

Joint Legislative Committee on Performance  
Evaluation and Expenditure Review (PEER)

Report to  
the Mississippi Legislature



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# State Agency Fees: FY 2001 Collections and Potential New Fee Revenues

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In response to a legislative request, the PEER Committee studied the fee structures of state agencies in Mississippi. The purpose was to determine the potential for additional fees for state services as a revenue source.

To form the basis for decisions on whether to establish or increase fees, PEER developed a Theory of Fee Setting in Government that includes the following steps:

- determine the beneficiary of the service (i.e., public, private, or mixed);
- determine sources of revenue for funding (i.e., taxes, user fees, or a combination);
- determine and analyze legal issues (e.g., statutory limits on fees);
- determine the purpose of the fees (e.g., to cover costs and/or influence behavior);
- assess factors influencing the level of fees (e.g., determine demand for service);
- identify cost data (e.g., minimize costs, measure direct and indirect costs); and,
- compute estimated fees.

PEER focused its review on forty-one executive agencies, judicial agencies, and agencies with boards that receive appropriations of state general funds.

The report includes a summary of potential new fees as well as an appendix with a detailed analysis of agency services or programs; expenditures by service or program; sources of funding; determination of benefit; and the method of fee calculation used.

***The PEER Committee produced this report as a tool for decisionmaking. Specific decisions on whether to impose a fee as a revenue source are policy decisions for the agency and the Legislature. Future decisions regarding establishing new fees should be based on thorough and up-to-date information on costs and benefits of program services. The PEER Committee takes no position on the creation, raising, or reducing of the fees presented in this report.***

## **PEER: The Mississippi Legislature's Oversight Agency**

The Mississippi Legislature created the Joint Legislative Committee on Performance Evaluation and Expenditure Review (PEER Committee) by statute in 1973. A standing joint committee, the PEER Committee is composed of five members of the House of Representatives appointed by the Speaker and five members of the Senate appointed by the Lieutenant Governor. Appointments are made for four-year terms with one Senator and one Representative appointed from each of the U. S. Congressional Districts. Committee officers are elected by the membership with officers alternating annually between the two houses. All Committee actions by statute require a majority vote of three Representatives and three Senators voting in the affirmative.

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The Committee assigns top priority to written requests from individual legislators and legislative committees. The Committee also considers PEER staff proposals and written requests from state officials and others.

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The Mississippi Legislature

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December 17, 2002

Honorable Ronnie Musgrove, Governor  
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Honorable Tim Ford, Speaker of the House  
Members of the Mississippi State Legislature

On December 17, 2002, the PEER Committee authorized release of the report entitled  
**State Agency Fees: FY 2001 Collections and Potential New Fee Revenues.**

A handwritten signature in cursive script, appearing to read "William Canon".

Senator William Canon, Chairman

**This report does not recommend increased funding or additional staff.**

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# State Agency Fees: FY 2001 Collections and Potential New Fee Revenues

## Executive Summary

### Purpose

In response to a legislative request, the PEER Committee studied the fee structures of state agencies in Mississippi. The purpose was to determine the potential for additional fees for state services as a revenue source. The objectives for the review were to:

- develop a theory of fee setting to govern the conditions under which fees are appropriate;
- determine the amounts and types of fees collected by state agencies in FY 2001;
- determine potential agency services where costs could be recouped through collection of fees; and,
- develop estimates of potential new fee revenue for each of the agencies surveyed.

***The PEER Committee produced this report as a tool for decisionmaking. Specific decisions on whether to impose a fee as a revenue source are policy decisions for the agency and the Legislature. Future decisions regarding establishing new fees should be based on thorough and up-to-date information on costs and benefits of program services. The PEER Committee takes no position on the creation, raising, or reducing of the fees presented in this report.***

### Scope

PEER focused its review on forty-one executive agencies, judicial agencies, and agencies with boards that receive appropriations of state general funds. However, PEER did not review state entities under the oversight of the Board of Trustees of Institutions of Higher Learning (IHL), as Section 213-A of the MISSISSIPPI CONSTITUTION OF 1890 grants exclusive authority to IHL over its self-generated funds. PEER did not include agencies that do not receive state general funds.

## **Theory of Fee-Setting**

In order to determine the most efficient and equitable way to recommend establishment of fees for state services, the PEER Committee developed a Theory of Fee Setting in Government to form the criteria or basis for decisions on the potential for establishing or increasing fees. PEER reviewed academic literature, economics theory, and policies and procedures from other states and the U.S. and Canadian governments in order to develop the theory and a decision model for implementing the theory. Exhibit A on pages x-xi summarizes the Theory of Fee Setting compiled by PEER from the literature.

## **Analysis of State Agency Services for Determining Potential New Fee Revenues**

Exhibit B on page xii includes a summary of the potential new fees determined from the review of the forty-one agencies surveyed. The Appendix, beginning on page 23 of the report, includes a detailed analysis of the agency services or programs; expenditures by service or program; sources of funding; determination of private, public or mixed benefit; and the method of calculation used to estimate potential new fee revenue.



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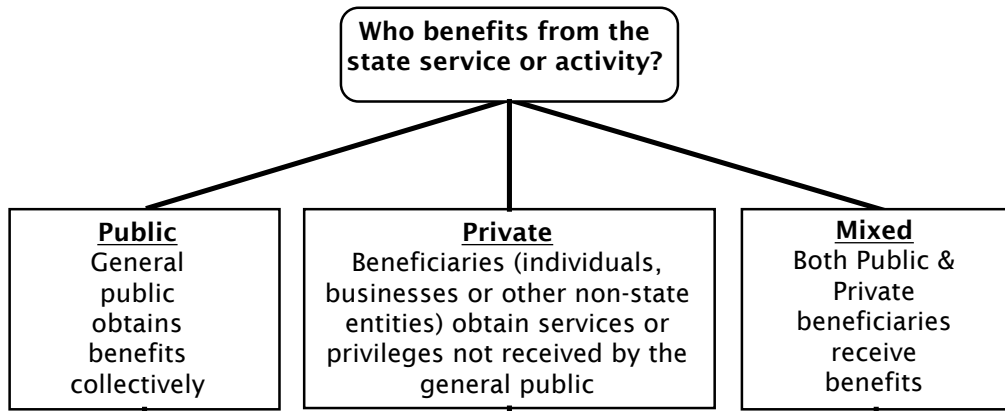
Representative Mary Ann Stevens, Secretary

West, MS 662-967-2473

# Exhibit A: "Theory of Fee Setting in State Government" Decision Model

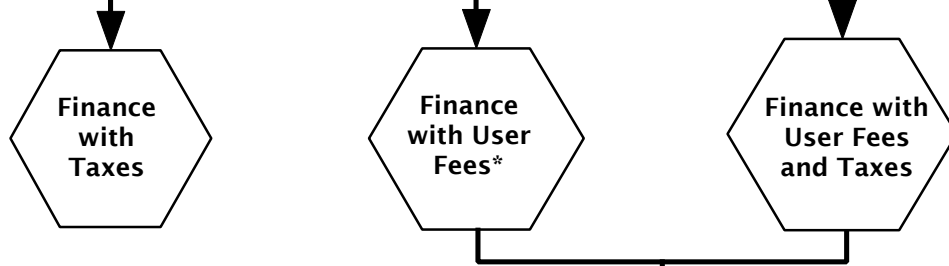
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## Determine Beneficiary



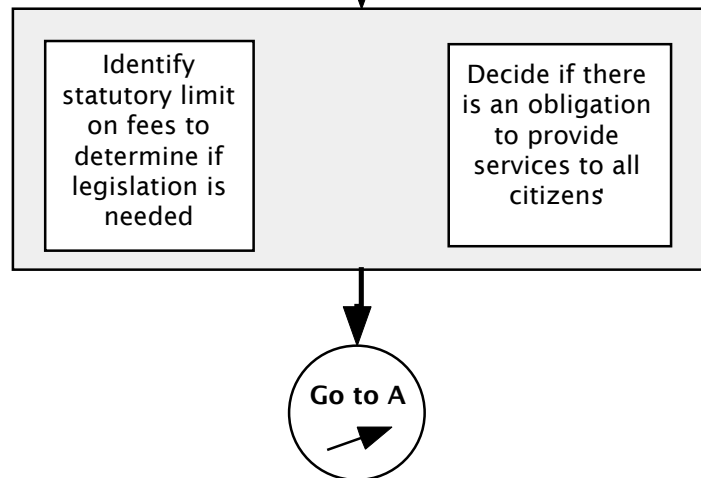
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## Determine Sources of Revenue for Funding



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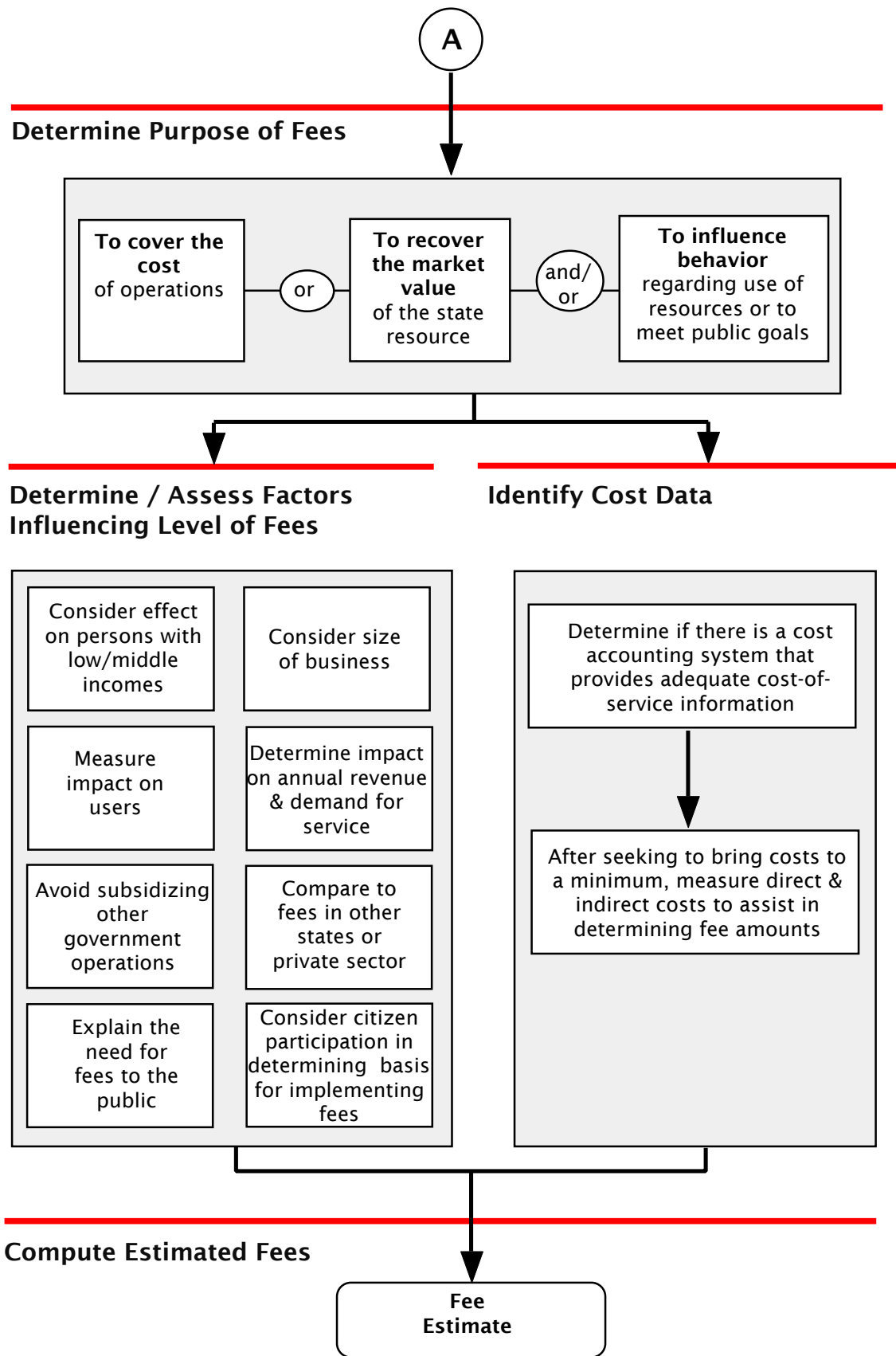
## Determine & Analyze Legal Issues



\* Excise taxes, such as for motor fuel, could be used in lieu of a fee if an entire class of users is to be taxed, but charging for the exact amount of use per individual would be cost prohibitive (e.g., calculating the amount of highway travel per person).

SOURCE: PEER analysis of public finance and economics textbooks and articles and literature and policies of various governments on user fees

**Exhibit A: “Theory of Fee Setting in State Government” Decision Model (Continued)**



SOURCE: PEER analysis of public finance and economics textbooks and articles and literature and policies of various governments on user fees

**Exhibit B: Summary of Potential New Fee Revenues**

Name of Agency	Potential New Fee Revenue (Based on FY 2001 Costs)
Agriculture and Commerce, Department of (DAC)	\$3,209,574
Animal Health, Board of (BAH)	757,728
Archives and History, Department of (DAH)	299,891
Arts Commission, Mississippi (MAC)	0
Attorney General's Office (AGO)	unknown (a)
Audit, State Auditor's Office (SAO)	530,229
Capital Defense Counsel, Office of (OCDC)	0
Capital Post-Conviction Counsel, Office of (OCPC)	0
Community and Junior Colleges, State Board for (SBCJC)	47,758
Corrections, Mississippi Department of (MDOC)	unknown (a)
Education, Department of (MDE)	0
Educational Television, Mississippi Authority for (ETV)	unknown (a)
Emergency Management Agency, Mississippi (MEMA)	0
Environmental Quality, Department of (DEQ)	4,391,812/unknown (b)
Ethics Commission, Mississippi (MEC)	15,000/unknown (b)
Finance and Administration, Department of (DFA)	0
Forestry Commission (MFC)	8,515,837
Gaming Commission, Mississippi (MGC)	1,500,178
Governor, Office of the (OG)	0
Grand Gulf Military Monument Commission (GGMMC)	5,000
Health, State Department of (SDH)	2,302,643/unknown (b)
Human Services, Department of (DHS)	unknown (a)
Judicial Performance, Mississippi Commission on (MCJP)	0
Library Commission, Mississippi (MLC)	0
Marine Resources, Department of (DMR)	608,910/ unknown (b)
Medicaid, Division of (DOM)	0
Mental Health, Department of (DMH)	0
Military Department (MD)	12,000
Mississippi Development Authority (MDA)	1,164,115/unknown (b)
Mississippi River Parkway Commission (MRPC)	0
Narcotics, Mississippi Bureau of (MBN)	unknown (a)
Plant Industry, Bureau of (BPI)	763,372
Public Safety, Department of (DPS)	253,804/unknown (b)
Rehabilitation Services, Department of (MDRS)	0
Soil and Water Conservation Services (SWCS)	6,024
Supreme Court and Affiliated Programs of Mississippi (SC)	0
Tax Commission, State (STC)	0
Tennessee-Tombigbee Waterway Development Authority (TWDA)	59,282
Treasury Department, State (TD)	0
Veterans' Affairs Board (VAB)	3,370,938
Wildlife, Fisheries and Parks, Department of (DWFP)	2,110,920/ unknown (b)
<b>Total</b>	<b>\$29,925,015</b>

NOTES:

(a) "Unknown" designates that potential for fee revenue exists, but information is not currently available to calculate the amount.

(b) Designates that fee potential can be calculated for some services, while unknown fee revenue potential exists for other services.

SOURCE: PEER analysis of agency survey responses, including certain unaudited financial information; budget requests; annual reports; and other documentation.

# State Agency Fees: FY 2001 Collections and Potential New Fee Revenues

---

## Introduction

### Purpose

In response to a legislative request, the PEER Committee studied the fee structures of state agencies in Mississippi. The purpose was to determine the potential for additional fees for state services as a revenue source. The objectives for the review were to:

- develop a theory of fee setting to govern the conditions under which fees are appropriate;
- determine the amounts and types of fees collected by state agencies for FY 2001;
- determine potential agency services where costs could be recouped through collection of fees; and,
- develop estimates of potential new fee revenue for each of the agencies surveyed.

*The PEER Committee produced this report as a tool for decisionmaking. Specific decisions on whether to impose a fee as a revenue source are policy decisions for the agency and the Legislature. Future decisions regarding establishing new fees should be based on thorough and up-to-date information on costs and benefits of program services. The PEER Committee takes no position on the creation, raising, or reducing of any of the fees discussed.*

### Scope

In order to provide the most usable information within the time allotted, PEER focused its review on forty-one executive agencies, judicial agencies, and agencies with boards that receive appropriations of state general funds. However, PEER did not review state entities under the

oversight of the Board of Trustees of Institutions of Higher Learning (IHL), as Section 213-A of the MISSISSIPPI CONSTITUTION OF 1890 grants exclusive authority to IHL over its self-generated funds. PEER did not include agencies that do not receive state general funds, such as the Secretary of State's Office and many regulatory boards and commissions that are supported solely through special funds collections.

