compliance by inspecting mining operations, monitoring ongoing operations and conducting reclamation, water use and environmental protection activities

- Conduct environmental research to better understand potential water quality and other mining impacts and to evaluate new ways to reduce impacts

Minerals Management

- Gather mineral resource information to encourage further exploration and investment
- Maintain the state drill core library of past exploration and drillings that provide access to geological information for mineral exploration companies, academic researchers and other interested parties
- Map the location of sand and gravel to identify future resources and aid in local planning
- Issue state mineral leases through public sales and negotiations that cover all aspects of potential mineral development, from the earliest exploration to active mining once all other regulatory approvals have been obtained
- Review all exploration plans to ensure environmental protection criteria are met and conduct field inspections of the exploration activity on state and private lands when exploration companies propose to search for valuable deposits of copper, nickel, platinum, palladium and other precious metals on state lands
- Monitor the terms and conditions of state mineral leases, including performance requirements
- Monitor iron ore being removed from state lands to verify volumes, collect royalties due and distribute revenues to the School Trust, University Trust, and local communities
- Evaluate the role of Minnesota minerals in a green economy, including green steel, critical minerals, metals needed for electrification and carbon sequestration

Real Estate Management

- Evaluate the state's land holdings and looks for ways to improve habitat, conservation and recreation through Strategic Land Asset Management
- Acquire land through purchase and donation for outdoor recreation and natural resource protection
- Sell lands on behalf of the Permanent School Fund or to divest of other land that does not meet the DNR's strategic priorities
- Exchange land with other units of government or private parties to consolidate landholdings or to obtain land better suited for the DNR's land management objectives, subject to final approval by the Land Exchange Board
- Manage license applications for utilities to cross state lands and waters
- Review applications for road easements for crossing state land and water
- Manage leases for hunting cabins, boathouses, communication towers, agriculture, access to private property and other purposes
- Coordinate DNR's review and approval of proposed county sales of certain tax forfeited land
- Conduct surveys to address boundary issues prior to an acquisition to accurately post the boundaries for existing outdoor recreation units and before extensive development, such as a water access site or campground
- Monitor conservation easements and enforce the terms and conditions of the easements
- Collaborate with counties to develop land record data and calculate annual payments in lieu of taxes

RESULTS

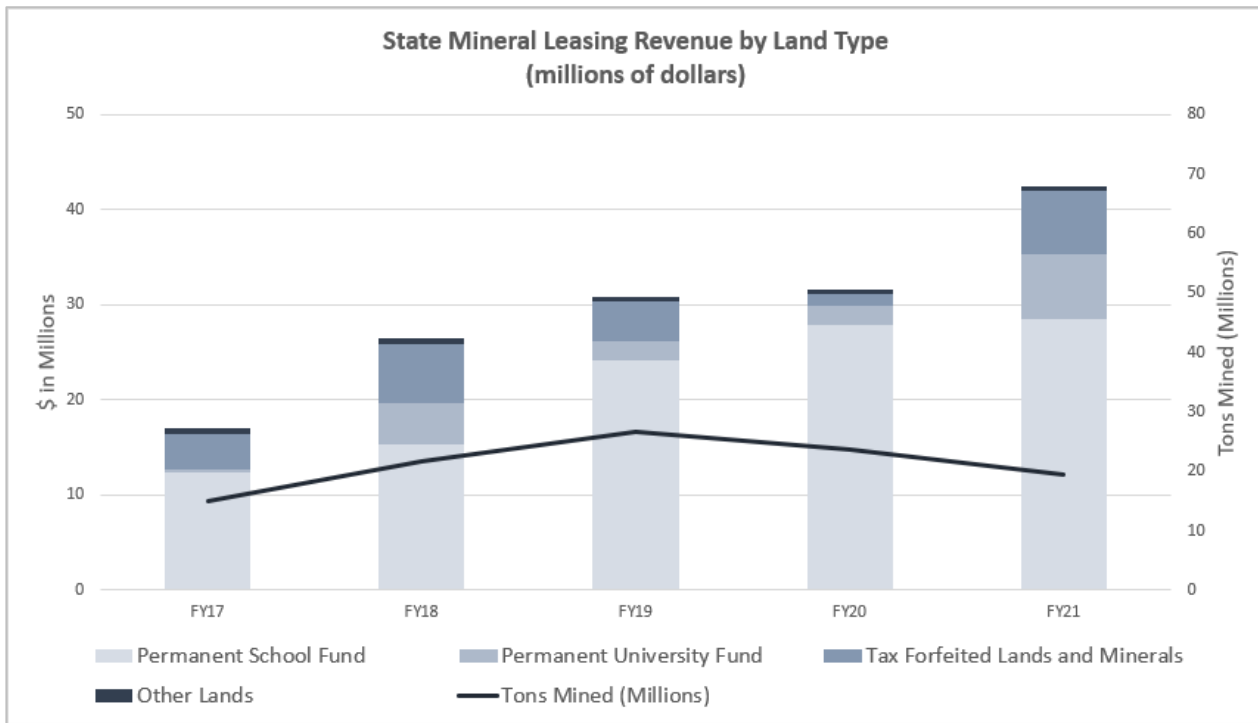
Results Performance Measure: Mineland Reclamation

Currently, there are 27 permits to mine covering almost 150,000 acres. Approximately 500 acres of previously mined taconite lands are reclaimed each year. These lands are now ready to support future, non-mining uses.

Quantity Performance Measure: Minerals Management – Annual Mineral Leasing Revenue

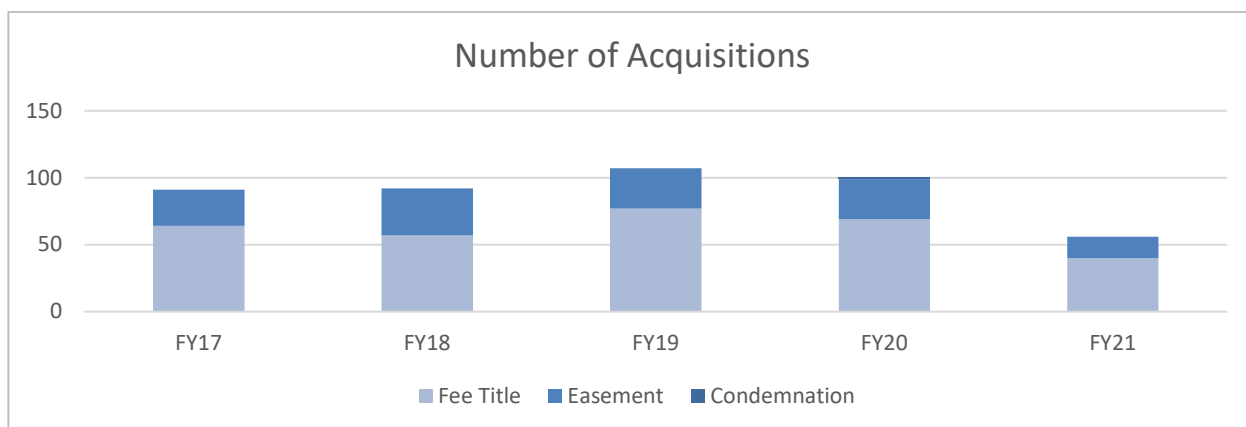
Mineral lease revenue fluctuates based on iron mining and steel production and closely tracks economic conditions and global markets. As the graph below illustrates, the total tonnage of state ore mined is not the sole

factor in determining revenue. Long-term lease agreements are designed to adjust rates to fluctuating commodity values for iron ore and steel. Fiscal Year 2021 generated above average revenue for the trusts, despite a decline in the tonnage of ore mined. This high revenue is due to a 13 million dollar royalty payment from Mesabi Metallics and strong prices for ore, which are reflected in royalty payments.



Quantity Performance Measure: Real Estate Management

The DNR improves recreation opportunities and conservation efforts through real estate management of public land. The DNR negotiates land acquisitions and increases access to public land to help connect people to the outdoors. The graph below shows the number of fee title and easement acquisitions from Fiscal Year 2017 through Fiscal Year 2021. The number of acquisitions declined significantly in 2021 due to workflow and logistical issues related to the COVID-19 pandemic. Many real estate projects were paused or delayed but remain in the pipeline. DNR expects that numbers will rebound in 2022.



The legal authority for the Division of Lands and Minerals Program come from Minnesota Statutes: [84 \(https://www.revisor.mn.gov/statutes/?id=84\)](https://www.revisor.mn.gov/statutes/?id=84)

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

Lands and Minerals

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	1,521	2,190	1,674	3,223	1,932	1,932	4,860	4,593
2000 - Restrict Misc Special Revenue	4,666	4,973	4,102	3,761	3,394	2,957	3,394	2,957
2001 - Other Misc Special Revenue	5,074	4,885	5,611	7,608	6,703	6,613	6,703	6,613
2050 - Environment & Natural Resources	127	181	204	688				
2100 - Water Recreation	37	83	60	60	60	60	160	160
2101 - Snowmobile	13	13	13	13	13	13	13	13
2113 - Forest Management Investment	343	345	344	344	344	344	344	344
2114 - Mineral Management	2,931	3,584	2,993	3,572	3,283	3,283	3,583	3,583
2115 - Mining Administration Account	971	610	1,021	817	817	817	817	817
2117 - Natural Resource Misc Statutory	558	467	569	388	388	388	1,118	1,178
2120 - Water Management Account	328	341	265	411	338	338	338	338
2200 - Game and Fish (Operations)	339	349	344	344	344	344	344	344
2300 - Outdoor Heritage				25				
2403 - Gift	0	0	0	3				
3800 - Permanent School	168	267	94	398	229	229	229	229
Total	17,076	18,288	17,294	21,655	17,845	17,318	21,903	21,169
Biennial Change				3,586		(3,786)		4,123
Biennial % Change				10		(10)		11
Governor's Change from Base								7,909
Governor's % Change from Base								22
<u>Expenditures by Category</u>								
Compensation	8,717	9,101	9,204	9,939	8,992	8,902	11,685	12,198
Operating Expenses	8,328	8,974	7,753	11,437	8,740	8,303	10,088	8,841
Grants, Aids and Subsidies		81	63	31	31	31	31	31
Capital Outlay-Real Property	6	69	257	247	81	81	98	98
Other Financial Transaction	25	63	16	1	1	1	1	1
Total	17,076	18,288	17,294	21,655	17,845	17,318	21,903	21,169
Total Agency Expenditures	17,076	18,288	17,294	21,655	17,845	17,318	21,903	21,169
Internal Billing Expenditures	3,646	3,641	3,709	3,653	3,556	3,556	3,556	3,556
Expenditures Less Internal Billing	13,430	14,646	13,585	18,002	14,289	13,762	18,347	17,613

Lands and Minerals

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<u>Full-Time Equivalents</u>	83.21	82.29	80.71	80.05	72.18	70.70	90.60	90.72

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	29	333	29	291				
Direct Appropriation	1,825	1,846	1,874	2,901	1,901	1,901	4,829	4,562
Open Appropriation	873	1,030	949	914	868	895	868	895
Transfers Out	873	991	886	883	837	864	837	864
Balance Forward Out	333	29	291					
Expenditures	1,521	2,190	1,674	3,223	1,932	1,932	4,860	4,593
Biennial Change in Expenditures				1,187		(1,033)		4,556
Biennial % Change in Expenditures				32		(21)		93
Governor's Change from Base								5,589
Governor's % Change from Base								145
Full-Time Equivalents	10.83	10.03	10.47	13.66	9.24	8.98	18.67	19.58

2000 - Restrict Misc Special Revenue

Balance Forward In	13,813	11,401	17,420	14,226	12,536	12,510	12,536	12,510
Receipts	3,229	11,467	5,061	2,135	3,270	2,398	3,270	2,398
Internal Billing Receipts		1						
Transfers In	2,377	2,341	2,889	1,962	1,347	1,087	1,347	1,087
Transfers Out	3,534	2,815	7,042	2,026	1,249	1,139	1,249	1,139
Balance Forward Out	11,219	17,420	14,226	12,536	12,510	11,899	12,510	11,899
Expenditures	4,666	4,973	4,102	3,761	3,394	2,957	3,394	2,957
Biennial Change in Expenditures				(1,776)		(1,512)		(1,512)
Biennial % Change in Expenditures				(18)		(19)		(19)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.65	3.23	3.67	3.67	3.67	3.67	3.67	3.67

2001 - Other Misc Special Revenue

Balance Forward In	2,245	2,863	3,245	2,315	2,247	1,936	2,247	1,936
Receipts	5,429	5,157	5,182	7,540	6,392	6,392	6,392	6,392
Internal Billing Receipts	4,845	4,987	4,597	6,045	6,045	6,045	6,045	6,045
Transfers In	258	100	354					
Transfers Out			854					
Balance Forward Out	2,858	3,234	2,316	2,247	1,936	1,715	1,936	1,715

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	5,074	4,885	5,611	7,608	6,703	6,613	6,703	6,613
Biennial Change in Expenditures				3,260		97		97
Biennial % Change in Expenditures				33		1		1
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	35.06	34.12	34.62	32.06	31.34	30.54	31.34	30.54

2050 - Environment & Natural Resources

Balance Forward In		573	392	188				
Direct Appropriation	700			500	0	0	0	0
Balance Forward Out	573	392	188					
Expenditures	127	181	204	688				
Biennial Change in Expenditures				584		(892)		(892)
Biennial % Change in Expenditures				189		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	1.32	1.86	2.05	2.05				

2100 - Water Recreation

Balance Forward In		23						
Direct Appropriation	60	60	60	60	60	60	160	160
Balance Forward Out	23							
Expenditures	37	83	60	60	60	60	160	160
Biennial Change in Expenditures				0		0		200
Biennial % Change in Expenditures				0		0		167
Governor's Change from Base								200
Governor's % Change from Base								167
Full-Time Equivalents	0.23	0.50	0.50	0.50	0.50	0.50	1.50	1.50

2101 - Snowmobile

Balance Forward In	0	0						
Direct Appropriation	13	13	13	13	13	13	13	13
Expenditures	13	13	13	13	13	13	13	13

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2113 - Forest Management Investment

Balance Forward In		1						
Direct Appropriation	344	344	344	344	344	344	344	344
Balance Forward Out	1							
Expenditures	343	345	344	344	344	344	344	344
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2114 - Mineral Management

Balance Forward In		301		289				
Direct Appropriation	3,232	3,283	3,283	3,283	3,283	3,283	3,583	3,583
Open Appropriation	3,424	4,130	6,418	2,176	1,087	125	1,087	125
Transfers Out	3,424	4,130	6,418	2,176	1,087	125	1,087	125
Cancellations		0						
Balance Forward Out	301		290					
Expenditures	2,931	3,584	2,993	3,572	3,283	3,283	3,583	3,583
Biennial Change in Expenditures				50		1		601
Biennial % Change in Expenditures				1		0		9
Governor's Change from Base								600
Governor's % Change from Base								9
Full-Time Equivalents	18.39	18.75	16.84	15.55	14.87	14.45	16.86	16.87

2115 - Mining Administration Account

Balance Forward In	1,564	1,269	1,212	1,139	939	739	939	739
Receipts	677	553	948	617	617	617	617	617
Balance Forward Out	1,269	1,212	1,139	939	739	539	739	539

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	971	610	1,021	817	817	817	817	817
Biennial Change in Expenditures				257		(204)		(204)
Biennial % Change in Expenditures				16		(11)		(11)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	6.83	6.66	6.54	6.54	6.54	6.54	6.54	6.54

2117 - Natural Resource Misc Statutory

Balance Forward In	593	231	822	583	476	369	476	369
Receipts	195	1,057	330	281	281	281	1,011	1,071
Internal Billing Receipts		41	56	39	39	39	39	39
Balance Forward Out	230	821	583	476	369	262	369	262
Expenditures	558	467	569	388	388	388	1,118	1,178
Biennial Change in Expenditures				(68)		(181)		1,339
Biennial % Change in Expenditures				(7)		(19)		140
Governor's Change from Base								1,520
Governor's % Change from Base								196
Full-Time Equivalents	4.19	4.24	3.62	3.62	3.62	3.62	9.62	9.62

2118 - Land Acquisition

Balance Forward In								2,147
Receipts							2,147	
Balance Forward Out							2,147	2,147

2120 - Water Management Account

Balance Forward In		3		73				
Direct Appropriation	331	338	338	338	338	338	338	338
Balance Forward Out		3		73				
Expenditures	328	341	265	411	338	338	338	338
Biennial Change in Expenditures				7		0		0
Biennial % Change in Expenditures				1		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.48	1.58	1.84	1.84	1.84	1.84	1.84	1.84

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
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2200 - Game and Fish (Operations)

Balance Forward In		5						
Direct Appropriation	344	344	344	344	344	344	344	344
Balance Forward Out	5							
Expenditures	339	349	344	344	344	344	344	344
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				0		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2300 - Outdoor Heritage

Balance Forward In	50	50		25				
Direct Appropriation			25					
Cancellations		50						
Balance Forward Out	50		25					
Expenditures				25				
Biennial Change in Expenditures				25		(25)		(25)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	28	28	28	28	25	25	25	25
Receipts	0	0	0					
Balance Forward Out	28	28	28	25	25	25	25	25
Expenditures	0	0	0	3				
Biennial Change in Expenditures				3		(3)		(3)
Biennial % Change in Expenditures				12,078		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

3800 - Permanent School

Lands and Minerals

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Balance Forward In	1,621	1,650	2,473	2,076	1,198	926	1,198	926
Receipts	24,028	25,388	36,532	18,070	12,114	12,070	12,114	12,070
Internal Billing Receipts	171	681	293	101	101	101	101	101
Transfers In	7,078	5,029	7,762	3,949	2,820	1,992	2,820	1,992
Transfers Out	1,182	1,186	2,121	1,344	1,003	855	1,003	855
Cancellations	29,729	28,142	42,475	21,155	13,974	13,102	13,974	13,102
Balance Forward Out	1,648	2,473	2,077	1,198	926	802	926	802
Expenditures	168	267	94	398	229	229	229	229
Biennial Change in Expenditures				57		(34)		(34)
Biennial % Change in Expenditures				13		(7)		(7)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.23	1.32	0.56	0.56	0.56	0.56	0.56	0.56

Program: Ecological and Water Resources**Activity: Ecological and Water Resources**<https://www.dnr.state.mn.us/eco/><https://www.dnr.state.mn.us/waters/>

AT A GLANCE

- Help manage our waters and protect public safety during flood events by monitoring water flow in 291 streams and rivers throughout Minnesota
- Help ensure sustainable growth and development while protecting public waters by reviewing and making decisions on 839 public waters permit applications (Fiscal Year 2022)
- Support drinking water, irrigation and ecosystem protection by monitoring groundwater levels in 1,214 wells
- Help communities and businesses grow in a water-smart way by developing County Geologic Atlases that profile groundwater resources for 32 counties
- Keep people safe and reduce property damage by supporting the removal of 100 buildings on average per year from flood plains
- Sustain rare native plant and animal populations, and provide places for people to enjoy them by managing over 192,000 acres of land in 168 Scientific and Natural Areas (SNAs)
- Restore and protect Minnesota's remaining native prairies by managing 14,925 acres in prairie easements
- Map more than 145,000 native plant communities covering over 4.6 million acres; survey over 11,000 native vegetation plots; record 11,803 sites of biodiversity significance covering more than 9.1 million acres; and maintain over 115,000 records of listed species observations since 1987
- Make significant contributions to scientific specimen collections, such as filing 52,000 Minnesota Biological Survey plant specimens to the Bell Museum Herbarium
- Help businesses and communities grow without damaging Minnesota's rare resources by surveying for rare native plants, animals and habitats throughout the state
- Prevent, monitor and manage terrestrial and aquatic invasive species that threaten Minnesota's natural resources and cause economic damage, including zebra mussels, Eurasian watermilfoil, invasive carp, common buckthorn, and emerald ash borer

PURPOSE AND CONTEXT

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

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

The DNR's customers include individuals, landowners, businesses, outdoor recreation enthusiasts, tribal nations, local governments, conservation groups and others who live in Minnesota and those who visit the state.

SERVICES PROVIDED

The DNR organizes our ecological and water resources work into three main service categories.

Conservation Assistance and Regulation Services

- Foster sustainable use of public groundwater and surface water resources
- Ensure development activities affecting public waters meet state standards and are sustainable
- Support local governments' management of shorelands and floodplains
- Ensure the safe operation of state-regulated dams
- Review potential environmental impacts of proposed projects and ensure the public has an opportunity to understand and comment on those projects

Ecosystem Management and Protection Services

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

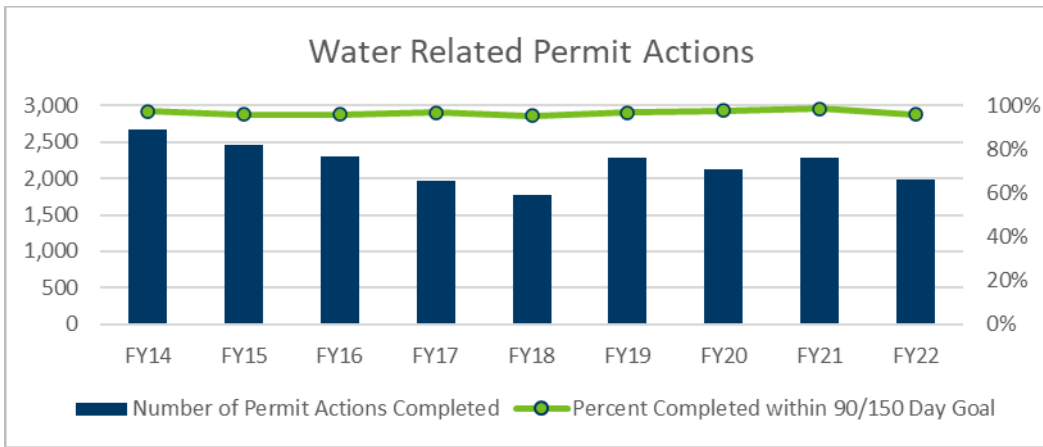
Inventory, Monitoring, and Analysis Services

- Collect and deliver data on groundwater resources, surface water resources, lake and stream habitats, watershed features and flood-warning gages
- Provide critical information to regulatory decision-makers so they can make effective and efficient decisions about development activities and projects
- Support access and use of DNR-collected resource data and information by state and local government agencies, conservation organizations and other interested individuals and organizations

RESULTS

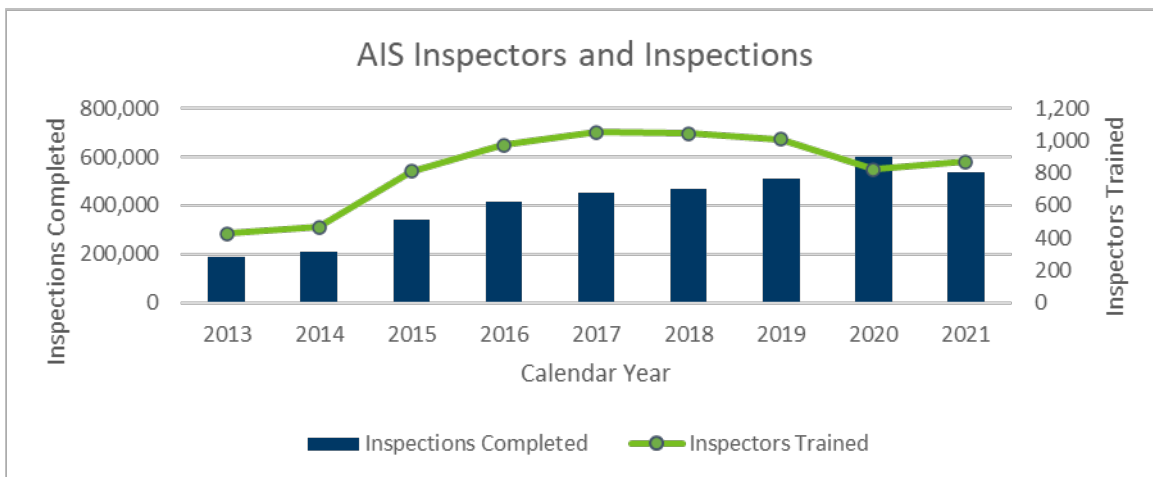
Quantity Performance Measure: Number of water-related permit actions (including both water appropriation and work in public waters) and percent acted on within 90 days or 150 days

As reflected in this graph, the number of water-related permit applications the DNR receives varies annually. Regardless of the application volume, the DNR seeks to review and act timely upon all applications, while recognizing that incomplete or more complex applications may take more time. General Permit Authorizations, which are simpler permitting situations, have a 90-day goal to reach a permitting decision. Individual Permits, which are more complex, have a 150-day goal to reach a permitting decision. The DNR makes the vast majority of its permit decisions well within these time goals.



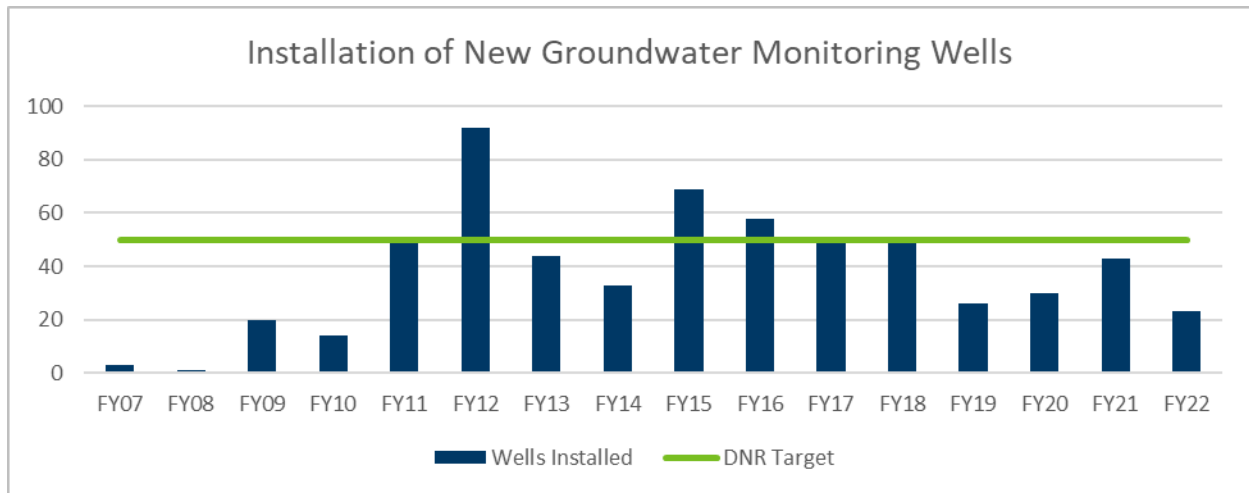
Results Performance Measure: Number of aquatic invasive species (AIS) inspectors trained, and number of AIS inspections completed

Since 2011, the DNR has partnered with local government units (LGUs) to provide watercraft inspection for AIS around the state. The number of local government partners with authorized inspectors has grown annually, with a large increase in 2015 after Minnesota counties started receiving AIS prevention aid from the Minnesota Department of Revenue. These important partnerships have substantially increased watercraft inspections around the state. Due to record high outdoor recreational numbers during the COVID-19 pandemic watercraft inspection numbers were highest in 2020. In 2021, DNR and authorized local inspectors completed 538,764 watercraft inspections, which makes Minnesota’s watercraft inspection program one of the largest in the nation. Our updated online training program for local government inspection staff trained 872 watercraft inspectors in 2021.



