

State of Minnesota

Minnesota Department of Health

In the Matter of Proposed Permanent
Rules Relating to Fees for the Operation
of Manufactured Home Parks and
Recreational Camping Areas, Minnesota Rules
parts 4630.1900, 4630.2000 and
4630.2010

Statement of Need and Reasonableness

Amendments to Minnesota Rules, parts 4630.1900, 4630.2000 and 4630.2010 govern the fees to license manufactured home parks and recreational camping areas and set inspection frequency rates.

Legal Authority

Minnesota Statutes, section 16A.128 requires that fees charged for services cover the costs for providing those services. Minnesota Statutes, sections 144.05, paragraphs (b) and (c) establish general authority for regulating the manufactured home park and recreational camping areas. Section 144.122, paragraph (a) allows the commissioner to establish fees. Section 157.045 specifically authorizes the commissioner, for licenses issued for 1989 and succeeding years, to increase license fees for facilities licensed under chapter 157 and chapter 327 to a "level sufficient to recover all expenses related to the licensing, inspection, and enforcement activities prescribed in those chapters."

Purpose

The section of Environmental Field Services in the Minnesota Department of Health inspects all manufactured home parks and recreational camping areas which are not under the licensing and inspection control of a Community Health Services agency (local health agency composed of one or more cities, or one or more counties). The purpose of the proposed fee increase is to assure that the state's program costs are covered by the revenue generated from the license fees. The fees were last increased by an average of 25 percent beginning January 1, 1986. Program costs have continued to rise since 1986 resulting in costs exceeding current revenue estimates.

Notice of Solicitation

The Notice of Solicitation of Outside Information or Opinions on this matter was published in the State Register on January 22, 1990 at 14 S.R. 1879.

Cost of Implementation to Local Government

If the adoption of a rule by an agency will require the expenditure of public monies by local public bodies, Minnesota Statutes, section 14.11, subdivision 1 requires the Department to give a reasonable estimate of total costs to all local public bodies in the state to implement the rule for the two years immediately following adoption of the rule if the estimated costs exceed \$100,000 in either of the two years.

In Minnesota, local units of government may enter into a delegation of authority agreement with the Minnesota Department of Health under Minnesota Statutes, section 145A.07. Under these agreements, the Department delegates certain licensing, inspection and enforcement responsibilities to local health agencies. As part of this delegation agreement, a local health agency may determine that it wants to adopt a license fee schedule similar to the state's fee schedule. Many community health service agencies charge the same fee as that charged by the state. Since the proposed revisions are not mandatory for local health agencies, local units of government will not incur costs attributable to the proposed amendment which would exceed \$100,000 per year.

Finally, local units of government which operate a manufactured home park or recreational camping area do not pay a license fee. The proposed increase, therefore, would not cause these units of government to incur increased costs to operate their own facilities.

Small business considerations

Minnesota Statutes, section 14.115 requires that an agency consider five factors for reducing the impact of proposed rules on small businesses. Small business is defined as "...a business entity, including its affiliates that (a) is independently owned and operated; (b) is not dominant in its field; and (c) employs fewer than 50 full time employees or has gross annual sales of less than four million dollars...." Many of the businesses governed by Minnesota Statutes, sections 327.14 to 327.28 come under the definition of small business. The Minnesota Department of Health has considered each of the five factors enumerated in statute as follows:

1. The establishment of less stringent compliance or reporting requirements. The proposed amendments do not impose more stringent standards than those already in effect for operating these types of establishments.

2. The establishment of less stringent schedules or deadlines for compliance or reporting requirements. The proposed amendments do not impose any new compliance schedules or reporting requirements on operators of manufactured home parks and recreational camping areas. Because inspection schedules for category B sites are less stringent than category A sites, the fees have been adjusted to reflect lower inspection costs.

3. The consolidation or simplification of compliance or reporting requirements. Since there are no compliance schedules or reporting requirements being proposed there is no opportunity for consolidation or simplification.