## Method

In conducting this review, PEER:

- reviewed academic and governmental literature regarding fee-setting practices and theories in order to compile a Theory of Fee Setting;
- reviewed a survey of agency fees conducted by the Legislative Budget Office in October 2001;
- conducted a detailed survey of agencies to gather FY 2001 financial information on the costs of various services provided, service-specific sources of funding, and information that may have changed since the October 2001 fee survey; and,
- analyzed agency survey information, annual reports, legislative budget request forms, and other agency documents and conducted interviews with agency personnel in order to develop potential new fee revenues in line with the Theory of Fee Setting.

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## Background on the Theory of Fee Setting

State government entities occasionally assess fees for providing some services to public or private recipients. Fee setting in state government is determined according to various factors. Those in positions to decide whether to set fees must address these factors in order to charge fair and appropriate fees.

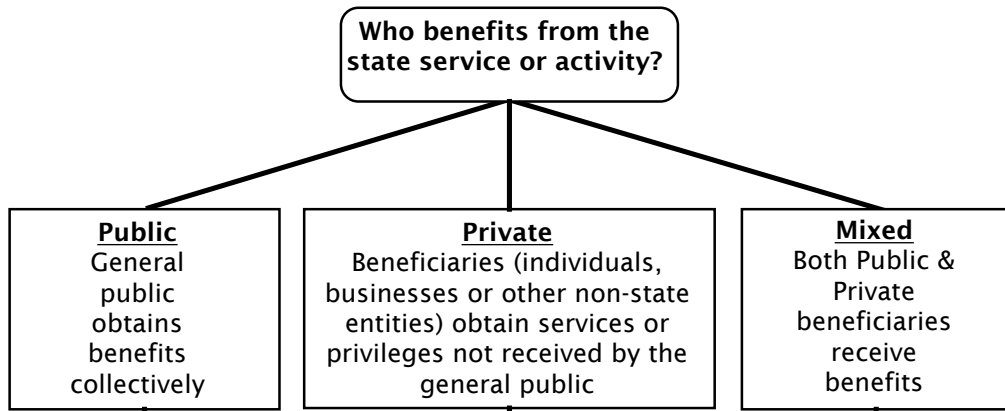
In order to determine the most efficient and equitable way to recommend establishment of fees for state services, the PEER Committee developed a Theory of Fee Setting in Government to form the criteria or basis for decisions on the potential for establishing or increasing fees. PEER reviewed academic literature, economics theory, and policies and procedures from other states and the U.S. and Canadian governments in order to develop the theory and a decision model for implementing the theory.

Exhibit 1 on pages 4-5 summarizes the Theory of Fee Setting compiled by PEER from the literature. Details of the theory are described beginning on page 6.

# Exhibit 1: "Theory of Fee Setting in State Government" Decision Model

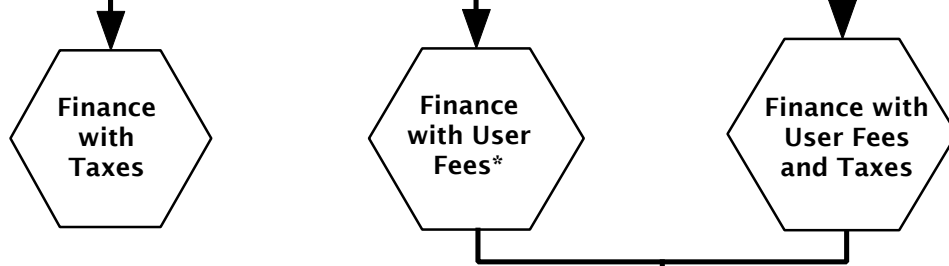
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## Determine Beneficiary



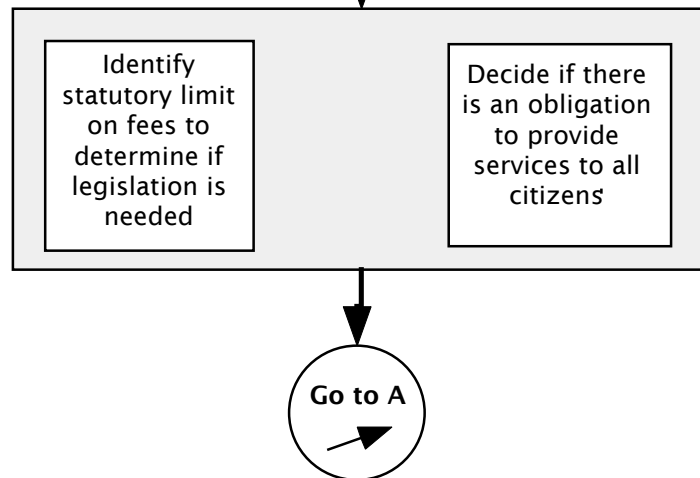
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## Determine Sources of Revenue for Funding



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## Determine & Analyze Legal Issues

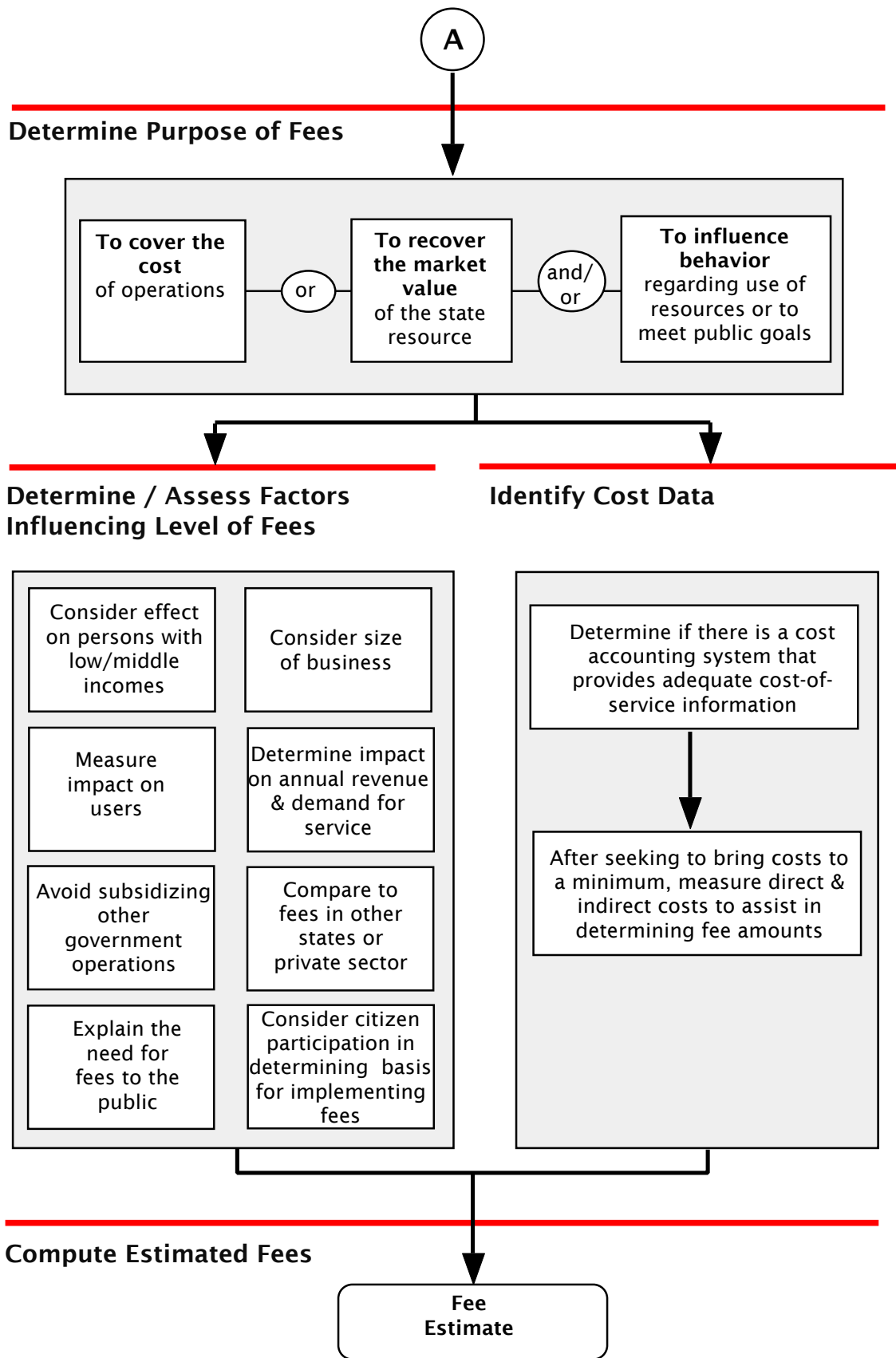


\* Excise taxes, such as for motor fuel, could be used in lieu of a fee if an entire class of users is to be taxed, but charging for the exact amount of use per individual would be cost prohibitive (e.g., calculating the amount of highway travel per person).

SOURCE: PEER analysis of public finance and economics textbooks and articles and literature and policies of various governments on user fees



**Exhibit 1: “Theory of Fee Setting in State Government” Decision Model (Continued)**



SOURCE: PEER analysis of public finance and economics textbooks and articles and literature and policies of various governments on user fees

## Public, Private, and Mixed Benefits Resulting from State Services

**If the public obtains benefits from a service collectively, as opposed to individually, then decisionmakers should finance the service with taxes.**

**If a service benefits private individuals or organizations, as opposed to collectively benefiting the public, the service should be financed with user fees.**

In determining how to fund services, decisionmakers must determine who benefits from the state service in question. The benefits could accrue to the public at large, to private individuals or non-state governmental entities, or to both the public and private entities (a mixed benefit).

*Public benefits*--The first type of benefit recipient would be the public, or society at large. In this case, the public obtains benefits from the service collectively, as opposed to individually. If the public benefits from the service, then the decisionmakers should finance the service with taxes. Taxes are appropriate when it is difficult to prevent non-payers from enjoying a service. In other words, "non-payers" enjoy extensive benefits from the service. For instance, the public at large benefits when the population is educated and when the state's work force is trained. Taxes are also appropriate when administrative costs of levying fees would be excessive. For example, levying a tax for sparsely traveled roads could be more cost-effective than collecting tolls. Finally, taxes are the appropriate step when consumption by one user does not reduce the amount available to another. The example of law enforcement applies in this situation. For instance, law enforcement services are provided as a whole to everyone. If Individual A feels protected to a certain degree by the presence of highway patrol personnel on interstate roads, Individual B would not feel less protected because Individual A has "consumed" a benefit from highway patrol services.

*Private benefits*--A service can also benefit private individuals or organizations, as opposed to a service collectively benefiting the public. If this is the case, then the service should be financed with user fees. User fees are appropriate when recipients of services are easily identifiable. Medical licenses being given to individuals serve as an illustration of this kind of benefit. Other examples of services or privileges not received by the general public are licenses awarded to sell real estate and permits issued to organizations or businesses to release pollutants into the water or air. Private recipients can enjoy business stability or increased public confidence in business activities due to the service. For instance, the public feels confident in buying milk whose producers have been regulated by the Department of Health in order to protect public health and welfare. Private recipients also can receive state services upon request or for the recipient's convenience, such as when a person obtains a copy of his or her birth certificate.

Some services are provided by state agencies to counties or cities free of charge. When services are provided to

**When both the public and private individuals or organizations benefit from a service, it should be financed with a combination of user fees and taxes.**

local governments that are not for the benefit of the state's citizens as a whole, PEER has classified these benefits as private. Although the benefits are provided to local entities that are public, they are considered to be private services if they are provided to non-state entities.

*Mixed (public and private) benefits*—When both the public and private individuals/organizations benefit, the service has a mixed benefit. If this is the case, it is appropriate that the service be financed with a combination of both user fees and general taxes. A mixed benefit satisfies private needs and generates benefits for the public. For example, regulating the water supply benefits both the public as a whole and also the private (local, non-state) water supply operators.

## **Purpose for Setting Fees**

In setting fees, decisionmakers also must understand and determine the purpose for setting the fee. Reasons may include covering the cost of operations and/or influencing behavior of service recipients or regulated entities.

### **Covering the Costs of Service Operations**

When the purpose is to cover the cost of operations, decisionmakers must take into consideration several factors that impact potential fee payers. Decisionmakers must:

1. consider the effect of fees on persons with low or middle incomes;
2. consider the size of businesses and whether fees should be set based on their size;
3. consider the level at which fees will be set and whether they are greater than service costs and will subsidize government operations that are not related to the service under consideration (in other words, individuals or entities should not be assessed fees when the fees they pay will be used to pay for some unrelated service); and,
4. consider whether the new fee will negatively impact annual revenue and demand for the service (for instance, if a museum entrance fee increases, how much, if any, will the number of visitors to the museum decrease as a result).

When setting fees to cover costs, a critical component of the decisionmaking process is a cost accounting system that will provide adequate cost-of-service information. After first seeking to bring service costs to a minimum

(ensuring efficiency of operations), decisionmakers should evaluate the direct and indirect costs to assist in determining a fee amount. Direct costs are the salaries and fringe benefits of individuals involved in delivering the service and equipment and supplies and contractual services costs spent to deliver the service. Indirect costs can include a portion of administrative costs to run the entire agency (e.g., salaries of administrators, building maintenance, rental costs).

**Decisionmakers should evaluate both direct and indirect costs in determining a fee amount.**

In some instances, when the state provides a service that is in competition with private businesses, the fee should equal the market value of the state service or resource (e.g., the state should charge hourly fees for consulting services in line with private consultants; state lands should be leased at market value and not at cut-rate prices).

## Influencing Behavior

**Fees may be used to discourage use of a resource, punish violations, or encourage compliance.**

Decisionmakers may use the goal of influencing behavior when setting fees. Fees may be set to influence behavior regarding the use of resources (e.g., to reduce excess demand for a service, product, or activity such as hunting and fishing or to discourage use of a state resource, such as water pollution reducing the quality of water). Fees also may be assessed in the form of fines as punishment for violating regulations. Fees can also be used to encourage compliance with program regulations or goals. If fees are set at a low amount or at \$0 they may encourage behavior that will help the service recipient to avoid more expensive agency intervention in the future (e.g., the goal of providing community mental health services free of charge to a low-income client living at home would be to avoid institutionalizing the client at much greater state expense in the future.)

## Other Considerations for Setting Fees

In deciding whether to levy fees, state decisionmakers should:

- consider constitutional/statutory limits on fees to determine if new legislation is needed; and,
- consider constitutional/statutory obligations to provide services to all citizens (e.g., education of children).

After the purpose of setting a fee has been determined, decisionmakers should:

- measure the impact on users (how will a fee affect a particular industry or group of users);
- compare the proposed fee to fees in other states or the private sector;
- explain the need for fees to the public (explain why it is more equitable to charge user fees rather than using income tax revenues to pay for the service); and,
- consider citizen participation in determining the basis for implementing fees (e.g., would inspection fees or licensing fees be more appropriate).

**Excise taxes can be used in lieu of a fee if an entire class of users is to be taxed, but charging for the exact amount of use per individual would be cost prohibitive.**

Decisionmakers should also consider excise taxes as a substitute for fees in some cases. Excise taxes can be used in lieu of a fee if an entire class of users is to be taxed, but charging for the exact amount of use per individual would be cost prohibitive. For instance, a motor fuel tax could be imposed easily in financing the cost of highways but calculating the amount of highway travel per person is not practical.

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## Analysis of State Agency Services for Determining Potential New Fee Revenues

As stated above, the objectives of this review were to:

- develop a theory of fee setting to govern the conditions under which fees are appropriate;
- determine the amounts and types of fees collected by state agencies for FY 2001;
- determine potential agency services where costs could be recouped through collection of fees; and,
- develop estimates of potential new fee revenue for each of the agencies surveyed.

Exhibit 2 on page 11 includes a summary of the potential new fees determined from the review of the forty-one agencies surveyed. The Appendix on page 23 includes a detailed analysis of the agency services or programs; expenditures by service or program; sources of funding; determination of private, public or mixed benefit; and the method of calculation used to estimate potential new fee revenue.

## Exhibit 2: Summary of Potential New Fee Revenues

Name of Agency	Potential New Fee Revenue (Based on FY 2001 Costs)
Agriculture and Commerce, Department of (DAC)	\$3,209,574
Animal Health, Board of (BAH)	757,728
Archives and History, Department of (DAH)	299,891
Arts Commission, Mississippi (MAC)	0
Attorney General's Office (AGO)	unknown (a)
Audit, State Auditor's Office (SAO)	530,229
Capital Defense Counsel, Office of (OCDC)	0
Capital Post-Conviction Counsel, Office of (OCPC)	0
Community and Junior Colleges, State Board for (SBCJC)	47,758
Corrections, Mississippi Department of (MDOC)	unknown (a)
Education, Department of (MDE)	0
Educational Television, Mississippi Authority for (ETV)	unknown (a)
Emergency Management Agency, Mississippi (MEMA)	0
Environmental Quality, Department of (DEQ)	4,391,812/unknown (b)
Ethics Commission, Mississippi (MEC)	15,000/unknown (b)
Finance and Administration, Department of (DFA)	0
Forestry Commission (MFC)	8,515,837
Gaming Commission, Mississippi (MGC)	1,500,178
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Grand Gulf Military Monument Commission (GGMMC)	5,000
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Human Services, Department of (DHS)	unknown (a)
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Library Commission, Mississippi (MLC)	0
Marine Resources, Department of (DMR)	608,910/ unknown (b)
Medicaid, Division of (DOM)	0
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Mississippi Development Authority (MDA)	1,164,115/unknown (b)
Mississippi River Parkway Commission (MRPC)	0
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Public Safety, Department of (DPS)	253,804/unknown (b)
Rehabilitation Services, Department of (MDRS)	0
Soil and Water Conservation Services (SWCS)	6,024
Supreme Court and Affiliated Programs of Mississippi (SC)	0
Tax Commission, State (STC)	0
Tennessee-Tombigbee Waterway Development Authority (TWDA)	59,282
Treasury Department, State (TD)	0
Veterans' Affairs Board (VAB)	3,370,938
Wildlife, Fisheries and Parks, Department of (DWFP)	2,110,920/ unknown (b)
<b>Total</b>	<b>\$29,925,015</b>

**NOTES:**

(a) "Unknown" designates that potential for fee revenue exists, but information is not currently available to calculate the amount.