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

The DNR met its goal to install 50 new groundwater monitoring wells annually in six of the last twelve years. The number of new wells drilled each year is affected by total available funding and by the cost of each individual well. Individual well cost is largely determined by the depth and complexity of the installation. In Fiscal Years 2021 and 2022, fund availability and additional challenges posed by the COVID-19 pandemic limited the number of new monitoring wells installed. Information gathered from monitoring wells is critical for efforts to maintain the sustainability of Minnesota’s groundwater systems. This information allows DNR to make timely and informed permit decisions and to help local governments make important public water supply management decisions.



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

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

Ecological and Water Resources

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	17,610	19,459	18,758	22,310	19,516	19,516	39,594	25,838
2000 - Restrict Misc Special Revenue	111	149	203	100	100	100	100	100
2001 - Other Misc Special Revenue	8,243	8,178	10,393	8,498	8,307	8,307	8,307	8,307
2050 - Environment & Natural Resources	5,633	5,230	5,157	30,008				
2100 - Water Recreation	1,192	1,484	1,485	1,521	1,503	1,503	2,403	2,403
2112 - Invasive Species	3,950	3,451	3,672	4,772	4,222	4,222	5,397	5,422
2117 - Natural Resource Misc Statutory	147	121	379	868	285	285	285	285
2118 - Land Acquisition				3				
2120 - Water Management Account	4,983	4,955	4,997	6,118	5,556	5,556	6,056	6,056
2200 - Game and Fish (Operations)	2,671	2,791	2,603	3,029	2,816	2,816	2,816	2,816
2209 - Heritage Enhancement	2,537	2,831	2,535	2,881	2,708	2,708	2,908	2,908
2300 - Outdoor Heritage	7,916	3,633	2,959	20,785				
2302 - Clean Water	7,758	7,499	7,488	9,793			10,375	10,375
2400 - Endowment				2				
2401 - Reinvest In Minnesota-Gifts	1,620	2,051	2,670	4,350	4,150	4,050	4,300	4,200
2403 - Gift	9	2	0	65	65	65	65	65
2801 - Remediation	1,566	4,033	305	832	504	20,492	504	20,492
3000 - Federal	6,154	5,780	6,232	27,580	40,154	33,373	40,154	33,373
Total	72,101	71,646	69,838	143,515	89,886	102,993	123,264	122,640
Biennial Change				69,607		(20,474)		32,551
Biennial % Change				48		(10)		15
Governor's Change from Base								53,025
Governor's % Change from Base								27
<u>Expenditures by Category</u>								
Compensation	36,609	37,713	36,621	52,382	39,272	37,801	52,076	51,700
Operating Expenses	22,887	22,783	26,275	66,765	34,190	52,895	46,597	57,450
Grants, Aids and Subsidies	9,376	4,344	5,775	10,351	7,771	7,744	8,943	8,906
Capital Outlay-Real Property	2,465	6,345	1,074	13,893	8,629	4,529	15,624	4,560
Other Financial Transaction	765	461	93	124	24	24	24	24
Total	72,101	71,646	69,838	143,515	89,886	102,993	123,264	122,640

Ecological and Water Resources

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Total Agency Expenditures	72,101	71,646	69,838	143,515	89,886	102,993	123,264	122,640
Internal Billing Expenditures	17,637	16,400	19,068	18,810	15,680	15,680	15,680	15,680
Expenditures Less Internal Billing	54,463	55,246	50,771	124,705	74,206	87,313	107,584	106,960
<u>Full-Time Equivalents</u>	391.08	383.77	361.93	415.34	314.00	293.58	418.26	396.43

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	4	1,392	4	2,794				
Direct Appropriation	18,818	18,922	21,897	19,516	19,516	19,516	39,594	25,838
Transfers Out		506						
Cancellations	16	345	350					
Balance Forward Out	1,196	4	2,794					
Expenditures	17,610	19,459	18,758	22,310	19,516	19,516	39,594	25,838
Biennial Change in Expenditures				3,999		(2,036)		24,364
Biennial % Change in Expenditures				11		(5)		59
Governor's Change from Base								26,400
Governor's % Change from Base								68
Full-Time Equivalents	91.51	88.52	79.85	73.05	69.48	67.28	100.23	93.80

2000 - Restrict Misc Special Revenue

Balance Forward In	220	209	160	57	57	57	57	57
Transfers In	100	100	100	100	100	100	100	100
Balance Forward Out	209	160	57	57	57	57	57	57
Expenditures	111	149	203	100	100	100	100	100
Biennial Change in Expenditures				43		(103)		(103)
Biennial % Change in Expenditures				17		(34)		(34)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.85	1.19	1.90	1.90	1.90	1.90	1.90	1.90

2001 - Other Misc Special Revenue

Balance Forward In	6,717	7,411	10,808	9,584	8,142	7,270	8,142	7,270
Receipts	8,783	11,338	9,168	7,035	7,435	7,435	7,435	7,435
Internal Billing Receipts	6,115	6,273	6,371	5,728	5,728	5,728	5,728	5,728
Transfers In	174			21				
Transfers Out	180							
Balance Forward Out	7,252	10,571	9,583	8,142	7,270	6,398	7,270	6,398
Expenditures	8,243	8,178	10,393	8,498	8,307	8,307	8,307	8,307
Biennial Change in Expenditures				2,470		(2,277)		(2,277)
Biennial % Change in Expenditures				15		(12)		(12)

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	48.83	52.55	50.49	46.97	45.98	44.88	45.98	44.88

2050 - Environment & Natural Resources

Balance Forward In	11,465	15,590	18,449	21,432				
Direct Appropriation	9,084	7,774	10,126	8,576	0	0	0	0
Transfers Out		502	951					
Cancellations		4	1,036					
Balance Forward Out	14,915	17,629	21,431					
Expenditures	5,633	5,230	5,157	30,008				
Biennial Change in Expenditures				24,303		(35,165)		(35,165)
Biennial % Change in Expenditures				224		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	37.75	35.08	32.21	32.21				

2100 - Water Recreation

Balance Forward In		286		18				
Direct Appropriation	1,474	1,503	1,503	1,503	1,503	1,503	2,403	2,403
Transfers Out		200						
Cancellations		105						
Balance Forward Out	282		18					
Expenditures	1,192	1,484	1,485	1,521	1,503	1,503	2,403	2,403
Biennial Change in Expenditures				331		0		1,800
Biennial % Change in Expenditures				12		(0)		60
Governor's Change from Base								1,800
Governor's % Change from Base								60
Full-Time Equivalents	8.04	8.42	7.89	7.89	7.89	7.89	14.55	14.70

2111 - Nongame

Direct Appropriation	971	985	1,300	1,000	1,000	1,000	1,150	1,150
Transfers Out	971	985	1,300	1,000	1,000	1,000	1,150	1,150

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
2112 - Invasive Species								
Balance Forward In		306		550				
Direct Appropriation	4,173	4,222	4,222	4,222	4,222	4,222	5,397	5,422
Cancellations		1,077						
Balance Forward Out	223		550					
Expenditures	3,950	3,451	3,672	4,772	4,222	4,222	5,397	5,422
Biennial Change in Expenditures				1,043		0		2,375
Biennial % Change in Expenditures				14		0		28
Governor's Change from Base								2,375
Governor's % Change from Base								28
Full-Time Equivalents	25.10	23.59	24.88	22.76	21.65	20.97	25.15	26.57

2117 - Natural Resource Misc Statutory

Balance Forward In	490	590	726	622	39	39	39	39
Receipts	246	256	276	285	285	285	285	285
Balance Forward Out	589	725	622	39	39	39	39	39
Expenditures	147	121	379	868	285	285	285	285
Biennial Change in Expenditures				979		(677)		(677)
Biennial % Change in Expenditures				365		(54)		(54)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.29	0.97	2.33	2.33	2.33	2.33	2.33	2.33

2118 - Land Acquisition

Balance Forward In	3	3	3	3				
Balance Forward Out	3	3	3					
Expenditures				3				
Biennial Change in Expenditures				3		(3)		(3)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
2120 - Water Management Account								
Balance Forward In	51	568	19	562				
Direct Appropriation	5,476	5,556	5,556	5,556	5,556	5,556	6,056	6,056
Cancellations		1,150	16					
Balance Forward Out	544	19	562					
Expenditures	4,983	4,955	4,997	6,118	5,556	5,556	6,056	6,056
Biennial Change in Expenditures				1,177		(3)		997
Biennial % Change in Expenditures				12		(0)		9
Governor's Change from Base								1,000
Governor's % Change from Base								9
Full-Time Equivalents	33.48	32.20	28.11	25.72	24.46	23.69	27.79	27.09

2200 - Game and Fish (Operations)

Balance Forward In	0	75		213				
Direct Appropriation	2,742	2,816	2,816	2,816	2,816	2,816	2,816	2,816
Receipts	1,170	1,309	1,185	940	940	940	940	940
Transfers Out	1,170	1,309	1,185	940	940	940	940	940
Cancellations		100						
Balance Forward Out	71		213					
Expenditures	2,671	2,791	2,603	3,029	2,816	2,816	2,816	2,816
Biennial Change in Expenditures				170		0		0
Biennial % Change in Expenditures				3		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	17.19	16.98	14.64	14.64	14.64	14.64	14.64	14.64

2209 - Heritage Enhancement

Balance Forward In		241		173				
Direct Appropriation	2,769	2,808	2,708	2,708	2,708	2,708	2,908	2,908
Cancellations		218						
Balance Forward Out	232		173					
Expenditures	2,537	2,831	2,535	2,881	2,708	2,708	2,908	2,908
Biennial Change in Expenditures				48		0		400
Biennial % Change in Expenditures				1		0		7

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								400
Governor's % Change from Base								7
Full-Time Equivalents	14.49	14.59	15.20	13.91	13.23	12.81	14.56	14.42

2300 - Outdoor Heritage

Balance Forward In	15,153	16,046	15,735	14,323				
Direct Appropriation	4,511	4,129	5,047	6,462	0	0	0	0
Transfers Out	120	1,156	306					
Cancellations		137	3,193					
Balance Forward Out	11,628	15,250	14,323					
Expenditures	7,916	3,633	2,959	20,785				
Biennial Change in Expenditures				12,196		(23,744)		(23,744)
Biennial % Change in Expenditures				106		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	5.64	4.81	4.97	4.97				

2302 - Clean Water

Balance Forward In	2,252	2,179	2,666	2,488				
Direct Appropriation	7,985	7,985	7,310	7,305	0	0	10,375	10,375
Cancellations	342	77	0					
Balance Forward Out	2,138	2,588	2,488					
Expenditures	7,758	7,499	7,488	9,793			10,375	10,375
Biennial Change in Expenditures				2,024		(17,281)		3,469
Biennial % Change in Expenditures				13		(100)		20
Governor's Change from Base								20,750
Governor's % Change from Base								
Full-Time Equivalents	55.16	52.83	46.69	46.69			57.70	57.70

2400 - Endowment

Balance Forward In	2	2	2	2				
Receipts	0	0	0					
Balance Forward Out	2	2	2					

Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures				2				
Biennial Change in Expenditures				2		(2)		(2)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

2401 - Reinvest In Minnesota-Gifts

Balance Forward In	2,894	3,291	3,270	7,076	5,754	4,632	5,754	4,632
Transfers In	2,013	2,013	8,367	3,328	3,328	3,328	3,478	3,478
Transfers Out			1,891	300	300	300	300	300
Balance Forward Out	3,288	3,253	7,076	5,754	4,632	3,610	4,632	3,610
Expenditures	1,620	2,051	2,670	4,350	4,150	4,050	4,300	4,200
Biennial Change in Expenditures				3,349		1,180		1,480
Biennial % Change in Expenditures				91		17		21
Governor's Change from Base								300
Governor's % Change from Base								4
Full-Time Equivalents	12.00	15.96	16.39	16.39	16.39	16.39	17.38	17.60

2403 - Gift

Balance Forward In	297	301	548	601	583	565	583	565
Receipts	41	264	54	47	47	47	47	47
Transfers In		0						
Transfers Out	29	15						
Balance Forward Out	301	548	601	583	565	547	565	547
Expenditures	9	2	0	65	65	65	65	65
Biennial Change in Expenditures				54		65		65
Biennial % Change in Expenditures				494		99		99
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.01							

2801 - Remediation

Balance Forward In	24,419	23,280	21,595	21,435	20,734	20,361	20,734	20,361
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Ecological and Water Resources

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Receipts	395	2,337	144	131	131	131	131	131
Balance Forward Out	23,248	21,585	21,435	20,734	20,361		20,361	
Expenditures	1,566	4,033	305	832	504	20,492	504	20,492
Biennial Change in Expenditures				(4,462)		19,859		19,859
Biennial % Change in Expenditures				(80)		1,746		1,746
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.93	1.36	1.31	1.31	1.31	1.31	1.31	1.31

3000 - Federal

Balance Forward In	8	9	63	13				
Receipts	6,152	5,812	6,181	27,567	40,154	33,373	40,154	33,373
Balance Forward Out	6	41	12					
Expenditures	6,154	5,780	6,232	27,580	40,154	33,373	40,154	33,373
Biennial Change in Expenditures				21,878		39,715		39,715
Biennial % Change in Expenditures				183		117		117
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	37.81	34.72	35.07	104.60	94.74	79.49	94.74	79.49

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

AT A GLANCE

- Manage 60 state forests, covering 4.3 million acres, for clean water, wildlife habitat, quality timber, outdoor recreation, carbon storage and biological diversity
- Provide over 25 percent of the Minnesota-sourced wood fiber that keeps the state's forest products industry strong and supports more than 69,000 jobs statewide
- Maintain 2,385 miles of forest roads that provide access for recreation, general public use, fire protection, forest management and timber production
- Reforest 30,000 acres, on average, of final harvest each year, with an additional 10,000 acres of thinned forest not needing reforestation
- Maintain forest management certification on 5 million acres of DNR-administered lands by meeting criteria set and enforced by the Forest Stewardship Council and Sustainable Forestry Initiative
- Prepare forest management plans for private landowners on 70,000 acres annually through a network of DNR, county and private consulting foresters
- Support communities in addressing harmful pests and maintaining a healthy tree canopy, and the associated health, climate mitigation and economic benefits
- Engage 53,000 students annually in outdoor education activities statewide at 150 school forest sites

PURPOSE AND CONTEXT

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

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

Minnesota's forest products industry relies on a sustainable state timber supply. State administered lands are the largest wood fiber supplier to Minnesota's mills. The industry provides 69,000 jobs and economic benefits worth \$17.4 billion, according to the most recent estimate (2022). Well-managed forests also provide economic benefits from tourism and outdoor recreation activities like hunting, hiking, horseback riding, birdwatching, snowshoeing, off-highway vehicle riding and more.

Many Minnesotans value the benefits of forest management, including forest landowners, conservation groups, hunters, anglers, outdoor enthusiasts, schoolteachers and students, loggers, forestry industry employees and forest managers.

SERVICES PROVIDED

The DNR achieves the state's forestry goals by:

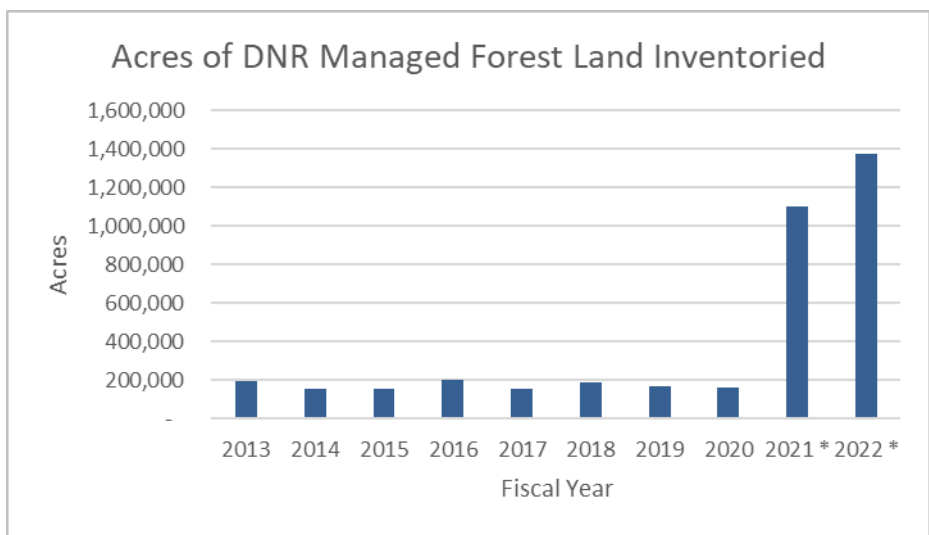
- Improving the health and productivity of DNR-managed forest lands, so they provide economic and community benefits including clean water, carbon storage, abundant wildlife habitat, biological diversity, a sustainable supply of timber and outdoor recreation opportunities

- Maintaining public forest roads and recreational trails for sustainable commercial use and public enjoyment of Minnesota’s forests, while providing emergency access to difficult to reach locations
- Leading forest management and policy development to sustain and enhance Minnesota’s public and private forest lands
- Listening to and incorporating tribal perspectives and goals into management decisions while following laws, rules, directives, or other legal requirements or obligations imposed by state or federal law
- Providing technical assistance to communities and private landowners through training sessions, materials, one-on-one visits, cost-share opportunities and stewardship plans
- Encouraging communities and private landowners to keep their forests, lands and water healthy and intact in the face of development pressure, a changing climate and increasing populations of invasive species
- Guiding Minnesotans to prevent and address insect and disease infestations
- Advancing public knowledge of the social, economic and environmental benefits of forest resources
- Implementing the Sustainable Forest Resources Act to gather and incorporate diverse perspectives on forest management
- Managing School Trust Lands for long-term economic returns to the Permanent School Fund based on sound natural resource decisions and practices
- Collaborating with the conservation groups, forest products industry, forest landowners, and other partners to support a robust forest products industry critical to Minnesota’s economic health and sustainable forest management

RESULTS

Quantity Performance Measure: Acres of DNR Managed Forest Land Inventoried

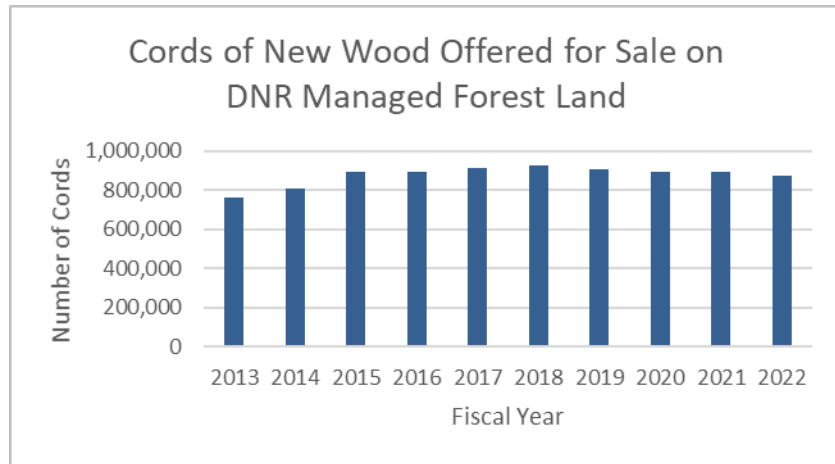
The DNR must maintain an up-to-date inventory of state forest lands that includes details on tree species, age, size and potential productivity to assess timber availability, habitat and other forest values; management targets; carbon storage; and research needs. Beginning in Fiscal Year 2021, the DNR began transitioning to a more efficient, accurate and data-rich forest inventory method that combines plot-based forest inventory (PBI) and high-density light detection and ranging (lidar) data. This new approach is modernizing statewide analyses for tree density, forest changes and carbon storage, which are critical elements in understanding options for climate change mitigation, sustainable forest management and invasive species response for all forest landowners in Minnesota. The transition is anticipated to take five years and produce new forest inventory on all DNR managed forest land.



* Start of new forest inventory approach.

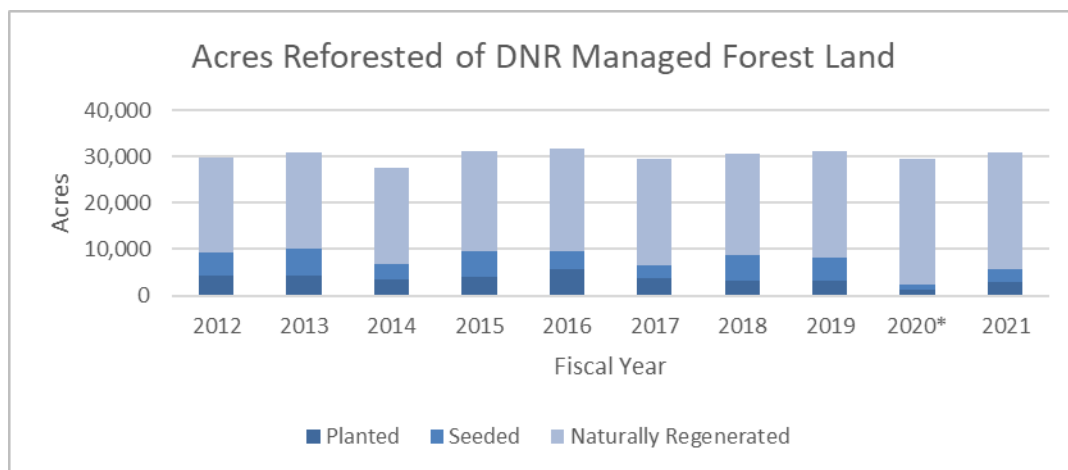
Quantity Performance Measure: Cords of Wood Offered for Sale on DNR Managed Forest Lands

The DNR administers 24 percent of Minnesota’s forest land—a significant source of raw materials for the forest products industry and energy production. Timber harvest serves as a management tool that provides a similar effect as the natural disturbances of the past (e.g., wildfires) and helps the DNR efficiently and economically provide sustainable timber, wildlife habitat, biological diversity, clean water and recreational opportunities. The DNR’s current goal, which resulted from a sustainable timber harvest analysis completed in 2018, is to offer 870,000 cords of timber per year for sale at public auction. From 2018-2023, the DNR is offering an additional 30,000 cords of ash and tamarack annually. This special initiative is designed to make productive use of these two species, which face significant insect threats, and promote diverse reforestation of harvested sites.



Quantity Performance Measure: Acres Reforested of DNR Managed Forest Land

To meet sustainability and conservation objectives and comply with state law, the DNR must reforest harvested sites. Reforestation approaches include planting seedlings, spreading seed and, where possible, allowing the forest to grow back on its own (natural regeneration). In addition to reforesting state lands, the DNR provides technical and financial support (via cost-share and grants) to tribal, county and private forest landowners, as well as to Minnesota communities. Enhancing reforestation efforts across all landowner groups provides carbon storage, water quality, wildlife habitat and other natural resource and economic benefits.



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

The legal authority for the forest management activity comes from Minnesota Statutes 88, 89, 89A and 90.

[88 \(https://www.revisor.mn.gov/statutes/?id=88\)](https://www.revisor.mn.gov/statutes/?id=88)
[89 \(https://www.revisor.mn.gov/statutes/?id=89\)](https://www.revisor.mn.gov/statutes/?id=89)
[89A \(https://www.revisor.mn.gov/statutes/?id=89A\)](https://www.revisor.mn.gov/statutes/?id=89A)
[90 \(https://www.revisor.mn.gov/statutes/?id=90\)](https://www.revisor.mn.gov/statutes/?id=90)
[103B-H \(https://www.revisor.mn.gov/statutes/part/WATER\)](https://www.revisor.mn.gov/statutes/part/WATER)
[115B \(https://www.revisor.mn.gov/statutes/?id=115B\)](https://www.revisor.mn.gov/statutes/?id=115B)
[116G \(https://www.revisor.mn.gov/statutes/?id=116G\)](https://www.revisor.mn.gov/statutes/?id=116G)

Forest Management

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<i>Expenditures by Fund</i>								
1000 - General	24,691	27,731	26,361	36,454	27,116	27,116	44,249	46,566
2000 - Restrict Misc Special Revenue	4,193	3,252	4,164	3,255	3,570	3,679	3,570	3,679
2001 - Other Misc Special Revenue	1,427	1,779	1,733	1,656	1,823	1,933	1,823	1,933
2050 - Environment & Natural Resources	300		3,240	785				
2113 - Forest Management Investment	14,327	13,930	14,780	18,542	16,161	16,161	16,161	16,161
2117 - Natural Resource Misc Statutory	3,588	2,792	3,017	3,205	3,205	3,205	3,205	3,205
2118 - Land Acquisition	142	219	85	581	581	161	581	161
2209 - Heritage Enhancement	1,266	1,246	1,660	2,174	1,417	1,417	1,492	1,517
2300 - Outdoor Heritage	3,708	325	2,286	9,493				
2302 - Clean Water	472	357	249	448				
2403 - Gift	21	0	7	27	27	27	27	27
3000 - Federal	3,115	3,260	3,098	4,719	3,271	3,389	3,271	3,389
3015 - ARP-State Fiscal Recovery			353					
Total	57,249	54,891	61,034	81,339	57,171	57,088	74,379	76,638
Biennial Change				30,233		(28,114)		8,644
Biennial % Change				27		(20)		6
Governor's Change from Base								36,758
Governor's % Change from Base								32
<i>Expenditures by Category</i>								
Compensation	25,301	25,299	24,947	26,271	25,821	25,863	31,046	33,252
Operating Expenses	23,974	25,315	25,845	41,611	24,630	24,926	28,782	29,256
Grants, Aids and Subsidies	3,750	3,322	7,277	7,178	3,333	3,370	11,029	11,066
Capital Outlay-Real Property	4,049	835	2,716	6,031	3,226	2,806	3,361	2,941
Other Financial Transaction	175	121	249	248	161	123	161	123
Total	57,249	54,891	61,034	81,339	57,171	57,088	74,379	76,638
Total Agency Expenditures	57,249	54,891	61,034	81,339	57,171	57,088	74,379	76,638
Internal Billing Expenditures	13,260	14,521	14,885	13,524	13,432	13,432	13,432	13,432
Expenditures Less Internal Billing	43,989	40,370	46,149	67,815	43,739	43,656	60,947	63,206

Forest Management

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
<u>Full-Time Equivalents</u>	286.61	283.10	260.75	244.46	230.72	223.02	267.82	265.08

Forest Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	2,060	4,626		2,288				
Direct Appropriation	26,130	25,779	28,661	34,166	27,116	27,116	44,249	46,566
Open Appropriation	4							
Transfers Out	4	2,251						
Cancellations	16	423	12					
Balance Forward Out	3,483		2,288					
Expenditures	24,691	27,731	26,361	36,454	27,116	27,116	44,249	46,566
Biennial Change in Expenditures				10,393		(8,583)		28,000
Biennial % Change in Expenditures				20		(14)		45
Governor's Change from Base								36,583
Governor's % Change from Base								67
Full-Time Equivalents	125.25	115.00	114.46	102.22	94.99	91.03	131.59	132.49