4. The establishment of performance standards to replace design or operational standards. The proposed amendments do not affect the current standards governing the operation of manufactured home parks and recreational camping areas. Therefore this provision is not relevant.

5. The exemption of small businesses from the rules. Minnesota Statutes, section 16A.128 already establishes that license fees cover program costs. The legislature has determined that manufactured home parks with two or more manufactured homes and recreational camping areas with five or more sites shall be licensed (Minnesota Statutes, section 327.14, subdivisions 3 and 8) and shall pay a license fee. This statute does not provide for an exemption for small business. The department would violate legislative intent if it were to exempt any establishment which meets these criteria from payment of the license fee, whether or not it meets the definition of a small business.

Need and Reasonableness

Minnesota Statutes, section 16A.128 mandates that costs of programs which set and collect fees be covered by the revenues generated from those fees. Since 1986, the manufactured home park and recreational camping area inspection program costs have exceeded revenue. The following table shows the amount of revenue collected through 1990 using the current fee schedule and the amount of revenue that would be generated using the proposed fees. Program costs are projected which include the costs of the additional staff authorized in 1988. Costs are estimated to increase at a five percent annual rate to account for inflation and cost of living increases. The costs reflect only that percent of total program costs attributed to the inspection of private camp sites. The accumulated difference shows the difference between the revenue described above and the costs described above. The department began 1990 with a \$154,994 deficit and would not balance out its operating budget under the new proposed fee schedule until 1995.

	1988	1989	1990	1991	1992	1993	1994	1995
Revenue	\$82,000	\$ 78,000	\$ 70,000	\$205,783	\$205,783	\$205,783	\$205,783	\$205,783
Costs	145,949	127,818	151,172	157,664	165,547	173,825	182,516	191,642
Accum. Diff.	\$(24,004)	(73,822)	(154,994)	(106,875)	(66,639)	(34,680)	(11,412)	2,729

The rising cost and continued deficit of providing inspections is a factor which continues because of the 1) staff positions added in 1988 to meet inspection requirements; 2) travel costs associated with inspections; and 3) inflation. These factors are examined separately in detail below.

The first cost increase factor is that adequate staff are needed to carry out inspections. The Minnesota Department of Health is responsible for protecting members of the general public who live in or use manufactured home parks and recreational camping areas. The Department has had this responsibility since 1951. Prior to 1988, the Department was unable to inspect frequently enough to assure public health and safety. This was due to an insufficient number of staff positions. In 1988 the legislature authorized 5.5 new positions to meet inspection frequency requirements (Laws of Minnesota 1988, chapter 689, article 2, section 247). These positions were approved specifically for the inspection, licensing and enforcement activities in food, beverage or lodging establishment and manufactured home parks and recreational camping areas. Based on existing staff time studies and the proposed inspection requirement for category A and B sites in part 4630.2210, it is estimated that the new staff positions devote 10 percent of their time inspecting manufactured home parks and recreational camping areas, resulting in additional costs to this program activity. In addition, the amount of time spent on inspections and follow-up has increased significantly due to technological changes, the increased complexity of plan review and the age of some establishments.

The second major factor contributing to the increased cost is travel expenses. As counties with larger numbers of licensable operations assume regulatory responsibility, the state is left with operations which are generally smaller and located in more isolated areas, resulting in higher travel expenses per licensed site. The following illustrates the rise in the average number of miles per inspections.

1978	1980	1982	1984	1985	1986	1987
14.1	14.2	16.2	16.0	19.2	24.1	23.1

In addition to mileage costs, other travel expenses such as meals and lodging are necessary because staff must cover large territories.

A third factor is the salaries and expenses of existing staff which have risen as a result of inflation at a rate between four and five percent per year.

Part 4630.1900 Licensing; Definitions

The fees proposed are designed to reflect the amount of time spent inspecting manufactured home parks and recreational camping areas and to produce revenue sufficient to cover program costs.