(b) Designates that fee potential can be calculated for some services, while unknown fee revenue potential exists for other services.

SOURCE: PEER analysis of agency survey responses, including certain unaudited financial information; budget requests; annual reports; and other documentation.

## Information Presented in the Potential Fee Revenue Schedule in the Appendix

### Self-Reported Agency Information

The financial information presented in Exhibit 2 and the Appendix is self-reported by the state agencies under review. The expenditure and sources of funding data may include agency estimates to determine costs by detailed categories. PEER reviewed the information submitted:

- for completeness—i.e., to determine whether agencies reported all services and expenditures; and,
- for reasonableness and consistency—i.e., to determine if the information appeared accurate when compared to total agency expenditures and when compared to information presented in budget requests and annual reports.

Because the information is self-reported and not audited, PEER cannot verify that the costs and related sources of funding are accurate for each individual agency service presented.

### Description of Services Provided

In determining the potential fees that might be established by agencies to generate revenues to finance the cost of services, PEER studied costs of agency services and whether they fit criteria for setting of fees. Specifically, PEER asked the agencies to specify their services and provide expenditures by type of service. PEER studied these services and determined whether the services provided are of public or private benefit, based on the Theory of Fee Setting.

### Calculation of “Potential New Fee Revenue”

After determining the types of services provided, PEER developed an estimate of the potential new fee revenue. In doing so, PEER excluded from total service expenditures those amounts expended from federal or “other” revenue sources to determine the costs borne by general funds and fee revenue. In other words, PEER used the costs of services not funded by federal or other revenues as the starting point for determining the amount that should be funded by fee revenue.

PEER developed estimates based on the following method in the theory:



- For services that were determined to be 100% public, no fees were recommended because public services (services which benefit the public as a whole) should be funded with general funds.
- For those services determined to be 100% private, fees were recommended to be established in an amount that would equal the general funds expended during FY 2001. The theory outlines that private services, which benefit specific individuals or entities and have little to no public benefit, should be financed with fees and not with general funds. For those services that already have federal or other special sources of funding, the suggested fee amounts would be lower than would be the case if they had been funded only from the state general fund. The formula is as follows:

$$\begin{aligned}
 & \text{Potential new fee revenue} = \\
 & \text{(total expenditures for the service} - \\
 & \text{expenditures from federal and other} \\
 & \text{revenues)} - \\
 & \text{expenditures from existing fee revenues}
 \end{aligned}$$

- For services that render a mixed public/private benefit, services may be financed with general funds and fees. The scope of this review did not include the study of services in such detail to recommend policy options as to the optimum percent of each service that should be considered of public benefit and the percent to be considered of private benefit. Instead, PEER used a 50/50 private/public fund distribution factor as a benchmark for discussion by agencies and the Legislature. (For example, after subtracting federal and other recurring funding from the total expenditures for a particular agency service having mixed benefits, one-half of the remaining expenditures should be financed by fees charged to service recipients or regulated entities. The remaining one-half may be financed by the general fund. (Other permanent funding, referred to as "Other funds expended" in the Appendix, could consist of non-federal grants, Education Enhancement funds, court assessments, or other state, local or private sources of funds.) The formula is as follows:

*Potential new fee revenue =  
((total expenditures for the service –  
expenditures from federal and other  
revenues) X 50%) –  
expenditures from existing fee revenues*

Also note that in those instances where fees collected in FY 2001 exceed the estimated amount of fee revenue that could be derived from the formula, PEER is not recommending a reduction in fees. PEER assumed in those cases that the agency and/or the Legislature has already made the policy decision that fees should be established at a higher rate.

## **Implications for Changes to Fee Structure**

In the Potential Fees Schedule in the Appendix under the section entitled *Implications for Changes to Fee Structure*, PEER presents the specific effect on fees that would result for a particular type of service recipient or regulated entity. For example, the increase in annual fees for a specific entity would increase from \$20 to \$600 based on the criteria outlined in the Theory of Fee Setting and application of the potential revenue formula. In some instances, mitigating circumstances alter the results of the private and mixed funding formulas. In those cases where mitigating circumstances exist, PEER has also outlined those and their effect on fees under the *Implications for Changes to Fee Structure* section. For instance, the state provides some services with mixed benefits, such as Temporary Assistance for Needy Families, for which fees would not be practical because of the low incomes of the clients targeted by the program. In those instances, the potential new fee revenues would be \$0. There may also be mitigating circumstances unknown to PEER that would affect policy decisions as to the optimum percent of cost recovery for services having mixed public/private benefits. These would include fees charged by neighboring states and broad-based impacts on stakeholders.

## **Future Considerations for Determining Potential Fee Revenue**

The Potential Fee Revenue Schedule presented in this report is a first step in establishing new fee assessments based on a Theory of Fee Setting. This section of the report explains the steps taken to estimate potential revenues for this report and explains additional analysis

and input needed from agencies to ensure the feasibility of applying new fees.

## **Meaning of the 50% Benchmark as a Starting Point for Discussion**

As discussed above, PEER used a “50% benchmark” (i.e., 50% of expenditures excluding amounts funded by federal and other revenues) to determine fee amounts for recouping costs of services with mixed public/private benefits. The 50% number is intended to be used only as a reference point for discussion by the Legislature and the agencies. The percentage for cost recovery may be adjusted to elicit certain types of behavior in the individual or entity using a service or being regulated.

**The 50% benchmark is intended as a reference point for discussion by the Legislature and the agencies. The percentage for cost recovery may be adjusted to elicit certain types of behavior in the individual or entity using a service or being regulated.**

The determination of the level at which a mixed-benefit service should be funded by the individual, business, or government entity is a policy decision that may include assessment of many associated factors or circumstances. For instance, the Legislature might determine that some types of activities with mixed benefits, such as entrance to state museums, should be provided free of charge as an educational benefit. This would be seen as a behavior incentive to increase museum attendance and the resulting educational benefits. On the other hand, the Legislature and the Department of Environmental Quality (DEQ) might determine that oversight of certain types of pollution-generating activities should be funded 100% by the private entity rather than at 50% to encourage compliance with regulations. This would be seen as a behavior deterrent.

The range of opportunities for assessing fees by DEQ is shown below as an illustration that the “50%” cost recovery is only a benchmark for discussion. In October 2001, a consulting firm completed a study for DEQ in which it determined potential new fees that could be charged for permitting and inspections of businesses allowed to emit pollutants or discharge materials into waterways at federally regulated levels. (Note that some governmental entities are also regulated for certain activities such as construction that contributes to releasing soil and other materials into waterways.) The consultant study determined the fees based on 100% cost recovery. The differences in the numbers in the DEQ consultant study and in the PEER Appendix (see page 23 of this report) are summarized in Exhibit 3, page 16:

**Exhibit 3: Example of the Range of Fee Assessment Opportunities for Recouping Costs of DEQ Services/Activities**

<i>DEQ Consultant's Determination of Cost of Regulatory Services for Which Additional Fees Can Be Assessed</i>	<i>Cost of Services Excluding Federal Funding</i>	<i>50% Benchmark Cost Recovery (50% of Service Costs not Paid by Federal Sources, less Fees Already Being Collected)</i>
\$12,023,780	\$8,872,300	\$4,391,812

In the exhibit above, the consultant's cost recovery determination was \$12,023,780. The \$12,023,780 included 100% of the cost of the services provided, regardless of the source of funding. If DEQ and the Legislature sought to set fees based on the \$12,023,780, they would be asking the pollutant-emitting businesses to pay for no more than the full cost of regulatory activities conducted on their behalf. The second figure in the chart, \$8,872,300, excludes the federal funding used to help fund the \$12,023,780 in regulatory activities conducted. The \$8,872,300 is calculated as 100% of costs not paid by federal sources less fees already being collected. The third number in the chart, \$4,391,812, is the benchmark number calculated for discussion as a benchmark only. This number is calculated as 50% of the costs not paid by federal sources, less the fees that are already being collected. The number represents an equal distribution of the cost of the service between the state and the private or non-state recipient. PEER calculated a benchmark number (where possible) using this method for all forty-one agencies in the Appendix.

The Legislature and DEQ could make a policy decision to request reimbursement from regulated businesses and local, federal, and state governmental entities for any amount in the range of possibilities, including those shown in Exhibit 3 above.

**Analysis of Most Recent Data Prior to Finalizing Fees**

PEER collected FY 2001 cost data for this review so that other sources of expenditure and program data would be available for consideration. Complete data from FY 2001 would be comparable with:

- the FY 2001 fee revenue data collected in the Legislative Budget Office survey (conducted in October 2001);

- the most recent agency annual reports published; and,
- the most recent legislative budget request data available at the time that the PEER review began.

The numbers included in the Potential Fees Schedule in the Appendix for Fiscal Year 2001 are useful for explanation of the method used to determine potential fee revenue and increases in individual fees. However, when determining the actual amount of individual fees and total fee revenues needed for appropriation purposes, as outlined in the Cookbook on page 18, the agency and Legislature should use the most recent revenue, expenditure, and program data available. The numbers should be recomputed using the most recent available financial information.

### **Inspection Fees versus Permit or Licensing Fees**

When possible, agencies that conduct inspections should charge fees for each inspection in addition to fees for permitting a particular activity. Alternatively, fees to cover the cost of an annual minimum number of inspections could be included in the permit fee with only the cost of follow-up inspections (inspections that follow a failed inspection) being charged separately. As a result:

- this method of charging would be aimed at influencing the behavior of the regulated entity;
- those agencies that need additional inspections because they have not followed regulations would have to pay more than facilities that follow the regulations (i.e., the more the inspections, the higher the cost because there would be a cost for each inspection); and,
- the permitting fees would also not have to be as high because they would not include the cost of follow-up inspections.

### **Developing a Methodology for Fee Setting**

Agencies should develop a methodology and system for setting fees that is based on the characteristics of the population served, the intent of the Legislature, and the agency's service philosophy. As a guide in evaluating various aspects of agency operations, PEER has developed a "Cookbook" in Exhibit 4, pages 18-19, to assist agencies and the Legislature in implementing new fees. PEER compiled the "Cookbook" based on a review of academic literature, economics theory, and policies and procedures from other states and the U.S. government and Canada.

## Exhibit 4: Cookbook for Fee-Setting OR “How to Do a User Fee Study”

To provide the Legislature with guidelines for use in deciding whether to implement or increase fees, PEER developed a “cookbook” of fee-setting steps and criteria for agencies. Decisionmakers should:

- Identify all services provided by the agency and categorize them according to the Theory of Fee Setting
  - services that benefit the public as a whole are not the best candidates for fees
  - services that benefit individuals or businesses should be funded through fees rather than taxation on everyone
  - services that benefit the public and individuals/entities may be funded through a combination of fees and taxes
- Analyze the revenue potential of services selected based on the Theory of Fee Setting
- Review cost accounting data and systems and make changes where necessary to account properly for costs by type of service
- Determine the appropriate methodology for calculating the fee amounts. In determining the unit cost of services (that is, cost divided by number of activities provided or service recipients), agencies should study, through staff interviews and cost analysis:
  - the amount of time that their staff spends in particular activities and service delivery and then calculate the salaries and fringe benefits costs incurred for the activities;
  - additional costs that will be incurred in fee collection activities;
  - the best way to allocate direct supervisory costs and administrative/indirect costs among the services and program activities, using estimates where necessary;
  - average costs of fixed assets (i.e., ongoing replacement costs of equipment and depreciation of buildings if applicable), supplies and contractual services that are being used in the various activities.
- For services where there are specific beneficiaries of a service, such as museum and park visitors, estimate the impact on demand for services and calculate fee amounts:
  - conduct surveys of fees charged in other states for similar services,
  - conduct surveys of service beneficiaries to determine their support of fees and their impact on demand for services,
  - adjust the methodology for fee-setting to ensure adequate demand for services (e.g., a sensitivity or impact analysis of supply and demand).
- For regulated activities, determine impact on regulated entities and calculate fee amounts
  - survey officials in other states regarding economic impact on industries after implementation of new fees
  - adjust fees based on documented evidence of desirable program outcomes or effects, if any.

## Exhibit 4, Continued: Cookbook for Fee-Setting OR “How to Do a User Fee Study”

- Obtain amended legislation and regulations as needed
- Implement fees
  - Develop fee collection process
  - Prepare fee-payers for changes by providing:
    - sufficient advanced notice
    - explaining the purpose and reasoning for new fees to fee-payers in advance
  - Train agency staff to answer questions regarding the new fees
- Periodically reassess revenue, costs, and program outcomes to update fee amounts

### ***Information that agencies should present to the Legislature when seeking assistance for establishing new fees or fee increases:***

- description of various services provided and their public and/or private benefits;
- costs per unit and recommended percentage recovery in the form of fees and reasons for recovery;
- explanation of reasons that certain costs of a service are not included in per unit cost upon which fees should be based;
- explanation of reasons that costs of specific services cannot be estimated, if applicable;
- if the agency contends that costs of specific services currently cannot be estimated, outline of a specific plan and timeline for being able to capture cost data or reasonably estimate costs, such as through a cost accounting system; survey of fees charged in other states for similar services;
- description and estimated impact on stakeholders (i.e., agency clients, service beneficiaries or regulated entities).

SOURCE: PEER analysis of public finance and economics textbooks and articles and literature and policies of various governments on user fees.

## Other Considerations

*Use of cash balances is a factor when considering new or adjusted fees*—Some agencies retain cash balances past the end of the fiscal year when they do not spend their fee revenues or other types of non-general fund revenues received during the fiscal year. In most cases, PEER did not point out carryover funds in the analysis. In some of those instances where potential new fee revenues were estimated, PEER noted that alternative sources of funds in the form of cash balances were available as an alternative or in addition to increasing fee amounts.

*Administrative costs are to be allocated among the agency's services and programs*—In the information provided in the Appendix, some agencies did not allocate administrative costs among their services or programs but classified administrative costs as a separate service area. To represent the costs of providing a service accurately, administrative costs must be allocated among the services to determine a true cost of delivering the service. Once agencies have determined and accurately applied a cost allocation system, recommended fee amounts will be higher in some cases.

## Introduction to Appendix: Schedule of Potential New Fee Revenues

The following information is provided in the Appendix beginning on page 23.

### Description of Services Provided

For each agency, the costs of specific services or activities (or programs in some instances) are listed, along with a description of those services. PEER asked the agencies to list all their services below the program level for which they could provide costs. In some instances, agencies provided only program information because they do not account for costs below the program level.