2000 - Restrict Misc Special Revenue

Balance Forward In	3,927	3,985	4,554	4,166	4,635	4,926	4,635	4,926
Receipts	5,437	5,548	4,618	5,164	5,225	5,177	5,225	5,177
Transfers In	1,077	1,070	956	1,091	1,094	1,086	1,094	1,086
Transfers Out	2,390	2,895	1,799	2,531	2,458	2,456	2,458	2,456
Balance Forward Out	3,858	4,455	4,165	4,635	4,926	5,054	4,926	5,054
Expenditures	4,193	3,252	4,164	3,255	3,570	3,679	3,570	3,679
Biennial Change in Expenditures				(26)		(170)		(170)
Biennial % Change in Expenditures				(0)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.43	0.36	0.33	0.33	0.33	0.33	0.33	0.33

2001 - Other Misc Special Revenue

Balance Forward In	2,763	1,900	2,094	1,778	2,142	2,347	2,142	2,347
Receipts	535	1,658	1,418	1,952	2,028	2,138	2,028	2,138
Internal Billing Receipts	19	639	476	689	689	689	689	689
Transfers In	15	56		68				
Balance Forward Out	1,886	1,836	1,778	2,142	2,347	2,552	2,347	2,552
Expenditures	1,427	1,779	1,733	1,656	1,823	1,933	1,823	1,933

Forest Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				184		367		367
Biennial % Change in Expenditures				6		11		11
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	9.88	14.81	12.27	9.39	8.58	7.68	8.58	7.68

2050 - Environment & Natural Resources

Balance Forward In			3,525	285				
Direct Appropriation	300	3,500		500	0	0	0	0
Balance Forward Out		3,500	285					
Expenditures	300		3,240	785				
Biennial Change in Expenditures				3,725		(4,025)		(4,025)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.05		0.08	0.08				

2113 - Forest Management Investment

Balance Forward In		1,389		1,881				
Direct Appropriation	15,619	15,886	16,661	16,661	16,161	16,161	16,161	16,161
Transfers In	10,269	10,701	10,558	10,845	10,629	10,602	10,629	10,602
Transfers Out	0							
Cancellations	10,269	14,046	10,558	10,845	10,629	10,602	10,629	10,602
Balance Forward Out	1,292		1,881					
Expenditures	14,327	13,930	14,780	18,542	16,161	16,161	16,161	16,161
Biennial Change in Expenditures				5,065		(1,000)		(1,000)
Biennial % Change in Expenditures				18		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	119.83	124.92	108.81	100.05	95.47	92.63	95.47	92.63

2117 - Natural Resource Misc Statutory

Balance Forward In	1,004	1,171	2,028	2,074	1,872	1,670	1,872	1,670
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Forest Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Receipts	3,482	3,381	3,063	3,003	3,003	3,003	3,003	3,003
Internal Billing Receipts	2,274	2,551	2,487	2,499	2,499	2,499	2,499	2,499
Balance Forward Out	899	1,760	2,074	1,872	1,670	1,468	1,670	1,468
Expenditures	3,588	2,792	3,017	3,205	3,205	3,205	3,205	3,205
Biennial Change in Expenditures				(157)		188		188
Biennial % Change in Expenditures				(2)		3		3
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	14.14	11.31	11.70	11.70	11.70	11.70	11.70	11.70

2118 - Land Acquisition

Balance Forward In	640	716	935	991	565	124	565	124
Receipts	211	438	141	155	140	140	140	140
Internal Billing Receipts		242						
Balance Forward Out	710	935	991	565	124	103	124	103
Expenditures	142	219	85	581	581	161	581	161
Biennial Change in Expenditures				306		76		76
Biennial % Change in Expenditures				85		11		11
Governor's Change from Base								0
Governor's % Change from Base								0

2200 - Game and Fish (Operations)

Open Appropriation	332	317	226	223	223	223	223	223
Transfers Out	332	317	226	223	223	223	223	223

2209 - Heritage Enhancement

Balance Forward In		181		257				
Direct Appropriation	1,398	1,417	1,917	1,917	1,417	1,417	1,492	1,517
Cancellations		352	0					
Balance Forward Out	132		257					
Expenditures	1,266	1,246	1,660	2,174	1,417	1,417	1,492	1,517
Biennial Change in Expenditures				1,322		(1,000)		(825)
Biennial % Change in Expenditures				53		(26)		(22)

Forest Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								175
Governor's % Change from Base								6
Full-Time Equivalents	12.13	10.41	8.15	8.15	8.15	8.15	8.65	8.75

2300 - Outdoor Heritage

Balance Forward In	8,522	9,141	7,031	6,820				
Direct Appropriation	4,573		3,212	2,673	0	0	0	0
Transfers Out	47		140					
Cancellations	199	1,785	997					
Balance Forward Out	9,141	7,031	6,820					
Expenditures	3,708	325	2,286	9,493				
Biennial Change in Expenditures				7,746		(11,779)		(11,779)
Biennial % Change in Expenditures				192		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents		0.07	0.08	0.08				

2302 - Clean Water

Balance Forward In	388	246	197	198				
Direct Appropriation	250	250	250	250	0	0	0	0
Cancellations	0	0						
Balance Forward Out	165	139	198					
Expenditures	472	357	249	448				
Biennial Change in Expenditures				(132)		(697)		(697)
Biennial % Change in Expenditures				(16)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.65	1.09	0.96	0.96				

2403 - Gift

Balance Forward In	279	272	299	322	322	322	322	322
Receipts	14	27	29	27	27	27	27	27
Balance Forward Out	272	299	322	322	322	322	322	322

Forest Management

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	21	0	7	27	27	27	27	27
Biennial Change in Expenditures				13		20		20
Biennial % Change in Expenditures				60		60		60
Governor's Change from Base								0
Governor's % Change from Base								0

3000 - Federal

Balance Forward In	1,912	1,872	1,909	1,827				
Receipts	2,967	3,160	3,016	2,892	3,271	3,389	3,271	3,389
Balance Forward Out	1,764	1,771	1,827					
Expenditures	3,115	3,260	3,098	4,719	3,271	3,389	3,271	3,389
Biennial Change in Expenditures				1,442		(1,157)		(1,157)
Biennial % Change in Expenditures				23		(15)		(15)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	4.25	5.13	3.91	11.50	11.50	11.50	11.50	11.50

3015 - ARP-State Fiscal Recovery

Direct Appropriation			1,000					
Cancellations			647					
Balance Forward Out			0					
Expenditures			353					
Biennial Change in Expenditures				353		(353)		(353)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

3800 - Permanent School

Balance Forward In	12,102	9,877	10,919	11,089	10,633	10,542	10,633	10,519
Receipts	10,391	11,100	12,026	10,903	10,803	10,803	10,803	10,803
Internal Billing Receipts		2						
Transfers Out	12,617	10,394	11,857	11,359	10,894	10,751	10,917	10,785
Balance Forward Out	9,877	10,583	11,089	10,633	10,542	10,594	10,519	10,537

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

AT A GLANCE

- Protect people, property, and natural resources by responding to an average of 822 wildfires per year, with an average total acreage of over 12,400 acres per year
- Issue approximately 65,000 burning permits annually
- Respond in 20 minutes or less to wildfires where the DNR is the first responder
- Maintain 18 county and local Community Wildfire Protection Plans (CWPP) through the Firewise program to help 633 communities reduce wildfire risk and potential impacts
- Coordinate emergency response activities and equipment, and maintain cooperative agreements with national and local partners
- Provide reimbursable, out-of-state firefighting assistance through the Minnesota Interagency Fire Center and mutual aid agreements

PURPOSE AND CONTEXT

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

- Protecting against loss of life by wildfire
- Reducing loss of property and natural resources
- Responding to fire and natural disaster emergencies in Minnesota and cooperating with federal and regional firefighting organizations by staffing national fire incidents
- Preventing wildfires through education, regulation and a burning-permit system
- Using prescribed fires as a tool for natural resource management and to reduce burnable materials in natural areas

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

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

SERVICES PROVIDED

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

- **Prevention**—Providing educational information and activities; regulating open burning; enforcing state wildfire and open-burning laws; investigating wildfire arson; and helping homeowners, developers and local officials identify and reduce the risk of wildfires around their homes and communities through the Firewise program
- **Pre-suppression**—Training firefighters and support personnel; operating the Minnesota Interagency Fire Center; maintaining partnerships and aid agreements with other fire protection agencies; tracking

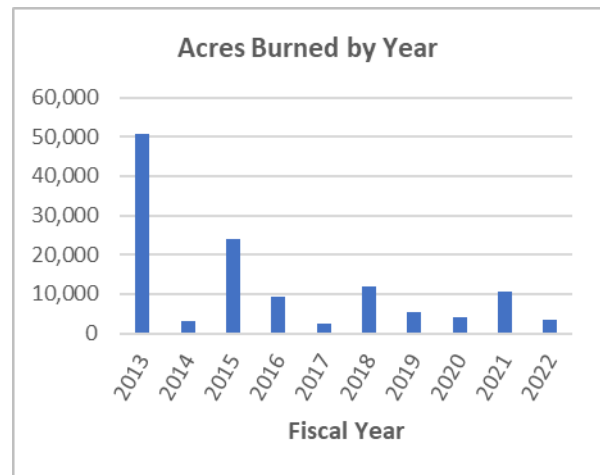
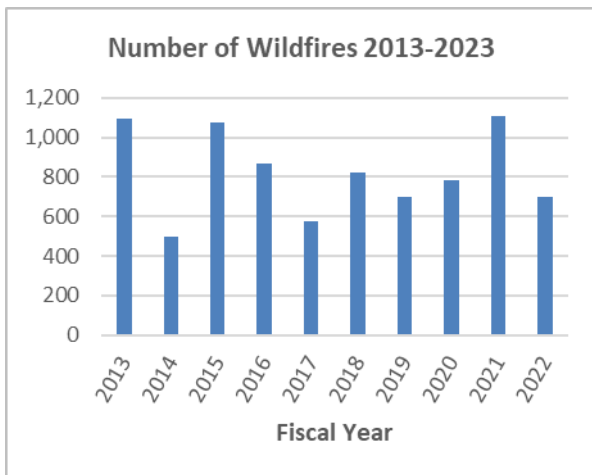
statewide availability of specialized ground and aerial suppression equipment; and maintaining an emergency communications network

- **Suppression**— Using trained firefighters, support personnel, and aerial and ground-based equipment to locate wildfires with aerial patrols, public reports and lookout towers; seasonally relocating firefighting resources to strategic locations to facilitate rapid response; and controlling the spread of wildfires to minimize their damage
- **Prescribed burning**—Using fire intentionally to prepare sites for reforestation; improve wildlife habitat; maintain natural plant communities; reduce the risk and severity of wildfires; provide valuable fire suppression training; and control insects, diseases and invasive plants

RESULTS

Quantity Performance Measure: Number of fires and acres burned

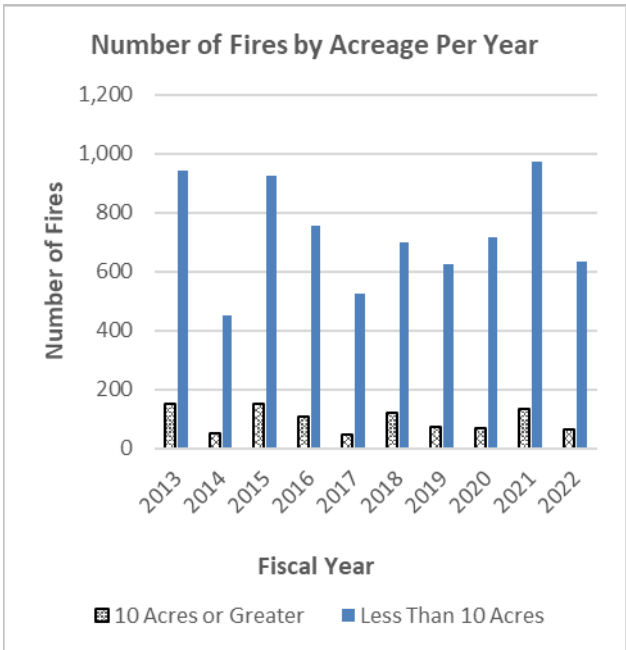
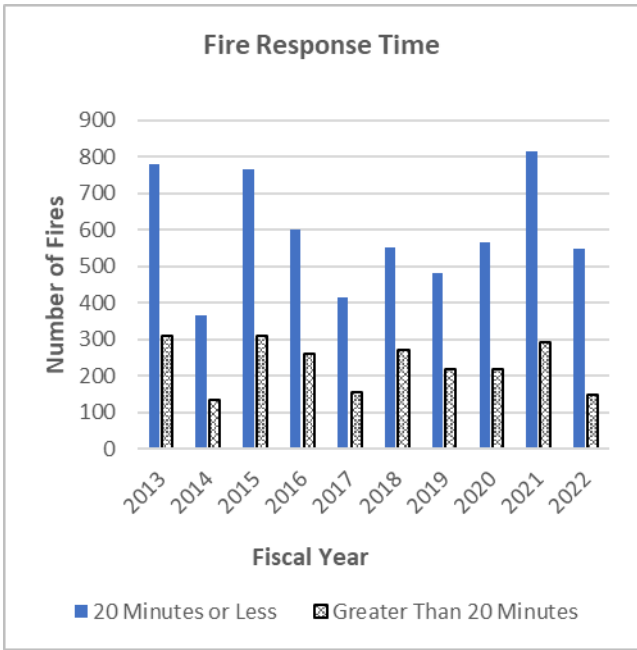
Wildfire risk levels relate to the weather. The need for wildfire protection can vary from year to year and affects workloads significantly when weather patterns are dry. Minnesota experienced an exceptional wildfire season in calendar year 2021. This was largely attributable to drought conditions that began in the fall of 2020 and extended to October 2021, coupled with an extended period of weather beginning in spring 2021 that included warmer temperatures, lower relative humidity levels and high winds. The success of the DNR’s wildfire preparedness and quick-response efforts is demonstrated in the fact that the number of fires and acres burned in Fiscal Years 2021 and 2022 were similar (number of fires) or less (acres burned) than the 20-year annual average in spite of the high and extended wildfire risk in the second half of the Fiscal Year 2021 and first half of Fiscal Year 2022.



Quality Performance Measure: Wildfire Size and Response Times

The DNR employs a strategy of responding aggressively to fire starts when risk is high, with the goal of quickly containing the fire. This strategy is key to the success of the DNR’s wildfire suppression efforts. The DNR aims to respond to wildfires within 20 minutes and keep them small—less than 10 acres. Once a wildfire escapes an initial attack, suppression costs and damages increase rapidly.

Maintaining a highly skilled and experienced firefighter workforce is critical to ensuring rapid and effective response. The graphs below demonstrate the success of the DNR’s readiness efforts and suppression strategy. Despite the exceptionally active wildfire season experienced in the second half of Fiscal Year 2021 and first half of Fiscal Year 2022, DNR response times and wildfire size were comparable to previous fiscal years.



The legal authority for the firefighting activity comes from Minnesota Statutes:
[88.01-88.46 \(https://www.revisor.mn.gov/statutes/?id=88\)](https://www.revisor.mn.gov/statutes/?id=88)

Firefighting

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<u>Expenditures by Fund</u>								
1000 - General	24,920	30,880	41,354	34,548	31,521	31,521	31,521	31,521
2001 - Other Misc Special Revenue	2,923	5,493	7,038	4,025	4,476	4,476	4,476	4,476
Total	27,842	36,373	48,392	38,573	35,997	35,997	35,997	35,997
Biennial Change				22,749		(14,971)		(14,971)
Biennial % Change				35		(17)		(17)
Governor's Change from Base								0
Governor's % Change from Base								0
<u>Expenditures by Category</u>								
Compensation	14,422	16,986	19,433	14,584	14,584	14,584	14,584	14,584
Operating Expenses	13,094	18,614	25,278	23,554	20,978	20,978	20,978	20,978
Grants, Aids and Subsidies	202	82	113	135	135	135	135	135
Capital Outlay-Real Property	63		3,384					
Other Financial Transaction	61	691	184	300	300	300	300	300
Total	27,842	36,373	48,392	38,573	35,997	35,997	35,997	35,997
Total Agency Expenditures	27,842	36,373	48,392	38,573	35,997	35,997	35,997	35,997
Internal Billing Expenditures	6,068	5,914	6,190	7,428	7,428	7,428	7,428	7,428
Expenditures Less Internal Billing	21,774	30,460	42,203	31,145	28,569	28,569	28,569	28,569
<u>Full-Time Equivalent</u>	174.35	187.81	223.17	223.17	223.17	223.17	223.17	223.17

Firefighting

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In		503		27				
Direct Appropriation	7,521	7,521	7,521	7,521	7,521	7,521	7,521	7,521
Open Appropriation	17,825	23,066	33,860	27,000	24,000	24,000	24,000	24,000
Cancellations		210						
Balance Forward Out	426		27					
Expenditures	24,920	30,880	41,354	34,548	31,521	31,521	31,521	31,521
Biennial Change in Expenditures				20,102		(12,860)		(12,860)
Biennial % Change in Expenditures				36		(17)		(17)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	157.64	162.44	196.98	196.98	196.98	196.98	196.98	196.98

2001 - Other Misc Special Revenue

Balance Forward In	1,161	998	1,233	2,921	2,843	2,314	2,843	2,314
Receipts	3,015	5,469	8,726	3,947	3,947	3,947	3,947	3,947
Internal Billing Receipts	415	529	374	300	300	300	300	300
Transfers Out	367							
Balance Forward Out	886	974	2,921	2,843	2,314	1,785	2,314	1,785
Expenditures	2,923	5,493	7,038	4,025	4,476	4,476	4,476	4,476
Biennial Change in Expenditures				2,647		(2,111)		(2,111)
Biennial % Change in Expenditures				31		(19)		(19)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	16.71	25.37	26.19	26.19	26.19	26.19	26.19	26.19

Program: Parks and Trails

Activity: Parks and Trails Management

https://www.dnr.state.mn.us/parks_trails/

AT A GLANCE

- Operate 66 state parks, nine state recreation areas, nine state waysides and nearly 5,000 campsites
- Maintain more than 1,500 miles of state trails and 3,400 miles of hiking/biking/motorized trails in state parks, recreation areas and forest lands, and manage 23,000 miles of snowmobile trails
- Maintain 43 state forest campgrounds, including 29 day-use areas, 12 horse campgrounds and over 700 campsites
- Maintain 1,700 public water accesses, 390 fishing piers and 35 state water trails
- Provide recreation opportunities that contribute to the state's \$16.7 billion outdoor recreation economy, which brings in about \$1.4 billion in state and local tax revenues
- Provide Minnesota with 8 of the top 40 tourist attractions statewide, and 25 of the top 40 tourist attractions in Greater Minnesota
- Restore and maintain 256,000 acres of natural lands and help preserve 285 rare species
- Steward 47 historic districts, nearly 600 historic structures and more than 900 archaeological sites
- Deliver 8,000 outdoor educational programs to 250,000 participants each year

PURPOSE AND CONTEXT

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

State parks and trails improve the lives of individuals, children and families by connecting them to nature, helping them to stay healthy and fit, strengthening local communities and economies, and conserving Minnesota's special places and resources. The importance of state parks and trails to Minnesotans' health and well-being has been underscored since 2020, with visits to state parks and trails up as much as 65-100 percent above recent averages.

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

- 12 million state park visitors each year (82 percent of whom are Minnesotans)
- 2 million state trail visitors (86 percent of whom are Minnesotans)
- Owners of 568,000 registered snowmobiles and off highway vehicles, and 830,000 registered watercraft
- Local communities, whose economies benefit from about \$362 million in state park visitor spending each year

SERVICES PROVIDED

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

The DNR connects people to the outdoors through state parks, trails, forest recreation areas and water recreation. DNR naturalist and outreach programs serve both experienced and beginner outdoor enthusiasts. Skill-building programs enable first-timers to explore the outdoors in a safe, engaging way. Outdoor enthusiasts enjoy innovative facilities, services and amenities (such as 100 percent reservable campsites, self-directed visitor orientation and the Park Finder web tool), and popular recreational opportunities like mountain biking and paddle

boarding. The DNR has received four Governor’s Innovation Awards for its outdoor recreation services for Minnesotans.

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

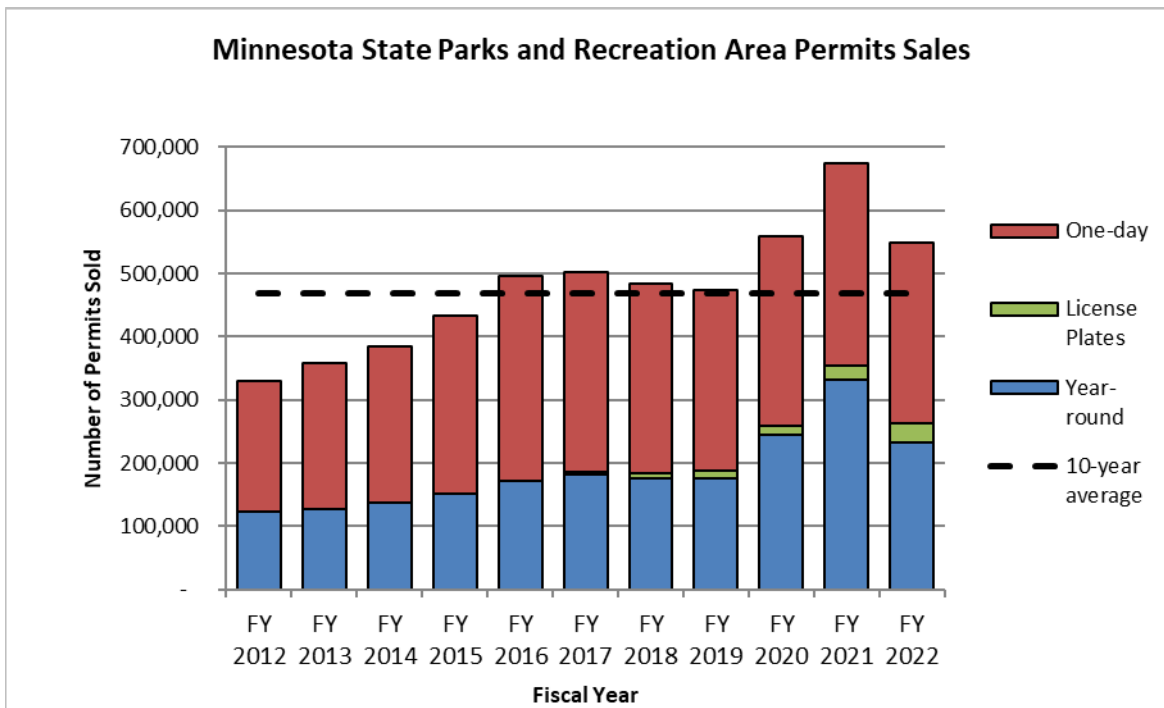
The DNR takes care of what it has and the people it serves. Visitors want high-quality customer service, facilities and amenities. With this in mind, the DNR improves aging infrastructure and reinvigorates visitor services. The DNR also manages unique natural resources for public enjoyment and long-term conservation.

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

RESULTS

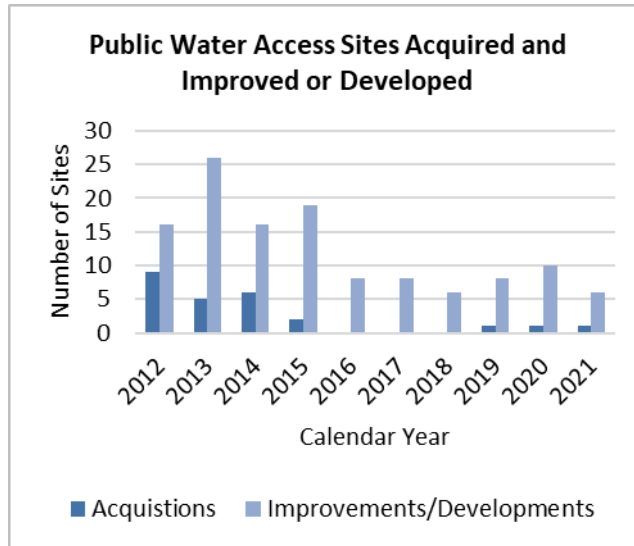
Quantity Performance Measure: Number of State Park and Recreation Area Permit Sales

The popularity of state outdoor recreation is on the rise, as illustrated by the increase in one-day and year-round state park and recreation area permit sales (below). State parks and trails are crucial in supporting healthy communities. State park permit sales in Fiscal Years 2020 and 2021 were record-breaking. Following the visitation surge during the COVID-19 pandemic, permit sales remain 65 percent higher than they were 10 years ago and Parks and Trails license plate sales have grown to more than 26,000 annually.



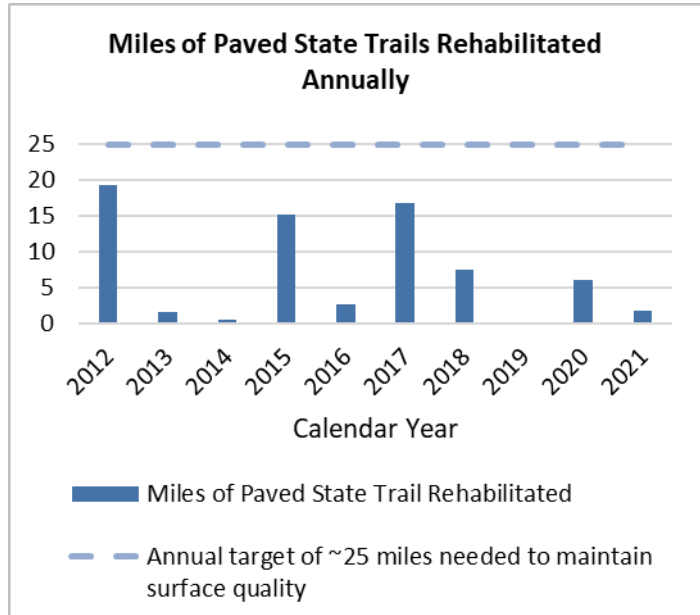
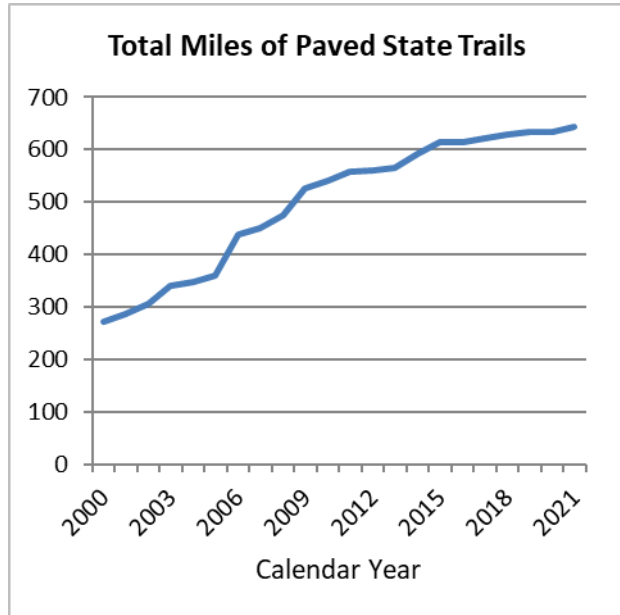
Quantity Performance Measure: Number of Public Water Access Sites Acquired and Developed

The DNR acquires, develops and maintains public water accesses for recreational boating, paddling and angling opportunities. Program focus has shifted from acquiring new public water access sites to developing and improving existing sites. The major goals of the program are to enhance public safety, increase accessibility, reduce stormwater runoff and provide aquatic invasive species (AIS) boat-cleaning areas.