The amendments to this part are proposed to establish two categories of inspection sites. They parallel the "high-risk" and "low-risk" designations in Minnesota Statutes, section 157.01, subdivision 2. There is a potentially

higher risk to users of operations which have one or more of the conditions in Subpart 1a than those falling under subpart 1b. For example, if a park has a swimming pool but does not maintain the proper chemical balance or have the required life saving equipment on hand, the end result may be increased harm to pool users. Category B operations which do not contain any of the conditions in subpart 1a were separately categorized with the cooperation and at the request of industry representatives. The inspection frequency for these categories is appropriate to the different types and severity of the public health problems which these categories pose. The fees which are being proposed are proportional to the amount of effort and expense incurred in regulating each class.

The amendments to subparts 2 and 3 are technical, were recommended by the revisor to ensure rules written in the active voice, and are not substantive.

Part 4630.2000 Fee Schedule for Licenses

Subpart 1. The amendments to subpart 1 are technical, were recommended by the revisor to change archaic and musty terms, and are not substantive.

Subpart 2. The amendments to subpart 2 raise the primary license fee from \$75 for every 50 sites to \$75 for every 10 sites. This fee covers such activities as plan review, construction inspection and final on-site inspection by Minnesota Department of Health staff prior to occupation of the newly constructed sites. The proposed amendments also change the fee for additional sites constructed after issuance of a primary license to \$75 for each ten sites or fraction thereof. Additional sites must also have plan approval, construction and a final on-site inspection prior to occupancy.

Subpart 3. Renewal fees for category A operations are proposed to increase from \$15 for each ten sites or fraction thereof to a \$75 base fee plus \$4 for each individual camping or manufactured home site. Operations would be charged the \$4 per site fee for up to 500 sites. A category A "high risk" operation requires more staff time and resources to monitor. The operations which fall into this category will be required to pay a higher renewal fee. The proposed fee exempts licensed hotels, motels and resorts with and on-site manufactured home park or recreational camping area sites paying the base fee. As part of their license to operate under Minnesota Statutes, section 157.03 these businesses already pay base fee.

Subpart 4. The renewal fee for category B operations is proposed to change to a \$75 base fee plus \$3 for each site up to 500 sites. Category B operations require fewer inspections and thus cost less to monitor in terms of staff time and resources. For this reason, these types of operations are proposed to pay a lower renewal fee. This proposal also exempts licensed hotels, motels and resorts with manufactured home park or recreational camping area sites from paying the \$75 base fee. As part of their license to operate under Minnesota Statutes, section 157.03, these businesses already pay the base fee.

Subpart 5. The increased fee for late renewal is presently \$10. The department proposes to double this to \$20. This fee is assessed whenever an application for renewal is made after January 15 of the calendar year or 15 days after the date of opening for a seasonal establishment. The increased fee is proposed to cover the increase in costs for the effort to handle late payments, follow-up letters, and on-site visits to see if the establishment is still in operation. In FY88, the Department collected 79 increased fees for late renewal on manufactured home parks and recreational camping area licenses totaling \$790. During FY89, 117 late renewal fees were collected totaling \$1,170.

Part 4630.2210 Inspection Frequency

This proposed rule part establishes an inspection frequency of one inspection per year for category A establishments and one inspection every two years for category B establishments. Industry representatives have suggested, and the Department concurs, that not every park requires a yearly inspection. In addition, a slightly reduced inspection frequency will help lower program costs. Additional inspections may be made in response to a complaint about an operation.

Review and Approval by Commissioner of Finance

Minnesota Statutes, section 16A.128 requires that proposed fees be approved by the Commissioner of Finance and that copies of the proposed rule and notice be sent to the House Appropriations and Senate Finance Committees. Copies of the Department of Finance's approval and the letters sent the House and Senate are attached.