### Calculation of “Potential New Fee Revenue”

PEER developed estimates based on the following method in the theory:

- For services that were determined to be 100% public, no fees were recommended because public services (services which benefit the public as a whole) should be funded with general funds.
- For those services determined to be 100% private, fees were recommended to be established in an amount that would equal the general funds expended during



FY 2001. The formula for potential fee revenue for services with private benefits is as follows:

*Potential new fee revenue = (total expenditures for the service – expenditures from federal and other revenues) –*

*expenditures from existing fee revenues*

- For services that render a mixed public/private benefit, services may be financed with general funds and fees. The formula for potential fee revenue for services with private benefits is as follows:

*Potential new fee revenue = ((total expenditures for the service – expenditures from federal and other revenues) X 50%) –*

*expenditures from existing fee revenues*

## **Implications for Changes to Fee Structure**

In the Potential Fees Schedule in the Appendix under the section entitled *Implications for Changes to Fee Structure*, PEER presents the specific effect on fees that would result for a particular type of service recipient or regulated entity. In some instances, mitigating circumstances alter the results of the private and mixed funding formulas. There may also be mitigating circumstances unknown to PEER that would affect policy decisions as to the optimum percent of cost recovery for services having mixed public/private benefits.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Agriculture and Commerce (DAC) and related entities**

<i>Consumer Protection</i> to inspect food sanitation and regulate food weight accuracy at retail stores	Retail food sanitation inspections at \$10 per retailer	\$878,141	\$11,977	\$0	\$866,164	Mixed	Businesses enjoy increased public confidence from sanitation and weight regulation. The public benefits from purchase of safe food products and assurance that amounts purchased are accurate.	<b>\$409,584</b>
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>            In addition to the \$11,977 in agency-wide revenues shown above that DAC allocated to this program, specific consumer protection fees of \$17,510 were deposited directly into the State General Fund for total fee revenues of \$29,487.            Potential new fee revenue: <math>((\\$878,141 - \\$0) \times 50\%) - \\$29,487</math> total fee revenues = \$409,584            New inspection fees (on average per retailer per year) for each of the 2,260 retailers: <math>\\$409,584 \div 2,260 = \\$181</math>            According to DAC, any fee changes would have to meet with federal approval.</p>								
<i>Meat Inspection</i> (licenses for wholesale meat slaughtering and processing and poultry by-product disposal plants and meat quality grading services)	license fees, \$10 per entity	\$2,189,447	\$56,822	\$1,173,871	\$958,754	Mixed	Produce sellers receive a stamp of approval on products which allows them to be easily sold at market. Businesses enjoy increased public confidence from sanitation assurance. The public realizes benefits from safe and equitable food practices.	<b>\$448,716</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i></p> <p>In addition to the \$56,822 in fee revenues shown above that DAC allocated to this program, specific consumer protection fees of \$2,250 were deposited directly into the State General Fund for total fee revenues of \$59,072.</p> <p>Potential new fee revenue: <math>((\\$2,189,447 - \\$1,173,871) \times 50\%) - \\$59,072</math> total revenues = \$448,716</p> <p>Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, average new fees for each of the 60 regulated entities would be \$7,479 <math>(\\$448,716 \div 60)</math>. As \$7,479 may be more than businesses can pay, DAC should weigh the risk of non-compliance and review the scope of services provided to develop fees appropriate to each user group.</p> <p>Rather than increasing license fees only, DAC should devise a mix of new inspection fees to be combined with its license fees. If entities are charged inspection fees for each additional inspection needed, they will have the incentive to follow regulatory guidelines. In addition, DAC should review the fees charged by other states before finalizing its fees.</p>								
<i>Weights and Measures</i> regulation to assure accuracy in amounts of products sold to consumers	inspection and weighing of measuring devices, ranging from \$25-\$50; Permits range from \$25 to \$100	\$1,204,480	\$7,915	\$0	\$1,196,565	Mixed	Businesses enjoy increased public confidence from weight regulation. Public realizes benefits from assurance that quantity sold is accurate.	\$557,685
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i></p> <p>In addition to the \$7,915 in fee revenues shown above that DAC allocated to this program (which includes weights and measures fees of \$5,080), additional weights and measures fees of \$36,640 were deposited directly into the State General Fund for total fee revenues of \$44,555</p> <p>Potential new fee revenue: <math>((\\$1,204,480 - \\$0) \times 50\%) - \\$44,555</math> total revenues = \$557,685</p> <p>New license and inspection fees (on average per retailer per year) for each of the 637 regulated entities: <math>\\$557,685 \div 637 = \\$875</math></p> <p>In FY 2001 the metrology lab was under renovation. Therefore no fees were generated from lab services. Note that completion of the metrology lab will change the fee structure cited above.</p>								
<i>Petroleum</i> (Regulation of retail outlets and wholesale petroleum distributors and equipment repairmen)	No fees for outlets and distributors; equipment repairman license is \$50/yr.	\$846,720	\$35,685	\$0	\$811,035	Mixed	Businesses enjoy increased public confidence from assurance that products sold are as advertised and are allowed the privilege of selling the product. The public benefits from quality assurance and assurance of quantity sold.	\$372,575

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*Opportunities for additional fee revenues exist.*  
 In addition to the \$35,685 in fee revenues shown above that DAC allocated to this program, petroleum-related fees of \$15,100 were deposited directly into the State General Fund for total fee revenues of \$50,785  
 Potential new fee revenue:  $((\$846,720 - \$0) \times 50\%) - \$50,785$  total revenues = \$372,575  
 New fees for each of the 267 distributors and 3,729 outlets:  $\$46,672 \div 267 = \$174.80$  per distributor and  $\$325,915 \div 3,729 = \$87.40$  per outlet  
 The \$15,100 in petroleum-related fees deposited into the general fund consisted of fees for equipment repairman licenses. DAC should determine the specific cost of regulating equipment repairmen and assure that fee revenues cover the cost. Other options for petroleum fees include a fee per gallon and/or per nozzle to take into account the size of the regulated business.

<i>Fruits and Vegetables</i> (marketing and assistance programs, including a revolving fund to assist farmers in receiving early payment for their produce )	Fees for inspection of shipped products at the request of the shipper or buyer (begin at \$43 per inspection, can include hourly rates)	\$557,818	\$5,312	\$0	\$552,506	Mixed	Fruit and vegetable farmers benefit privately from use of three sales sheds in the state and a revolving fund and technical assistance with harvesting practices. Fruit shippers and buyers benefit privately from inspection services for mediating sales disputes regarding quality of shipped products. The public benefits economically when agricultural markets are increased.	\$273,597
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**Implications for changes to fee structure**  
*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue:  $((\$557,818 - \$0) \times 50\%) - \$5,312 = \$273,597$   
 Approximately 100 fruit and vegetable farmers use DAC marketing services and vegetables sales sheds. DAC provided inspection services for 104 shippers and buyers. Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, average new fees for each of the approximately 204 service recipients would be \$1,341 ( $\$273,597 \div 204$ ). As \$1,341 may be more than service recipients can pay, DAC should weigh the risk of non-compliance and review the scope of services provided to develop fees appropriate to each user group.  
 The state could also recoup expenditures from levy of a tax on dollars of fruit and vegetable produce sold.  
 In addition, because the public does not receive a direct benefit from mediating sales disputes regarding quality of products between shippers and buyers, DAC should calculate these costs separately and charge fees to recover 100% of the costs of this service. According to DAC, statutory changes would be needed to implement fees in this area.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Farmers Market Nutrition Program</i> (in conjunction with the Department of Health, provides coupons to low-income, nutritionally at-risk women and children to increase consumption of fresh fruits and vegetables)	No fees.	\$157,409	\$1,485	\$51,223	\$104,701	Mixed	The program recipients benefit privately from free nutritional food. The public benefits from promotion of good nutrition and health and the associated reduction in health costs which may be borne by the state for low-income persons. Small farmers in Mississippi benefit from purchase of their products.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Although the recipients receive private benefits, their low-income status affects their ability to assist with the cost of the program.								
<i>Administrative costs of the Regulatory Programs</i>		\$300,886	\$7,082	\$0	\$293,804	Mixed	Private and public benefits accrue from the various regulatory activities of DAC.	\$143,361
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> DAC should allocate these administrative costs among its regulatory programs in order to calculate the full cost of those program services and therefore the full potential for fees to fund those services.								

<b>Regulatory Programs Subtotal</b>	\$6,134,901	\$126,278	\$1,225,094	\$4,783,529	<b>\$2,205,518</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Museum of Agriculture and Commerce</i> (recreational and educational experience for in-state and out-of-state visitors)	admission fees from 50¢ to \$4 and building rentals	\$807,961	\$172,775	\$0	\$635,186	Mixed	Visitors receive a private benefit. Subsidized entrance for school children in the state could be considered as a type of public education and of public benefit. Economic development benefits for central Mississippi are public.	\$8,354
<p><b>Implications for changes to fee structure</b>  <i>Limited opportunities for additional fee revenues exist by charging all museum visitors a \$2 minimum entrance fee.</i></p> <p>Increasing admissions to \$2 for all visitors, as suggested for other museums in the state, would increase revenues by a small amount. The net effect of a \$2 entrance fee for the 5,569 visitors under first-grade currently charged only 50 cents is calculated as \$8,354. Although the museum provides both public and private benefits, it would probably lose visitors if fees were charged to cover the costs not funded by federal and other revenues--<math>(\\$807,961 - \\$0) \times 50\% - \\$112,396 = \\$291,585</math>. (An additional fee of \$7.18 for each of the 40,583 visitors would be needed to cover the \$291,585 cost.) As outlined in PEER's Theory of Fee Setting, sometimes the ability to set fees is affected by supply and demand. DAC should conduct its own analysis to determine the amount of fee that the market can bear and the impact on museum users.</p>								
<i>Museum non-budgeted expenditures</i> (other operating expenditures--information only)	general store, building rentals, train, carousel, etc.	\$385,065	\$385,065	\$0	\$0	Mixed	Same as above.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								

<b>Museum Subtotal (DAC Budget and Separate Museum Budget)</b>	\$1,193,026	\$557,840	\$0	\$635,186				<b>\$8,354</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Marketing (Promotion of agricultural products, expansion of new markets and education of consumers of state products)	Primarily subscription fees for the Market Bulletin publication	\$1,629,447	\$257,862	\$150,000	\$1,221,585	Mixed	Farmers as a group receive private benefits from marketing of their products. The public realizes benefits of increased tax revenues to the state when agricultural markets are increased.	\$481,862
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i></p> <p>The primary option for targeting a portion of costs to users would be an excise tax on farm purchases or other items which would funnel costs to farmers as a group.            Potential new tax revenue: <math>((\\$1,629,447 - \\$150,000) \times 50\%) - \\$257,862 = \\$481,862</math>            New tax per acre at 10.12 million acres = <math>\\$481,862 \div 10,120,000 = 5</math> cents per acre            (The average annual tax for each of the 31,318 Mississippi farms reported in the 1997 Census data would be \$15.39 per farm.)</p>								
Livestock Theft (investigations of farm-related theft)	No fees.	\$751,874	\$4,100	\$0	\$747,774	Mixed	The public benefits from deterrence of and punishment for crime. Farmers benefit privately from a service conducted specifically for them.	\$371,837
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i></p> <p>Levying fees would be cost-prohibitive or unworkable. An option for targeting costs to users would be an excise tax on farm purchases or other items which would funnel costs to farmers as a group.            Potential new tax revenue: <math>((\\$751,874 - \\$0) \times 50\%) - \\$4,100 = \\$371,837</math>            New tax per acre at 10.12 million acres = <math>\\$751,874 \div 10,120,000 = 4</math> cents per acre            (The average annual tax for each of the 31,318 Mississippi farms reported in the 1997 Census data would be \$11.87 per farm).</p>								
Administration (support costs, including business administration and policy functions)	As requested by PEER for the purpose of demonstrating the full cost of programs, DAC allocated its \$2,601,290 in administration costs among other DAC budgeted programs. DAC allocated these administration costs to the programs listed above, which are part of its primary budget. To more equitably distribute support costs, DAC may want to allocate portions of its \$2,601,290 in administration costs among the programs listed below, which are in separate budgets for legislative purposes.							
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**DAC-Related Entities:**

<i>Grain Inspection service</i> (inspecting and certifying the quality of grain crops; not regulatory)	fees based on a graduated schedule	\$406,724	\$0	\$0	\$406,724	Private	At the request of grain elevator businesses, they receive a grade of quality on grain products which allows them to be easily sold at market.	\$142,004
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>            DAC collected grain inspections fees of \$264,720 for 2001. They are not shown as a source of funds because they are deposited directly into the State General Fund.            Potential new fee revenue: <math>((\\$406,724 - \\$0) - \\$264,720)</math> in grain inspections fees deposited in the general fund = \$142,004            Additional new fee increase for businesses: \$142,004 (the additional cost to be recovered) ÷ \$264,720 in FY2001 fees = 54% increase            According to DAC, any fee changes would have to meet with federal approval.</p>								
<i>Egg Marketing Program</i> for state egg farmers	License--\$50; egg assessments of 2 cents per case	\$59,898	\$59,898	\$0	\$0	Private	Egg farmers benefit privately from the product marketing of the Egg Board.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None, because fees pay for the program.</i></p>								
<i>Mississippi Central Farmers Market</i> (sales outlet used by farmers to sell products)	Rental space fees; parking fees for stadium	\$374,847	\$374,847	\$0	\$0	Private	Farmers benefit privately by using DAC facilities to sell farm produce directly to the consumer.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None, because fees pay for the program.</i></p>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Beaver Control Assistance Program</i> (DAC collects county and state funds and forwards them to the U.S. Department of Agriculture, which administers the program)	Fees for specific beaver control assistance	\$712,900	\$9,900	\$228,000	\$475,000	Private	Individuals or entities benefit privately through assistance with beaver control. The USDA Wildlife Services program uses the funds to make grants for beaver control projects.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Although benefits accrue to private individuals or entities, the intent of the program to fund grants does not provide additional opportunities to collect fees. Fee revenues of \$9,900 include fees paid by landowners for beaver trapping.								

**DAC and Related Entities Total**

\$11,263,617	\$1,390,725	\$1,603,094	\$8,269,798	\$3,209,574
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Board of Animal Health (BAH)**

<i>Disease Prevention for the Animal Population</i> (including preventing diseased animals from entering the state, cattle vaccinations, oversight of cattle and horse testing, monitoring disposal of dead animals, control of animal disease outbreaks, health certification, monitoring livestock sale barns, complaint investigations)	No inspection fees or vaccination fees. Most counties reimburse BAH for brucellosis vaccinations performed by vets & livestock inspectors. No license fees for livestock dealers or animal disposal operators. Bird dealer license fees range from \$10 (Retail) to \$25 (Wholesale).	\$1,632,444	\$673	\$115,643	\$1,516,128	Mixed	The public benefits from commercial, domestic and exotic animal disease monitoring and health practices. Cattle and horse owners benefit from the bulk of the regulatory activities through oversight and inspections that ensure the animal population is healthy. Additional private benefit accrues through licensing of livestock and exotic bird dealers and composters/incinerator operators (which dispose of dead animals).	<b>\$757,728</b>
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $((\$1,632,444 - \$115,643) \times 50\%) - \$673 = \$757,728$

BAH pays veterinarians \$2 per head for cattle vaccinations and \$2-5 per head for cattle disease testing and also provides vaccines to them free of charge at a cost of 46 cents per dose. The veterinarians then provide vaccination and testing services for cattle owners, who do not pay the state for any services. (BAH does not pay veterinarians for horse testing. BAH, rather than veterinarians, administers vaccinations for some cattle owners with smaller herds.) The BAH could revise its method of payment to pass vaccination and testing costs along to the owners of the livestock.

Due to lack of service cost and program output data, PEER could not estimate fee amounts for BAH services. However, BAH should calculate these costs and outputs and then establish licensing fees for livestock dealers and composters/incinerator operators and develop a method to pass along a portion of costs to horse and cattle owners for compliance activities (e.g., livestock owners rather than the state would pay the veterinarians).

<b>BAH Total</b>	<u>\$1,632,444</u>	<u>\$673</u>	<u>\$115,643</u>	<u>\$1,516,128</u>			<u><b>\$757,728</b></u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Archives & History (DAH)**

Museum maintenance & operation (Old Capitol, Manship House, Governor's Mansion and Eudora Welty Home)	No fees.	\$1,148,286	\$0	\$83,527	\$1,064,759	Mixed	Public benefits include preservation and interpretation of four of the state's most significant historical buildings. Visitors to the museum derive a private benefit.	<b>\$169,743</b>
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**Implications for changes to fee structure**

*Limited opportunities for additional fee revenues exist by charging museum visitors a \$2 entrance fee.* The net effect of a \$2 entrance fee is calculated as \$169,743. The museums currently are free of charge to visitors. Although the museums provide both public and private benefits, they would probably lose visitors if fees were charged to cover 50% of the cost. For FY 2001, a \$6.08 per visitor fee would have been required to cover 50% of the cost not funded by federal and other revenue. As outlined in PEER's Theory of Fee Setting, sometimes the ability to set fees is affected by supply and demand. If a hypothetical fee of \$2 per visitor were set based on the number of visitors in FY 2001 (87,561), revenues would total \$175,122, but would be reduced by the amounts collected in museum donation boxes of \$5,379, for a net \$169,743 potential fee revenue. (Per a survey conducted by DAH, a \$2 fee is the lowest in a range of fees set by 12 state historical museums nationwide--another 35 such museums charge no fees.) DAH should conduct its own analysis to determine the amount of fee, if any, that the market can bear and the impact on museum users. DAH should also analyze its gift shop revenues and expenditures (including personnel, equipment and inventories) to ensure that costs do not exceed revenue.