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

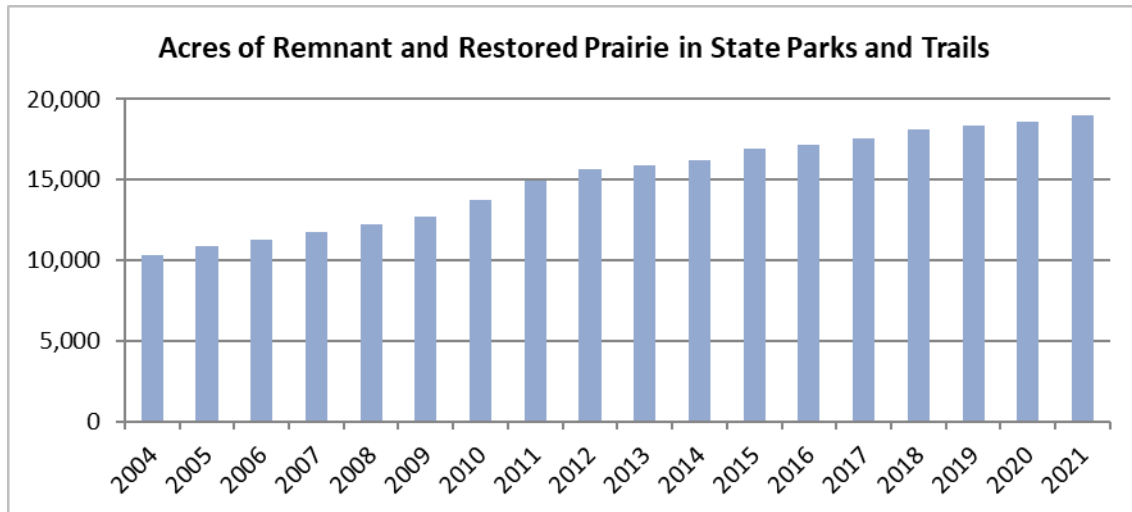
Miles of paved trails for bicycling and multiple uses have more than doubled since 2000, increasing from 271 in 2000 to 643 in 2021. The expanding state trails system provides social and economic benefits to local communities. Trail use at eight state trail locations has increased 25 percent in 2020-21 compared to 2018-19.



While the state trail system has grown, funding for operations and maintenance has not kept pace. This impacts the DNR’s ability to take care of existing trails, which over time lowers visitor satisfaction, accessibility and safety, and increases rehabilitation costs. The total deferred maintenance cost for paved state trails is \$59 million.

Results Performance Measure: Acres of Remnant and Restored Prairie in State Parks and Trail Corridors

The DNR protects, restores and maintains native plant communities and wildlife in state parks and trail corridors through active management. Native plant community restoration, prescribed burns and invasive species management activities are conducted on about 20,300 acres in state parks every year. State parks and trails currently include approximately 19,000 acres of remnant/restored prairie, with the goal of restoring an additional 9,600 acres of prairie by 2038.



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

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

Parks and Trails

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	24,353	28,213	25,368	32,727	27,876	27,876	99,994	38,707
2001 - Other Misc Special Revenue	9,051	37,245	8,583	11,725	9,762	9,460	9,762	9,460
2050 - Environment & Natural Resources	4,751	5,509	7,582	30,305				
2100 - Water Recreation	9,733	8,842	9,995	12,119	11,075	11,057	15,875	15,857
2101 - Snowmobile	3,914	3,189	3,245	5,203	4,303	4,302	4,303	4,302
2102 - All-Terrain Vehicle	2,441	3,643	4,164	3,814	2,915	2,914	3,315	3,464
2103 - Off-Highway Motorcycle	237	301	223	296	259	260	274	285
2104 - Off-Road Vehicle	547	746	612	1,449	898	898	938	948
2106 - State Park	17,961	17,815	18,265	22,623	20,450	20,450	25,450	25,450
2107 - State Pks & Trls Lott In Lieu	5,587	7,193	5,584	8,386	6,985	6,985	7,985	7,985
2116 - Cross Country Ski	73	69						
2117 - Natural Resource Misc Statutory	218	632	1,057	1,381	1,390	1,390	1,690	1,690
2118 - Land Acquisition	22	8	29	134	134	134	134	134
2119 - State Land & Water Conservation	190	229	733	2,767	2,250	2,250	2,250	2,250
2200 - Game and Fish (Operations)	1,129	3,149	1,604	2,996	2,300	2,300	2,300	2,300
2303 - Parks and Trails	21,947	19,211	21,561	49,053			27,500	25,878
2403 - Gift	154	156	108	600	600	600	600	600
3000 - Federal				183	183	183	183	183
Total	102,309	136,150	108,712	185,761	91,380	91,059	202,553	139,493
Biennial Change				56,014		(112,034)		47,573
Biennial % Change				23		(38)		16
Governor's Change from Base								159,607
Governor's % Change from Base								87
<u>Expenditures by Category</u>								
Compensation	43,019	42,918	44,641	53,120	43,235	43,235	60,508	61,509
Operating Expenses	40,623	44,000	42,454	100,504	46,359	46,038	106,393	73,827
Grants, Aids and Subsidies	3,172	1,681	7,528	5,384	615	615	615	615
Capital Outlay-Real Property	15,298	47,447	13,852	26,585	1,003	1,003	34,869	3,374
Other Financial Transaction	197	104	236	168	168	168	168	168
Total	102,309	136,150	108,712	185,761	91,380	91,059	202,553	139,493

Parks and Trails

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Total Agency Expenditures	102,309	136,150	108,712	185,761	91,380	91,059	202,553	139,493
Internal Billing Expenditures	23,017	22,850	23,005	23,745	20,193	20,193	20,193	20,193
Expenditures Less Internal Billing	79,292	113,300	85,707	162,016	71,187	70,866	182,360	119,300
<u>Full-Time Equivalents</u>	537.42	500.26	539.22	502.74	443.78	432.00	567.78	549.40

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	256	3,188	256	3,851				
Direct Appropriation	26,968	27,230	28,963	28,876	27,876	27,876	99,994	38,707
Transfers Out		1,864						
Cancellations		85						
Balance Forward Out	2,871	256	3,851					
Expenditures	24,353	28,213	25,368	32,727	27,876	27,876	99,994	38,707
Biennial Change in Expenditures				5,529		(2,343)		80,606
Biennial % Change in Expenditures				11		(4)		139
Governor's Change from Base								82,949
Governor's % Change from Base								149
Full-Time Equivalents	180.06	166.86	183.61	163.66	153.21	146.75	191.49	174.19

2001 - Other Misc Special Revenue

Balance Forward In	13,730	14,872	17,278	18,546	17,932	18,283	17,932	18,283
Receipts	9,742	39,192	10,210	10,418	10,123	9,821	10,123	9,821
Internal Billing Receipts		277	2	2	2	2	2	2
Transfers In	315	147	268	903	200	200	200	200
Transfers Out	126	1	628	210	210	210	210	210
Balance Forward Out	14,610	16,965	18,546	17,932	18,283	18,634	18,283	18,634
Expenditures	9,051	37,245	8,583	11,725	9,762	9,460	9,762	9,460
Biennial Change in Expenditures				(25,988)		(1,086)		(1,086)
Biennial % Change in Expenditures				(56)		(5)		(5)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	37.73	33.28	41.38	38.50	37.69	36.79	37.69	36.79

2050 - Environment & Natural Resources

Balance Forward In	5,505	12,020	13,788	17,758				
Direct Appropriation	10,490	7,084	9,416	12,547	0	0	0	0
Transfers In			2,184					
Cancellations	5	36	49					
Balance Forward Out	11,239	13,558	17,757					
Expenditures	4,751	5,509	7,582	30,305				

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				27,626		(37,887)		(37,887)
Biennial % Change in Expenditures				269		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	1.03	1.04	0.84	0.84				

2100 - Water Recreation

Balance Forward In	240	1,648	253	1,273	156	93	156	93
Direct Appropriation	10,832	10,952	10,952	10,952	10,952	10,952	15,752	15,752
Receipts	69	52	64	50	60	60	60	60
Transfers In	11,069	9,688	10,289	10,890	10,919	10,843	10,919	10,843
Cancellations	11,069	13,250	10,289	10,890	10,919	10,843	10,919	10,843
Balance Forward Out	1,409	248	1,274	156	93	48	93	48
Expenditures	9,733	8,842	9,995	12,119	11,075	11,057	15,875	15,857
Biennial Change in Expenditures				3,539		18		9,618
Biennial % Change in Expenditures				19		0		43
Governor's Change from Base								9,600
Governor's % Change from Base								43
Full-Time Equivalents	54.80	51.52	51.20	51.20	51.20	51.20	61.19	61.62

2101 - Snowmobile

Balance Forward In	265	529	265	1,244	265	186	265	186
Direct Appropriation	4,168	4,224	4,224	4,224	4,224	4,224	4,224	4,224
Transfers In	7,379	6,459	6,860	7,260	7,280	7,229	7,280	7,229
Cancellations	7,379	7,758	6,860	7,260	7,280	7,229	7,280	7,229
Balance Forward Out	519	265	1,245	265	186	108	186	108
Expenditures	3,914	3,189	3,245	5,203	4,303	4,302	4,303	4,302
Biennial Change in Expenditures				1,344		157		157
Biennial % Change in Expenditures				19		2		2
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	24.60	21.59	23.41	23.41	23.41	23.41	23.41	23.41

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
2102 - All-Terrain Vehicle								
Balance Forward In	232	1,785	191	1,093	191	188	191	188
Direct Appropriation	3,977	2,912	5,067	2,912	2,912	2,912	3,312	3,462
Transfers In	1,992	1,744	1,852	1,960	1,965	1,952	1,965	1,952
Cancellations	1,992	2,611	1,852	1,960	1,965	1,952	1,965	1,952
Balance Forward Out	1,768	186	1,094	191	188	186	188	186
Expenditures	2,441	3,643	4,164	3,814	2,915	2,914	3,315	3,464
Biennial Change in Expenditures				1,894		(2,149)		(1,199)
Biennial % Change in Expenditures				31		(27)		(15)
Governor's Change from Base								950
Governor's % Change from Base								16
Full-Time Equivalents	15.38	13.51	14.24	14.24	14.24	14.24	16.89	17.46

2103 - Off-Highway Motorcycle

Balance Forward In	20	115	6	41	3	2	3	2
Direct Appropriation	331	258	258	258	258	258	273	283
Transfers In	339	297	316	334	335	332	335	332
Cancellations	339	366	316	334	335	332	335	332
Balance Forward Out	114	4	41	3	2		2	
Expenditures	237	301	223	296	259	260	274	285
Biennial Change in Expenditures				(19)		0		40
Biennial % Change in Expenditures				(4)		0		8
Governor's Change from Base								40
Governor's % Change from Base								8
Full-Time Equivalents	1.83	1.76	1.72	1.72	1.72	1.72	1.82	1.84

2104 - Off-Road Vehicle

Balance Forward In	19	963	332	575	16	8	16	8
Direct Appropriation	1,483	890	890	890	890	890	930	940
Transfers In	1,210	1,059	1,125	1,190	1,194	1,185	1,194	1,185
Cancellations	1,210	1,843	1,160	1,190	1,194	1,185	1,194	1,185
Balance Forward Out	955	324	575	16	8		8	
Expenditures	547	746	612	1,449	898	898	938	948
Biennial Change in Expenditures				768		(265)		(175)

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				59		(13)		(8)
Governor's Change from Base								90
Governor's % Change from Base								5
Full-Time Equivalents	3.04	2.39	2.88	2.88	2.88	2.88	3.15	3.20

2106 - State Park

Balance Forward In	2,772	5,291	3,304	5,563	3,393	3,396	3,393	3,396
Direct Appropriation	18,552	18,828	18,848	18,828	18,828	18,828	23,828	23,828
Receipts	1,407	2,489	1,675	1,625	1,625	1,625	1,625	1,625
Transfers In			289					
Cancellations		5,520	289					
Balance Forward Out	4,771	3,275	5,563	3,393	3,396	3,399	3,396	3,399
Expenditures	17,961	17,815	18,265	22,623	20,450	20,450	25,450	25,450
Biennial Change in Expenditures				5,112		12		10,012
Biennial % Change in Expenditures				14		0		24
Governor's Change from Base								10,000
Governor's % Change from Base								24
Full-Time Equivalents	132.27	126.30	127.52	113.87	106.72	102.30	129.80	127.12

2107 - State Pks & Trls Lott In Lieu

Balance Forward In		765		1,401				
Direct Appropriation	6,344	6,435	6,985	6,985	6,985	6,985	7,985	7,985
Cancellations		7						
Balance Forward Out	757		1,401					
Expenditures	5,587	7,193	5,584	8,386	6,985	6,985	7,985	7,985
Biennial Change in Expenditures				1,190		0		2,000
Biennial % Change in Expenditures				9		0		14
Governor's Change from Base								2,000
Governor's % Change from Base								14
Full-Time Equivalents	39.55	37.62	39.36	39.36	39.36	39.36	45.99	47.42

2116 - Cross Country Ski

Balance Forward In		43						
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Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Transfers In	116	117						
Transfers Out		91						
Cancellations		0						
Balance Forward Out	43							
Expenditures	73	69						
Biennial Change in Expenditures				(142)		0		0
Biennial % Change in Expenditures				(100)				
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.60	0.55	0.05	0.05	0.05	0.05	0.05	0.05

2117 - Natural Resource Misc Statutory

Balance Forward In	2,152	3,070	6,150	7,254	7,592	7,914	7,592	7,914
Receipts	239	2,355	348	330	323	323	623	623
Transfers In	883	1,348	1,812	1,389	1,389	1,389	1,389	1,389
Balance Forward Out	3,056	6,141	7,253	7,592	7,914	8,236	7,914	8,236
Expenditures	218	632	1,057	1,381	1,390	1,390	1,690	1,690
Biennial Change in Expenditures				1,588		342		942
Biennial % Change in Expenditures				187		14		39
Governor's Change from Base								600
Governor's % Change from Base								22
Full-Time Equivalents	1.39	1.82	8.48	8.48	8.48	8.48	8.48	8.48

2118 - Land Acquisition

Balance Forward In	380	404	599	643	539	435	539	435
Receipts	46	203	74	30	30	30	30	30
Balance Forward Out	403	599	643	539	435	331	435	331
Expenditures	22	8	29	134	134	134	134	134
Biennial Change in Expenditures				133		105		105
Biennial % Change in Expenditures				443		64		64
Governor's Change from Base								0
Governor's % Change from Base								0

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
2119 - State Land & Water Conservation								
Balance Forward In		76		517				
Direct Appropriation	266	269	1,250	2,250	2,250	2,250	2,250	2,250
Cancellations		116						
Balance Forward Out	76		517					
Expenditures	190	229	733	2,767	2,250	2,250	2,250	2,250
Biennial Change in Expenditures				3,081		1,000		1,000
Biennial % Change in Expenditures				735		29		29
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.59	1.46	1.43	1.43	1.43	1.43	1.43	1.43
2200 - Game and Fish (Operations)								
Balance Forward In		1,193		696				
Direct Appropriation	2,292	2,300	2,300	2,300	2,300	2,300	2,300	2,300
Cancellations		343						
Balance Forward Out	1,163		696					
Expenditures	1,129	3,149	1,604	2,996	2,300	2,300	2,300	2,300
Biennial Change in Expenditures				322		0		0
Biennial % Change in Expenditures				8		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	3.04	3.30	3.39	3.39	3.39	3.39	3.39	3.39
2303 - Parks and Trails								
Balance Forward In	22,828	22,638	25,186	26,114				
Direct Appropriation	20,556	21,031	22,495	22,939	0	0	27,500	25,878
Cancellations	1	2	8					
Balance Forward Out	21,435	24,456	26,113					
Expenditures	21,947	19,211	21,561	49,053			27,500	25,878
Biennial Change in Expenditures				29,456		(70,614)		(17,236)
Biennial % Change in Expenditures				72		(100)		(24)
Governor's Change from Base								53,378
Governor's % Change from Base								

Parks and Trails

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Full-Time Equivalents	40.41	37.26	39.71	39.71			43.00	43.00

2403 - Gift

Balance Forward In	447	838	1,241	1,480	1,391	1,302	1,391	1,302
Receipts	546	558	348	511	511	511	511	511
Balance Forward Out	838	1,240	1,480	1,391	1,302	1,213	1,302	1,213
Expenditures	154	156	108	600	600	600	600	600
Biennial Change in Expenditures				398		492		492
Biennial % Change in Expenditures				128		69		69
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.10							

3000 - Federal

Receipts				183	183	183	183	183
Expenditures				183	183	183	183	183
Biennial Change in Expenditures				183		183		183
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								0

3800 - Permanent School

Balance Forward In	236	143	316	220	200	193	200	193
Receipts	235	408	312	350	350	350	350	350
Transfers Out	328	235	408	370	357	353	357	353
Balance Forward Out	143	316	220	200	193	190	193	190

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

AT A GLANCE

Deliver, on average, 370 grants each year totaling more than \$30 million annually to local governments and organizations for parks and trails. These include approximately:

- 80 grants for acquisition and development of local and regional parks and trails
- 180 grants for snowmobile trail maintenance and grooming
- 70 grants for off-highway vehicle trail development and maintenance
- 40 grants for ski trail maintenance and grooming

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

- 21,500 miles of snowmobile trails
- 2,750 miles of off-highway vehicle trails
- 700 miles of cross-country ski trails

PURPOSE AND CONTEXT

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

Community partnerships benefit:

- Community members, particularly children and families, who spend time in local and regional parks and trails and experience the health and wellness benefits they provide
- Trails users, including approximately 202,000 snowmobile riders, 366,000 off-highway vehicle riders and 14,000 cross-country skiers

Community parks and trails partnerships help provide for thriving local economies. In Minnesota, outdoor recreation generates \$16.7 billion in annual consumer spending, \$1.4 billion in state and local taxes, and 140,000 jobs (Outdoor Industry Association surveys, 2017). Local and regional parks and trails are an important part of the state's outdoor recreation system.

SERVICES PROVIDED

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

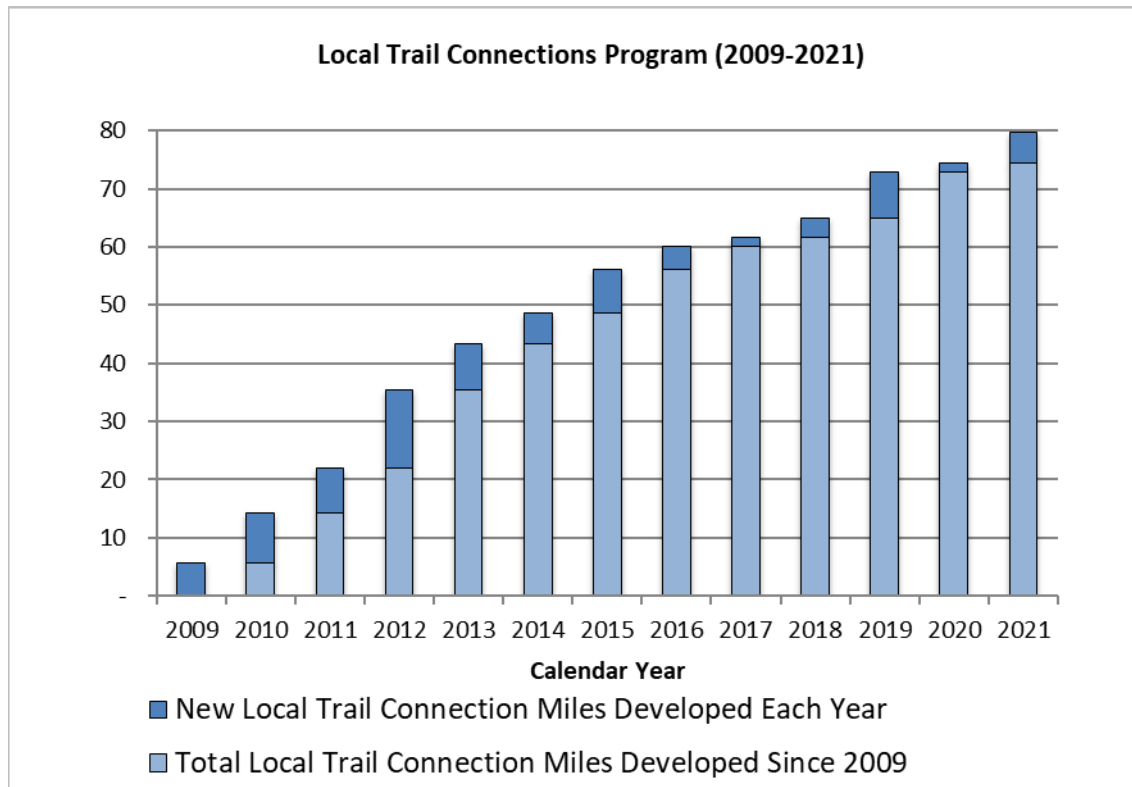
The DNR's grant administration services include managing the grant programs, providing information and customer service to grant recipients, ensuring a fair and efficient process for awarding grants, ensuring financial accountability and desired outcomes, and building partnerships with local, regional,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

RESULTS

Quality Performance Measure: New Local Trail Connections

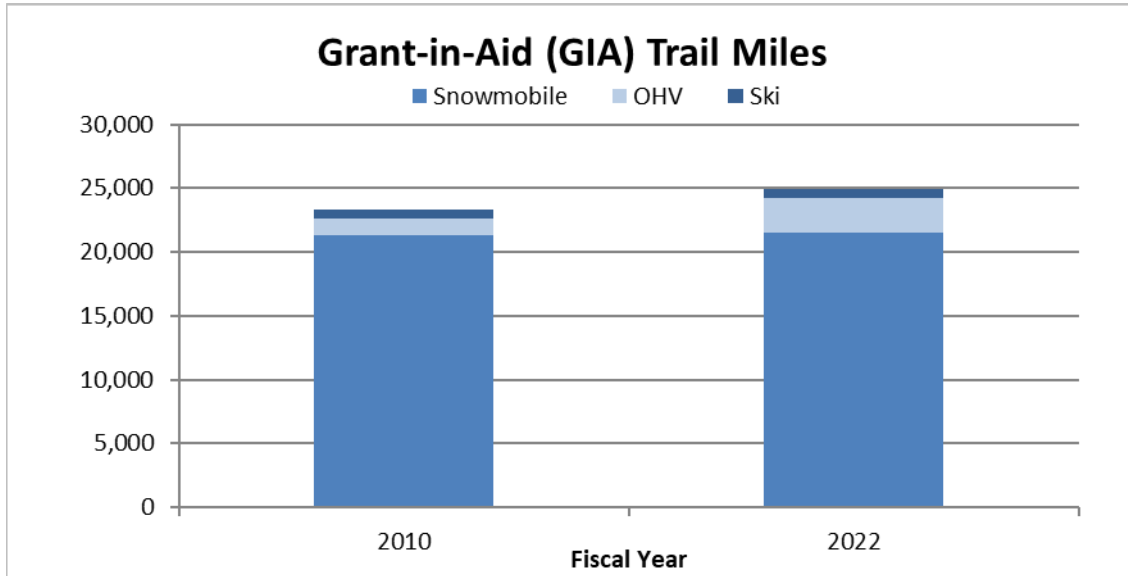
The Local Trail Connections Program is a means by which the DNR connects people to trails. These trail segments are often relatively short in length, but crucial to creating a seamless trail system that meets local needs. Many of these segments connect a trail corridor to where people live (such as residential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

Since 2009, about 80 miles of new local trail connections have been developed.



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

The GIA trail system has grown by about 1,600 miles in recent years, from 23,300 miles in Fiscal Year 2010 to 24,900 miles in Fiscal Year 2022. This program relies on the volunteer efforts of groups or clubs with support and participation from local governments. The DNR provides financial and technical assistance and overall GIA program management. Together, the program partners develop and maintain a much larger trail system than any one group could deliver.



Additional measures are available on the DNR’s grant outcomes website at [DNR Grant Outcomes Reporting](#).