Comparative table

The department has prepared the following table which shows the percentage fee increase, by number of sites per operation. It compares fees under the current adopted rule which classifies operations as "seasonal" or "year round" and the proposed "new" rule fees which would go into effect January 1, 1991. (The table is not comprehensive but shows the most common fee comparisons. For comparative purposes the table shows category B sites with 49 or fewer sites and category A sites with 50 or more sites. The table does not compare fees for operations which would fall into the category A classification on the basis of having a public swimming pool or drawing its drinking water from a surface water supply but have less than 50 sites.)

#of Sites	Year round	Seasonal	New	% Increase Year round - Seasonal
10	\$15	\$11.25	\$105	600 - 833
20	\$30	\$22.50	\$135	350 - 500
30	\$45	\$33.75	\$165	267 - 389
40	\$60	\$45	\$195	225 - 333
50	\$75	\$56.25	\$275	267 - 389
60	\$90	\$67.50	\$315	250 - 367
70	\$105	\$78.75	\$355	238 - 350
80	\$120	\$90	\$395	229 - 339
90	\$135	\$101.25	\$435	222 - 330
100	\$150	\$112.50	\$475	217 - 322
200	\$300	\$225	\$875	192 - 289
300	\$450	\$337.50	\$1275	183 - 278
400	\$450	\$337.50	\$1675	272 - 396
500	\$450	\$337.50	\$2075	361 - 515

(The table shows the most common fee comparisons. For comparative purposes, the table shows the fee for Category B operations with 49 or fewer sites and Category A operations with 50 or more sites.)

STATE OF MINNESOTA

BEFORE THE MINNESOTA

COUNTY OF HENNEPIN

COMMISSIONER OF HEALTH

IN THE MATTER OF AMENDMENT TO RULES RELATING TO LICENSE FEES
CHARGED TO OPERATE MANUFACTURED HOME PARKS AND RECREATIONAL
CAMPING AREAS.

STATEMENT OF NEED AND REASONABLENESS

Amendments to Minnesota Rules, Chapter 4630 are being proposed to increase the license fees to cover the costs of the licensing and inspection program as mandated by Minn. Stat., Sections 327.14 - 327.28 (1988).

LEGAL BASIS -

State law requires that fees charged for services cover the costs for providing those services (Minn. Stat., Section 16A.128 [1988]). The Section of Environmental Field Services in the Minnesota Department of Health (MDH) inspects all manufactured home parks and recreational camping areas which are not under the licensing and inspection control of a Community Health Services (CHS) agency (local health agency composed of one or more cities, or one or more counties). The purpose of the proposed fee increases is to assure that the state's program costs will be covered by the revenues generated from the license fees. The fees were last increased by an average of 25% beginning in 1986.

Program costs have continued to rise during the three year period since the last increase, resulting in costs exceeding current revenue estimates.

BACKGROUND -

Minnesota law mandates that costs of programs which set and collect fees be covered by the revenues generated from those fees (Minn. Stat., Section 16A.128 [1988]). For the past several years, the manufactured home park and recreational camping area inspection program costs have exceeded revenue. See Table 1.

The rising cost for providing inspections is a major factor which continues to add to the problem. The primary reasons for increased inspection costs are 1) additional staff positions that were added to meet sufficient inspection needs, 2) travel costs associated with inspections, and 3) inflation. These factors are examined separately and in greater detail below.

The first cost increase factor is inspection needs and adequate staffing to carry out inspections. The MDH is responsible for protecting members of the general public who live in or utilize manufactured home parks and recreational camping areas. The Department has had the responsibility for regulating these operations since 1951. In the past, the MDH has been unable to make inspections frequently enough to assure the public health and safety. This was due to an insufficient number of staff positions. The 1988 Legislature authorized five new public health sanitarian positions and one half-time clerical position to meet inspection frequency requirements and program clerical

needs (Minn. Laws, Chapter 689, Article 2, Section 247 [1988]). These positions were approved specifically for the inspection, licensing and enforcement activities in food, beverage or lodging establishments and manufactured home parks and recreational camping areas. Based on existing staff time studies and the annual inspection requirement, it is estimated that these new staff positions will devote 10% of their time to manufactured home parks and recreational camping areas, resulting in additional costs to this program activity. See Note 4 of Table 1 for additional detail. In addition, the amount of time spent on inspections and follow-up has increased significantly due to technological changes, increased complexity of plan review and aging of some facilities.