Historic Properties maintenance & operation (including 3 state historic sites and 10 undeveloped cultural properties)	No fees.	\$1,016,317	\$0	\$3,272	\$1,013,045	Mixed	The public derives the benefit of preservation of official public historical sites. Visitors to the historic sites derive private benefits.	<b>\$130,148</b>
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**Implications for changes to fee structure**

*Limited opportunities for additional fee revenues exist by charging historic site visitors a \$2 entrance fee.* Based on FY 2001 data, a \$2 fee would yield \$91,838 for the Grand Village of the Natchez Indians site (with expenditures of \$309,494 and 45,919 visitors per the budget request). A \$2 fee would yield \$38,310 for the Jefferson College site (with expenditures of \$296,711 and 19,155 visitors per the budget request). As noted above for museum services, DAH should conduct its own analysis to determine the amount of fee, if any, that the market can bear and the impact on users at the various sites and properties. Other revenue consists of gift shop sales. The agency should also determine the costs of operating the gift shops, including salaries, supplies, equipment and inventory, to ensure that costs are fully reimbursed through the sale of gift items.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Archives &amp; Library Reference Requests</i> (collection and preservation)	Minimal fees for photocopy costs and \$15 per hour out-of-state research charges.	\$3,520,392	\$4,371	\$0	\$3,516,021	Public; Private for out-of state research	The public derives educational benefits from access to historical materials. Out-of-state researchers benefit privately from access to state services.	\$0
<b>Implications for changes to fee structure</b> <i>None, for the traditional library reference services for in-state residents.</i> The DAH director stated his staff believes that \$15 for out-of-state research charges is the highest per hour charge that is currently feasible based on researcher salaries and benefits. DAH should periodically analyze its costs in the future to determine that costs do not exceed fees charged. Fees of \$88,813 were collected for photocopies and research fees in FY 2001. Opportunities may exist for increasing photocopying fees to private entities but cannot be determined without accounting for specific costs. Further, the public records law would have to be amended to provide for an increase.								
<i>Historic Preservation</i> (identifies historic sites, nominates properties for historical registry, provides technical assistance and education for conservation of sites)	No fees.	\$1,187,474	\$0	\$300,415	\$887,059	Public	The public derives the benefit of conservation of historic and archaeological sites.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Records Management assistance</i> for agencies in the storage and control of state documents	Varying prices for microfilm and other services	\$578,860	\$11,604	\$0	\$567,256	Public	Public benefits include storage of inactive public records, maintenance of computer backup tapes and photocopies for state agencies.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Local Government Records Program</i> (approves records retention schedules for local governments and trains local officials in records management)	local government filing fees	\$55,598	\$55,598	\$0	\$0	Mixed	The public benefits from properly managed government records. Local governments receive private (non-state) benefits from records management assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None, because fees pay for the program.</i>								
<i>Statewide Oral History</i> (grant program to support oral history interviewing projects)	No fees.	\$150,000	\$0	\$0	\$150,000	Public	The public derives the benefit of oral history preservation developed through interviews with Mississippians	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Support Services</i> (administration)	No fees.	\$1,205,707	\$0	\$0	\$1,205,707	Mixed	The public benefits and individuals receive private benefits from administrative support of DAH.	\$0
<b>Implications for changes to fee structure</b> <i>Limited opportunities for additional fee revenues exist. DAH should allocate these administrative costs among the programs in order to calculate the full cost of program services, especially for determining whether additional fees for out-of-state research and photocopying services are needed. (See discussions above.)</i>								
<b>DAH Total</b>		<u>\$8,862,634</u>	<u>\$71,573</u>	<u>\$387,214</u>	<u>\$8,403,847</u>			<u>\$299,891</u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Arts Commission (MAC)**

*Information/ Technical Assistance*

<i>Whole Schools Institute</i> seeks to provide students with regular instruction by certified music, visual arts, drama, and dance instructors. Training is also provided to teachers, artists, principals, superintendents, and members of the business community.	Workshop fees range from \$500 to \$1,000	\$592,707	\$37,353	\$321,253	\$234,101	Mixed	Provides the public benefit of implementing arts in school curriculum. Provides the private benefit of training for educators and members of the business community.	\$0
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**Implications for changes to fee structure**

*None.* The state bears 100% of costs not funded with federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.

<i>Governor's Award Luncheon</i> spotlights exemplary artists, tradition bearers, educators, patrons, organizations, art education programs, community-based art projects, and creative partnerships.	\$20 per person	\$9,478	\$8,259	\$1,219	\$0	Mixed	Provides the public benefit of promoting awareness of how arts impact Mississippi. Provides the private benefit of recognizing local excellence in the arts.	\$0
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**Implications for changes to fee structure**

*None.* Funds are sufficient to pay for the service.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Governor's Award Program</i> is an annual event honoring six to ten individuals and organizations celebrating their contributions to artistic life in MS.	No Fees	\$74,394	\$0	\$30,166	\$44,228	Public	Provides the public benefit of promoting awareness of how arts impact Mississippi.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The state bears 100% of costs not funded with federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Whole Schools Retreat</i> provides specialized training to educators, administrators, and artists, and graduate students.	\$50 per person	\$30,734	\$1,405	\$21,998	\$7,331	Mixed	Provides the public benefit of following up on the Whole Schools Institute and planning for the next Institute. Provides the private benefit of training for educators and artists.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Raising the Roof Conference</i> promotes folk artists throughout the state	Fees range \$55 to \$135	\$5,121	\$499	\$4,598	\$24	Mixed	Provides the public benefit of promoting local art. Provides the private benefit of networking folk artists.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Funds are sufficient to pay for the service.								
<i>ABCD-Initiative Program</i> provides training and technical assistance to support the development and implementation of art in juvenile justice and adult literacy settings.	No Fees	\$293,021	\$0	\$84,185	\$208,836	Public	Provides the public benefit of supporting training and technical assistance through the juvenile justice center and the adult literacy program.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Workshops</i> provide technical support to promoters of the arts and networking opportunities.	Program-related expenses such as food, photocopying, and printing	\$2,093	\$386	\$1,707	\$0	Mixed	Provides public benefits by the promotion of arts in the state of Mississippi. Private benefits accrue to participants of MAC workshops.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Funds are sufficient to pay for the service.								
<i>Administrative Program</i> supports general activities to promote arts in the state of Mississippi.	No Fees	\$159,081	\$0	\$20,054	\$139,028	Mixed	Provides public benefits by supporting general activities to promote arts in the state of Mississippi. Private benefits accrue to recipients of MAC programs.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Public Relations Program</i> disseminates information of use to arts constituents and the public.	No Fees	\$92,238	\$0	\$26,845	\$65,393	Public	Provides public benefits by disseminating information of use to arts constituents and the public.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Grants</i>								
<i>MS Heritage Program</i> increases knowledge of and pride in Mississippi's artistic and cultural traditions by expanding access to folk and traditional arts	No Fees	\$285,544	\$0	\$97,154	\$188,390	Mixed	Provides the public benefit of increasing knowledge of and pride in MS artistic and cultural traditions. Artisans benefit privately from the grants.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The purpose of the program is to provide grants. The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Arts Based Community Development</i> advances MS community development by expanding access to the arts and promoting the use of the arts to address community needs.	No Fees	\$477,174	\$0	\$201,404	\$275,770	Mixed	Provides the public benefit of assisting local arts agencies and non-arts agencies that incorporate arts in their programs. Non-state arts organizations benefit privately.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Arts Industry</i> assists arts organizations, artists, and the network of providers in MS.	No Fees	\$1,782,564	\$0	\$1,373,116	\$409,448	Mixed	Provides public and private benefits of strengthening the arts industry in Mississippi by assisting arts organizations, artists, and the network of arts providers across the state.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Arts Education</i> promotes comprehensive arts education in K-12 for all students	No Fees	\$361,900	\$0	\$223,895	\$138,005	Public	Provides public benefits of supporting education in and through the arts by promoting sequential, comprehensive arts education in K-12 for all students.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								
<i>Grants Program</i> makes mini-, project, and operating grants to eligible organizations and artists	No Fees	\$228,690	\$0	\$59,003	\$169,687	Mixed	Provides public benefits of supporting arts throughout the state of Mississippi through the issuance of grants. Grantees benefit privately.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The purpose of the program is to provide grants. The state bears 100% of costs not funded by federal and other funds in the interest of influencing behavior, as outlined in the Theory of Fee-Setting.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>MAC Total</b>		\$4,394,741	\$47,902	\$2,466,597	\$1,880,243		<b>\$0</b>	

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Attorney General's Office (AGO)**

<i>Legal Opinions</i> (research, preparation, and distribution of formal written opinions in response to questions of law from state and local entities, officials and their attorneys)	No fees.	\$593,170	\$0	\$0	\$593,170	Mixed	The public benefits from having formal legal questions prepared for state and local entities & officials. Local officials and their attorneys receive private, non-state benefits from this service.	<b>unknown*</b>
<p><b>Implications for changes to fee structure</b>  <i>Limited opportunities for fee revenues exist.</i>            Because cities &amp; counties often request legal opinions that the agency provides at no charge, the Legislature may want to consider amending MISS. CODE ANN. Section 7-5-25 to authorize the Attorney General to charge fees for this service activity based on an hourly rate. The AGO should calculate the cost of its services for counties &amp; cities so that the state may recoup this cost through fees.</p>								
<i>Prosecutors' Training</i> (for state, county and municipal prosecutors)	No fees.	\$626,649	\$0	\$615,607	\$11,042	Mixed	The public benefits from training of state, county and municipal prosecutors. County and municipal prosecutors receive private, non-state benefits from the training.	<b>unknown*</b>
<p><b>Implications for changes to fee structure</b>  <i>Limited opportunities for fee revenues exist.</i>            The AGO should calculate the cost of its services for counties &amp; cities so that the state may recoup this cost through fees.            Other funds include \$549,816 in court fees. State law mandates that a set amount of fees collected for certain city &amp; county violations and offenses be deposited to the State Prosecutor Education Fund for continuing legal education.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>State Agency Legal Representation</i> (of the state, its officials, state agencies, boards & commissions in carrying out executive branch powers)	Legal fees based on hourly rates of \$55 for smaller agencies, boards & commissions & fixed contracts based on actual salaries + fringes of the assigned attorney(s) plus indirect costs at a rate of 10% of salaries & fringes for larger agencies needing full-time representation.	\$5,797,033	\$5,365,170	\$0	\$431,863	Public	The public benefits from day-to-day legal advice and representation for state agencies.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Litigation</i> (Legal counsel for state agencies, officials, & employees in litigation in state and federal courts)	same as above	\$2,503,726	\$86,824	\$0	\$2,416,902	Public	The public benefits from legal representation for state entities, elected officials and employees.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Insurance Integrity Enforcement</i> (investigation and prosecution of insurance fraud)	No fees.	\$357,388	\$0	\$150,079	\$207,309	Public	The public benefits from investigation and prosecution of crimes involving insurance abuses.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of \$150,079 from the Workers Compensation Commission Administrative Expense Fund for investigation & prosecution of Workers Compensation fraud.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Other Mandated Programs</i> (Law Enforcement; Juvenile Justice; Prevention Programs such as Medicaid Fraud, Public Integrity & Consumer Protection)	No fees.	\$6,173,025	\$0	\$3,419,618	\$2,753,407	Public	The public benefits from having staff who combat corrupt, deceptive, and illegal practices of medical providers, public officials, drug traffickers, and business enterprises.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Other funds consist of \$1,892,376 from Department of Human Services funds for developing and implementing programs that serve unmet needs of "at risk" youth. Leadership Council on Aging funds to investigate and prosecute crimes of abuse, exploitation and neglect versus vulnerable adults; penalties & investigative costs collected in Medicaid fraud cases; and consumer protection revenues from restitution, civil penalties & investigative costs for consumer education activities and investigations.								
<i>Support Services</i> (administrative and technical support)	No fees.	\$782,320	\$0	\$0	\$782,320	Mixed	The public benefits and local governments receive private benefits (as non-state entities) from financial and administrative support of the Attorney General's Office.	unknown*
<b>Implications for changes to fee structure</b>								
<i>None.</i> The AGO should allocate these administrative costs among the other programs so that it may determine the full cost for recouping fees from local officials for those services with mixed benefits.								
<b>AGO Total</b>		<u>\$16,833,311</u>	<u>\$5,451,994</u>	<u>\$4,185,304</u>	<u>\$7,196,013</u>			<u>unknown</u>

\* No program data is available on which to base an estimate.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**State Auditor's Office (SAO)**

<i>Technical assistance</i> (conducts training for state and local officials on changes in laws and regulations; information on financial compliance is provided to public, state and local officials)	No fees	\$414,439	\$0	\$0	\$414,439	Mixed	The public benefits from a program that encourages public officials to seek guidance on complying with financial-related laws and regulations. Non-state officials receive private benefits from assistance and training programs.	\$0
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**Implications for changes to fee structure**

*Limited opportunities for fee revenues exist.* Although technical assistance is provided to non-state entities, charging them fees for assistance in following financial guidelines would discourage their compliance. As outlined in the Theory of Fee-setting, state-provided services will encourage positive behavior in this area. However, SAO should determine the specific costs of providing the audit guides used by private CPA firms to conduct audits of local governments and charge fees to cover the costs.

<i>Post Audit</i> (financial audits of state entities, counties and school districts; investigations; property and performance audits)	Audit fees-- \$100 per day or \$51 per hour for federally-required audits	\$8,826,252	\$3,882,897	\$0	\$4,943,355	Mixed	Public benefits include assurance that state and local entities are audited for financial compliance with laws and regulations. Non-state entities benefit privately from audit work.	\$530,229
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue:  $((\$8,826,252 - \$0) \times 50\%) - \$3,882,897 = \$530,229$   
 SAO's total number of billable hours is 153,226. For 25% of these, the audit fees are set by federal regulation. Therefore, potential for new fees exists for only 75%, or 114,920 billable hours.  
 Increase in fees per hour for each of the 114,920 billable hours in FY 2001:  $\$530,229 \div 114,920 = \$4.61$   
 Although the increase in fees will include charges to some general fund agencies, other fees will be charged to non-state entities. Changes to audit fees will require legislation.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Average Daily Attendance</i> (counting pupil attendance to determine the accuracy of school district reporting to the State Department of Education)	No fees.	\$479,970	\$0	\$0	\$479,970	Public	The public benefits from accurate reporting because it serves as the basis for State Department of Education payments to local schools.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>SAO Total</b>		\$9,720,661	\$3,882,897	\$0	\$5,837,764			\$530,229

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Office of Capital Defense Counsel (OCDC)**

<i>Capital Defense Counsel</i> (provides an attorney to low-income persons indicted for death-penalty-eligible offenses)	No fees	\$0	\$0	\$0	\$0	Public	The public benefits from ensuring that low-income persons have adequate defense, including the goal of reducing costly appeals.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The OCDC did not spend its FY 2001 appropriation of \$800,000. The agency did not begin operations until the next fiscal year, in July 2001.								

**OCDC Total** \$0

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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Office of Capital Post-Conviction Counsel (OCPCC)**

<i>Post-Conviction Counsel</i> Legal counsel for indigent persons who have received the death penalty	No fees	\$597,697	\$0	\$0	\$597,697	Public	The public benefits from a system designed to expedite the post-conviction process without depriving the inmate of legal rights.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

<b>OCPCC Total</b>		<u>\$597,697</u>	<u>\$0</u>	<u>\$0</u>	<u>\$597,697</u>			<u>\$0</u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**State Board for Community and Junior Colleges**

<i>Administration</i> Administers policies and appropriations for community and junior colleges	No fees in FY 2001 (1)	\$1,373,924	\$0	\$441,807	\$932,117	Public	Provides a public service by informing community colleges and non-college educational entities on policies and procedures related to education.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> (1) Fees for additional copies of GED transcripts and diplomas became effective in FY 2002.								
<i>Community College Network</i> Video conferencing services for colleges and other entities	Community colleges received 11,575 free hours. Other entities billed 405 hours.	\$62,377	\$2,896	\$59,481	\$0	Mixed	Provides a public service for community colleges. Provides a private service for other entities.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding is sufficient to pay for the cost of the service.								
<i>Workforce Education</i> Provides direction and support to workforce entities	Application for grant awards and site visit fees	\$19,360,189	\$6,280	\$16,050,907	\$3,303,002	Public	Provides the public benefit of administering and granting funds for training to various workforce entities	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Proprietary School/College Registration</i> The board establishes the process for proprietary school licensure and agent permits.	various permit, certificate, and certificate renewal fees	\$65,142	\$17,384	\$0	\$47,758	Private	Provides private business benefits through the approval and licensing of training schools.	\$47,758
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$65,142 - \$0) - \$17,384 = \$47,758$ Additional fees from 109 permits and certificates issued in FY 2001 would increase on average by: $\$47,758 \div 109 = \$438$ Fee changes will require legislative approval.								
<i>Special Development Projects</i> Administers federal funds for special programs and workforce training at various community colleges.	No fees	\$327,170	\$0	\$327,170	\$0	Mixed	Provides the public benefit of improving the workforce through training. Provides private business benefits by training a portion of businesses' workforce.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal funding is sufficient to pay for the service.								
<b>SBCJC TOTAL</b>		\$21,188,802	\$26,560	\$16,879,365	\$4,282,877			\$47,758

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Department of Corrections (MDOC)**

Operation of MS State Penitentiary in Sunflower County incarcerating up to 5,649 adult felons.	Offenders pay \$2.00/month for training. Employees pay rent for housing of \$20 - \$107/month.	\$81,819,039	\$247,135	\$3,720,370	\$77,851,534	Public	The public derives the benefit of having a secure facility for housing offenders and insuring the security and safety of MS citizens.	unknown
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**Implications for changes to fee structure**  
*Opportunities for additional fee revenues exist.*

MDOC has suggested a fee assessment for supplying inmate labor to counties & municipalities through mobile work crews from the 3 state prisons & community work centers. MDOC estimates the value of these labor contributions annualized at approximately \$13,473,523 based on 2,616,218 work hours at minimum wage. MDOC should conduct an impact study to determine the amount that counties and municipalities would be willing to pay for inmate labor.

MDOC assesses limited fees for certain services to recoup expenditures. A potential for fee revenue exists, as *employee housing & offender training fees* have not increased since 1990 & *offender medical fees* have not increased since 1995. MDOC should study the costs and value of *employee housing* provided, the costs of training and medical services, and the impact of any new fees on offender and employee behavior in order to determine the potential for increased fees.

