

Budget in Brief: Ecological and Water Resources

What is the problem we are trying to solve?

Erosion of funding and increased costs have reduced our ability to protect and provide for sustainable use of Minnesota's natural resources. Increased use of water, urban development, and economic and recreational use of natural resources are putting a strain on the health of our state's natural resources. Water use continues to grow and intensify as agricultural producers install new irrigation systems and public water suppliers seek to meet increasing residential and business demands. New aquatic invasive species (AIS) threaten Minnesota waters and water-based recreation. Minnesota's native plant communities and nongame wildlife populations are adversely affected in many instances by expanding business and residential development pressures. These trends and stressors place many demands on DNR's Division of Ecological and Water Resources for information, technical expertise, and regulatory decisions. The Division lacks sufficient budget resources to support key functions and meet these demands in a range of areas, including healthy watersheds, sustainable water use, and invasive species.

What has Minnesota tried? What has worked and what hasn't?

We have tried to diversify our funding and stabilize or increase our donation and fee based accounts, as well as seek efficiencies and eliminate nonessential services. The current funding requests are for programs that are currently funded with short-term money (LCCMR, etc.), are underfunded through current fees, or are new initiatives. For example, donations to the Nongame Wildlife Fund have been declining since the 2008 recession. The DNR has sought new ways to promote the Nongame Wildlife Fund (e.g., Eagle cam, social media, etc.). However, donations have yet to rebound. To manage the budget shortfall in the aquatic invasive species program, we requested a fee increase in previous biennia, reduced watercraft inspections, reduced grants, and increased cost-shared activities. To address critical emerging issues, such as the decline in pollinators and northern long-eared bats, the Minnesota Biological Survey has relied on LCCMR funds to accelerate data collection and conduct essential research. But this funding is short-term and will not sustain efforts long-term.

What do we propose?

We are proposing a funding package that will provide financial stability for critical work in the division. By bringing a more diverse and stable funding to the Division, we can deliver in several key areas:

- **Public Waters Protection**- \$1.34M- Water Management Account (FY18-19) Public waters permit fee increases for regulatory oversight and technical guidance for those working with in public waters. The current fee structure falls far short of covering the costs of processing public waters permit applications.
- **Aquatic Invasive Species**- \$2.1M- Invasive Species Account (FY18-19). Increase AIS surcharge on boat licenses renewals every three years from \$5 to \$12. The AIS account has a structural deficit and will go negative in FY19. The AIS surcharge was last increased in 1993. This will allow DNR to restore inspection and awareness grants, maintain current staffing levels, and increase AIS research activities at the University of Minnesota.

Budget in Brief: Ecological and Water Resources

- **Conservation Management and Rare Resources**- \$2.8M-Heritage Enhancement Account (FY18-19). Support the Minnesota Biological Survey, bat and pollinator conservation, management of Scientific and Natural Areas and implement projects to improve or restore nongame wildlife habitat.
- **Mississippi River Corridor Critical Area (MRCCA) Rules Implementation**- \$760,000 General Fund (one-time). Assist local governments with implementation of the newly adopted MRCCA rules.
- **Pineland Sands Forest Conversion Study** \$1.5M General Fund (one-time) Assess environmental effects from land conversion and increases in irrigated crop production.
- **Clean Water Fund** - \$18.54M. -Continues funding of long-term collaborative efforts that will lead to cleaner water through enhanced management and targeted implementation of projects and programs.

What positive impact do we believe this will have?

Our proposals will contribute to providing clean water to all Minnesotans, healthier ecosystems and landscapes, and provide for sustainable natural resources for economic and recreational benefits. Specific outcomes include:

- Reduce the risk of spread of invasive species, building on past efforts that have put Minnesota in a far better position than its neighboring states
- Ensure high quality recreational habitat and water
- Protect long-term water supplies from over-use and contamination
- Provide financial and technical assistance to local governments
- Respond more rapidly to permit applications
- Provide better data on water, plants and animals
- Develop and implement best management practices for pollinators
- Manage information on state and federally listed plants and animals
- Invest in the management terrestrial invasive species and disease
- Collect the data needed to implement conservation efforts to maintain and enhance biodiversity

If the legislature doesn't adopt this proposal, what alternate approaches has the DNR considered?

Our ability to protect and provide for sustainable use of Minnesota's natural resources will be greatly reduced.

- Less protection against AIS- reduce watercraft inspections, management of infested lakes, and technical guidance to counties involved in AIS work
- Less progress toward improving and protecting water quality and quantity
- Slower decision times for public waters permit applications
- Limit our ability to improve conservation of pollinators and rare bat species
- Delay or impede the implementation of MRCCA rules
- Reduce management of habitat for nongame species
- Limit the management of Scientific and Natural Areas
- Less technical guidance to local governments and the public when making resource management decisions leads to not implementing the best solutions for ensuring clean water, recreational opportunity and economic vitality