The second major factor contributing to the increased costs is travel expenses. As counties with larger numbers of licenseable operations assume the regulatory responsibility, the state is left with operations which are generally smaller and located in more isolated areas, resulting in higher travel expenses per licensed facility. The following illustrates the rise in mileage for inspections over the last few years.

AVERAGE MILES DRIVEN PER LICENSED ESTABLISHMENT

1978	1980	1982	1984	1985	1986	1987
14.1	14.2	16.2	16.0	19.2	24.1	23.1

In addition to mileage costs, other travel expenses such as meals and lodging are necessary because staff must cover large territories.

A third factor is the salaries and expenses of existing staff which have risen as a result of inflation at an average rate of 4% per year over the last several years.

These factors, when combined, necessitate that manufactured home park and recreational camping area license fees be increased (see Table 1). Since the cost increase is due, in large part, to more frequent inspections, facilities and the public who use them will benefit from an improved level of service.

COST OF IMPLEMENTATION -

Provisions of the Administrative Procedures Act require that certain costs of implementation of proposed rules be considered and addressed (Minn. Stat., Sections 14.11 and 14.115 [1988]). The costs to be considered are those which might be incurred by local units of government and small businesses.

COSTS OF IMPLEMENTATION TO LOCAL GOVERNMENT -

If the adoption of a rule by an agency will require the expenditure of public monies by local public bodies, Minn. Stat., Section 14.11, subdivision 1 (1988) requires the agency to give a reasonable estimate of total costs to all local public bodies in the state to implement the rule for the two years immediately following adoption of the rule if the estimated cost exceeds \$100,000 in either of the two years. The following is the Department's estimate of costs to local units of government for implementation of the proposed rules.

In Minnesota, local units of government may enter into a delegation of authority agreement with the MDH (Minn. Stat.,

Section 145A.07 [1988]). Under these agreements, the MDH delegates certain licensing, inspection and enforcement responsibilities to local health agencies. As a part of this delegation agreement, a local health agency may determine that it wants to adopt a license fee schedule similar to the state's fee schedule. Many CHS agencies have always charged the same fee as that charged by the state and they may now be able to increase their fees, if necessary to meet program costs, with less local opposition if they can use the new state fee structure as a guide.

Similar to the state, a local health agency may increase its own license fees taking into account any costs that would be incurred by administrative procedures necessary to raise the fees. If a local unit of government incurs some administrative costs for increasing its license fees, these costs will be incurred as a result of their decision to raise the fees and not a result of the proposed rule revisions. Since the proposed revisions are not mandatory for local health agencies, local units of government will not incur costs attributable to the proposed amendments which would exceed \$100,000 per year.

Lastly, local units of government which operate a manufactured home park and/or recreational camping area do not pay a license fee. They receive a fee free permit to operate. The proposed increase would not, therefore, cause these units of government to incur increased costs to operate their own facilities.

SMALL BUSINESS CONSIDERATIONS -

Minn. Stat., Section 14.115 (1988), requires that an agency consider five factors for reducing the impact of proposed rules on small businesses. Small business is defined as "...a business entity, including its affiliates that (a) is independently owned and operated; (b) is not dominant in its field; and (c) employs fewer than 50 full time employees or has gross annual sales of less than 4 million dollars...." Many of the businesses governed by Minn. Stat., Sections 327.14 - 327.28 (1988) would come under the definition of small business. The MDH has considered each of the five factors as follows:

1. The establishment of less stringent compliance or reporting requirements. The proposed amendments do not impose more stringent standards than those already in effect for operating these types of establishments.

2. The establishment of less stringent schedules or deadlines for compliance or reporting requirements. The proposed amendments do not impose any new compliance schedules or reporting requirements upon operators of manufactured home parks and recreational camping areas.