Operation of Central MS Correctional Facility in Rankin County serves as the central receiving & classification center for MDOC and houses approximately 2,929 female offenders.	Offenders pay \$2.00/month for training. Employees pay rent for housing of \$20 - \$107/month.	\$37,042,968	\$89,496	\$1,395,460	\$35,558,012	Public	The public derives the benefit of having a secure facility for housing offenders and insuring the security and safety of MS citizens.	unknown
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**Implications for changes to fee structure**  
*Opportunities for additional fee revenues may exist.*  
 See discussion under *Operation of MS State Penitentiary* section above.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Operation of South MS Correctional Facility in Greene County incarcerating 2,174 medium custody adult felons.	Offenders pay \$2.00/month for training. Employees pay rent for housing of \$20 - \$107/month.	\$26,327,185	\$61,200	\$1,118,100	\$25,147,885	Public	The public derives the benefit of having a secure facility for housing offenders and insuring the security and safety of MS citizens.	unknown
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues may exist.</i> See discussion under <i>Operation of MS State Penitentiary</i> section above.								
Operation of 17 Community Work Centers throughout the State provides minimum supervision & housing for adult offenders on probation, parole or in a local restitution center (offenders are required to bear a portion of the cost of their crime either by restitution or supervision fees).	Offenders pay \$2.00/month for training. Employees pay rent for housing of \$20 - \$107/month.	\$13,985,089	\$38,631	\$414,868	\$13,531,590	Public	The public derives the benefit of having inmates in a work program while living in a secure facility for housing offenders and ensuring the security and safety of MS citizens.	unknown
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues may exist.</i> See discussion under <i>Operation of MS State Penitentiary</i> section above.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Operation of Restitution Program</i> provides minimum custody housing units for felons while working to pay court costs, confinement fees, fines and provide family support (offenders are required to bear a portion of the cost of their crime either by restitution or supervision fees).	Room & board fees of \$7 per day (equates to \$213 per month)	\$2,452,820	\$584,897	\$0	\$1,867,923	Mixed	The public derives the benefit of having offenders work and pay court costs, fines, confinement fees and provide family support. Offenders benefit from the additional liberties of minimum security & the ability to earn money.	<b>unknown</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues may exist.</i></p> <p>Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be: <math>((\\$2,452,820 - \\$0) \times 50\%) - \\$584,897 = \\$641,513</math></p> <p>However, this potential may not be realized because of the low-income status of most of the offenders. Setting fees at too high a level might result in failure of offenders to complete their restitution program successfully. For <i>room and board fees</i> to cover 50% of costs not paid by federal and other revenues, the fees would have to increase from \$7 to \$14.68 per day (calculation based on FY 2001 revenues and payments). Since successful completion of lower-costing restitution programs is in the taxpayers' best interest, any increase in fees must take into consideration the likelihood of payment and the behavioral goals for the offenders.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Operation of Intensive Supervision Program (house-arrest) for low-risk offenders confined to their homes and monitored with electronic equipment and field officers (offenders are required to bear a portion of the cost of their crime either by restitution or supervision fees).	Supervision fees of \$50 per month	\$3,171,631	\$713,975	\$0	\$2,457,656	Mixed	The public derives the benefit of a cost effective alternative to incarceration. Private benefits include providing offenders an alternative to incarceration that allows them to remain in the home with their families.	unknown
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues may exist.</i>            Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be: <math>(\\$3,171,631 - \\$0) \times 50\% - \\$713,975 = \\$871,841</math></p> <p>However, this potential may not be realized because of the low-income status of most of the offenders. Setting fees at too high a level might result in failure of offenders to complete their supervision program successfully. For <i>supervision fees</i> to cover 50% of costs not paid by federal and other revenues, the fees would have to increase from \$50 to \$111 per month (calculation based on FY 2001 revenues and payments). Since successful completion of home-supervision programs at a lower cost is in the taxpayers' best interest, any increase in fees must take into consideration the likelihood of payment and the behavioral goals for the offenders.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Supervision of Probationers and Parolees (offenders are required to bear a portion of the cost of their crime either by restitution or supervision fees).	Offenders pay fees of \$25 per month for community services & a \$10 drug testing fee per positive test.	\$10,261,245	\$3,270,899	\$518,521	\$6,471,825	Mixed	The public derives the benefit of supervising offenders after they have been released from incarceration, insuring the security and safety of MS citizens. Private benefits include that offenders are afforded probation & parole opportunities rather than incarceration for their crimes.	unknown
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>  Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be: <math>(\\$10,261,245 - \\$518,521) \times 50\% - \\$3,270,899 = \\$1,600,463</math></p> <p>However, this potential may not be realized because of the low-income status of most of the offenders. Setting fees at too high a level might result in failure of offenders to complete their parole or probation successfully. For <i>community service fees</i> to cover 50% of costs not paid by federal and other revenues, the fees would have to increase from \$25 to \$37.51 per month (calculation based on FY 2001 revenues and payments). Fees for community services recently increased from \$20 to \$25 in July 2001. Since successful completion of probation and parole is in the taxpayers' best interest, any increase in fees must take into consideration the likelihood of payment and the behavioral goals for the offenders.</p> <p>In addition, MDOC has suggested a <i>fee assessment for performing drug tests for drug courts statewide</i> as another area for potential fee revenue. MDOC should determine the number of drug tests it performs for drug courts in order to calculate a potential fee revenue.</p> <p>MDOC has also suggested a <i>fee assessment for collection of offender fines &amp; restitution fees for counties</i>. MDOC should determine the number of collections it forwards to the counties &amp; related expenditures in order to calculate a potential fee revenue.</p>								
Operation of Private Prison Program consists of 4,500 private prison beds.	No fees.	\$46,460,958	\$0	\$0	\$46,460,958	Public	The public benefits from having a secure facility to house offenders to ensure the security and safety of MS citizens.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Operation of Regional Facility Program</i> consists of 12 regional facilities with 250 state-inmate medium-security beds each.	No fees.	\$23,499,146	\$0	\$0	\$23,499,146	Public	The public benefits from having a secure facility to house offenders to ensure the security and safety of MS citizens.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Housing State Inmates in County Jails (local confinement)</i>	No fees.	\$13,167,441	\$0	\$0	\$13,167,441	Public	The public benefits from having a secure facility to house offenders to ensure the security and safety of MS citizens.	<b>unknown</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i>  MDOC has suggested a <i>fee assessment for supplying labor to counties &amp; municipalities through offenders in the county jail system.</i> MDOC estimates the value of the work program labor contributions annualized at approximately \$6,700,000 based on 1,300,971 work hours at minimum wage in FY '02. MDOC should conduct an impact study to determine the amount that counties would be willing to pay for inmate labor.								
<b>MDOC Total</b>		<u>\$258,187,522</u>	<u>\$5,006,233</u>	<u>\$7,167,319</u>	<u>\$246,013,970</u>			<u><b>unknown</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			

**Mississippi Department of Education (MDE)**

**Mississippi Adequate Education Program (MAEP):**

<i>Basic Program</i> of school district education funding	No fees	\$130,747,395	\$0	\$51,780,657	\$78,966,738	Public	The public benefits from assuring funding to maintain an adequate level of education for every child.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Debt Service</i> (payment of principal and interest on school debts)	No fees	\$45,479,117	\$0	\$45,479,117	\$0	Public	The public benefits from payments of long-term debt incurred for capital improvements.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

**MAEP Subtotal** \$176,226,512      \$0      \$97,259,774      \$78,966,738      \$0

**Minimum Program (Repealed, to be fully replaced by MAEP in FY 2003):**

<i>Regular Education</i>	No fees	\$815,583,958	\$0	\$47,961,892	\$767,622,066	Public	The public benefits from a basic level of education for all children in the state.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Special Education</i>	No fees	\$166,799,287	\$0	\$0	\$166,799,287	Public	same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Vocational Education</i>	No fees	\$41,733,732	\$0	\$0	\$41,733,732	Public	same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Gifted Education</i>	No fees	\$29,581,713	\$0	\$0	\$29,581,713	Public	same as above	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Alternative Education</i>	No fees	\$19,299,715	\$0	\$0	\$19,299,715	Public	same as above	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Transportation</i>	No fees	\$53,209,003	\$0	\$15,509,844	\$37,699,159	Public	same as above	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Insurance</i>	No fees	\$117,372,728	\$0	\$44,529,052	\$72,843,676	Public	same as above	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Special Programs</i>	No fees	\$2,200,789	\$0	\$0	\$2,200,789	Public	same as above	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

<b>Minimum Program Subtotal</b>		\$1,245,780,925	\$0	\$108,000,788	\$1,137,780,137			\$0
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**Deaf/Blind Schools:**

<i>School Instruction for Deaf/Blind schools</i>	No fees	\$5,468,784	\$0	\$458,846	\$5,009,938	Public	The public benefits from teaching living, academic, and vocational skills to deaf and blind students.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Student Services for Deaf/Blind schools</i>	No fees	\$2,913,369	\$0	\$173,685	\$2,739,684	Public	The public benefits from providing after school services including medical and food services for deaf and blind students.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			
Operation and Maintenance of Deaf/Blind Schools	No fees	\$2,397,321	\$0	\$0	\$2,397,321	Public	The public benefits from providing an education to all children and to promote independence of deaf and blind students.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

<b>Deaf/Blind Subtotal</b>		\$10,779,474	\$0	\$632,531	\$10,146,943			\$0
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**General Education Programs:**

Special Education (for children with disabilities)	No fees	\$50,330,000	\$0	\$43,803,854	\$6,526,146	Public	The public benefits from public education for children with disabilities.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
Child Nutrition	School lunch money is paid to the local schools, not to SDE.	\$163,216,660	\$0	\$161,563,251	\$1,653,409	Mixed	School children benefit privately from meals. The public benefits from the state paying the administrative match to the federal grant for those children who cannot afford lunches.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> "Federal and other" revenues consist primarily of federal grants for free and reduced lunches. General fund expenditures consist of the state's administrative match to the federal funds. Local schools receive any school lunch fees from those families who are able to pay. The school lunch program had 325,731 participants in FY 2001, including those receiving subsidized lunches. Any increase in fees for those children whose families are able to pay would have to ensure that they did not pay more than the cost of their meals.								
Special Projects (oversight of grants and use of Education Enhancement funds)	Fees for education directory and textbook fines.	\$92,042,560	\$17,835	\$88,191,037	\$3,833,688	Public	The public benefits from administration of grants and other funding sources.	\$0
<b>Implications for changes to fee structure</b>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			
<i>None.</i>								
<i>Industrial Training</i>	No fees	\$882,889	\$0	\$0	\$882,889	Public	The public benefits from training citizens to be better prepared for the workforce.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> This program was transferred to Community Colleges in FY 2002.								
<i>Supportive Services to SDE</i>	Fees for state report cards and data processing.	\$10,991,059	\$23,859	\$1,860,896	\$9,106,304	Public	The public benefits from leadership and administrative support to operate SDE.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Mississippi School for Math &amp; Science (for gifted children)</i>	No fees	\$3,953,788	\$0	\$1,585,653	\$2,368,135	Public	The public benefits from a school to educate our most gifted children in math and science.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Educational Accountability (statistics and performance measurement)</i>	various minor fees	\$10,561,261	\$14,423	\$476,296	\$10,070,542	Public	The public benefits from measuring academic progress and the accountability of dollars spent in that pursuit.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Educational Training &amp; Development (for instructional staff)</i>	Conference registration fees	\$92,746,493	\$55,448	\$65,296,682	\$27,394,363	Public	The public benefits from an educated teacher workforce.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			
<i>Compensatory Education</i> (supplementary instruction to the educationally disadvantaged)	No fees	\$117,744,814	\$0	\$117,744,814	\$0	Public	The public benefits from using Title I funds for educating students achieving below average.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Community and Outreach Services</i> (programs which involve students in the community)	No fees	\$1,024,249	\$0	\$844,981	\$179,268	Public	The public benefits from students learning to apply their education to community service.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Educational Technology</i> (computer technology for classrooms)	Conference registration fees	\$16,869,144	\$125,445	\$15,328,218	\$1,415,481	Public	The public benefits from exposing students to computer technology.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>MS School Attendance Officers</i> (for assuring compulsory attendance)	No fees	\$5,719,637	\$0	\$31,642	\$5,687,995	Public	The public benefits from attendance at school by all children.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>MS Teacher Center</i> (attracts qualified teachers to school districts)	various minor fees	\$14,297,841	\$3,020	\$8,121,436	\$6,173,385	Public	The public benefits from assuring qualified teachers in schools.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			

**General Education Subtotal**

	\$580,380,395	\$240,030	\$504,848,760	\$75,291,605
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**Vocational Education (skills and technical education for the workplace):**

<i>Secondary</i> (Vocational Education for high school students)	No fees	\$47,698,447	\$0	\$13,194,858	\$34,503,589	Public	The public benefits from vocational education for high school students to prepare them for the workplace.	<b>\$0</b>
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Post Secondary</i> (Vocational Education for community college students)	No fees	\$37,252,209	\$0	\$6,813,198	\$30,439,011	Public	The public benefits from vocational education for community college students to prepare them for the workplace.	<b>\$0</b>
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Vocational Education through Agencies and Institutions</i>	No fees	\$2,158,203	\$0	\$29,333	\$2,128,870	Public	The public benefits from education for students in institutions such as departments of Youth Services and Corrections.	<b>\$0</b>
<b>Implications for changes to fee structure</b> <i>None.</i>								

**Vocational Education Subtotal**

	\$87,108,859	\$0	\$20,037,389	\$67,071,470	<b>\$0</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fee Revenue	Federal and Other	General Fund Expenditures			
<i>Chickasaw School Fund</i> (compensation to Chickasaw Cession counties for sale of 16th section lands)	No fees	\$12,280,436	\$0	\$0	\$12,280,436	Public	The public benefits from sale of the 16th section lands to support education programs statewide.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Equity Funding</i> (ensures a minimum "local tax" contribution per student)	No fees	\$36,699,782	\$0	\$15,941,787	\$20,757,995	Public	The public benefits from providing equitable resources to educate all children sufficiently.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>MDE Total</b>		\$2,149,256,383	\$240,030	\$746,721,029	\$1,402,295,324			<b>\$0</b>



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Authority for Educational Television (ETV)**

<i>Educational Services</i> (instructional programming for students and adult learners; distribution of resource materials for educators; GED, workforce and educator training; & special projects)	Video dubbing fees	\$2,250,799	\$0	\$1,351,802	\$898,997	Public	The public benefits from increased learning opportunities for Mississippians of all ages and improvement in the quality of classroom instruction.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The agency should review its programs to determine whether any services are provided to private entities. If so, these services should be provided at a fee that will cover the costs of the services. FY 2001 fee revenues of \$24,413 were not expended, according to ETV documentation.								
<i>Television Programming</i> (locally produced & purchased television programs)	minor video and production fees	\$5,500,473	\$0	\$3,726,700	\$1,773,773	Public	The public benefits from cultural, informational & educational TV programs that will meet the diverse needs of Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> FY 2001 fee revenues of \$22,613 were not expended, according to ETV documentation.								
<i>Radio Programming</i> (purchased & locally produced programs; distribution of radio receivers to the print-impaired to provide a program of daily readings of newspapers, magazines, and books)	No fees	\$737,276	\$0	\$266,075	\$471,201	Public	The public benefits from special performances and national broadcasts, locally produced features on subjects interesting to Mississippians, & programming for blind and print-impaired Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Engineering Maintenance</i> (ensures a network exists for all broadcasts statewide and equipment is maintained for quality broadcasting)	Tower space lease fees--2.50 per foot of height on tower	\$2,946,772	\$422,032	\$699,822	\$1,824,918	Mixed	The public benefits from having a statewide system that broadcasts programming to network sites, schools, and the public. Private business benefits from using state-owned towers/facilities.	<b>unknown</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities may exist for additional revenues.</i> ETV conducted a study of tower lease rates in July 2002. The ETV executive director believes that ETV could attract additional companies for its towers, but believes that ETV's fee structure is at the high end of market value. ETV should seek competitive rates as leases are renegotiated. Opportunities may exist to initiate research and development activities that would provide additional fee revenue potential. However, to make this an effective means of generating fee revenue, the Legislature would have to amend the open records law (MISS. CODE ANN. Section 25-61-1 et seq.) to give ETV a proprietary information exception.</p>								
<i>Support Services</i> (for all program areas including payroll, purchasing, travel reimbursement, and grant management)	No fees	\$2,264,057	\$0	\$419,159	\$1,844,898	Public	The public benefits from agency support that ensures compliance with state and federal laws and regulations.	<b>\$0</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>None.</i></p>								
<b>ETV Total</b>		<u>\$13,699,377</u>	<u>\$422,032</u>	<u>\$6,463,558</u>	<u>\$6,813,787</u>			<u><b>unknown</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Emergency Management Agency (MEMA)**

<i>Emergency Preparedness</i> Provides administrative and programmatic support for the statewide emergency management system	No fees	\$2,678,363	\$0	\$1,837,122	\$841,241	Public	Provides the public benefit of protection by responding to emergencies through the operation of statewide emergency centers, planning for disaster relief, and assisting local government technically and financially.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Transportation of Hazardous Materials</i> Issues permits to industries that transport hazardous waste through the state.	Varies from \$250 to \$2,500 depending on level of radiation	\$16,656	\$13,500	\$1,973	\$1,183	Mixed	The public benefits from regulation of waste transport. Private benefits include allowing industries to transport hazardous waste through the state.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees revenues pay for more than 50% of the costs not funded by federal and other revenue.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Emergency Assistance Program Grants:**

<i>Waste Isolation Pilot Program</i> Assure public safety during shipments of radiological waste through Mississippi to a Department of Energy facility.	No fees	\$142,607	\$0	\$142,607	\$0	Public	Provides the public benefit of assuring safety measures are in place during transport of hazardous materials.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Terrorism Consequence Program</i> Administers federal funds for emergency personnel and citizen training exercises.	No fees	\$107,403	\$0	\$107,403	\$0	Public	Provides the public benefit of training first responders for emergencies.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Radiological Emergency Preparedness</i> Provides technical assistance for peacetime radiological emergency planning.	No fees	\$227,875	\$0	\$227,875	\$0	Public	Provides the public benefit of response planning during peacetime.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Community Assistance Program</i> Administers payments for the National Flood Insurance Program.	No fees	\$65,453	\$0	\$47,439	\$18,014	Public	Provides the public benefit of distributing funds for flood-related disasters.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