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

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

Community Partnerships

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
2001 - Other Misc Special Revenue			131	135	135	135	135	135
2101 - Snowmobile	8,211	8,607	8,602	10,797	9,699	9,699	9,699	9,699
2102 - All-Terrain Vehicle	4,390	2,583	1,736	2,414	2,025	2,025	2,025	2,025
2103 - Off-Highway Motorcycle	144	113	96	204	150	150	150	150
2104 - Off-Road Vehicle	178	24	93	557	325	325	325	325
2109 - Local Trls Grants Lott In Lieu	890	890	1,124	1,156	1,140	1,140	1,140	1,140
2116 - Cross Country Ski	267	265	317	340	340	340	340	340
2119 - State Land & Water Conservation	2,061	1,240	1,055	1,250	1,250	1,250	1,250	1,250
2303 - Parks and Trails							12,305	12,660
3000 - Federal	3,607	3,943	4,101	5,362	5,228	4,728	5,228	4,728
Total	19,746	17,665	17,255	22,215	20,292	19,792	32,597	32,452
Biennial Change				2,059		614		25,579
Biennial % Change				6		2		65
Governor's Change from Base								24,965
Governor's % Change from Base								62
<u>Expenditures by Category</u>								
Compensation	150	146	192	336	336	336	470	470
Operating Expenses	717	482	525	3,085	1,312	812	2,040	1,565
Grants, Aids and Subsidies	18,379	16,436	15,821	17,440	17,399	17,599	28,842	29,372
Capital Outlay-Real Property	500	602	715	1,354	1,245	1,045	1,245	1,045
Other Financial Transaction			2					
Total	19,746	17,665	17,255	22,215	20,292	19,792	32,597	32,452
Total Agency Expenditures	19,746	17,665	17,255	22,215	20,292	19,792	32,597	32,452
Internal Billing Expenditures	350	93	232	248	248	248	248	248
Expenditures Less Internal Billing	19,396	17,572	17,023	21,967	20,044	19,544	32,349	32,204
<u>Full-Time Equivalent</u>	1.61	1.34	1.99	2.67	2.67	2.67	3.67	3.67

Community Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
2001 - Other Misc Special Revenue								
Receipts			131	135	135	135	135	135
Expenditures			131	135	135	135	135	135
Biennial Change in Expenditures				266		4		4
Biennial % Change in Expenditures						1		1
Governor's Change from Base								0
Governor's % Change from Base								0

2101 - Snowmobile

Balance Forward In		1,489		1,098				
Direct Appropriation	9,699	9,699	9,699	9,699	9,699	9,699	9,699	9,699
Cancellations		2,581						
Balance Forward Out	1,488		1,097					
Expenditures	8,211	8,607	8,602	10,797	9,699	9,699	9,699	9,699
Biennial Change in Expenditures				2,581		(1)		(1)
Biennial % Change in Expenditures				15		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.42	0.30	0.29	0.29	0.29	0.29	0.29	0.29

2102 - All-Terrain Vehicle

Balance Forward In	100	187	100	389				
Direct Appropriation	4,425	2,675	2,025	2,025	2,025	2,025	2,025	2,025
Cancellations		179						
Balance Forward Out	135	100	389					
Expenditures	4,390	2,583	1,736	2,414	2,025	2,025	2,025	2,025
Biennial Change in Expenditures				(2,823)		(100)		(100)
Biennial % Change in Expenditures				(40)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.42	0.42	0.31	0.31	0.31	0.31	0.31	0.31

2103 - Off-Highway Motorcycle

Balance Forward In		6		54				
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Community Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Direct Appropriation	150	150	150	150	150	150	150	150
Cancellations		43						
Balance Forward Out	6		54					
Expenditures	144	113	96	204	150	150	150	150
Biennial Change in Expenditures				43		0		0
Biennial % Change in Expenditures				17		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2104 - Off-Road Vehicle

Balance Forward In	248	396		232				
Direct Appropriation	325	325	325	325	325	325	325	325
Cancellations		697						
Balance Forward Out	396		232					
Expenditures	178	24	93	557	325	325	325	325
Biennial Change in Expenditures				449		0		0
Biennial % Change in Expenditures				223		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2109 - Local Trls Grants Lott In Lieu

Balance Forward In		250		16				
Direct Appropriation	890	890	1,140	1,140	1,140	1,140	1,140	1,140
Cancellations		250						
Balance Forward Out			16					
Expenditures	890	890	1,124	1,156	1,140	1,140	1,140	1,140
Biennial Change in Expenditures				500		0		0
Biennial % Change in Expenditures				28		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents			0.09	0.09	0.09	0.09	0.09	0.09

2116 - Cross Country Ski

Community Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Balance Forward In	565	143	382	476	476	476	476	476
Receipts	418	516	421	350	350	350	350	350
Transfers In		91						
Transfers Out	116	132	10	10	10	10	10	10
Cancellations	472							
Balance Forward Out	128	354	476	476	476	476	476	476
Expenditures	267	265	317	340	340	340	340	340
Biennial Change in Expenditures				126		23		23
Biennial % Change in Expenditures				24		3		3
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents			0.73	0.73	0.73	0.73	0.73	0.73

2119 - State Land & Water Conservation

Receipts	2,061	1,240	1,055	1,250	1,250	1,250	1,250	1,250
Expenditures	2,061	1,240	1,055	1,250	1,250	1,250	1,250	1,250
Biennial Change in Expenditures				(996)		195		195
Biennial % Change in Expenditures				(30)		8		8
Governor's Change from Base								0
Governor's % Change from Base								0

2303 - Parks and Trails

Direct Appropriation							12,305	12,660
Expenditures							12,305	12,660
Biennial Change in Expenditures				0		0		24,965
Biennial % Change in Expenditures								
Governor's Change from Base								24,965
Governor's % Change from Base								
Full-Time Equivalents							1.00	1.00

3000 - Federal

Balance Forward In		0	0					
Receipts	3,607	3,942	4,101	5,362	5,228	4,728	5,228	4,728
Expenditures	3,607	3,943	4,101	5,362	5,228	4,728	5,228	4,728
Biennial Change in Expenditures				1,914		493		493

Community Partnerships

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				25		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.77	0.62	0.57	1.25	1.25	1.25	1.25	1.25

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

AT A GLANCE

- Manage more than 1.3 million acres of state-owned wildlife management areas and more than 46,000 acres of aquatic management areas
- Manage fisheries in 4,400 fishing lakes and 15,000 miles of fishable streams and rivers in Minnesota
- Manage 61 wildlife and 37 game fish species
- Provide quality outdoor opportunities to nearly 1.2 million licensed anglers, 550,000 licensed hunters and 6,600 licensed trappers, and 1.6 million wildlife watchers
- Build local conservation capacity by providing \$11 million of outdoor heritage funds in competitive matching grants to nonprofit organizations or local governments in metropolitan and greater Minnesota
- Manage 2.4 million license sales for hunting, fishing and other activities, and 1.4 million registrations for recreational boats and vehicles
- Engage 1,500 Minnesota businesses as point-of-sale agents for hunting and fishing licenses and 170 registration and titling agents

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) strives to sustain healthy populations of fish and wildlife, high quality recreational opportunities, and vibrant local economies. The DNR manages fish and wildlife populations, their habitats, and use of these public resources, including fishing, hunting, and trapping. The DNR also serves people seeking hunting and fishing licenses and recreational vehicle registration and titling. To fulfill this work, it also serves and supports licensing agents and deputy registrars throughout the state.

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

The DNR provides licensing and recreational vehicle services through use of the Electronic Licensing System (ELS) in an efficient and cost-effective manner, including web, telephone and mobile-device options.

Access to natural lands and participation in outdoor recreation benefits personal health and helps sustain Minnesota's hunting and fishing heritage. This boosts Minnesota's economy, especially in rural communities, by supporting more than 48,000 jobs and generating \$3.8 billion in statewide economic activity.

SERVICES PROVIDED

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

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

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

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

- Managing more than 1.3 million acres of wildlife and aquatic habitat
- Contributing to improved habitat management on public and private lands through technical and financial assistance
- Acquiring lands through purchase or donation to add high-priority parcels to the system's land base
- Acquiring conservation easements on quality trout streams to provide angler access and habitat restoration opportunities
- Conducting prescribed burns and removing woody vegetation to enhance grasslands and prairies, restoring and enhancing wetlands, managing forest stands, conducting wildlife lake assessments, and protecting and enhancing aquatic habitats
- Providing public awareness of and access to state lands through posting boundaries, providing parking lots and walking trails, and providing maps (digital and paper) and other user information

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

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

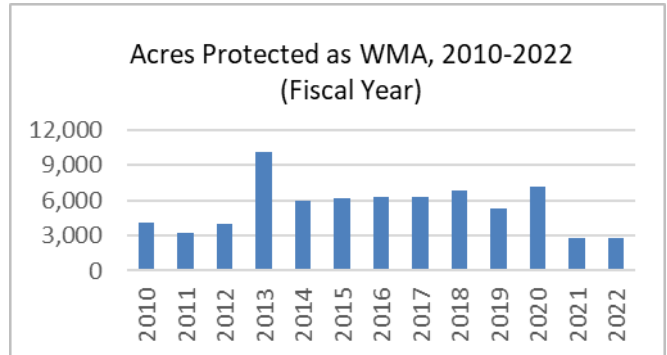
Administer hunting and fishing licenses and recreational vehicle titles and registrations. The DNR is responsible for the development, implementation and maintenance of the statewide electronic licensing system (ELS). It provides easy access for outdoors enthusiasts to purchase hunting and fishing licenses at any of the 1,500 ELS agent locations. Customers can also purchase licenses by phone or online. The DNR has a walk-in service counter in Saint Paul that provides service to customers for all types of licenses, registration and titling transactions. Commercial licenses are issued for businesses such as minnow dealers, game farms and shooting preserves, and the DNR manages the lottery system for turkey, antlerless deer, bear and elk licenses.

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

RESULTS

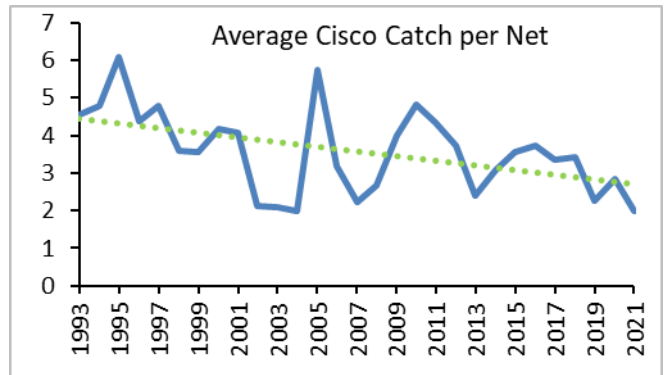
Results Performance Measure: Acres Protected in Wildlife Management Areas

The Wildlife Management Area (WMA) system serves as the backbone of the DNR’s wildlife program. WMAs provide for public recreation and wildlife production and ecological benefits, such as carbon and water storage. With partners, the DNR generally acquires between 3,000 and 6,000 acres of WMA land each year. High land prices have affected acquisitions in the last two years.



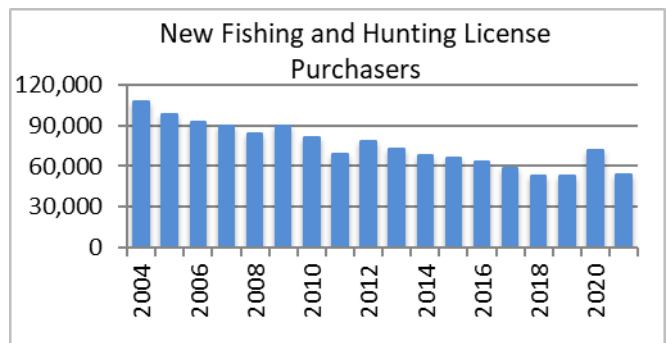
Results Performance Measure: Cisco Catch per Net Since 1970

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



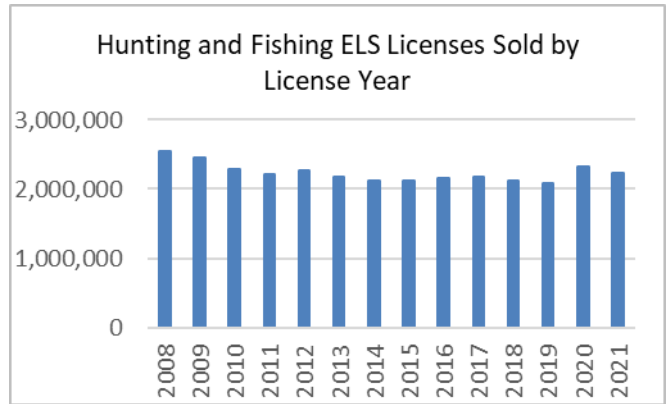
Quantity Performance Measure: New License Purchases

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



Quantity Performance Measure: Licenses Sold

The DNR bases annual hunting license availability on multiple factors, including population assessments for deer, elk and wild turkey. Recent years have seen lower than normal deer licenses sales. All license types saw a bump in sales in 2020, an increase that can be attributed to more Minnesotans getting outdoors during the COVID-19 pandemic. License sales have returned to pre-pandemic levels as people return to more regular routines.



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

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

Fish and Wildlife

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<i>Expenditures by Fund</i>								
1000 - General	1,774	272	1,145	3,316	282	282	48,116	3,116
2000 - Restrict Misc Special Revenue	508	232	310	214	211	211	211	211
2001 - Other Misc Special Revenue	2,748	2,281	2,372	2,607	2,215	2,215	2,215	2,215
2050 - Environment & Natural Resources	419	103	121	390				
2100 - Water Recreation	1,391	1,492	1,496	1,522	1,509	1,509	1,609	1,609
2101 - Snowmobile	273	318	305	305	305	305	305	305
2102 - All-Terrain Vehicle	104	121	125	125	125	125	125	125
2103 - Off-Highway Motorcycle	7	10	9	11	10	10	10	10
2104 - Off-Road Vehicle	20	24	23	43	33	33	33	33
2117 - Natural Resource Misc Statutory	779	999	1,173	1,335	969	969	969	969
2118 - Land Acquisition	243	58	32	978	253	253	253	253
2200 - Game and Fish (Operations)	56,085	58,557	56,957	66,833	61,772	61,704	70,314	73,607
2201 - Computerized Lic Deer/Bear Mgmt	1,040	695	592	768	1,051	1,049	1,051	1,049
2202 - Deer Habitat Improvement	7,864	7,671	7,223	9,869	8,546	8,546	8,546	8,546
2203 - Waterfowl Habitat Improvement	580	754	391	850	650	650	650	650
2204 - Trout And Salmon Management	943	915	984	1,350	1,200	1,100	1,390	1,280
2205 - Pheasant Habitat Improvement	344	360	353	446	500	500	500	500
2206 - Wild Rice Management	80	57	38	38	46	45	46	45
2207 - Wildlife Acquisition Surcharge	1,145	714	835	1,320	1,320	1,294	1,320	1,294
2208 - Wild Turkey Management	116	89	136	230	250	250	250	250
2209 - Heritage Enhancement	7,806	9,237	8,851	10,862	8,658	8,683	11,358	11,583
2211 - Walleye Stamp Account	90	84	175	145	200	199	220	219
2213 - Wolf Management & Monitoring	245	348	277	519	301	300	301	300
2300 - Outdoor Heritage	25,178	17,191	21,255	64,330				
2302 - Clean Water	1,180	829	1,209	1,836			2,405	2,405
2401 - Reinvest In Minnesota-Gifts	2,269	1,826	1,210	2,296	3,296	3,296	3,296	3,296
2403 - Gift	41	36	39	52	52	52	52	52
3000 - Federal	885	5,484	4,022	11,737	27,465	10,305	27,465	10,305
Total	114,157	110,758	111,660	184,327	121,219	103,885	183,010	124,227
Biennial Change				71,072		(70,883)		11,250
Biennial % Change				32		(24)		4
Governor's Change from Base								82,133

Fish and Wildlife

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
Governor's % Change from Base								36

Expenditures by Category

Compensation	50,911	50,101	50,237	55,435	47,343	46,963	57,544	59,768
Operating Expenses	40,797	41,321	40,988	99,100	52,758	49,525	85,918	55,730
Grants, Aids and Subsidies	13,040	9,152	12,373	16,612	2,717	1,796	3,849	2,928
Capital Outlay-Real Property	9,023	9,233	7,461	12,938	18,229	5,429	35,527	5,629
Other Financial Transaction	386	951	601	242	172	172	172	172
Total	114,157	110,758	111,660	184,327	121,219	103,885	183,010	124,227

Total Agency Expenditures	114,157	110,758	111,660	184,327	121,219	103,885	183,010	124,227
Internal Billing Expenditures	21,325	21,121	21,973	23,110	21,072	21,072	21,072	21,072
Expenditures Less Internal Billing	92,832	89,637	89,687	161,217	100,147	82,813	161,938	103,155

Full-Time Equivalents

	568.52	532.58	528.14	495.99	430.21	418.64	510.73	503.68
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Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Balance Forward In		3		584				
Direct Appropriation	1,777	275	1,729	2,732	282	282	48,116	3,116
Transfers Out		6						
Cancellations	1	0						
Balance Forward Out	2		584					
Expenditures	1,774	272	1,145	3,316	282	282	48,116	3,116
Biennial Change in Expenditures				2,416		(3,897)		46,771
Biennial % Change in Expenditures				118		(87)		1,048
Governor's Change from Base								50,668
Governor's % Change from Base								8,984
Full-Time Equivalents	7.53		0.05	0.05	0.05	0.05	12.80	6.80

2000 - Restrict Misc Special Revenue

Balance Forward In	1,742	1,713	1,688	1,687	1,663	1,595	1,663	1,595
Receipts	277	71	165	65	22	20	22	20
Transfers In	203	236	242	225	221	215	221	215
Transfers Out	141	100	100	100	100	100	100	100
Balance Forward Out	1,572	1,688	1,686	1,663	1,595	1,519	1,595	1,519
Expenditures	508	232	310	214	211	211	211	211
Biennial Change in Expenditures				(216)		(102)		(102)
Biennial % Change in Expenditures				(29)		(19)		(19)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.42	0.81	1.07	1.07	1.07	1.07	1.07	1.07

2001 - Other Misc Special Revenue

Balance Forward In	1,584	1,231	1,404	1,306	1,283	1,276	1,283	1,276
Receipts	2,305	2,336	2,274	2,283	2,208	2,208	2,208	2,208
Internal Billing Receipts	8	36	0					
Transfers In	29	46		301				
Transfers Out	4							
Balance Forward Out	1,167	1,332	1,306	1,283	1,276	1,269	1,276	1,269
Expenditures	2,748	2,281	2,372	2,607	2,215	2,215	2,215	2,215

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				(50)		(549)		(549)
Biennial % Change in Expenditures				(1)		(11)		(11)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.21	1.26	1.29	1.29	1.29	1.29	1.29	1.29

2050 - Environment & Natural Resources

Balance Forward In	593	194	542	390				
Direct Appropriation		478						
Cancellations	0	27	31					
Balance Forward Out	174	541	390					
Expenditures	419	103	121	390				
Biennial Change in Expenditures				(11)		(511)		(511)
Biennial % Change in Expenditures				(2)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	2.53	0.13	0.68	0.68				

2100 - Water Recreation

Balance Forward In		105		13				
Direct Appropriation	1,484	1,509	1,509	1,509	1,509	1,509	1,609	1,609
Transfers Out		122						
Cancellations		0						
Balance Forward Out	93		13					
Expenditures	1,391	1,492	1,496	1,522	1,509	1,509	1,609	1,609
Biennial Change in Expenditures				135		0		200
Biennial % Change in Expenditures				5		0		7
Governor's Change from Base								200
Governor's % Change from Base								7
Full-Time Equivalents	12.51	13.45	12.77	12.77	12.77	12.77	13.43	13.58

2101 - Snowmobile

Balance Forward In		34						
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Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Direct Appropriation	304	305	305	305	305	305	305	305
Transfers Out		21						
Cancellations		0						
Balance Forward Out	31		0					
Expenditures	273	318	305	305	305	305	305	305
Biennial Change in Expenditures				19		0		0
Biennial % Change in Expenditures				3		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.92	3.34	3.30	3.30	3.30	3.30	3.30	3.30

2102 - All-Terrain Vehicle

Balance Forward In		26						
Direct Appropriation	123	125	125	125	125	125	125	125
Transfers Out		30						
Cancellations		0						
Balance Forward Out	19		0					
Expenditures	104	121	125	125	125	125	125	125
Biennial Change in Expenditures				25		0		0
Biennial % Change in Expenditures				11		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.10	1.03	1.17	1.17	1.17	1.17	1.17	1.17

2103 - Off-Highway Motorcycle

Balance Forward In		3		1				
Direct Appropriation	10	10	10	10	10	10	10	10
Transfers Out		3						
Cancellations		0						
Balance Forward Out	3		1					
Expenditures	7	10	9	11	10	10	10	10
Biennial Change in Expenditures				3		0		0
Biennial % Change in Expenditures				18		(1)		(1)

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								0
Governor's % Change from Base								0

2104 - Off-Road Vehicle

Balance Forward In		14		10				
Direct Appropriation	33	33	33	33	33	33	33	33
Transfers Out		22						
Cancellations		0						
Balance Forward Out	13		10					
Expenditures	20	24	23	43	33	33	33	33
Biennial Change in Expenditures				22		0		0
Biennial % Change in Expenditures				49		(1)		(1)
Governor's Change from Base								0
Governor's % Change from Base								0

2112 - Invasive Species

Transfers In	1,170	1,309	1,185	940	940	940	940	940
Cancellations	1,170	1,309	1,185	940	940	940	940	940

2117 - Natural Resource Misc Statutory

Balance Forward In	808	1,094	1,250	1,054	688	688	688	688
Receipts	1,027	1,119	977	969	969	969	969	969
Internal Billing Receipts		1						
Balance Forward Out	1,056	1,213	1,054	688	688	688	688	688
Expenditures	779	999	1,173	1,335	969	969	969	969
Biennial Change in Expenditures				729		(570)		(570)
Biennial % Change in Expenditures				41		(23)		(23)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.65	0.83	1.17	1.17	1.17	1.17	1.17	1.17

2118 - Land Acquisition

Balance Forward In	644	2,159	2,256	2,293	1,391	1,214	1,391	1,214
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Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Receipts	1,757	155	69	76	76	76	76	76
Internal Billing Receipts		4						
Balance Forward Out	2,159	2,256	2,293	1,391	1,214	1,037	1,214	1,037
Expenditures	243	58	32	978	253	253	253	253
Biennial Change in Expenditures				709		(504)		(504)
Biennial % Change in Expenditures				236		(50)		(50)
Governor's Change from Base								0
Governor's % Change from Base								0

2200 - Game and Fish (Operations)

Balance Forward In	679	5,637	1,254	6,424	1,429	1,430	1,429	1,430
Direct Appropriation	57,494	58,841	58,841	58,841	58,841	58,841	67,383	70,744
Receipts	3,615	3,721	3,529	3,222	3,153	3,079	3,153	3,079
Internal Billing Receipts		1						
Transfers Out	203	236	242	225	221	215	221	215
Cancellations	207	8,236						
Balance Forward Out	5,292	1,170	6,424	1,429	1,430	1,431	1,430	1,431
Expenditures	56,085	58,557	56,957	66,833	61,772	61,704	70,314	73,607
Biennial Change in Expenditures				9,148		(314)		20,131
Biennial % Change in Expenditures				8		(0)		16
Governor's Change from Base								20,445
Governor's % Change from Base								17
Full-Time Equivalents	367.59	361.18	342.04	314.94	300.76	291.98	341.94	340.96

2201 - Computerized Lic Deer/Bear Mgmt

Balance Forward In	1,322	1,311	1,673	2,117	2,334	2,242	2,334	2,242
Receipts	968	1,057	1,036	985	959	934	959	934
Transfers In	50							
Transfers Out	50							
Balance Forward Out	1,250	1,673	2,118	2,334	2,242	2,127	2,242	2,127
Expenditures	1,040	695	592	768	1,051	1,049	1,051	1,049
Biennial Change in Expenditures				(375)		740		740
Biennial % Change in Expenditures				(22)		54		54

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	2.75	2.50	2.02	2.02	2.02	2.02	2.02	2.02

2202 - Deer Habitat Improvement

Balance Forward In	1,369	721		1,323				
Direct Appropriation	8,546	8,546	8,546	8,546	8,546	8,546	8,546	8,546
Cancellations	1,369	1,595						
Balance Forward Out	682		1,323					
Expenditures	7,864	7,671	7,223	9,869	8,546	8,546	8,546	8,546
Biennial Change in Expenditures				1,557		0		0
Biennial % Change in Expenditures				10		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	58.84	62.72	55.39	51.00	48.70	47.28	48.70	47.28

2203 - Waterfowl Habitat Improvement

Balance Forward In	981	1,259	1,118	1,289	972	841	972	841
Receipts	558	601	563	533	519	506	519	506
Balance Forward Out	958	1,107	1,289	972	841	697	841	697
Expenditures	580	754	391	850	650	650	650	650
Biennial Change in Expenditures				(93)		59		59
Biennial % Change in Expenditures				(7)		5		5
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.86	0.31	0.43	0.43	0.43	0.43	0.43	0.43

2204 - Trout And Salmon Management

Balance Forward In	983	1,275	1,608	1,729	1,434	1,253	1,434	1,253
Receipts	1,228	1,248	1,105	1,055	1,019	985	1,209	1,165
Balance Forward Out	1,269	1,608	1,729	1,434	1,253	1,138	1,253	1,138
Expenditures	943	915	984	1,350	1,200	1,100	1,390	1,280
Biennial Change in Expenditures				476		(34)		336

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				26		(1)		14
Governor's Change from Base								370
Governor's % Change from Base								16
Full-Time Equivalents	4.28	3.79	4.64	4.64	4.64	4.64	4.64	4.64

2205 - Pheasant Habitat Improvement

Balance Forward In	265	404	604	771	808	762	808	762
Receipts	478	558	520	483	454	427	454	427
Balance Forward Out	399	601	771	808	762	689	762	689
Expenditures	344	360	353	446	500	500	500	500
Biennial Change in Expenditures				94		201		201
Biennial % Change in Expenditures				13		25		25
Governor's Change from Base								0
Governor's % Change from Base								0

2206 - Wild Rice Management

Balance Forward In	65	65	61	63	65	59	65	59
Receipts	40	53	40	40	40	40	40	40
Balance Forward Out	25	61	63	65	59	54	59	54
Expenditures	80	57	38	38	46	45	46	45
Biennial Change in Expenditures				(61)		15		15
Biennial % Change in Expenditures				(45)		20		20
Governor's Change from Base								0
Governor's % Change from Base								0

2207 - Wildlife Acquisition Surcharge

Balance Forward In	2,413	2,733	3,520	4,080	4,016	3,903	4,016	3,903
Receipts	1,465	1,496	1,395	1,256	1,207	1,160	1,207	1,160
Balance Forward Out	2,733	3,516	4,080	4,016	3,903	3,769	3,903	3,769
Expenditures	1,145	714	835	1,320	1,320	1,294	1,320	1,294
Biennial Change in Expenditures				297		459		459
Biennial % Change in Expenditures				16		21		21
Governor's Change from Base								0

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's % Change from Base								0
Full-Time Equivalents	3.59	0.57	3.07	3.07	3.07	3.07	3.07	3.07

2208 - Wild Turkey Management

Balance Forward In	363	490	634	718	693	645	693	645
Receipts	243	234	220	205	202	200	202	200
Balance Forward Out	490	634	718	693	645	595	645	595
Expenditures	116	89	136	230	250	250	250	250
Biennial Change in Expenditures				161		134		134
Biennial % Change in Expenditures				78		36		36
Governor's Change from Base								0
Governor's % Change from Base								0

2209 - Heritage Enhancement

Balance Forward In	25	1,095	25	1,104	25	25	25	25
Direct Appropriation	9,157	8,758	9,933	9,783	8,658	8,658	11,358	11,558
Transfers Out		537						
Cancellations	292	55	2					
Balance Forward Out	1,083	25	1,104	25	25		25	
Expenditures	7,806	9,237	8,851	10,862	8,658	8,683	11,358	11,583
Biennial Change in Expenditures				2,670		(2,372)		3,228
Biennial % Change in Expenditures				16		(12)		16
Governor's Change from Base								5,600
Governor's % Change from Base								32
Full-Time Equivalents	52.19	36.10	53.13	48.92	46.72	45.35	59.65	60.85

2211 - Walleye Stamp Account

Balance Forward In	96	157	244	227	239	195	239	195
Receipts	151	172	158	157	156	154	176	174
Balance Forward Out	157	244	227	239	195	150	195	150
Expenditures	90	84	175	145	200	199	220	219
Biennial Change in Expenditures				146		79		119
Biennial % Change in Expenditures				84		25		37

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's Change from Base								40
Governor's % Change from Base								10

2213 - Wolf Management & Monitoring

Balance Forward In	1,197	1,290	1,295	1,360	1,166	1,182	1,166	1,182
Receipts	320	349	343	325	317	308	317	308
Balance Forward Out	1,273	1,291	1,360	1,166	1,182	1,190	1,182	1,190
Expenditures	245	348	277	519	301	300	301	300
Biennial Change in Expenditures				203		(195)		(195)
Biennial % Change in Expenditures				34		(24)		(24)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.13							

2300 - Outdoor Heritage

Balance Forward In	30,190	33,342	40,978	42,222				
Direct Appropriation	27,218	23,462	24,919	22,108	0	0	0	0
Transfers In		1,137	185					
Transfers Out	85		53					
Cancellations	113	2,513	2,553					
Balance Forward Out	32,032	38,237	42,222					
Expenditures	25,178	17,191	21,255	64,330				
Biennial Change in Expenditures				43,216		(85,585)		(85,585)
Biennial % Change in Expenditures				102		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	33.79	35.82	34.23	34.23				

2302 - Clean Water

Balance Forward In	601	448	694	661				
Direct Appropriation	1,075	1,075	1,175	1,175	0	0	2,405	2,405
Cancellations	47	0						
Balance Forward Out	448	694	661					

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	1,180	829	1,209	1,836			2,405	2,405
Biennial Change in Expenditures				1,035		(3,045)		1,765
Biennial % Change in Expenditures				52		(100)		58
Governor's Change from Base								4,810
Governor's % Change from Base								
Full-Time Equivalents	14.64	7.07	10.69	10.69			13.00	13.00

2401 - Reinvest In Minnesota-Gifts

Balance Forward In	22,180	24,698	27,805	27,820	28,894	28,968	28,894	28,968
Receipts	516	127	126	204	204	204	204	204
Transfers In	5,270	5,819	6,274	5,194	5,194	5,194	5,194	5,194
Transfers Out	1,013	1,013	5,176	2,028	2,028	2,028	2,028	2,028
Balance Forward Out	24,684	27,805	27,819	28,894	28,968	29,042	28,968	29,042
Expenditures	2,269	1,826	1,210	2,296	3,296	3,296	3,296	3,296
Biennial Change in Expenditures				(588)		3,086		3,086
Biennial % Change in Expenditures				(14)		88		88
Governor's Change from Base								0
Governor's % Change from Base								0

2403 - Gift

Balance Forward In	619	617	623	648	634	615	634	615
Receipts	39	43	65	38	33	33	33	33
Balance Forward Out	617	623	648	634	615	596	615	596
Expenditures	41	36	39	52	52	52	52	52
Biennial Change in Expenditures				15		13		13
Biennial % Change in Expenditures				19		14		14
Governor's Change from Base								0
Governor's % Change from Base								0

3000 - Federal

Balance Forward In		1	3					
Receipts	886	5,482	4,019	11,737	27,465	10,305	27,465	10,305
Balance Forward Out	1							

Fish and Wildlife

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	885	5,484	4,022	11,737	27,465	10,305	27,465	10,305
Biennial Change in Expenditures				9,390		22,011		22,011
Biennial % Change in Expenditures				147		140		140
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.99	1.67	1.00	4.55	3.05	3.05	3.05	3.05

Program: Enforcement**Activity: Enforcement**<https://www.dnr.state.mn.us/enforcement/>

AT A GLANCE

- Provide outreach, safety education training, and law enforcement related to our state's natural resources across Minnesota in collaboration with local, tribal, state, and federal partners
- Engage in more than 500 public outreach opportunities annually
- Certify more than 49,000 students annually in safety education programs by working with 6,000 volunteer instructors across the state
- Administer nearly 300 annual state and federal grants to user groups and local law enforcement partners for outreach, safety education and enforcement of motorized recreational vehicle laws and regulations
- Work with over 100 nonprofit shooting sports organizations to increase capacity for high-school shooting sports and recreational shooting through infrastructure improvements and expansions
- Provide more than 1,500 hours of flight operations to support public safety and resource management (includes fish and wildlife surveys and censuses, forestry assessments, wetland protection, and water quality/shoreline management)

PURPOSE AND CONTEXT

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

Enforcement's 10-year strategic plan addresses how it will accomplish its work in a changing context. A decline in revenue for some recreational motor vehicle accounts and historical downward trends in fishing and hunting license sales are affecting the funding for traditional enforcement activities. At the same time, there are increasing demands for enforcement of invasive species, water quality and quantity, and other natural resource protection laws. Additionally, the number users of natural resources who do not directly pay for those experiences (such as hikers, mountain bikers and photographers/bird watchers) has increased markedly. Whether people are required to have licenses or permits for the ways they enjoy the outdoors, conservation officers remain committed to helping all people do it safely, legally and with preservation of the resources in mind.

