



Water Recreation Program

Water recreation is a source of enjoyment for many Minnesotans. Fishing, boating, sailing, canoeing, kayaking, and swimming are just a few of the ways to enjoy Minnesota's water resources. The Minnesota Department of Natural Resources has certain responsibilities specified in laws to provide for, maintain, regulate, and upgrade water recreation resources. The funding for many of these activities is provided through the Water Recreation Account.

The Water Recreation Account is one of the dedicated fund accounts within the DNR's Natural Resources Fund. The account was created in 1985. Current legislation provides for specific sources of money that go into the account and uses of the account's funds.

Sources of Water Recreation Account funds

Minnesota Statutes §86B.706 provides that money deposited in the Water Recreation Account comes from these sources:

- Fees from registration and titling of watercraft
- Unrefunded gasoline tax attributable to watercraft use
- Mooring fees and receipts from the sale of marine gas at state-operated or state-assisted small craft harbors and mooring facilities
- Fees for permits issued to control or harvest aquatic plants other than wild rice
- Fines and other payments collected from persons convicted of violations of the law under Minnesota Statutes Chapter 86B (Water Safety, Watercraft, and Watercraft Titling)

Uses of Water Recreation Account funds

By statute, money in the Water Recreation Account can be used for the following purposes:

- Acquisition, development, maintenance, and rehabilitation of public water access and boating facilities on public waters; lake and river improvements; and boat and water safety
- Maintenance, operation, replacement, and expansion of state-operated or state-assisted small craft harbors and mooring facilities, and the debt service on state bonds sold to finance these facilities
- Administration and enforcement of Chapter 86B as it pertains to watercraft titling and licensing and the use and safe operation of watercraft
- Grants for county-sponsored and administered boat and water safety programs
- State boat and water safety efforts
- Management of aquatic invasive species
- Management of aquatic plants through permitting to gather or harvest (other than wild rice from public waters), to transplant, or to destroy harmful or undesirable vegetation

In addition to these statutory requirements, the Legislature directs, through funding bills, that specific amounts of money from the Water Recreation Account will be used for particular projects or purposes.

Participants in the Water Recreation Program



Trails and Waterways

TAW develops, maintains, and manages over 4,000 miles of public water trails for canoeing and kayaking on 30 rivers and the North Shore of Lake Superior. TAW also acquires, develops, and rehabilitates boating access sites. Currently there are 1,585 access sites operated by the DNR. TAW operates the program of small craft harbors/safe harbors on Lake Superior, including two DNR-owned marinas.

http://www.mndnr.gov/trails_waterways/



Enforcement

The Enforcement Division conducts boat and water safety patrols on Minnesota's lakes and waterways. In FY2008, over 21,000 hours of Conservation Officer patrol time were logged for boating safety enforcement activities. The components include enforcing personal watercraft laws, preventing introduction of invasive species in state waters, and public access enforcement. Water Recreation funds cover personnel costs related to water recreation activities, radio, vehicle, and watercraft expenses.

<http://www.mndnr.gov/enforcement/>



Parks and Recreation

Parks and Recreation operates over 70 public water access sites in 43 state parks, providing water access to the public. Through these water access sites, Minnesota State Parks provide gateway opportunities for aquatic recreation, fishing, and other activities. Water Recreation Program funding supports the development, ongoing maintenance, and improvement of these sites.

http://www.mndnr.gov/parks_recreation/



Fisheries

Fisheries' aquatic plant management program protects native vegetation in public waters and the aquatic environment, while allowing lakeshore owners to control some aquatic vegetation in order to get recreational water access. Healthy aquatic vegetation is essential for fish and wildlife, water clarity, limiting shoreline erosion, and preventing establishment of non-native invasive aquatic plants.

<http://www.mndnr.gov/fisheries/>



Ecological Resources

ER coordinates delivery of the DNR's aquatic plant management regulatory program and the aeration permit program. ER also conducts environmental review activities geared toward conserving aquatic habitat, enhancing water recreation opportunities, and providing aquatic resource information to decision makers for hydropower plant reviews and metropolitan water management planning. In FY2008, ER worked on 19 hydropower operations and participated in 12 water management plan reviews.

<http://www.mndnr.gov/eco/>



Lands and Minerals

Lands and Minerals provides real estate and land survey services for the ongoing management of publicly-owned water recreation properties. The services include initial acquisition of land by purchase or lease and ongoing real estate support related to the ownership and leasing. For Fiscal Years 2008-09, Trails & Waterways provided L&M a listing of over 30 water recreation parcels for potential acquisition.

http://www.mndnr.gov/lands_minerals/



Minnesota Conservation Corps

The MCC is a 501c3 nonprofit that receives a portion of its funding from the Water Recreation Account. The MCC provides hands-on environmental stewardship and service-learning opportunities to youth and young adults while accomplishing priority cost-effective conservation, natural resource management projects, and emergency response work. For FY2008, the MCC provided 6,830 person-hours for 20 water recreation projects.