<b>Emergency Preparedness and Assistance Subtotal</b>	\$543,338	\$0	\$525,324	\$18,014	\$0
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**Disaster Assistance Program:**

<i>Public Assistance</i> Provides funds to state agencies, local governments, and certain private non-profit organizations performing relief services.	No fees.	\$21,265,723	\$0	\$19,084,631	\$2,181,092	Public	Provides the public benefit of supporting entities that perform relief services.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Hazard Mitigation</i> Develops plans for disaster reduction in state and local areas	No fees.	\$836,538	\$0	\$816,116	\$20,422	Public	Provides the public benefit of reducing the effects of disasters.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Individual Family Grants</i> Provides grant money to families affected by disastrous conditions.	No fees.	\$2,529,610	\$0	\$2,529,610	\$0	Public	Provides the public benefit of administering federal funds for disaster relief.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Grand Gulf Nuclear Station</i> Develops plans for disaster relief.	No fees.	\$10,940	\$0	\$10,940	\$0	Public	Provides the public benefit of planning for disaster relief responses.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Disaster Relief Individual Assistance State Match</i> Provides temporary housing and assistance when no federal assistance is available.	No fees.	\$65,726	\$0	\$0	\$65,726	Public	Provides the public benefit of temporary housing for those without assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>Disaster Assistance Subtotal</b>		\$24,708,537	\$0	\$22,441,297	\$2,267,240			\$0
<b>MEMA Total</b>		\$27,946,894	\$13,500	\$24,805,716	\$3,127,678			\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Environmental Quality (DEQ)**

**Pollution Control One-time Services (Issuance of permits to operate and discharge pollutants and non-recurring studies and activities):**

<i>Air Quality</i> (issuance of operating permits to release pollutants into the air)								
Prevention of Significant Deterioration (PSD) Permit to operate under federal PSD standards for limiting pollutants	No fees	\$256,069	\$0	\$88,984	\$167,085	Mixed	Public benefits include control of air pollution. Businesses and governments benefit from the privilege of using state environmental resources (releasing air pollutants).	<b>\$83,543</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$256,069 - \$88,984) \times 50\% - \$0 = \$83,543$ New fees for each of the 11 businesses and government entities: $\$83,543 \div 11 = \$7,595$								
PSD Permit Modification	No fees	\$20,303	\$0	\$7,055	\$13,248	Mixed	Same as above	<b>\$6,624</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$20,303 - \$7,055) \times 50\% - \$0 = \$6,624$ New fee for the only business regulated in FY 2001: $\$6,624 \div 1 = \$6,624$								
Construction	No fees	\$153,990	\$0	\$53,512	\$100,478	Mixed	Same as above	<b>\$50,239</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$153,990 - \$53,512) \times 50\% - \$0 = \$50,239$ New fees for each of the 30 businesses and government entities: $\$50,239 \div 30 = \$1,675$								
Construction Modification	No fees	\$20,275	\$0	\$7,046	\$13,229	Mixed	Same as above	<b>\$6,614.72</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$20,275 - \$7,046) \times 50\% - \$0 = \$6,615$ New fees for each of the 5 businesses and government entities: $\$6,615 \div 5 = \$1,323$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Synthetic Minor Operating Permit (SMOP)--i.e., procedures are in place to assure pollution will not exceed a certain level	No fees	\$5,463	\$0	\$1,898	\$3,565	Mixed	Same as above	\$1,782
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$5,463 - \$1,898) \times 50\%) - \$0 = \$1,782$ New fee for the only business regulated in FY 2001: $\$1,782 \div 1 = \$1,782$								
SMOP w/ Construction	No fees	\$10,439	\$0	\$3,628	\$6,811	Mixed	Same as above	\$3,406
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$10,439 - \$3,628) \times 50\%) - \$0 = \$3,406$ New fees for each of the 13 businesses and government entities: $\$3,406 \div 13 = \$262$								
SMOP Modification	No fees	\$56,880	\$0	\$19,766	\$37,114	Mixed	Same as above	\$18,557
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$56,880 - \$19,766) \times 50\%) - \$0 = \$18,557$ New fees for each of the 12 businesses and government entities: $\$18,557 \div 12 = \$1,546$								
SMOP Renewal	No fees	\$123,240	\$0	\$42,826	\$80,414	Mixed	Same as above	\$40,207
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$123,240 - \$42,826) \times 50\%) - \$0 = \$40,207$ New fees for each of the 26 businesses and government entities: $\$40,207 \div 26 = \$1,546$								
Air State Operating Permit (SOP)--controls in place to prevent discharge	No fees	\$4,818	\$0	\$1,674	\$3,144	Mixed	Same as above	\$1,572



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$4,818 - \$1,674) \times 50\%) - \$0 = \$1,572$ New fee for the only business regulated in FY 2001: $\$1,572 \div 1 = \$1,572$								
Air SOP with Construction	No fees	\$13,233	\$0	\$4,598	\$8,635	Mixed	Same as above	<b>\$4,317</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$13,233 - \$4,598) \times 50\%) - \$0 = \$4,317$ New fees for each of the 33 businesses and government entities: $\$4,317 \div 33 = \$131$								
Air SOP Modification	No fees	\$12,042	\$0	\$4,185	\$7,857	Mixed	Same as above	<b>\$3,929</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$12,042 - \$4,185) \times 50\%) - \$0 = \$3,929$ New fees for each of the 3 businesses and government entities: $\$3,929 \div 3 = \$1,310$								
Air SOP Modification w/ Construction	No fees	\$2,807	\$0	\$975	\$1,832	Mixed	Same as above	<b>\$916</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$2,807 - \$975) \times 50\%) - \$0 = \$916$ New fees for each of the 7 businesses and government entities: $\$916 \div 7 = \$131$								
SOP Renewal	No fees	\$24,084	\$0	\$8,369	\$15,715	Mixed	Same as above	<b>\$7,857</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$24,084 - \$8,369) \times 50\%) - \$0 = \$7,857$ New fees for each of the 6 businesses and government entities: $\$7,857 \div 6 = \$1,310$								
Name Change	No fees	\$20,050	\$0	\$6,967	\$13,083	Mixed	Same as above	<b>\$6,541</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$20,050 - \$6,967) \times 50\%) - \$0 = \$6,541$ New fees for each of the 50 businesses and government entities: $\$6,541 \div 50 = \$131$								
Owner Change	No fees	\$19,260	\$0	\$6,693	\$12,567	Mixed	Same as above	<b>\$6,284</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$19,260 - \$6,693) \times 50\%) - \$0 = \$6,284$								
New fees for each of the 30 businesses and government entities: $\$6,284 \div 30 = \$209$								
<b>Hazardous Waste</b> (issuance of operating permits to hazardous waste facilities and generators)								
Hazardous Waste (HW) Container Site	No fees	\$12,504	\$0	\$4,345	\$8,159	Mixed	Public benefits include control of hazardous waste. Businesses benefit from the privilege of storing or disposing of hazardous waste.	<b>\$4,079</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$12,504 - \$4,345) \times 50\%) - \$0 = \$4,079$								
New fee for the only business regulated in FY 2001: $\$4,079 \div 1 = \$4,079$								
HW--Closed Plant	No fees	\$50,078	\$0	\$17,402	\$32,676	Mixed	Same as above	<b>\$16,338</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$50,078 - \$17,402) \times 50\%) - \$0 = \$16,338$								
New fee for the business and the federal government entity regulated in FY 2001: $\$16,338 \div 2 = \$8,169$								
HW Closure Plan	No fees	\$12,504	\$0	\$4,345	\$8,159	Mixed	Same as above	<b>\$4,079</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$12,504 - \$4,345) \times 50\%) - \$0 = \$4,079$								
New fee for the only business regulated in FY 2001: $\$4,079 \div 1 = \$4,079$								
HW Class I Modification	No fees	\$1,325	\$0	\$460	\$865	Mixed	Same as above	<b>\$432</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$1,325 - \$460) \times 50\%) - \$0 = \$432$								
New fee for the only business regulated in FY 2001: $\$432 \div 1 = \$432$								
HW Class II Modification	No fees	\$7,248	\$0	\$2,519	\$4,729	Mixed	Same as above	<b>\$2,365</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$7,248 - \$2,519) \times 50\%) - \$0 = \$2,365$ New fee for the only business regulated in FY 2001: $\$2,365 \div 1 = \$2,365$								
HW Class III Modification	No fees	\$13,169	\$0	\$4,576	\$8,593	Mixed	Same as above	<b>\$4,296</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$13,169 - \$4,576) \times 50\%) - \$0 = \$4,296$ New fee for the only business regulated in FY 2001: $\$4,296 \div 1 = \$4,296$								
HW Agency Modification	No fees	\$7,248	\$0	\$2,519	\$4,729	Mixed	Same as above	<b>\$2,365</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$7,248 - \$2,519) \times 50\%) - \$0 = \$2,365$ New fee for the only business regulated in FY 2001: $\$2,365 \div 1 = \$2,365$								
<i>General Permit (for handling routine run-off into streams)</i>								
General Permit (GP) Construction Sites	No fees	\$161,536	\$0	\$56,134	\$105,402	Mixed	Public benefits include control of soil and contaminants washing into streams. Businesses benefit from the privilege of using state water resources.	<b>\$52,701</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$161,536 - \$56,134) \times 50\%) - \$0 = \$52,701$ New fees for each of the 256 businesses and government entities: $\$52,701 \div 256 = \$206$								
GP Construction Solid Waste Phase II	No fees	\$952	\$0	\$331	\$621	Mixed	Same as above	<b>\$311</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$952 - \$331) \times 50\%) - \$0 = \$311$ New fee for the only business regulated in FY 2001: $\$311 \div 1 = \$311$								
GP Baseline	No fees	\$19,836	\$0	\$6,893	\$12,943	Mixed	Same as above	<b>\$6,471</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$19,836 - \$6,893) \times 50\%) - \$0 = \$6,471$								
New fees for each of the 38 businesses and federal government entities: $\$6,472 \div 38 = \$170$								
GP Ready Mix	No fees	\$60,608	\$0	\$21,061	\$39,547	Mixed	Same as above	<b>\$19,773</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$60,608 - \$21,061) \times 50\%) - \$0 = \$19,773$								
New fees for each of the 64 businesses: $\$19,773 \div 64 = \$309$								
GP Hot Mix	No fees	\$32,959	\$0	\$11,453	\$21,506	Mixed	Same as above	<b>\$10,753</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$32,959 - \$11,453) \times 50\%) - \$0 = \$10,753$								
New fees for each of the 23 businesses: $\$10,753 \div 23 = \$468$								
GP Underground Storage Tank (UST)	No fees	\$642	\$0	\$223	\$419	Mixed	Same as above	<b>\$209</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$642 - \$223) \times 50\%) - \$0 = \$209$								
New fee for the only business regulated in FY 2001: $\$209 \div 1 = \$209$								
GP Land Disposal	No fees	\$38,460	\$0	\$13,365	\$25,095	Mixed	Same as above	<b>\$12,548</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$38,460 - \$13,365) \times 50\%) - \$0 = \$12,548$								
New fees for each of the 5 businesses: $\$12,548 \div 5 = \$2,510$								
GP Land Disposal Modification	No fees	\$6,115	\$0	\$2,125	\$3,990	Mixed	Same as above	<b>\$1,995</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$6,115 - \$2,125) \times 50\%) - \$0 = \$1,995$								
New fee for the only business regulated in FY 2001: $\$1,995 \div 1 = \$1,995$								
GP Surface Mining	No fees	\$50,280	\$0	\$17,472	\$32,808	Mixed	Same as above	<b>\$16,404</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$50,280 - \$17,472) \times 50\%) - \$0 = \$16,404$								
New fees for each of the 60 businesses: $\$16,404 \div 60 = \$273$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
GP Mining Modification	No fees	\$796	\$0	\$277	\$519	Mixed	Same as above	\$260
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$796 - \$277) \times 50\%) - \$0 = \$260$ New fees for each of the 2 businesses: $\$260 \div 2 = \$130$								
GP Renewal	No fees	\$97,500	\$0	\$33,881	\$63,619	Mixed	Same as above	\$31,809
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$97,500 - \$33,881) \times 50\%) - \$0 = \$31,809$ New fees for each of the 500 businesses and government entities: $\$31,809 \div 500 = \$64$								
<i>Water (issuance of operating permits related to emission of discharges into waterways from specific "point sources")</i>								
National Pollutant Discharge Elimination System (NPDES) Major	No fees	\$8,672	\$0	\$3,014	\$5,658	Mixed	Public benefits include oversight of water pollution discharges and treatments. Businesses and all levels of governments privately benefit from the privilege of using state water resources for release of wastes.	\$2,829
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$8,672 - \$3,014) \times 50\%) - \$0 = \$2,829$ New fee for the only business regulated in FY 2001: $\$2,829 \div 1 = \$2,829$								
NPDES Minor	No fees	\$329,235	\$0	\$114,409	\$214,826	Mixed	Same as above	\$107,413
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$329,235 - \$114,409) \times 50\%) - \$0 = \$107,413$ New fees for each of the 47 businesses and government entities: $\$107,413 \div 47 = \$2,285$								
NPDES Major Modification	No fees	\$5,379	\$0	\$1,869	\$3,510	Mixed	Same as above	\$1,755
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$5,379 - \$1,869) \times 50\%) - \$0 = \$1,755$ New fee for the only business regulated in FY 2001: $\$1,755 \div 1 = \$1,755$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
NPDES Minor Modification	No fees	\$47,880	\$0	\$16,638	\$31,242	Mixed	Same as above	\$15,621
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$47,880 - \$16,638) \times 50\%) - \$0 = \$15,621$ New fees for each of the 30 businesses and government entities: $\$15,621 \div 30 = \$521$								
NPDES Major Renewal	No fees	\$118,314	\$0	\$41,114	\$77,200	Mixed	Same as above	\$38,600
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$118,314 - \$41,114) \times 50\%) - \$0 = \$38,600$ New fees for each of the 18 businesses and government entities: $\$38,600 \div 18 = \$2,144$								
NPDES Minor Renewal	No fees	\$286,233	\$0	\$99,466	\$186,767	Mixed	Same as above	\$93,384
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$286,233 - \$99,466) \times 50\%) - \$0 = \$93,384$ New fees for each of the 73 businesses and government entities: $\$93,384 \div 73 = \$1,279$								
Individual Stormwater	No fees	\$6,461	\$0	\$2,245	\$4,216	Mixed	Same as above	\$2,108
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$6,461 - \$2,245) \times 50\%) - \$0 = \$2,108$ New fee for the only business regulated in FY 2001: $\$2,108 \div 1 = \$2,108$								
Toxic Pretreatment (discharge into treatment plants)	No fees	\$39,775	\$0	\$13,822	\$25,953	Mixed	Same as above	\$12,977
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$39,775 - \$13,822) \times 50\%) - \$0 = \$12,977$ New fees for each of the 5 businesses and federal government entities: $\$12,977 \div 5 = \$2,595$								
Toxic Pretreatment (PT) Modification	No fees	\$14,697	\$0	\$5,107	\$9,590	Mixed	Same as above	\$4,795