In addition to our traditional natural resource enforcement activities, DNR conservation officers were called upon in unprecedented ways in 2020 and 2021 to assist partnering agencies with planning and staffing law enforcement responses to large-scale public demonstrations and instances of civil unrest. Since 2020, there has been an increase in both peaceful protest and civil disturbance in Minnesota and across the nation. This activity has placed increased demands on local and state law enforcement resources to uphold people's First Amendment rights while ensuring public safety and, as necessary, address criminal behavior. Minnesota DNR is not resourced to do this type of work through its normal funding channels and thus has had to seek reimbursement and special appropriations to pay for this exigent work.

As part of the Enforcement Division's strategic plan, which was implemented beginning in 2015, the division focuses on hiring a workforce that more closely reflects the diverse communities across Minnesota. Since then, it has placed an increased focus on hiring minorities, women, people with disabilities and recently separated veterans. The Conservation Officer (CO) Prep program, aimed at attracting non-traditional candidates and providing them a path to obtain their required law enforcement training, has been an important part of these efforts. The division achieved most of its affirmative action goals in 2021 and strives for continued improvement. At the broader hiring level, the division, like other law enforcement agencies in Minnesota and across the nation, faces a shrinking pool of applicants as fewer people are pursuing careers in law enforcement.

Law enforcement officers encounter unique demands and stresses as part of their jobs, so the DNR has established programs to ensure its conservation officers have access to mental and physical health-related resources. Additionally, it has instituted cultural awareness training, mental health awareness training and First Amendment rights training and has updated its use of force training to ensure all people with whom officers come in contact are treated with the utmost courtesy, respect and professionalism.

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

SERVICES PROVIDED

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

Fish and Game Education and Protection

- Work with recreational and commercial users, as well as citizen stakeholder groups, to protect fish and game populations through understanding of, and compliance with, applicable laws and regulations
- Deliver youth and adult hunting safety education programs
- Recruit, retain and revitalize users through outreach opportunities and shooting range development

Recreational Safety and Enforcement

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

Natural Resource Protection

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

Public Safety

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

RESULTS

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

In traditional and CO Prep recruiting, outreach efforts continue to increase the number of minorities, women, disabled people and veterans in the DNR’s conservation officer corps. Of the 92 individuals who have gone through our past six Academies, 24 were females; 17 were minorities; two were disabled; and 18 were recently separated veterans.

Six most recent Conservation Officer Academies

		Female	Minority	Disabled	Veteran	Total Participants
Academy 16	Prep	2	0	0	0	5
	Traditional	1	0	0	2	10
	Total	3	0	0	2	15
Academy 17	Prep	2	2	0	1	6
	Traditional	0	0	0	0	4
	Total	2	2	0	1	10
Academy 18	Prep	3	2	0	3	8
	Traditional	3	4	0	2	13
	Total	6	6	0	5	21
Academy 19	Prep	3	0	0	2	4
	Traditional	2	1	1	0	10
	Total	5	1	1	2	14
Academy 20	Prep	3	3	0	2	7
	Traditional	1	2	1	2	6
	Total	4	5	1	4	13
Academy 21	Prep	3	1	0	4	12
	Traditional	1	2	0	0	7
	Total	4	3	0	4	19

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

- [84.028 \(https://www.revisor.mn.gov/statutes/?id=84.028\)](https://www.revisor.mn.gov/statutes/?id=84.028)
- [84.081 \(https://www.revisor.mn.gov/statutes/?id=84.081\)](https://www.revisor.mn.gov/statutes/?id=84.081)
- [97A.201 \(https://www.revisor.mn.gov/statutes/?id=97A.201\)](https://www.revisor.mn.gov/statutes/?id=97A.201)
- [103G.2372 \(https://www.revisor.mn.gov/statutes/?id=103G.2372\)](https://www.revisor.mn.gov/statutes/?id=103G.2372)
- [115.071 \(https://www.revisor.mn.gov/statutes/?id=115.071\)](https://www.revisor.mn.gov/statutes/?id=115.071)
- [116.073 \(https://www.revisor.mn.gov/statutes/?id=116.073\)](https://www.revisor.mn.gov/statutes/?id=116.073)
- [138.40 \(https://www.revisor.mn.gov/statutes/?id=138.40\)](https://www.revisor.mn.gov/statutes/?id=138.40)
- [626.84 \(https://www.revisor.mn.gov/statutes/?id=626.84\)](https://www.revisor.mn.gov/statutes/?id=626.84)

Enforcement

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<u>Expenditures by Fund</u>								
1000 - General	6,995	10,706	9,567	11,866	10,804	10,804	18,660	19,453
2000 - Restrict Misc Special Revenue			15	2,156				
2001 - Other Misc Special Revenue	6,474	5,650	9,022	6,915	6,914	6,764	6,914	6,764
2100 - Water Recreation	4,769	4,548	5,484	5,283	5,231	5,231	6,631	6,631
2101 - Snowmobile	1,872	1,726	2,185	2,147	2,115	2,115	2,115	2,115
2102 - All-Terrain Vehicle	3,277	3,113	3,631	4,126	3,772	3,772	4,072	4,172
2103 - Off-Highway Motorcycle	96	97	123	178	147	147	157	157
2104 - Off-Road Vehicle	154	155	160	647	399	399	439	439
2106 - State Park	79	67	58	165	106	106	106	106
2107 - State Pks & Trls Lott In Lieu	52	34	21	121	71	71	71	71
2112 - Invasive Species	251	218	240	480	360	360	360	360
2200 - Game and Fish (Operations)	24,424	22,475	29,907	29,050	28,458	28,458	30,245	28,758
2209 - Heritage Enhancement	1,461	1,448	328	2,832	1,580	1,580	2,080	1,892
2212 - Peace Officer Training Account	88	86	113	157	135	135	135	135
2403 - Gift	18	14		10	1	1	1	1
2801 - Remediation	75	72	71	170	117	117	117	117
3000 - Federal	2,913	2,802	2,772	4,400	4,400	4,400	4,400	4,400
3015 - ARP-State Fiscal Recovery				1,730				
Total	52,999	53,211	63,698	72,433	64,610	64,460	76,503	75,571
Biennial Change				29,921		(7,061)		15,943
Biennial % Change				28		(5)		12
Governor's Change from Base								23,004
Governor's % Change from Base								18
<u>Expenditures by Category</u>								
Compensation	30,147	31,107	37,599	36,796	35,112	35,022	42,562	44,803
Operating Expenses	18,442	18,096	22,120	30,918	24,858	24,808	25,879	25,766
Grants, Aids and Subsidies	2,862	2,963	2,916	3,002	2,994	2,994	3,354	3,354
Capital Outlay-Real Property	534	454	650	1,529	1,479	1,469	4,541	1,481
Other Financial Transaction	1,015	591	412	188	167	167	167	167
Total	52,999	53,211	63,698	72,433	64,610	64,460	76,503	75,571

Enforcement

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Total Agency Expenditures	52,999	53,211	63,698	72,433	64,610	64,460	76,503	75,571
Internal Billing Expenditures	14,610	14,523	17,918	15,236	15,236	15,236	15,236	15,236
Expenditures Less Internal Billing	38,389	38,688	45,779	57,197	49,374	49,224	61,267	60,335
<u>Full-Time Equivalents</u>	248.38	246.71	234.16	220.45	213.45	209.45	260.52	263.84

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In		1,640	481	1,062				
Direct Appropriation	7,282	8,737	10,360	10,804	10,804	10,804	18,660	19,453
Transfers In		1,300						
Transfers Out		168						
Cancellations		322	212					
Balance Forward Out	287	481	1,062					
Expenditures	6,995	10,706	9,567	11,866	10,804	10,804	18,660	19,453
Biennial Change in Expenditures				3,732		175		16,680
Biennial % Change in Expenditures				21		1		78
Governor's Change from Base								16,505
Governor's % Change from Base								76
Full-Time Equivalents	46.04	48.68	42.17	39.58	38.29	37.55	65.85	69.11

2000 - Restrict Misc Special Revenue

Balance Forward In				2,156				
Receipts			2,171					
Balance Forward Out			2,156					
Expenditures			15	2,156				
Biennial Change in Expenditures				2,171		(2,171)		(2,171)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

2001 - Other Misc Special Revenue

Balance Forward In	691	1,481	2,946	935	1,026	871	1,026	871
Receipts	6,847	6,774	7,012	7,006	6,759	6,759	6,759	6,759
Internal Billing Receipts	6,728	6,554	6,758	6,654	6,654	6,654	6,654	6,654
Transfers In	25							
Balance Forward Out	1,089	2,606	936	1,026	871	866	871	866
Expenditures	6,474	5,650	9,022	6,915	6,914	6,764	6,914	6,764
Biennial Change in Expenditures				3,813		(2,259)		(2,259)
Biennial % Change in Expenditures				31		(14)		(14)
Governor's Change from Base								0

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's % Change from Base								0
Full-Time Equivalents	0.32	0.40	0.79	0.79	0.79	0.79	0.79	0.79

2100 - Water Recreation

Balance Forward In	0	156	387	52				
Direct Appropriation	4,834	5,169	5,231	5,231	5,231	5,231	6,631	6,631
Transfers In	139	161	159	154	161	168	161	168
Cancellations	139	551	241	154	161	168	161	168
Balance Forward Out	65	387	52					
Expenditures	4,769	4,548	5,484	5,283	5,231	5,231	6,631	6,631
Biennial Change in Expenditures				1,450		(305)		2,495
Biennial % Change in Expenditures				16		(3)		23
Governor's Change from Base								2,800
Governor's % Change from Base								27
Full-Time Equivalents	19.37	21.82	20.72	19.45	18.81	18.45	24.14	24.06

2101 - Snowmobile

Balance Forward In	49	125	294	173	128	115	128	115
Direct Appropriation	1,890	2,048	2,075	2,075	2,075	2,075	2,075	2,075
Receipts	34	28	31	27	27	27	27	27
Transfers In	71	66	60	69	73	76	73	76
Cancellations	71	248	101	69	73	76	73	76
Balance Forward Out	100	294	173	128	115	102	115	102
Expenditures	1,872	1,726	2,185	2,147	2,115	2,115	2,115	2,115
Biennial Change in Expenditures				734		(102)		(102)
Biennial % Change in Expenditures				20		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	11.36	9.27	10.66	10.01	9.68	9.49	9.68	9.49

2102 - All-Terrain Vehicle

Balance Forward In		256	274	354				
Direct Appropriation	3,451	3,707	3,772	3,772	3,772	3,772	4,072	4,172

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Transfers In	100	111	108	110	115	120	115	120
Cancellations	100	686	169	110	115	120	115	120
Balance Forward Out	174	274	354					
Expenditures	3,277	3,113	3,631	4,126	3,772	3,772	4,072	4,172
Biennial Change in Expenditures				1,367		(213)		487
Biennial % Change in Expenditures				21		(3)		6
Governor's Change from Base								700
Governor's % Change from Base								9
Full-Time Equivalents	15.93	15.94	15.00	14.08	13.62	13.36	15.61	15.78

2103 - Off-Highway Motorcycle

Balance Forward In		38	10	31				
Direct Appropriation	133	144	147	147	147	147	157	157
Transfers In	3	2	4	3	3	3	3	3
Cancellations	3	77	7	3	3	3	3	3
Balance Forward Out	37	10	31					
Expenditures	96	97	123	178	147	147	157	157
Biennial Change in Expenditures				108		(7)		13
Biennial % Change in Expenditures				56		(2)		4
Governor's Change from Base								20
Governor's % Change from Base								7
Full-Time Equivalents	0.41	0.46	0.36	0.36	0.36	0.36	0.43	0.44

2104 - Off-Road Vehicle

Balance Forward In		232	12	248				
Direct Appropriation	386	396	399	399	399	399	439	439
Transfers In	4	4	4	4	4	4	4	4
Cancellations	4	465	7	4	4	4	4	4
Balance Forward Out	232	12	248					
Expenditures	154	155	160	647	399	399	439	439
Biennial Change in Expenditures				498		(9)		71
Biennial % Change in Expenditures				161		(1)		9
Governor's Change from Base								80

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's % Change from Base								10
Full-Time Equivalents	0.51	0.56	0.35	0.35	0.35	0.35	0.62	0.67

2106 - State Park

Balance Forward In		3	13	59				
Direct Appropriation	82	101	106	106	106	106	106	106
Transfers In	4	3	6	4	4	4	4	4
Cancellations	4	27	9	4	4	4	4	4
Balance Forward Out	3	13	59					
Expenditures	79	67	58	165	106	106	106	106
Biennial Change in Expenditures				76		(11)		(11)
Biennial % Change in Expenditures				52		(5)		(5)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	1.01	0.61	0.36	0.36	0.36	0.36	0.36	0.36

2107 - State Pks & Trls Lott In Lieu

Balance Forward In		19		50				
Direct Appropriation	71	71	71	71	71	71	71	71
Cancellations		56						
Balance Forward Out	19		50					
Expenditures	52	34	21	121	71	71	71	71
Biennial Change in Expenditures				56		0		0
Biennial % Change in Expenditures				64		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2112 - Invasive Species

Balance Forward In		112		120				
Direct Appropriation	360	360	360	360	360	360	360	360
Cancellations		254						
Balance Forward Out	109		120					
Expenditures	251	218	240	480	360	360	360	360

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				251		0		0
Biennial % Change in Expenditures				54		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2200 - Game and Fish (Operations)

Balance Forward In	157	930	2,709	688	96	96	96	96
Direct Appropriation	25,000	27,479	28,321	28,320	28,320	28,320	30,107	28,620
Receipts	119	140	149	138	138	138	138	138
Transfers In	1,035	1,120	999	1,056	1,106	1,152	1,106	1,152
Cancellations	1,035	4,492	1,583	1,056	1,106	1,152	1,106	1,152
Balance Forward Out	852	2,703	688	96	96	96	96	96
Expenditures	24,424	22,475	29,907	29,050	28,458	28,458	30,245	28,758
Biennial Change in Expenditures				12,058		(2,041)		46
Biennial % Change in Expenditures				26		(3)		0
Governor's Change from Base								2,087
Governor's % Change from Base								4
Full-Time Equivalents	148.89	144.14	139.76	131.19	126.91	124.46	138.76	138.86

2209 - Heritage Enhancement

Balance Forward In		119		1,252				
Direct Appropriation	1,580	1,580	1,580	1,580	1,580	1,580	2,080	1,892
Cancellations		251						
Balance Forward Out	119		1,252					
Expenditures	1,461	1,448	328	2,832	1,580	1,580	2,080	1,892
Biennial Change in Expenditures				251		0		812
Biennial % Change in Expenditures				9		0		26
Governor's Change from Base								812
Governor's % Change from Base								26

2212 - Peace Officer Training Account

Balance Forward In		48		22				
Direct Appropriation	135	135	135	135	135	135	135	135

Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Cancellations		97						
Balance Forward Out	47		22					
Expenditures	88	86	113	157	135	135	135	135
Biennial Change in Expenditures				96		0		0
Biennial % Change in Expenditures				55		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2403 - Gift

Balance Forward In	32	16	12	13	4	4	4	4
Receipts	1	10	1	1	1	1	1	1
Balance Forward Out	15	12	13	4	4	4	4	4
Expenditures	18	14		10	1	1	1	1
Biennial Change in Expenditures				(22)		(8)		(8)
Biennial % Change in Expenditures				(69)				
Governor's Change from Base								0
Governor's % Change from Base								0

2801 - Remediation

Balance Forward In		31	10	53				
Direct Appropriation	106	115	117	117	117	117	117	117
Transfers In	3	3	3	3	3	3	3	3
Cancellations	3	67	6	3	3	3	3	3
Balance Forward Out	31	10	53					
Expenditures	75	72	71	170	117	117	117	117
Biennial Change in Expenditures				95		(7)		(7)
Biennial % Change in Expenditures				64		(3)		(3)
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.42	0.45	0.28	0.28	0.28	0.28	0.28	0.28

3000 - Federal

Balance Forward In		1						
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Enforcement

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Receipts	2,913	2,801	2,772	4,400	4,400	4,400	4,400	4,400
Expenditures	2,913	2,802	2,772	4,400	4,400	4,400	4,400	4,400
Biennial Change in Expenditures				1,457		1,628		1,628
Biennial % Change in Expenditures				26		23		23
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	4.12	4.38	3.71	4.00	4.00	4.00	4.00	4.00

3015 - ARP-State Fiscal Recovery

Direct Appropriation				1,730	0	0	0	0
Expenditures				1,730				
Biennial Change in Expenditures				1,730		(1,730)		(1,730)
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

Program: Operations Support**Activity: Operations Support**<https://www.dnr.state.mn.us/aboutdnr/commissioner/>

AT A GLANCE

- Provide leadership, strategic direction and coordination for the department's seven divisions and four regions to ensure efficient and effective service delivery
- Engage local governments, tribal nations, stakeholder groups and individual Minnesotans in the natural resources decisions that affect them
- Maintain strong, collaborative relationships with the 11 federally recognized tribal nations in Minnesota
- Lead budgeting, accounting, human resources and fiscal reporting to ensure effective use of the department's budget
- Provide a strategy for embedding diversity, equity and inclusion (DEI) into the overall work of the department through the Increasing Diversity in Environmental Careers (IDEC) program for STEM students to pursue environmental careers through multi-year DNR fellowships, internships and mentorships; the program has had 45 participants in three years
- Maintain more than 3.9 million square feet of space at more than 3,000 owned or leased buildings statewide of various age, construction, use and condition
- Manage more than 5,300 items of fleet equipment, including approximately 3,000 land-operated items, 1,850 watercraft and 11 aircraft
- Provide support for the DNR website, which had more than 94.5 million webpages viewed
- Respond to more than 126,000 calls and emails received by the DNR Information Center
- Issued over 300 news releases that were distributed to newspapers, radio and TV stations and other news organizations throughout Minnesota
- Coordinate with MN.IT Services @DNR to host 190 business-enhancing information technology (IT) applications for the DNR

PURPOSE AND CONTEXT

The Minnesota Department of Natural Resources (DNR) receives department-wide operational support and statewide and regional leadership services from the Operations Support program. The program promotes department-wide coordination and leadership, strategic goal-setting, partner and stakeholder engagement, legal services, and operational excellence to advance the DNR's mission and serve Minnesota.

SERVICES PROVIDED

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

Operational Support

- Administer financial operations and budget processes for the department, including tracking revenues and expenditures, conducting internal audits and providing procurement services
- Support staff through human resources services, including labor relations, ethics, employee development, payroll, and hiring and onboarding
- Manage safety, emergency preparedness and non-fire emergency and disaster response
- Maintain fleet, buildings and infrastructure that advance the DNR's greenhouse gas reduction goals via energy efficiency and renewable energy

- Track built assets—including buildings, roads, and water control structures— to identify repair and reinvestment needs and manage capital investment efforts to preserve state assets and advance the DNR’s mission
- Provide policy development, project management and planning services to ensure operations are coordinated and efficient
- Engage the public through communication services that build awareness, trust and support
- Provide management and leadership of the MN.IT Services @DNR that support daily activities
- Administer engineering, architectural and construction management services for the department

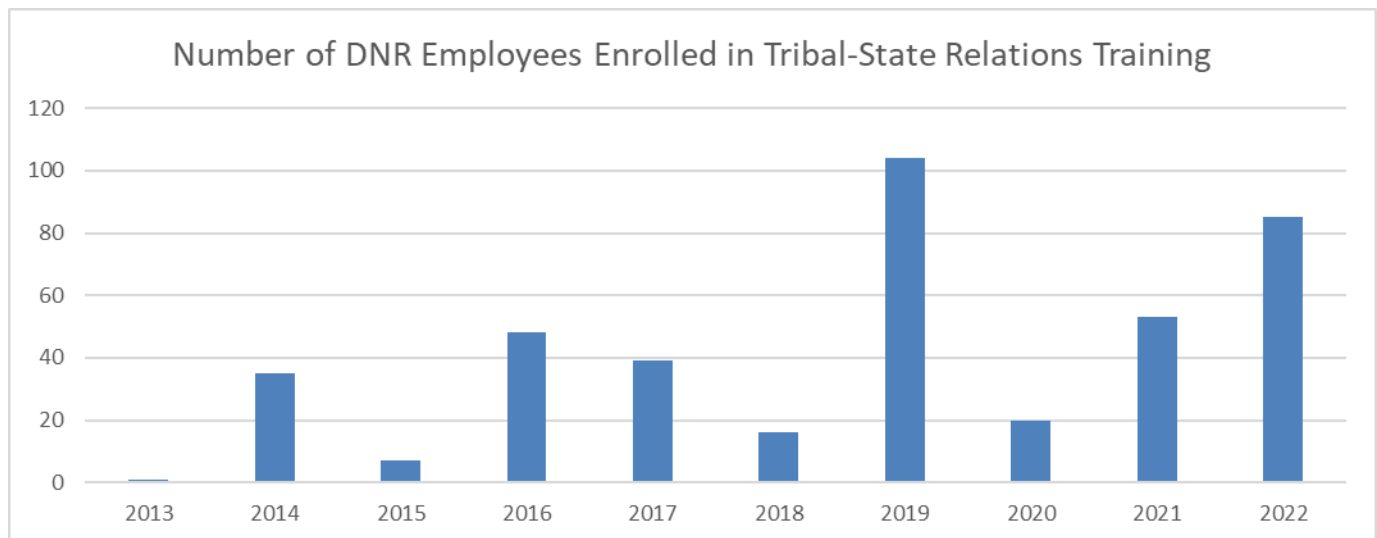
Leadership services

- Provide leadership and direction for the department as a whole and for regional offices, which enable interdisciplinary delivery of DNR services at the local level
- Lead the development of the DNR’s strategic priorities and goals
- Lead DNR efforts in government relations
- Guide implementation of the DNR’s strategic priority to consult and collaborate with tribal governments
- Spearhead efforts to enhance and support diversity, equity and inclusion in the DNR’s workforce, programs and services
- Provide legal support to DNR programs

RESULTS

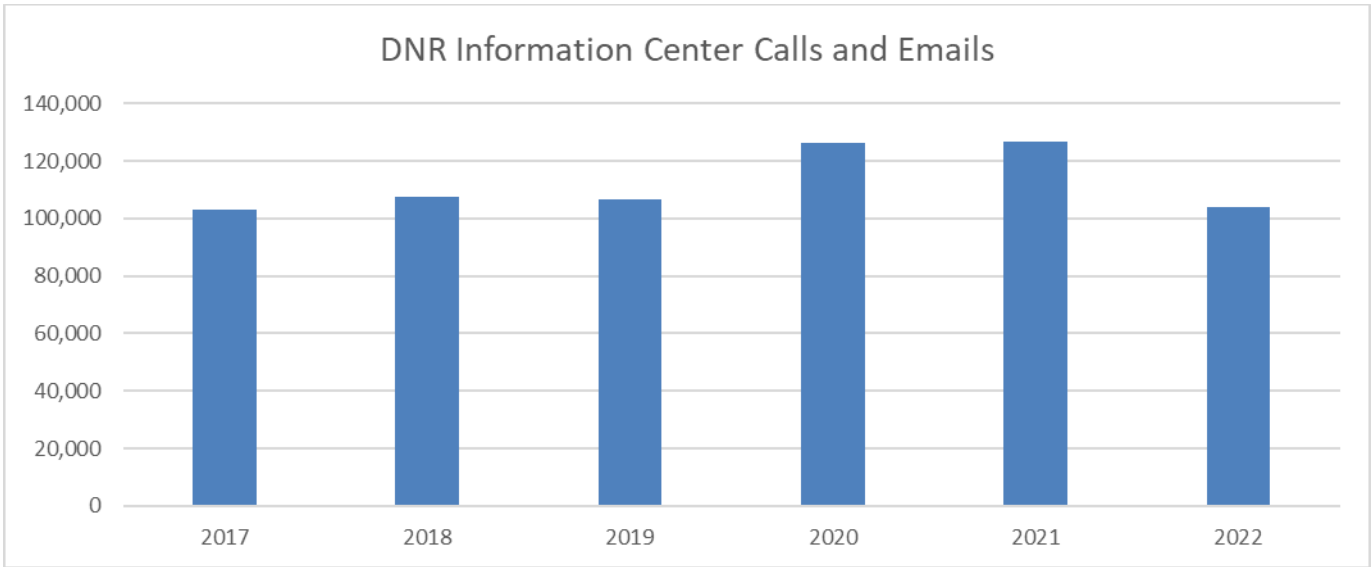
Quantity Performance Measure: Commitment to Tribal-State Relations Training

In 2019, a Tribal Relations Work Team was created to help identify 270 positions that should take the training. While the COVID-19 pandemic stopped in-person tribal-state relations training in 2020, virtual training was launched in September 2021, and participation has exceeded the number of positions identified in 2019.