<http://www.conservationcorps.org>

Welcome to the
Online License
Sales & Vehicle
Renewal Site

License Center and Electronic Licensing

The License Center issues all watercraft registrations and titles through a Web-based Electronic Licensing System available from 173 registration agents (deputy registrars). The St. Paul headquarters has a walk-up service counter and mail-in for registration and title renewal transactions. Currently 135 different transactions are available online.
<http://www.mndnr.gov/licenses/watercraft/>

Fiscal Year 2008 financial summary

Receipts: Although many smaller sources contribute to the account, the two major sources of receipts are watercraft registration, licensing fees, and watercraft titling (total of \$7 million, or 46%), and gas tax revenues (\$7.8 million, or 51%).

Expenditures: The Trails & Waterways Division and its legislatively-designated projects account for slightly more than half of the expenditures from the account. The FY2008 designated projects included:

- Lake Superior Safe Harbors
- Water Recreation Marina
- Whitewater Mississippi River Park
- Canoe Routes Markings
- Lake Sarah Improvement

The Enforcement Division's activities, including boat and water safety grants, were about 20% of the expenditures.

In FY2007, the DNR established a new Invasive Species Account, and in FY2008, \$594,000 was transferred from the Water Rec Account to the new account. The transfer amount is included with Ecological Services in the chart.

Water Rec Account expenditures for FY2008 were \$1.5 million below the amount budgeted. This is not unusual in the first year of a biennium.

Receipts, Expenditures, and Fund Balances	
Receipts	
Watercraft registration	\$5,967,819
License issuing fee	603,164
Watercraft titling	391,536
Aquatic plant management	297,711
Other receipts	178,969
Transfer in: gas tax revenue	7,792,220
Other transfers in	34,139
<i>Total receipts and transfers in</i>	\$15,265,558
Expenditures	
Trails & Waterways Div. (TAW)	\$7,925,630
Enforcement Div. (Enf)	2,327,922
License Center and ELS	1,101,168
TAW - Designated projects	356,839
Enf – Boat & Water Safety Grants	1,077,583
Ecological Services (incl. transfer)	1,041,059
Parks and Recreation Div.	633,667
Fisheries Div.	587,426
Other (Lands & Minerals, Water Resources, and Administration)	907,844
<i>Total expenditures</i>	\$15,959,138
Fund balance – start of FY2008	\$4,351,561
Net change	(693,580)
Fund balance – end of FY2008	\$3,657,981

Grants: Two grant programs are operated from the Water Rec Account: 1- County Boat and Water Safety http://www.mndnr.gov/grants/recreation/county_boatsafety.html, 2- Water Recreation Cooperative Acquisition and Development http://www.mndnr.gov/grants/recreation/water_rec.html.

Fund balance: The Water Recreation Account's end-of-year fund balance (reflecting the net of receipts and expenditures for FY2008) was lower by about 16 percent than the previous year.

Multi-year financial history

The Water Recreation Account was created through action of the 1985 Legislature. The recent financial history of the account is shown in the first two charts. The next two charts are projections.

For FY2006, revenues exceeded expenditures by about \$944,000. However, in both FY2007 and FY2008, expenditures exceeded revenues – in FY2007, by \$1.5 million and in FY2008, by \$694,000. End-of-year fund balances declined in each of the two later years – by \$1.4 million in FY2007 and \$506,000 in FY2008.

Future – Projected Revenues, Expenditures, Fund Balances

The DNR projects a healthy revenue and expenditure picture over the next three fiscal years, chiefly due to an increase in the contribution from gas tax revenues attributable to watercraft use (2008 Laws, Ch. 152, Art. 3, Sec. 3-4). In this projection, revenues are less than expenditures (\$190,000) in the first year, but exceed expenditures in the second and third years by \$1.7 million and \$2.4 million, respectively. As a result, the end-of-year fund balances would increase from \$3.5 million for FY2009 to \$7.6 million for FY2011.

The 2008 Legislature directed the DNR to make these specific expenditures from the Water Recreation Account for FY2009:

- A one-time appropriation of \$100,000 to Waters Resource Management for rulemaking on structures in public waters.
- An appropriation increase of \$383,000 per year, starting in FY2009, to the Enforcement Division for enforcement activities.
- A FY2003 appropriation for a cooperative project with the U.S. Army Corps of Engineers to develop the Mississippi Whitewater Park is to be carried over until spent.

Additional information

For additional information about the Water Recreation Program, contact the Minnesota DNR:

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