3. The consolidation or simplification of compliance or reporting requirements. Since there are no compliance schedules or reporting requirements under these proposed amendments, there is no opportunity for consolidation or simplification.

4. The establishment of design standards for small businesses. The proposed amendments do not affect the current

standards governing the operation of manufactured home parks and recreational camping areas. Therefore, it is not relevant to establish design standards for small businesses in order to comply with the proposed rules.

5. The exemption of small businesses from the rules. State law (Minn. Stat., Section 16A.128 [1988]) already establishes that license fees must cover program costs. The Legislature has determined that manufactured home parks with two or more manufactured homes and recreational camping areas with five or more sites shall be licensed (Minn. Stat., Section 327.14, Subd. 3 and Subd. 8, [1988]), and shall pay a license fee and did not provide for the exemption of small businesses. The department would violate legislative intent if it were to exempt any establishment which meets these criteria from payment of the license fee, whether or not it meets the definition of a small business.

OUTLINE OF PROPOSED CHANGES -

The fees are designed to reflect the amount of time spent inspecting a low-risk versus a high-risk facility and also to produce in the aggregate revenue sufficient to cover the program costs.

4630.1900, Subp. 1a. and Subp. 1b.

This rule part is being amended in order to establish "high-risk" and "low-risk" categories for manufactured home parks and/or recreational camping areas. There is a potentially higher risk to users of operations which fall under one or more of the

three conditions listed in this part. For example, if a park has a swimming pool but does not maintain the proper chemical balance or have required life saving equipment on hand, the end result may be increased harm to pool users. Low-risk operations are those which do not fall into one of the three. These categories were developed with the cooperation and at the request of industry representatives. They reflect an inspection frequency which is appropriate to the different types and severity of public health problems which these classes of facilities pose. The fees which are being proposed are proportional to the amount of effort and expense incurred in regulating each class.

4630.2000 A.

The proposed rule change raises the primary (initial) license fee from \$75 for every 50 sites or fraction thereof to \$75 for every 20 sites. This fee covers such activities as plan review, construction inspection and final on-site inspection by MDH staff prior to occupation of the newly constructed sites. The proposal also changes the fee for additional sites constructed after issuance of a primary license to read as \$75 for each 20 sites or fraction thereof. Additional sites must also have plan approval, construction and final on-site inspections prior to occupancy.

4630.2000 B.

Renewal fees for high-risk operations would increase from \$15 for each ten sites or fraction thereof to a \$50 base fee plus \$2 for each site. Operations would be charged the \$2/site fee

for up to 300 sites. The year-round category is being classified as high-risk because they require more staff time and resources to monitor. The establishments which fall into this category will be required to pay a higher renewal fee. This proposal exempts licensed hotels, motels and resorts with manufactured home park and/or recreational camping area sites from paying the \$50 base fee. As part of their license to operate under Minn. Stat., Section 157.03 (1988) these businesses are already paying the base fee.

4630.2000 C.

The name of this renewal category is being changed from seasonal to low-risk. The renewal fee for low-risk operations is proposed to change to a \$50 base fee plus \$1 for each site up to 300 sites. These operations require fewer inspections, thus cost less to monitor in terms of staff time and resources. For this reason, these types of operations will pay a lower renewal fee. This proposal also exempts licensed hotels, motels and resorts with manufactured home park and/or recreational camping area sites from paying the \$50 base fee. As part of their license to operate under Minn. Stat., Section 157.03 (1988) these businesses are already paying the base fee.

4630.2000 D.

The increased fee for late renewal is presently \$10 and the MDH proposes to double this to \$20. This fee is assessed whenever an application for renewal is made after January 15 of the calendar year or 15 days after the date of opening for a

seasonal establishment. The increased fee is proposed to cover the increase in costs for the effort to handle late payments, which may include several follow-up letters and an on-site visit to see if the establishment is still in operation. In FY88 the MDH collected 79 increased fees for late renewal on manufactured home park and recreational camping area license fees totaling \$790. During FY89, 117 increased fees for late renewal were collected totaling \$1,170.