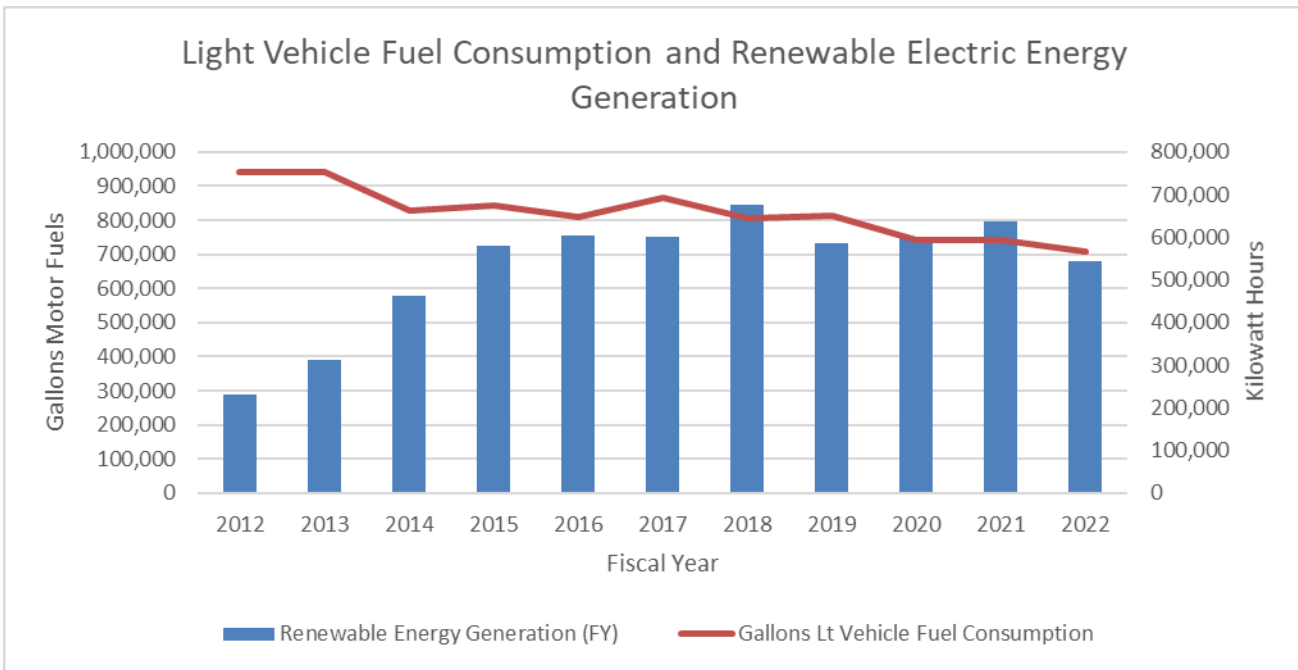
Quantity Performance Measure: DNR Customer Service

The Information Center handled 126,000 contacts in Fiscal Year 2021, demonstrating excellent service to the public. An 18 percent increase from Fiscal Year 2019-Fiscal Year 2021 is largely attributed to the increased interest in outdoor activities that accompanied the COVID-19 pandemic.



Results Performance Measure: Light Vehicle Fuel Consumption and Renewable Energy Generation

The graph below shows an increase in the amount of renewable energy generated at DNR-managed facilities over the past 10 years and an overall decrease in light vehicle fuel consumption. Cutting overall energy use and increasing the use of renewable energy is key to addressing climate change and reducing operational costs. In Fiscal Year 2022, DNR decommissioned several solar arrays due to technical issues, creating a temporary decrease in renewable energy for that year. These solar arrays will be replaced to restore lost capacity.



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

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

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

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

Operations Support

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
<u>Expenditures by Fund</u>								
1000 - General	1,619	391	738	1,898			2,434	1,408
2000 - Restrict Misc Special Revenue	6	1	16	19	19	19	19	19
2001 - Other Misc Special Revenue	97,486	96,071	106,608	106,161	106,017	108,189	106,017	108,189
2050 - Environment & Natural Resources	616	966	442	1,211				
2300 - Outdoor Heritage	259	318	225	300				
2403 - Gift	1,724	1,762	1,913	1,871	1,899	1,946	1,899	1,946
3000 - Federal			469	2				
3010 - Coronavirus Relief	348							
Total	102,059	99,509	110,412	111,462	107,935	110,154	110,369	111,562
Biennial Change				20,306		(3,785)		57
Biennial % Change				10		(2)		0
Governor's Change from Base								3,842
Governor's % Change from Base								2
<u>Expenditures by Category</u>								
Compensation	32,163	32,598	31,943	34,284	34,254	34,292	34,254	34,292
Operating Expenses	60,122	56,214	59,897	67,898	64,475	66,656	66,909	68,064
Grants, Aids and Subsidies	3	3	1	1	1	1	1	1
Capital Outlay-Real Property	6,358	6,930	11,051	7,231	7,231	7,231	7,231	7,231
Other Financial Transaction	3,414	3,764	7,520	2,048	1,974	1,974	1,974	1,974
Total	102,059	99,509	110,412	111,462	107,935	110,154	110,369	111,562
Total Agency Expenditures	102,059	99,509	110,412	111,462	107,935	110,154	110,369	111,562
Internal Billing Expenditures	7,739	9,224	6,580	8,532	8,534	8,534	8,534	8,534
Expenditures Less Internal Billing	94,320	90,285	103,832	102,930	99,401	101,620	101,835	103,028
<u>Full-Time Equivalent</u>	306.75	294.18	286.91	266.75	251.61	245.31	251.61	245.31

Operations Support

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In	1,041	2,384	1,986	2,648				
Direct Appropriation	2,700		3,400				2,434	1,408
Transfers In		2,008						
Transfers Out	700		2,000					
Cancellations		2,014		750				
Balance Forward Out	1,422	1,986	2,648					
Expenditures	1,619	391	738	1,898			2,434	1,408
Biennial Change in Expenditures				625		(2,636)		1,206
Biennial % Change in Expenditures				31		(100)		46
Governor's Change from Base								3,842
Governor's % Change from Base								
Full-Time Equivalents	0.38	0.11	0.11	0.11				

2000 - Restrict Misc Special Revenue

Balance Forward In	29	33	43	773	758	743	758	743
Receipts	9	10	747	4	4	4	4	4
Internal Billing Receipts	9	10	6					
Balance Forward Out	32	43	773	758	743	728	743	728
Expenditures	6	1	16	19	19	19	19	19
Biennial Change in Expenditures				29		3		3
Biennial % Change in Expenditures				444		7		7
Governor's Change from Base								0
Governor's % Change from Base								0

2001 - Other Misc Special Revenue

Balance Forward In	32,267	34,707	36,900	27,160	23,124	22,781	23,124	22,781
Receipts	97,796	96,468	97,147	103,442	105,898	108,120	105,898	108,120
Internal Billing Receipts	87,124	85,675	92,394	92,469	83,418	83,418	83,418	83,418
Transfers In	678	260	1,042	48				
Transfers Out	3,223	2,432	1,323	1,365	224	224	224	224
Balance Forward Out	30,031	32,932	27,158	23,124	22,781	22,488	22,781	22,488
Expenditures	97,486	96,071	106,608	106,161	106,017	108,189	106,017	108,189
Biennial Change in Expenditures				19,212		1,437		1,437

Operations Support

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				10		1		1
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	300.44	288.83	280.92	260.76	246.33	240.03	246.33	240.03

2050 - Environment & Natural Resources

Balance Forward In	1,116	1,135	809	579				
Direct Appropriation	385	135	135	632	0	0	0	0
Transfers In			78					
Balance Forward Out	885	304	579					
Expenditures	616	966	442	1,211				
Biennial Change in Expenditures				71		(1,653)		(1,653)
Biennial % Change in Expenditures				4		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.66	0.53	0.60	0.60				

2300 - Outdoor Heritage

Balance Forward In	157	108	15					
Direct Appropriation	210	210	210	300	0	0	0	0
Balance Forward Out	108							
Expenditures	259	318	225	300				
Biennial Change in Expenditures				(52)		(525)		(525)
Biennial % Change in Expenditures				(9)		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

2403 - Gift

Balance Forward In	2,568	2,992	3,407	3,367	3,314	3,277	3,314	3,277
Receipts	1,918	1,928	1,874	1,818	1,862	1,909	1,862	1,909
Internal Billing Receipts		66						
Balance Forward Out	2,762	3,159	3,367	3,314	3,277	3,240	3,277	3,240
Expenditures	1,724	1,762	1,913	1,871	1,899	1,946	1,899	1,946

Operations Support

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial Change in Expenditures				298		61		61
Biennial % Change in Expenditures				9		2		2
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	5.27	4.71	5.28	5.28	5.28	5.28	5.28	5.28

3000 - Federal

Balance Forward In			7	2				
Receipts		7	466					
Internal Billing Receipts		7						
Balance Forward Out		7	3					
Expenditures			469	2				
Biennial Change in Expenditures				471		(471)		(471)
Biennial % Change in Expenditures						(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

3010 - Coronavirus Relief

Direct Appropriation	590							
Cancellations	242							
Expenditures	348							
Biennial Change in Expenditures				(348)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

Program: Pass-Through Funds**Activity: Pass-Through Funds**

AT A GLANCE

- Provide approximately \$36 million each year to counties for payment in lieu of taxes
- Provide approximately \$10 million in natural resource payments to tribal nations
- Manage about 260 grant contracts totaling over \$368.6 million of Environment and Natural Resources Trust Fund and Outdoor Heritage Legacy funds
- Award \$10.8 million to local governments from the Parks and Trails Legacy Fund
- Provide \$380,000 to the Duluth and Como Zoos each year

PURPOSE AND CONTEXT

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

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

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

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

SERVICES PROVIDED

The DNR calculates the approximately \$36 million annual distribution for county PILT payments. PILT is a local government aid payment made by the state to counties for tax-exempt natural resource lands, according to Minnesota statutes 477A.10-14 and 17. Most of the payments are for state-owned land and School Trust Land that is administered by the DNR and for county-administered tax forfeited land. While the Minnesota Department of Revenue (DOR) makes the actual PILT payments, the money comes from General Fund appropriations to the DNR.

The DNR makes payments each year to tribal nations per legal agreements under which the tribes have agreed to forgo certain treaty rights. As is the case with PILT payments, DOR makes the actual payments to tribes but the funding comes from money appropriated to the DNR. According to MS 97A.151 subd. 4 and 97A.155 subd. 1, the Leech Lake Band receives five percent of specific game and fish proceeds. Per MS 97A.157 subd. 2 and related

agreements, the Grand Portage Band and Bois Forte Band each receive \$1.6 million annually plus additional funds equal to any amount in excess of \$1.5 million paid to the Leech Lake Band in the previous fiscal year.

In Fiscal Year 2021, the DNR managed approximately 260 grants a year totaling over \$368.6 million dollars to non-state recipients identified by the legislature from the Environment and Natural Resources Trust Fund (ENRTF) and the Outdoor Heritage Fund (OHF). The purpose of the ENRTF is for the protection, conservation, preservation, and enhancement of the state's air, water, land, fish, wildlife, and other natural resources. The purpose of the OHF is to restore, protect and enhance wetlands, prairies, forests and habitat for fish, game and wildlife, and prevent forest fragmentation, encourage forest consolidation and expand restored native prairie.

The DNR provides about \$10.8 million annually to local units of government from the Parks and Trails Legacy Fund for acquisition, development, restoration and maintenance of park and trail facilities of regional or statewide significance.

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

RESULTS

Quantity Performance Measure: Total Pass-Through Dollars Each Year

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

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

2018	2019	2020	2021	2022
87,584	95,935	119,517	106,384	145,018

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

Pass Through Funds

Activity Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
<i>Expenditures by Fund</i>								
1000 - General	9,821	10,277	10,073	9,468	9,016	8,818	9,040	8,852
2050 - Environment & Natural Resources	15,440	4,187	45,601	21,119				
2100 - Water Recreation	101	135	123	123	123	123	123	123
2101 - Snowmobile	54	76	69	69	69	69	69	69
2102 - All-Terrain Vehicle	48	71	61	61	61	61	61	61
2103 - Off-Highway Motorcycle	11	15	15	15	15	15	15	15
2104 - Off-Road Vehicle	12	15	14	14	14	14	14	14
2106 - State Park	89	129	119	119	119	119	119	119
2107 - State Pks & Trls Lott In Lieu	37	51	45	45	45	45	45	45
2110 - Zoos Lottery In Lieu	380	380	660	380	380	380	380	380
2111 - Nongame	0	0	0					
2112 - Invasive Species	8	11	10	10	10	10	10	10
2113 - Forest Management Investment	62	76	72	72	72	72	72	72
2114 - Mineral Management	12	15	12	12	12	12	12	12
2119 - State Land & Water Conservation	1	1	1	1	1	1	1	1
2120 - Water Management Account	21	29	29					
2200 - Game and Fish (Operations)	721	1,020	875	875	875	875	875	875
2300 - Outdoor Heritage	83,620	78,699	74,396	108,562				
2302 - Clean Water	77	91	86					
2303 - Parks and Trails	8,854	10,905	12,549	12,752				
3800 - Permanent School	149	202	209	1,392	550	450	573	484
Total	119,517	106,384	145,018	155,089	11,362	11,064	11,409	11,132
Biennial Change				74,207		(277,681)		(277,566)
Biennial % Change				33		(93)		(92)
Governor's Change from Base								115
Governor's % Change from Base								1

Expenditures by Category

Compensation	265	320	324	343	341	341	388	409
Operating Expenses	11,886	12,739	12,333	14,332	10,639	10,341	10,639	10,341
Grants, Aids and Subsidies	107,348	93,313	132,351	140,343	380	380	380	380
Capital Outlay-Real Property	17	10	10	69				

Pass Through Funds

Activity Expenditure Overview

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Other Financial Transaction		1		2	2	2	2	2
Total	119,517	106,384	145,018	155,089	11,362	11,064	11,409	11,132

Total Agency Expenditures	119,517	106,384	145,018	155,089	11,362	11,064	11,409	11,132
Internal Billing Expenditures	292	290	253	240	96	96	96	96
Expenditures Less Internal Billing	119,224	106,094	144,765	154,849	11,266	10,968	11,313	11,036

<u>Full-Time Equivalents</u>	2.02	2.54	2.62	2.62	2.50	2.50	2.81	2.88
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Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
1000 - General								
Balance Forward In		17		6				
Direct Appropriation	187	187	187	187	187	187	211	221
Open Appropriation	45,592	46,183	46,250	45,763	49,756	49,783	49,756	49,783
Transfers Out	35,940	36,090	36,358	36,488	40,927	41,152	40,927	41,152
Cancellations		21						
Balance Forward Out	17		6					
Expenditures	9,821	10,277	10,073	9,468	9,016	8,818	9,040	8,852
Biennial Change in Expenditures				(558)		(1,707)		(1,649)
Biennial % Change in Expenditures				(3)		(9)		(8)
Governor's Change from Base								58
Governor's % Change from Base								0
Full-Time Equivalents	0.95	1.00	1.00	1.00	1.00	1.00	1.16	1.19

2050 - Environment & Natural Resources

Balance Forward In	3	8,456	21,902	2,749				
Direct Appropriation	18,165	21,337	26,955	18,370	0	0	0	0
Open Appropriation	40	55	48					
Transfers Out		4,261	550					
Cancellations	0	59	5					
Balance Forward Out	2,768	21,342	2,749					
Expenditures	15,440	4,187	45,601	21,119				
Biennial Change in Expenditures				47,094		(66,720)		(66,720)
Biennial % Change in Expenditures				240		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

2100 - Water Recreation

Open Appropriation	101	135	123	123	123	123	123	123
Expenditures	101	135	123	123	123	123	123	123
Biennial Change in Expenditures				10		0		0
Biennial % Change in Expenditures				4		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Governor's Recommendation FY24 FY25	
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2101 - Snowmobile

Open Appropriation	54	76	69	69	69	69	69	69
Expenditures	54	76	69	69	69	69	69	69
Biennial Change in Expenditures				8		0		0
Biennial % Change in Expenditures				6		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2102 - All-Terrain Vehicle

Open Appropriation	48	71	61	61	61	61	61	61
Expenditures	48	71	61	61	61	61	61	61
Biennial Change in Expenditures				3		0		0
Biennial % Change in Expenditures				3		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2103 - Off-Highway Motorcycle

Open Appropriation	11	15	15	15	15	15	15	15
Expenditures	11	15	15	15	15	15	15	15
Biennial Change in Expenditures				3		0		0
Biennial % Change in Expenditures				10		2		2
Governor's Change from Base								0
Governor's % Change from Base								0

2104 - Off-Road Vehicle

Open Appropriation	12	15	14	14	14	14	14	14
Expenditures	12	15	14	14	14	14	14	14
Biennial Change in Expenditures				1		0		0
Biennial % Change in Expenditures				4		1		1
Governor's Change from Base								0
Governor's % Change from Base								0

Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
2106 - State Park								
Open Appropriation	89	129	119	119	119	119	119	119
Expenditures	89	129	119	119	119	119	119	119
Biennial Change in Expenditures				21		0		0
Biennial % Change in Expenditures				9		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2107 - State Pks & Trls Lott In Lieu

Open Appropriation	37	51	45	45	45	45	45	45
Expenditures	37	51	45	45	45	45	45	45
Biennial Change in Expenditures				2		0		0
Biennial % Change in Expenditures				2		0		0
Governor's Change from Base								0
Governor's % Change from Base								0

2110 - Zoos Lottery In Lieu

Direct Appropriation	380	380	660	380	380	380	380	380
Expenditures	380	380	660	380	380	380	380	380
Biennial Change in Expenditures				280		(280)		(280)
Biennial % Change in Expenditures				37		(27)		(27)
Governor's Change from Base								0
Governor's % Change from Base								0

2111 - Nongame

Open Appropriation	0	0	0					
Expenditures	0	0	0					
Biennial Change in Expenditures				0		0		0
Biennial % Change in Expenditures				(37)				
Governor's Change from Base								0
Governor's % Change from Base								

2112 - Invasive Species

Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Open Appropriation	8	11	10	10	10	10	10	10
Expenditures	8	11	10	10	10	10	10	10
Biennial Change in Expenditures				1		0		0
Biennial % Change in Expenditures				6		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

2113 - Forest Management Investment

Open Appropriation	62	76	72	72	72	72	72	72
Expenditures	62	76	72	72	72	72	72	72
Biennial Change in Expenditures				6		0		0
Biennial % Change in Expenditures				5		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2114 - Mineral Management

Open Appropriation	12	15	12	12	12	12	12	12
Expenditures	12	15	12	12	12	12	12	12
Biennial Change in Expenditures				(3)		0		0
Biennial % Change in Expenditures				(10)		(2)		(2)
Governor's Change from Base								0
Governor's % Change from Base								0

2119 - State Land & Water Conservation

Open Appropriation	1	1	1	1	1	1	1	1
Expenditures	1	1	1	1	1	1	1	1
Biennial Change in Expenditures				1		0		0
Biennial % Change in Expenditures				68		(10)		(10)
Governor's Change from Base								0
Governor's % Change from Base								0

2120 - Water Management Account

Open Appropriation	21	29	29					
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Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Expenditures	21	29	29					
Biennial Change in Expenditures				(21)		(29)		(29)
Biennial % Change in Expenditures				(42)				
Governor's Change from Base								0
Governor's % Change from Base								

2200 - Game and Fish (Operations)

Open Appropriation	721	1,020	875	875	875	875	875	875
Expenditures	721	1,020	875	875	875	875	875	875
Biennial Change in Expenditures				10		0		0
Biennial % Change in Expenditures				1		(0)		(0)
Governor's Change from Base								0
Governor's % Change from Base								0

2300 - Outdoor Heritage

Balance Forward In	2,079	7,064	2,734	2,644				
Direct Appropriation	83,355	78,453	74,271	105,918	0	0	0	0
Open Appropriation	83	106	88					
Cancellations	93	4,610	52					
Balance Forward Out	1,805	2,314	2,645					
Expenditures	83,620	78,699	74,396	108,562				
Biennial Change in Expenditures				20,639		(182,958)		(182,958)
Biennial % Change in Expenditures				13		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								
Full-Time Equivalents	0.12	0.07	0.12	0.12				

2302 - Clean Water

Open Appropriation	77	91	86					
Expenditures	77	91	86					
Biennial Change in Expenditures				(81)		(86)		(86)
Biennial % Change in Expenditures				(49)				
Governor's Change from Base								0

Pass Through Funds

Activity Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Governor's % Change from Base								

2303 - Parks and Trails

Balance Forward In		4,390	3,877	1,955				
Direct Appropriation	9,673	9,897	10,586	10,797	0	0	0	0
Open Appropriation	46	66	41					
Balance Forward Out	865	3,448	1,955					
Expenditures	8,854	10,905	12,549	12,752				
Biennial Change in Expenditures				5,542		(25,301)		(25,301)
Biennial % Change in Expenditures				28		(100)		(100)
Governor's Change from Base								0
Governor's % Change from Base								

3800 - Permanent School

Balance Forward In		156		592				
Transfers In	300	300	800	800	550	450	573	484
Cancellations		254						
Balance Forward Out	151		591					
Expenditures	149	202	209	1,392	550	450	573	484
Biennial Change in Expenditures				1,249		(601)		(544)
Biennial % Change in Expenditures				356		(38)		(34)
Governor's Change from Base								57
Governor's % Change from Base								6
Full-Time Equivalents	0.95	1.47	1.50	1.50	1.50	1.50	1.65	1.69

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
Commerce/ National Oceanic and Atmospheric Administration CFDA 11.419	Funding for the implementation of Minnesota's Lake Superior Coastal Program which strives to balance economic development and resource protection within the state's coastal zone. Projects must preserve, protect, develop, and where possible, restore and enhance Minnesota's coastal resources.	\$ 1,243	\$ 1,460	\$ 1,663	\$ 1,348		4.50
Commerce/ National Oceanic and Atmospheric Administration CFDA 11.473	Coastal Zone Management Habitat Protection and Restoration Infrastructure Investment and Jobs Act (IIA) Cooperative Agreements		\$ 150	\$ 150	\$ 150		0.60
Interior/Fish and Wildlife Service CFDA 15.XXX (TBD)	Recovering America's Wildlife Act (RAWA) Funding for habitat and conservation work.		\$ 13,000	\$ 19,000	\$ 19,000		34.00
Interior/Fish and Wildlife Service CFDA 15.608	Federal Agreements for Invasives-Implementation of state plan for invasive species prevention, research, and monitoring.	\$ 371	\$ 1,300	\$ 1,676	\$ 1,389	State Match	8.50
Interior/Fish and Wildlife Service CFDA 15.615	Endangered Species Reimbursement-Research & monitoring to support endangered species recovery.	\$ 57	\$ 180	\$ 500	\$ 500	State Match	2.50
Interior/Fish and Wildlife Service CFDA 15.634	State Wildlife Grants-Implement, coordinate, and monitor implementation of the state wildlife action plan to benefit species of greatest conservation need.	\$ 1,330	\$ 2,655	\$ 4,425	\$ 3,570	State Match	21.50
Interior/Fish and Wildlife Service CFDA 15.647	Migratory Bird Conservation-Monitors and manages a diverse range of birds to help conserve and protect their habitats and ensure sustainable populations.	\$ 12	\$ 100	\$ 150	\$ 150		0.25
Interior/Fish and Wildlife Service CFDA 15.658	Natural Resource Damage Assessment (Part of Deepwater Horizon Natural Resources Damage Assessment Program) – Restoration of Common Loons in MN.	\$ 201	\$ 3,760	\$ 4,500			3.00
Interior/Fish and Wildlife Service CFDA 15.662	Great Lakes Restoration Initiative-To protect and restore the Great Lakes by preventing and controlling invasive species, reducing nutrient runoff, and restoring habitat to protect native species.	\$ 1,191	\$ 2,340	\$ 1,900	\$ 1,490		12.00
Interior/U.S. Geological Survey CFDA 15.978	Long Term Resource Monitoring-Monitor long-term trends of water quality, aquatic vegetation, & fish on Pool 4 of the Mississippi River; analyze & summarize the data and provide that information to decision makers.	\$ 654	\$ 810	\$ 841	\$ 873		6.00
Interior/U.S. Geological Survey CFDA 15.980	Upper Mississippi River System Long Term Resource Monitoring: Groundwater Monitoring Data Sharing Partnership.	\$ 194	\$ 290	\$ 39		State Match	1.25

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
Interior/Fish and Wildlife Service CFDA 15.684	White Nose Syndrome-Monitor bat populations for the occurrence of white nose syndrome and educate the public about the disease.	\$ 12	\$ 80	\$ 200	\$ 150		0.20
Environmental Protection Agency CFDA 66.461	EPA Wetlands Program Development Grant Agreement-Pass-through grant under a cooperative agreement with Minnesota Pollution Control Agency for wetland monitoring.	\$ 68	\$ 56			State Match	1.00
Homeland Security/ Federal Emergency Management Agency CFDA 97.023	Community Assistance Program-State Support Services Element- Provide technical assistance to National Flood Insurance. Program communities to monitor and evaluate performance of floodplain management activities.	\$ 266	\$ 311	\$ 355	\$ 405	State Match	3.00
Homeland Security, Federal Emergency Management Agency CFDA 97.041	National Dam Safety Program-To strengthen and improve the state dam safety program.	\$ 240	\$ 230	\$ 2,565	\$ 2,550		3.00
Homeland Security/ Federal Emergency Management Agency CFDA 97.045	Cooperating Technical Partners-Increase local involvement in the production, development, and maintenance of Digital Flood Insurance Maps (DFIRMS) and develop non-regulatory products to help local governments reduce flood risk.	\$ 393	\$ 858	\$ 2,190	\$ 1,798		3.30
	Ecological and Water Resources Program Total	\$ 6,232	\$ 27,580	\$ 40,154	\$ 33,373		104.60
Agriculture/ Forest Service CFDA 10.664	Landscape Scale Restoration: Landscape Stewardship - Promote and enable the long-term active management of non-industrial private and other non-federal forest land.	\$ -	\$ 65	\$ 215	\$ 50	State Match	-
Agriculture/ Forest Service CFDA 10.664	Cooperative Forestry Assistance: Dynamic Forest Canopy	\$ 165	\$ 115	\$ 37	\$ 27	State Match	0.25
Agriculture/ Forest Service CFDA 10.675	Urban and Community Forestry: The focus of this program is to improve the protection and management of community forests and expand the resource base by building the capacity of local programs and private vendors across the state.	\$ 851	\$ 460	\$ 530	\$ 555	State Match	2.25
	Urban & Community Forestry - IJJA	\$ -	\$ -	\$ 70	\$ 200	State Match	-
Agriculture/ Forest Service CFDA 10.676	Forest Legacy -This program contracts specific acquisition activities and/or provides a portion of salaries for employees involved in day-to-day administration of the program.	\$ 65	\$ 40	\$ 40	\$ 40	State Match	0.50