4630.2210

This proposed rule part establishes an inspection frequency of one inspection/year for high-risk establishments and one inspection every two years for low risk establishments. Industry representatives have suggested, and the MDH concurs, that not every park requires a yearly inspection. In addition, a slightly reduced inspection frequency will help lower program costs. Additional inspections may be made in response to a complaint about an establishment.

State law requires that proposed increased fees be approved by the Commissioner of Finance. A copy of that approval is attached.

CONCLUSION -

This statement has addressed the legal basis for promulgating these amendments as well as the necessary consideration for local governments and small businesses. It also addresses, on an individual basis, each proposed amendment and the reasoning behind it.

It is our opinion that these proposed changes are both necessary and reasonable. They are necessary in that the Legislature has mandated that the commissioner of health determine and assess the necessary fees to cover manufactured home park and recreational camping area licensing, inspection and enforcement program costs.

The proposed rules are reasonable in that the increase is calculated to generate the amount of revenue which will equal costs through 1991, thus eliminating the need for another fee increase within the next two fiscal years.

s/ Raymond W. Thron
Raymond W. Thron, Ph.D., P.E., Director
Division of Environmental Health

Table 1
 COSTS AND REVENUE RELATING TO MANUFACTURED HOME PARKS AND
 RECREATIONAL CAMPING AREAS

	<u>Actual</u>			<u>Estimated</u> ¹	
	<u>FY87</u>	<u>FY88</u>	<u>FY89</u>	<u>FY90</u>	<u>FY91</u>
Revenue	\$78.8 ²	79.1	84.8	119.2	119.2
Costs	\$69.1 ³	158.0 ⁴	169.7	101.4	106.5
Difference	9.7	(78.9)	(84.9)	17.8	12.7
Accumulated Difference		(69.2)	(154.1)	(136.3)	(123.6)
Number Paying Fee	1,038	1,050	1,080	1,080 ⁵	1,080

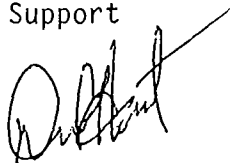
1. Based upon proposed fee increases
2. Dollars in thousands (\$78,796 = 78.8).
3. Costs of inspecting and licensing manufactured home parks and recreational camping areas are calculated on the basis of the total percentage of staff time spent on the activity. The percentage is obtained from daily reports which are kept by all professional staff in the Section. Time reports are recorded at 5-minute intervals to show a complete day's effort. These expenses include salary, fringe benefits, supplies and expenses, travel and indirect costs. As of 01/01/89, the Legislature authorized five additional public health sanitarians and one half-time clerical position. Costs for FY89 reflect the new staff position expenses that will be incurred during the last six months of FY89 in which they are employed. Ten percent (10%) of EFS staff time will be spent on MHP/RCA program activities.
4. Cost increase is attributable to factors shown on pages 2 through 4.
5. Estimated number of licenses is shown as not changing because of the uncertainty about new facilities becoming licensed vs. existing facilities being licensed by local units of government

DEPARTMENT : HEALTH

STATE OF MINNESOTA

Office Memorandum

DATE : October 16, 1989


TO : Bruce Reddemann, Director
Budget Operations and Support
Department of FinanceFROM : David Hovet, Director
Financial Management

PHONE : 623-5072

SUBJECT : Increase in Fees

Please find attached, for your review and approval, a Statement of Need and Reasonableness to increase the fees for manufactured home parks and recreational camping areas. We are planning to send these rules revisions to the State Register on Wednesday, so we need preliminary approval by October 18. If you should have any questions, please contact me.

Upon review of the attached supporting information justifying the reasonableness of the proposed fees and pursuant to the authority vested in the Department of Finance under M.S. 16A.128 (1987) the fees set forth in the proposal of the Department of Health are hereby approved.



Bruce J. Reddemann, Director
Budget Operations and Support10-18-89
Date