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
Agriculture/ Forest Service CFDA 10.678	Forest Stewardship: Conservation Reserve Program & Equip Grant-Program reserves highly erodible cropland acres and establishes more suitable covers to promote other resource values. These values include improved air and water quality and wildlife habitat.	\$ 189	\$ 2,057	\$ 230	\$ 190		2.50
Agriculture/ Forest Service, 10.678	Forest Stewardship-Programs promote and enable the long-term active management of non-industrial private and other non-federal forest land to sustain the multiple values and uses that depend on such lands.	\$ 434	\$ 185	\$ 197	\$ 200	State Match	0.50
	Forest Stewardship - IJJA Funding		\$ 77	\$ 77	\$ 77	State Match	-
Agriculture/ Forest Service CFDA 10.680	Forest Health Management Program - Forest Health Core Funding, Off-Plot, Canker and Monitoring.	\$ 245	\$ 280	\$ 315	\$ 325	State Match	1.00
	Forest Health Management Program - IJJA Funding	\$ 11	\$ 50	\$ 100	\$ 230	State Match	-
Agriculture/ Forest Service CFDA 10.698	Cooperative Forestry Assistance: Volunteer Fire Department Assistance	\$ 356	\$ 360	\$ 380	\$ 380	State Match	-
Agriculture/ Forest Service CFDA 10.698	Cooperative Forestry Assistance-Cooperative Fire Protection	\$ 592	\$ 640	\$ 665	\$ 660	State Match	2.00
Agriculture/ Forest Service CFDA 10.698	Cooperative Forestry Assistance: Wildfire Risk Reduction- Firewise	\$ 190	\$ 265	\$ 260	\$ 275	State Match	2.00
Agriculture/ Forest Service CFDA 10.698	Community Wildfire Defense Grants: To assist at-risk local communities and Tribes plan and reduce the risk against wildfire.	\$ -	\$ 125	\$ 155	\$ 180	State Match	0.50
	Forestry Program Total	\$ 3,098	\$ 4,719	\$ 3,271	\$ 3,389		11.50
Interior, Fish and Wildlife Service CFDA 15.616	Clean Vessel Act - Provides grant funds for the construction, renovation, operation, and maintenance of pump out stations and waste reception facilities for recreational boaters and also for educational programs that inform boaters of the importance of proper disposal of their sewage.	\$ 58	\$ 225	\$ 200	\$ 200	State Match	-
Interior, Fish and Wildlife Service CFDA 15.662	Boating Infrastructure Grant Program (BIG)- Provides grant funds to the states, the District of Columbia and insular areas to construct, renovate, and maintain tie-up facilities with features for transient boaters in vessels 26 feet or more in length, and to produce and distribute information and educational materials about the program.	\$ 7	\$ 1,809	\$ 1,700	\$ 1,700	State Match	-

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
Interior, National Park Service CFDA 15.941	Recreation Area State and Local Assistance: Trail reconstruction project that will help connect three high quality urban park/open spaces visited by over 3 million annual visitors.	\$ -	\$ 183	\$ 183	\$ 183	State Match	-
Transportation Federal Highway Administration CFDA 20.205	Federal Lands Transportation Program: Upgrading and improving the 1.6 mile Minnesota Valley State Trail -Minnehaha Segment.	\$ -	\$ 500	\$ 500	\$ -		-
Transportation Federal Highway Administration CFDA 20.219	Recreation Trail Program (FRTF)- Provides funds to the States to develop and maintain recreational trails and trail-related facilities for both nonmotorized, motorized and diversified recreational trail uses.	\$ 4,036	\$ 2,828	\$ 2,828	\$ 2,828	State Match	1.25
Parks and Trails Program Total		\$ 4,101	\$ 5,545	\$ 5,411	\$ 4,911		1.25
Agriculture, Natural Resources Conservation Service CFDA 10.025	Animal and Plant Health Inspection Service (APHIS) - Chronic Wasting Disease (CWD): Using target culling to remove social groups of CWD - infected wild deer and genetic analysis.	\$ 235	\$ 122	\$ 250	\$ 250		0.50
Agriculture, Natural Resources Conservation Service CFDA 10.028	USDA - Animal and Plant Health Inspection Service (APHIS) - Chronic Wasting Disease (CWD): CWD response and management activities in high risk portions of Minnesota		\$ 450	\$ 600	\$ 350		0.55
Agriculture, Natural Resources Conservation Service CFDA 10.093	Voluntary Public Access & Habitat Incentive Program (VPA-HIP): Provide a program for hunting opportunities and habitat enhancement on private lands in the agricultural region of the state.	\$ 537	\$ 1,000	\$ 1,500	\$ 100		-
Commerce, National Oceanic and Atmospheric Administration CFDA 11.407	Inter-jurisdictional Fisheries Act- Work with statistical and modeling experts at the Quantitative Fisheries Center (QFC) at Michigan State University to provide quantitative methods and models for fish community and population dynamics.	\$ 25	\$ 35	\$ 40	\$ 30		-
Commerce, National Oceanic and Atmospheric Administration 11.463	NOAA Fish passage: To restore native fish and other aquatic species to self-sustaining levels by reconnecting habitat that barriers have fragmented, where such reconnection would not result in a net negative ecological effect such as providing increased habitat to aquatic nuisance species.	\$ -	\$ -	\$ 1,500	\$ 1,000	State Match	-
Interior/Fish and Wildlife Service CFDA 15.608	National Fish Habitat Program: Encourage cooperative conservation, restoration, research, and management of the fish and wildlife resources and their habitats in the Great Lakes Basin.	\$ 11	\$ 85	\$ 1,095	\$ 1,060	State Match	-

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
Interior/Fish and Wildlife Service CFDA 15.623	North American Wetlands Conservation Act- Wetland restoration and enhancement.	\$ 60	\$ 100	\$ 100		State Match	-
Interior/Fish and Wildlife Service CFDA 15.XXX	Recovering America's Wildlife Act (RAWA): Funding for habitat and conservation work.	\$ -	\$ 2,000	\$ 2,000	\$ 2,000		-
Interior/Fish and Wildlife Service CFDA 15.XXX OR Commerce/ National Oceanic and Atmospheric Administration CFDA 11.XXX	Planning, feasibility, design, and/or construction for habitat restoration in the St. Louis River estuary.	\$ -	\$ -	\$ 1,550	\$ 1,550		0.50
Interior/National Park Service CFDA 15.XXX	America the Beautiful: Ecosystem restoration projects that invest in watershed restoration, resilience, equitable access, workforce development, corridors and connectivity, and collaborative conservation	\$ -	\$ 2,230	\$ 5,645	\$ 1,620	State Match	1.00
Environmental Protection Agency CFDA 66.469	Great Lakes Restoration Initiative - Restore and maintain the chemical, physical, and biological integrity of the Great Lakes Basin Ecosystem.	\$ 3,154	\$ 5,715	\$ 13,185	\$ 2,345		2.00
	Fish and Wildlife Program Total	\$ 4,022	\$ 11,737	\$ 27,465	\$ 10,305		4.55
Homeland Security-United States Coast Guard CFDA 97.012	Boating Safety Financial Assistance-States that meet certain minimum US Coast Guard program standards are automatically eligible for a Recreational Boating Safety Grant. MNDNR Enforcement division administers the grant and disperses funds for a variety of boat and water safety purposes.	\$ 2,772	\$ 4,400	\$ 4,400	\$ 4,400	State Match	4.00
	Enforcement Program Total	\$ 2,772	\$ 4,400	\$ 4,400	\$ 4,400		4.00
Homeland Security/ Federal Emergency Management Agency CFDA 97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters): Covid 19 funding.	\$ 469	\$ 2	\$ -	\$ -		-
	Operations Support Program Total	\$ 469	\$ 2	\$ -	\$ -		-
	Federal Fund [3000 Fund] – Agency Total	\$ 20,694	\$ 53,983	\$ 80,701	\$ 56,378		125.90
US Dept of the Treasury CFDA 21.027	Timber Permit Relief	\$ 353	\$ -	\$ -	\$ -		-
	Forestry Program Total	\$ 353	\$ -	\$ -	\$ -		-
US Dept of the Treasury CFDA 21.027	Public Safety Response	\$ -	\$ 1,730	\$ -	\$ -		-

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
	Enforcement Program Total	\$ -	\$ 1,730	\$ -	\$ -		-
	ARP-State Fiscal Recovery Fund [3015 Fund] – Agency Total	\$ 353	\$ 1,730	\$ -	\$ -		-
	Federal Funds - Agency Total	\$ 21,047	\$ 55,713	\$ 80,701	\$ 56,378		125.90

Narrative

The DNR accepts federal funds when they support the mission, strategies, goals and objectives found in its Strategic Conservation Agenda. The Federal Funds Summary Table lists anticipated revenues for incoming federal funds, their use, number of FTE positions needed to implement, and whether funds require state match and/or maintenance of effort. Federal funds include discretionary continuing programs, funds based on funding formulas, competitive grants, non-competitive grants, and project grants.

Federal Fund accounts include:

1. Incoming federal grant or federal cooperative agreement revenue deposited directly to a federal (3000 fund) account.
2. Federal grant funds awarded to the DNR that are then passed-through to another entity.

Outgoing grants funded from federal dollars are estimated throughout the spending period of the grant rather than estimated in the first year of the grant award. Estimates are based on the best federal funding information available at the time this report is prepared.

Most new federal awards that impact state fiscal years 2024-2025 have not yet been confirmed. Therefore, we used historical trend information from recent years to estimated future revenues, as well as any knowledge of changing funding levels or trends that may impact future awards.

The Summary Table includes the following new awards:

- Ecological and Water Resources (EWR): Anticipates two new awards - one Coastal Zone Management (CZM) from the National Oceanic and Atmospheric Administration (NOAA) funded by the Infrastructure and Jobs Act (IIJA) and the Recovering America’s Wildlife Act (RAWA). Funding for the latter has passed the US House. It is awaiting action by the US Senate.
 - o The CZM award does not require short- or long term- commitments, but supports salaries. Continuation of full-time equivalent positions will not be a condition of receiving the award.
 - o The RAWA funding will likely require a 25% match and support staff salaries. Continuation of full-time equivalent positions will not be a condition of receiving the award.
- Fish and Wildlife Division (FAW): Anticipates several new awards from the Environmental Protection Agency’s (EPA) Great Lakes Restoration Initiative (GLRI) for ongoing work on the St. Louis River, three from the US Department of Agriculture’s Animal and Plant Health Inspection Service (APHIS), and one from the America the Beautiful Program funded by the IIJA. FAW also anticipates Recovering America’s Wildlife Act (RAWA) funding if passed by the US Senate.
 - o The GLRI awards from the EPA generally do not require short- or long term- commitments, but can support salaries. Continuation of full-time equivalent positions are not a condition of receiving the award.
 - o The APHIS awards do not require short- or long term- commitments, but supports salaries. Continuation of full-time equivalent positions will not be a condition of receiving the award.
 - o The America the Beautiful award requires a 10% match and supports salaries. Continuation of full-time equivalent positions will not be a condition of receiving the award.

Department of Natural Resources

Federal Funds Summary

(Dollars in Thousands)

Federal Agency and CFDA #	Federal Award Name and Brief Purpose	FY 2022 Actual	FY 2023 Budget	FY 2024 Base	FY 2025 Base	Required State Match or MOE?	FTEs
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o The RAWA funding will likely require a 25% match and support staff salaries. Continuation of full-time equivalent positions will not be condition of receiving the award.

- Forestry Division (FOR): Anticipates increases funding to existing core programs provided by the Department of Agriculture’s US Forest Service. The source of the increased funding is the IJA. While the core programs can support salaries, the continuation of full-time equivalent positions will not be a condition of receiving the award.

- Parks and Trails (PAT): Anticipates two new awards - one from the Federal Lands Transportation Program (FLTP) and the other from the Mississippi National River and Recreation Area (MNRRA).

- o The FLTP award does not require short- or long term- commitments nor supports salaries.

- o Mississippi National River and Recreation Area (MNRRA) requires a match but does not support staff salaries.

Department of Natural Resources

Grants Funding Detail

(Dollars in Thousands)

Program Name Federal or State or Both (citation)	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2022	FY 2023	FY 2024	FY 2025
3M Settlement Priority 2 Grants (State, Remediation Fund) 115B.172	Provide a reliable source of public money for response and corrective actions to address releases of hazardous substances, pollutants or contaminants, agricultural chemicals, and petroleum, and for environmental response actions at qualified landfill facilities for which the agency has assumed such responsibility, including perpetual care of such facilities./ Recipients could be any organization (private, public, tribal) able to propose and implement a natural resource project in areas impacted 3M PFAS pollution in East Metropolitan area.	\$ -	\$ -	\$ 20,000	\$ -
AIS Control Projects (State, Natural Resources, Invasive Species Account) 84D.10	Control curly-leaf pondweed, Eurasian watermilfoil, and flowering rush using herbicides, mechanical control, or a combination of both through projects that have received an Invasive Aquatic Plant Management Permit./ Lake associations, watershed districts, cities, and counties.	\$ 1,250	\$ 400	\$ 400	\$ 400
Boating Infrastructure Grants Program (Federal, Department of the Interior, Fish and Wildlife Service) CFDA 15.622	Provide grants to State and Territories to construct, renovate, or maintain tie-up facilities for up to 15 days for transient recreational vessels 26 feet or more in length./ Private entities, organizations, and state and local agencies.	\$ 7	\$ 200	\$ 1,700	\$ 1,700
Clean Vessel Act Grants (Federal, Department of the Interior, Fish and Wildlife Service) CFDA 15.616	Encourage the development or improvement of boating access sanitation facilities for boaters in order to maintain and improve water quality./ Private entities, organizations, and state and local agencies.	\$ -	\$ 200	\$ 200	\$ 200
Conservation Partners Legacy (State, Legacy, Outdoor Heritage Fund) M.L. 2021, First Special Session, Chapter 1, Article 1, Section 2, Subd. 5g	Fund conservation projects that restore, enhance, or protect forests, wetlands, prairies, and habitat for fish, game, and wildlife in Minnesota./ Nonprofit organizations and government entities.	\$ 9,975	\$ 9,000	\$ 9,000	\$ 9,000
Cross Country Ski Trail Grant in Aid (State, Natural Resources) M.S. 85.44	Encourage the maintenance and development of cross country ski trails./ Counties, cities, townships, and private trail organizations sponsored by a local unit of government.	\$ 265	\$ 230	\$ 230	\$ 230
Dam Safety (State General Fund, Bonding) M.S. 103G.511	Improve the safety and condition of publicly owned dams and water level control structures./ Cities, counties, townships, watershed districts.	\$ -	\$ 600	\$ 6,000	\$ 1,000
Division of Forestry Cost Share program (State General Fund) 89.018	Encourage landowner management of forest land and potential timber sale harvests as a management tool through forest stewardship management planning assistance and cost share/ Nonindustrial private landowners who have 20-1,000 acres of land with 10 acres of woody vegetation after the plan has been implemented.	\$ 126	\$ 700	\$ 700	\$ 700
Drought-Killed Tree Seedlings Cost Share Program (General Fund) ML 2022 Ch. 95 Art. 3 Sec. 6 (b)	Replace drought-killed seedlings. Seedling replacement includes site prep, replanting, and tending seedlings./ Private forestland owners.	\$ -	\$ 625	\$ 313	\$ 313
Drought-Killed Tree Seedlings Grants (General Fund) ML 2022 Ch. 95 Art. 3 Sec. 6 (b)	Replace drought-killed seedlings. Seedling replacement includes site prep, replanting, and tending seedlings./ Tribal and County landowners.	\$ -	\$ 625	\$ 313	\$ 313

(Dollars in Thousands)

Program Name Federal or State or Both (citation)	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2022	FY 2023	FY 2024	FY 2025
Federal Recreational Trail (Federal, Department of Transportation, Federal Highway Administration) CFDA 20.219	Encourage the maintenance and development of motorized, non-motorized, and diversified trails by providing funding assistance./ Sponsored by units of government, preferably in cooperation with local trail organizations.	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
Firewise Community Mitigation (Federal, Department of Agriculture, Forest Service) CFDA 10.664	Partner with agencies, municipalities, organizations, and homeowners to identify, plan for and reduce wildfire risk./ Fire department districts, organized township, city, or county.	\$ 66	\$ 64	\$ 207	\$ 255
Flood Hazard Mitigation (Bonding) M.S. 103G.161	Provide financial and technical assistance to local governmental units for conducting flood damage reduction studies and for planning and implementing flood damage reduction measures./ Cities, counties, townships, watershed districts, watershed management organizations and lake improvement districts.	\$ 4,500	\$ 1,200	\$ -	\$ -
Local Trail Connections Program (State, Natural Resources) MS. 85.019	Promote relatively short trail connections between where people live and desirable locations. Not to develop significant new trails. / Counties, cities, and townships.	\$ 2,100	\$ 2,500	\$ 3,000	\$ 2,500
Minnesota Snowmobile Trail Improvement Grant in Aid) (State, Natural Resources) M.S. 84.83	Rehabilitate locally initiated trails that were financially assisted by the state./ Counties, cities, townships, and private trail organizations sponsored by a local unit of government.	\$ 203	\$ 300	TBD	TBD
Minnesota Snowmobile Trails Assistance (Grant in Aid) (State, Natural Resources) M.S. 84.83	Create and maintain locally initiated trails that were financially assisted by the state. / Counties, cities, townships, and private trail organizations sponsored by a local unit of government.	\$ 8,007	\$ 8,000	\$ 8,000	\$ 8,000
Minnesota's Lake Superior Coastal Program (Federal, Department of Commerce, National Oceanic and Atmospheric Administration) CFDA 11.419	Preserve, protect, develop, and, where possible, restore or enhance coastal resources along Minnesota's North Shore of Lake Superior. / Regional planning agencies; state agencies (not DNR for Annual and STAR grants); non-profit agencies; colleges and universities; public school districts in the coastal area; conservation districts; port authorities; tribal governments; joint powers boards; sanitary sewer boards; cities, townships, and counties within the coastal area; area-wide agencies. Projects must be located within Minnesota's coastal area.	\$ 500	\$ 550	\$ 600	\$ 600
Northwoods Trail (State ATV account) ML 2019 1st SS Chapter 4 Art 1 Sec 3 Sub 5 p	Plan and design a multipurpose bridge on the Mississippi River Northwoods Trail across Sand Creek located five miles northeast of Brainerd along the Mississippi River./ Legislatively-named to Crow Wing County.	\$ -	\$ 150	TBD	TBD
National Outdoor Recreation Legacy Partnership Program (Federal, Department of Interior, National Park Service) CFDA 10.676	Create or reinvigorate parks and other outdoor recreation spaces located in jurisdictions delineated by the Census Bureau for the 2010 Census as comprising densely settled territory that contains 50,000 or more people. / State agencies, political subdivisions such as cities, counties, and special purpose districts such as park districts, and federally-recognized Indian tribes that are organized to govern themselves and perform the functions of a general purpose unit of government.	\$ -	\$ 500	\$ 750	\$ 8,600
(ENRTF, Federal LAWCON) CDFA 15.916 MS. 85.019	Increase, protect and enhance natural and scenic areas./ Cities, counties, townships and school districts.	\$ 165	\$ 1,300	\$ 500	\$ -

(Dollars in Thousands)

Program Name Federal or State or Both (citation)	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2022	FY 2023	FY 2024	FY 2025
Phase 3 / Phase 4 / Phase 2023 Category 1: Natural Resource Based Education and Recreation Programs (General Fund) 2022 Minnesota Statutes, Chapter 84, Section 84.976	Support and increase efforts to expand programming that connects youth to the outdoors./ Eligible applicants: Non-profit organizations, Public/Charter schools, Tribal Nations & schools, Public entities.	\$ 200	\$ 200	\$ -	\$ -
Phase 3 / Phase 4 / Phase 2023 Category 2: Fishing, hunting and shooting sports programs (Game and Fish Fund Heritage Enhancement Account) 2022 Minnesota Statutes, Chapter 84, Section 84.976	Support and increase efforts to expand programming that connects youth to the outdoors. / Eligible applicants: Non-profit organizations, Public/Charter schools, Tribal Nations & schools, Public entities .	\$ 250	\$ 250	\$ -	\$ -
Off Highway Vehicle safety Grants (State) M.L. 2019 1st SS Ch.4 Article 2 Section 3, Subd. 7 f	Assist counties to enforce off highway vehicle laws, rules and regulations, also providing youth training and assistance to DNR Conservation Officers. / Counties, through their sheriffs offices.	\$ 485	\$ 485	\$ 485	\$ 485
Off-Highway Vehicle Assistance (State, Natural Resources) M.S. 84.927 (ATV), M.S. 84.794 (OHM), M.S. 84.803 (ORV)	Facilitate development and maintenance of trails for use by all-terrain vehicles, off-highway motorcycles, and off-road vehicles at the initiative of enthusiast groups or clubs, with the support and participation of local government sponsors./ Counties and municipalities, typically in partnership with off-highway vehicle enthusiast groups or clubs.	\$ 2,117	\$ 2,944	\$ 2,435	\$ 2,435
Organisms in Trade Quick Start Pilot Projects (Federal, State-Interstate Aquatic Nuisance Species Management Plan Grant Program administered by the US Fish and Wildlife Service)	Help prevent the spread of aquatic invasive species (AIS) into Minnesota waters through organisms in trade pathways by assisting tribal and local governments that would like to initiate and maintain relationships with local pet and/or garden stores as well as non-profits interested in pet re-homing or surrender initiatives through utilization of quick-start pilot kits provided by the DNR./ Tribal and local units of government such as conservation districts, cities, counties, and watershed districts.	\$ -	\$ -	\$ 8	\$ -
Outdoor Recreation (ENRTF, LIL, General Fund, Federal LAWCON) CDFA 15.916 MS. 85.019	Increase and enhance outdoor recreation facilities in local and community parks throughout the state. / Cities, counties, and townships.	\$ 2,900	\$ 3,500	\$ 4,500	\$ 4,500
Preparing for EAB grants program (General Fund, Heritage Enhancement Fund) ML 2021 Ch 6 Art 1 Sec 3 Subd 4(j)	Develop community ash management plans; to identify and convert ash stands to more diverse, climate-adapted species; and to replace removed ash trees./ Local units of government.	\$ 1,600	\$ 1,600	\$ 315	\$ 315
Protect Community Forests by Managing Ash for EAB grants program (State, Environment and Natural Resources Trust Fund) ML 2021 Ch 6 Art 5 Sec 2 Subd 6(b)	Reduce emerald ash borer by providing grants for communities to manage emerald ash borer, plant a diversity of trees, and engage citizens in community forestry activities./ Local units of government.	\$ 2,400	\$ -	\$ -	\$ -
Regional Trail Program (State, Natural Resources) M.S.85.019	Promote development of regionally significant trails outside the seven-county metropolitan area./ Counties, cities, and townships	\$ 550	\$ 600	\$ 600	\$ 600

(Dollars in Thousands)

Program Name Federal or State or Both (citation)	Purpose/ Recipient Type(s) Eligibility Criteria	FY 2022	FY 2023	FY 2024	FY 2025
Resolving Well Interferences Grant (General Fund) MS 2022 Ch 95 Art 3 Sec 6(a)	Reimburse costs associated with resolving well interferences confirmed by the DNR that occurred after 4/30/2021 and before 12/31/2021./ Water users that have incurred unreimbursed expenses related to well-interferences, such as irrigators who paid domestic well owner for costs of getting water supply restored, or a domestic well owner with expenses to restore water supply after a well interference.	\$ -	\$ 300	\$ -	\$ -
Shooting Range Grants (State, Game and Fish) ML 2015 Chapter 4 Sec 3 Subd (6)	Increase shooting range capacity for youth trap shooters by providing matching funds to recreational shooting clubs open to public use./ Local recreational shooting clubs in Minnesota that allow public access to shooting that need funds for larger trap shooting. facility projects	\$ 200	\$ 125	\$ -	\$ -
Snowmobile Safety Enforcement (State) M.L. 2017, Ch.93 Section 3, Subd.6	Assist counties to enforce snowmobile laws, rules and regulations, also providing youth training and assistance to DNR Conservation Officers. / Counties, through their sheriffs offices.	\$ 315	\$ 315	\$ 315	\$ 315
Safety (State, Natural Resources) M.L. 2017, Ch. 93, Art. 1, Sec. 3, Subd. 7, Para. C	Assist in funding boat and water safety programs carried out through the county sheriff's offices in order to reduce deaths, injuries, and property damage on state waters. / Counties through their sheriff's offices.	\$ 1,077	\$ 1,077	\$ 1,077	\$ 1,077
State Parks Library Program (Legacy)	Provide 7 days of free access to state parks to people living in low income communities around Minnesota. People can check-out a pass through their local library (where participating)./ Public libraries, located in a city that has a median household income of \$58,000 or less and/or where >40% of households are eligible for free and reduced lunch.	\$ 5	\$ -	\$ -	\$ -
Supplemental Boating Safety Equipment and Aids to Navigation (Federal, Department of Homeland Security) CFDA 97.012	Assist counties, through their sheriffs' offices, in funding boating safety equipment and aids to navigation to help carry out their legislatively-mandated boating safety duties and in order to reduce deaths, injuries, and property damage on state waters./ Counties participating in the state boat and water safety grant program, through their sheriff's offices.	\$ 647	\$ 650	\$ 650	\$ 650
Safety Patrol (Federal, Department of Homeland Security) CFDA 97.012; Public Law 114-94, 46 US Code 131.04	Assist counties, through their sheriffs' offices, in funding additional boating safety patrol hours on lakes and rivers in an effort to reduce accidents./ Counties through the sheriff's offices.	\$ 259	\$ 280	\$ 290	\$ 300
Trail Ambassadors Grants (State) M.L. 2019 1st SS Ch.4 Article 2 Section 3, Subd. 7 Sect 84.9011	Promote safe, environmentally responsible operation of OHVs through informational, educational contacts and monitoring efforts./ OHV clubs in good standing with qualifying organizations i.e.:(Amateur Riders Motorcycle Association (ARMCA); All-Terrain Vehicle Association of Minnesota (ATVAM); Minnesota United Snowmobilers Association (MnUSA) Minnesota 4-Wheel Drive Association (MN4WDA).	\$ 145	\$ 250	\$ 250	\$ 250
Volunteer Fire Assistance Matching Grant Program (Federal, Department of Agriculture, Forest Service) CFDA 10.664	Primary objectives of the program are saving lives and protecting property in rural areas through providing financial and technical assistance./ Minnesota fire departments in cities or communities with populations under 10,000. 150-160 communities served.	\$ 356	\$ 350	\$ 360	\$ 365