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$14,697 - \$5,107) \times 50\%) - \$0 = \$4,795$								
New fees for each of the 3 businesses and federal government entities: $\$4,795 \div 3 = \$1,598$								
Toxic PT Renewal	No fees	\$63,460	\$0	\$22,052	\$41,408	Mixed	Same as above	<b>\$20,704</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$63,460 - \$22,052) \times 50\%) - \$0 = \$20,704$								
New fees for each of the 10 businesses and federal government entities: $\$20,704 \div 10 = \$2,070$								
Conventional PT	No fees	\$109,896	\$0	\$38,189	\$71,707	Mixed	Same as above	<b>\$35,854</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$109,896 - \$38,189) \times 50\%) - \$0 = \$35,854$								
New fees for each of the 19 businesses and federal government entities: $\$35,854 \div 19 = \$1,887$								
Conventional PT Modification	No fees	\$26,028	\$0	\$9,045	\$16,983	Mixed	Same as above	<b>\$8,492</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$26,028 - \$9,045) \times 50\%) - \$0 = \$8,492$								
New fees for each of the 12 businesses and federal government entities: $\$8,492 \div 12 = \$708$								
Conventional PT Renewal	No fees	\$86,751	\$0	\$30,146	\$56,605	Mixed	Same as above	<b>\$28,303</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$86,751 - \$30,146) \times 50\%) - \$0 = \$28,303$								
New fees for each of the 27 businesses and federal government entities: $\$28,303 \div 27 = \$1,048$								
Water State Operating Permit (SOP)	No fees	\$30,514	\$0	\$10,604	\$19,910	Mixed	Same as above	<b>\$9,955</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$30,514 - \$10,604) \times 50\%) - \$0 = \$9,955$								
New fees for each of the 38 businesses and government entities: $\$9,955 \div 38 = \$262$								
Water SOP Modification	No fees	\$4,818	\$0	\$1,674	\$3,144	Mixed	Same as above	<b>\$1,572</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$4,818 - \$1,674) \times 50\%) - \$0 = \$1,572$ New fees for each of the 6 businesses and government entities: $\$1,572 \div 6 = \$262$								
Water SOP Renewal	No fees	\$38,560	\$0	\$13,400	\$25,160	Mixed	Same as above	<b>\$12,580</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$38,560 - \$13,400) \times 50\%) - \$0 = \$12,580$ New fees for each of the 40 businesses and government entities: $\$12,580 \div 40 = \$315$								
Private SOP	No fees	\$25,696	\$0	\$8,929	\$16,767	Mixed	Same as above	<b>\$8,383</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$25,696 - \$8,929) \times 50\%) - \$0 = \$8,383$ New fees for each of the 32 businesses: $\$8,383 \div 32 = \$262$								
National Private Pollutant Discharge Elimination System (NPDES)	No fees	\$293,037	\$0	\$101,830	\$191,207	Mixed	Same as above	<b>\$95,603</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$293,037 - \$101,830) \times 50\%) - \$0 = \$95,603$ New fees for each of the 57 businesses: $\$95,603 \div 57 = \$1,677$								
Private NPDES Modification	No fees	\$8,676	\$0	\$3,015	\$5,661	Mixed	Same as above	<b>\$2,831</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$8,676 - \$3,015) \times 50\%) - \$0 = \$2,831$ New fees for each of the 9 businesses: $\$2,831 \div 9 = \$315$								
Private NPDES Renewal	No fees	\$158,632	\$0	\$55,125	\$103,507	Mixed	Same as above	<b>\$51,754</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$158,632 - \$55,125) \times 50\%) - \$0 = \$51,754$ New fees for each of the 79 businesses: $\$51,754 \div 79 = \$655$								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Subdivision Plan Review	No fees	\$95,956	\$0	\$33,345	\$62,611	Mixed	Same as above	<b>\$31,306</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$95,956 - \$33,345) \times 50\%) - \$0 = \$31,306$ New fees for each of the 596 businesses: $\$31,306 \div 596 = \$53$								
Feasibility Study	No fees	\$11,235	\$0	\$3,904	\$7,331	Mixed	Same as above	<b>\$3,665</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$11,235 - \$3,904) \times 50\%) - \$0 = \$3,665$ New fees for each of the 35 businesses and local government entities: $\$3,665 \div 35 = \$105$								
<b>Solid Waste</b> (issuance of operating permits to operate landfills, processing facilities and other waste sites)								
Solid Waste (SW) Non-Municipal Landfill (LF)	No fees	\$79,482	\$0	\$0	\$79,482	Mixed	Public benefits include control of solid waste. Businesses and governments benefit from the privilege of storing or disposing of solid waste/garbage.	<b>\$39,741</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$79,482 - \$0) \times 50\%) - \$0 = \$39,741$ New fees for each of the 2 businesses: $\$39,741 \div 2 = \$19,871$								
SW Municipal LF Modification	No fees	\$112,828	\$0	\$0	\$112,828	Mixed	Same as above	<b>\$56,414</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$112,828 - \$0) \times 50\%) - \$0 = \$56,414$ New fee for the business and the local government entity regulated in FY 2001: $\$56,414 \div 2 = \$28,207$								
Class I Rubbish Landfill	No fees	\$71,736	\$0	\$0	\$71,736	Mixed	Same as above	<b>\$35,868</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$71,736 - \$0) \times 50\%) - \$0 = \$35,868$ New fees for each of the 6 businesses and government entities: $\$35,868 \div 6 = \$5,978$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Class I Rubbish Landfill Modification	No fees	\$19,196	\$0	\$0	\$19,196	Mixed	Same as above	<b>\$9,598</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$19,196 - \$0) \times 50\%) - \$0 = \$9,598$ New fees for each of the 2 businesses and government entities: $\$9,598 \div 2 = \$4,799$								
Class II Rubbish Landfill	No fees	\$13,136	\$0	\$0	\$13,136	Mixed	Same as above	<b>\$6,568</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$13,136 - \$0) \times 50\%) - \$0 = \$6,568$ New fees for each of the 2 businesses and government entities: $\$6,568 \div 2 = \$3,284$								
Class II Rubbish Landfill Modification	No fees	\$10,438	\$0	\$0	\$10,438	Mixed	Same as above	<b>\$5,219</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$10,438 - \$0) \times 50\%) - \$0 = \$5,219$ New fees for each of the 2 businesses and government entities: $\$5,219 \div 2 = \$2,610$								
SW Transfer Station	No fees	\$5,558	\$0	\$0	\$5,558	Mixed	Same as above	<b>\$2,779</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$5,558 - \$0) \times 50\%) - \$0 = \$2,779$ New fee for the only business regulated in FY 2001: $\$2,779 \div 1 = \$2,779$								
SW Processing Center	No fees	\$6,231	\$0	\$0	\$6,231	Mixed	Same as above	<b>\$3,116</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$6,231 - \$0) \times 50\%) - \$0 = \$3,116$ New fee for the only business regulated in FY 2001: $\$3,116 \div 1 = \$3,116$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
SW Land Application	No fees	\$13,997	\$0	\$0	\$13,997	Mixed	Same as above	\$6,999
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$13,997 - \$0) \times 50\%) - \$0 = \$6,999$ New fee for the only business regulated in FY 2001: $\$6,999 \div 1 = \$6,999$								
SW Management Plan Update	No fees	\$35,715	\$0	\$0	\$35,715	Mixed	Same as above	\$17,858
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$35,715 - \$0) \times 50\%) - \$0 = \$17,858$ New fees for each of the 3 local government entities: $\$17,858 \div 3 = \$5,953$								
SW Management Plan Amendment	No fees	\$139,560	\$0	\$0	\$139,560	Mixed	Same as above	\$69,780
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$139,560 - \$0) \times 50\%) - \$0 = \$69,780$ New fees for each of the 20 local government entities: $\$69,780 \div 20 = \$3,489$								
Landfill Manager Certification	No fees	\$8,720	\$0	\$0	\$8,720	Private	Private benefits include the privilege of being allowed to work in landfill management.	\$8,720
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$8,720 - \$0) \times 50\%) - \$0 = \$8,720$ New fees for each of the 20 businesses and local government entities: $\$8,720 \div 20 = \$436$								
<b>Surface Water</b> (conducting one-time water quality studies and wetlands certification)								
Water Quality Study	No fees	\$65,845	\$0	\$22,881	\$42,964	Mixed	Public benefits include protecting quality of surface waters through oversight of pollutant discharges. Private benefits include the privilege of using state water resources for waste discharge.	\$21,482

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$65,845 - \$22,881) \times 50\%) - \$0 = \$21,482$ New fees for each of the 13 businesses and government entities: $\$21,482 \div 13 = \$1,652$								
401 Certification (certifies construction work in wetlands is not harmful to water quality)	No fees	\$138,800	\$0	\$48,233	\$90,567	Mixed	Same as above	<b>\$45,284</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$138,800 - \$48,233) \times 50\%) - \$0 = \$45,284$ New fees for each of the 200 businesses and government entities: $\$45,284 \div 200 = \$226$								
<i>Ground Water</i> (Permitting for injection of wastes into underground wells)								
Underground Injection Control (UIC) wells Class I	No fees	\$37,177	\$0	\$12,919	\$24,258	Mixed	Public benefits include controlling underground contamination. Private benefits include the privilege of injecting wastes underground.	<b>\$12,129</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$37,177 - \$12,919) \times 50\%) - \$0 = \$12,129$ New fee for the only business regulated in FY 2001: $\$12,129 \div 1 = \$12,129$								
UIC Class I Renewal	No fees	\$12,399	\$0	\$4,309	\$8,090	Mixed	Same as above	<b>\$4,045</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$12,399 - \$4,309) \times 50\%) - \$0 = \$4,045$ New fee for the only business regulated in FY 2001: $\$4,045 \div 1 = \$4,045$								
UIC Class V	No fees	\$1,750	\$0	\$608	\$1,142	Mixed	Same as above	<b>\$571</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$1,750 - \$608) \times 50\%) - \$0 = \$571$ New fees for each of the 2 businesses: $\$571 \div 2 = \$286$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Source Water Assessment (studying susceptibility of public water supplies to contamination)	No fees	\$315,300	\$0	\$109,567	\$205,733	Mixed	Public benefits include protecting the quality of groundwater. Private benefits include the use of MDEQ personnel for groundwater assessment.	<b>\$102,867</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$315,300 - \$109,567) \times 50\%) - \$0 = \$102,867$ New fees for each of the 300 businesses and local government entities: $\$102,867 \div 300 = \$343$								
Title V federal air pollution control program (permitting for emitting major quantities of regulated air pollutants)	\$21/ton of regulated air pollutants; increased to \$25/ton on 7/1/02	\$4,889,927	\$4,889,927	\$0	\$0	Mixed	The public benefits from oversight of polluters. Polluting businesses receive the privilege of using state resources.	<b>\$0</b>
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Brownfields Application Review (redevelopment of old industrial sites for cleanup and economic development)	\$75/hr. plus lab costs	\$10,879	\$10,879	\$0	\$0	Mixed	The public benefits from cleanup of sites. Developers receive assistance in redevelopment.	<b>\$0</b>
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Emergency Response	Penalties for all DEQ violations are deposited into a fund for emergencies	\$1,138,782	\$1,138,782	\$0	\$0	Mixed	Public benefits from cleanup of emergency waste and hazard problems. Private benefits accrue to entities involved in emergency response.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Voluntary Uncontrolled Site Evaluations	\$75/hr. plus lab costs	\$160,309	\$160,309	\$0	\$0	Private	Owners request and pay for an expedited review for remediation of hazardous waste sites.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Underground Storage Tank clean-up	owners pay \$100/tank and 50% late fee; also includes \$10.1 million in Motor Fuel Tax deposited into the Groundwater Protection Trust Fund	\$11,209,995	\$11,021,461	\$188,534	\$0	Mixed	The public benefits from contamination cleanup. Owners who have paid the \$100 per tank fee receive assistance in clean-up of leaking tanks.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding is sufficient without new fees.								
Household Hazardous Waste Clean-up Day (grants made to cities and counties)	Non-Hazardous Solid Waste Management Fees	\$265,783	\$265,783	\$0	\$0	Mixed	The public benefits from encouragement of disposal of household wastes. Local governments receive assistance in cleanup.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Waste Tire Program (financial assistance to local governments and private businesses for waste tire management)	\$1-2 assessment on tire dealers per tire sold	\$1,743,158	\$1,743,158	\$0	\$0	Mixed	The public benefits from reduced waste from tires. Individual grantees benefit from assistance with waste tire collection and disposal services and clean up.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Non-Hazardous Solid Waste Management Program (financial assistance to local governments for clean-up, recycling and collection programs, and corrective action at waste sites; statewide public outreach)	\$1 per ton tax on municipal solid waste (Non-Hazardous Solid Waste Management Fee)	\$2,198,471	\$2,198,471	\$0	\$0	Mixed	The public benefits from waste clean-up. Local governments individually benefit from clean-up assistance on specific projects.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the program.								
Pollution Control One-time Services Subtotal		\$25,831,790	\$21,428,770	\$1,473,550	\$2,929,470			<b>\$1,469,095</b>

**Pollution Control Annual Services (Primarily Monitoring and Compliance Services):**

*Hazardous Waste Monitoring* (Monitoring sites that generate hazardous waste )

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Hazardous Waste (HW) Small Quantity Generator	Pollution Prevention Fees (1)-- assessed per ton of hazardous waste and toxic waste chemicals	\$370,185	\$214,795	\$128,639	\$26,751	Mixed	Public benefits include controlling hazardous wastes. Private benefits include the privilege of generating hazardous wastes.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay more than 50% of the costs not funded by federal and other funds.								
HW Large Quantity Generator	Pollution Prevention Fees (1)	\$211,717	\$103,455	\$73,572	\$34,690	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Associated fees equal more than 50% of the costs not funded by federal and other funds. (1) Per DEQ, these fees are used to fund the Environmental Resource Center. They are shown here to illustrate their association with the source of the fees.								
HW Groundwater Monitoring	No fees	\$25,720	\$0	\$8,938	\$16,782	Mixed	Same as above	\$8,391
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$25,720 - \$8,938) \times 50\%) - \$0 = \$8,391$ New fees for each of the 20 businesses and federal government entities: $\$8,391 \div 20 = \$420$								
HW Conditionally Exempt Generator	No fees	\$10,812	\$0	\$3,757	\$7,055	Mixed	Same as above	\$3,527
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$10,812 - \$3,757) \times 50\%) - \$0 = \$3,527$ New fees for each of the 51 businesses and government entities: $\$3,527 \div 51 = \$69$								
HW Treatment, Storage, or Disposal Facility (TSD) Commercial	No fees	\$2,109	\$0	\$733	\$1,376	Mixed	Same as above	\$688
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$2,109 - \$733) \times 50\%) - \$0 = \$688$ New fees for each of the 3 businesses: $\$688 \div 3 = \$229$								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Hazardous Waste TSD Non-Commercial	No fees	\$27,196	\$0	\$9,451	\$17,745	Mixed	Same as above	<b>\$8,873</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$27,196 - \$9,451) \times 50\%) - \$0 = \$8,873$ New fees for each of the 26 businesses and federal government entities: $\$8,873 \div 26 = \$341$								
<i>Air Monitoring</i> (air quality protection, including controlling, preventing, and abating air pollution to achieve compliance with federal and state air quality standards)								
Minor Air Pollutants	No fees	\$12,600	\$0	\$4,379	\$8,222	Mixed	Public benefits include control of air pollution. Businesses and governments benefit from the privilege of using state resources (releasing air pollutants).	<b>\$4,111</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$12,600 - \$4,379) \times 50\%) - \$0 = \$4,111$ New fees for each of the 150 businesses and government entities: $\$4,111 \div 150 = \$27$								
Accidental Air Release	No fees	\$37,800	\$0	\$13,136	\$24,665	Mixed	Same as above	<b>\$12,332</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$37,800 - \$13,136) \times 50\%) - \$0 = \$12,332$ New fees for each of the 140 businesses and government entities: $\$12,332 \div 140 = \$88$								
Asbestos Regulation	No fees	\$400,400	\$0	\$139,139	\$261,261	Mixed	Same as above	<b>\$130,631</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$400,400 - \$139,139) \times 50\%) - \$0 = \$130,631$ New fees for each of the 1,100 businesses and government entities: $\$130,631 \div 1,100 = \$119$								
Air SMOP (Synthetic Minor Operating Permit)	No fees	\$185,120	\$0	\$64,329	\$120,791	Mixed	Same as above	<b>\$60,395</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$185,120 - \$64,329) \times 50\%) - \$0 = \$60,395$								
New fees for each of the 260 businesses and government entities: $\$60,395 \div 260 = \$232$								
Air State Operating Permit	No fees	\$1,412,460	\$0	\$490,830	\$921,630	Mixed	Same as above	<b>\$460,815</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$1,412,460 - \$490,830) \times 50\%) - \$0 = \$460,815$								
New fees for each of the 2,065 businesses and government entities: $\$460,815 \div 2,065 = \$223$								
Air Planning, Minor	No fees	\$3,964	\$0	\$1,377	\$2,587	Mixed	Same as above	<b>\$1,293</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$3,964 - \$1,377) \times 50\%) - \$0 = \$1,293$								
New fee for the only business regulated in FY 2001: $\$1,293 \div 1 = \$1,293$								
Air Monitoring, Minor	No fees	\$10,505	\$0	\$3,650	\$6,855	Mixed	Same as above	<b>\$3,427</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$10,505 - \$3,650) \times 50\%) - \$0 = \$3,427$								
New fee for the only business regulated in FY 2001: $\$3,427 \div 1 = \$3,427$								
Air Monitoring, Major Source Title V federal program	No fees	\$130,965	\$0	\$45,510	\$85,455	Mixed	Same as above	<b>\$42,727</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$130,965 - \$45,510) \times 50\%) - \$0 = \$42,727$								
New fee for the only business regulated in FY 2001: $\$42,727 \div 1 = \$42,727$								
Air Planning, Other (general planning which benefits the public)	No fees	\$216,243	\$0	\$75,144	\$141,099	Public	Public benefits include control of air pollution.	<b>\$0</b>
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Air Monitoring, Other (general monitoring which benefits the public)	No fees	\$558,878	\$0	\$194,210	\$364,668	Public	Public benefits include control of air pollution.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>Ground Water</b> (monitoring for compliance with groundwater standards)								
UIC Class I (Underground Injection Control) well monitoring	No fees	\$12,858	\$0	\$4,468	\$8,390	Mixed	Public benefits include control of ground water pollution. Businesses benefit from the privilege of using state groundwater resources.	\$4,195
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$12,858 - \$4,468) \times 50\%) - \$0 = \$4,195$ New fees for each of the 3 businesses: $\$4,195 \div 3 = \$1,398$								
<b>Water</b> (monitoring for compliance with standards for discharges into waterways)								
National Private Pollutant Discharge Elimination System (NPDES) Major	No fees	\$107,184	\$0	\$37,246	\$69,938	Mixed	Public benefits include control of water pollution. Businesses and governments benefit from the privilege of using state resources.	\$34,969
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$107,184 - \$37,246) \times 50\%) - \$0 = \$34,969$ New fees for each of the 88 businesses and local government entities: $\$34,969 \div 88 = \$397$								
NPDES Minor	No fees	\$787,211	\$0	\$273,556	\$513,655	Mixed	Same as above	\$256,828
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$787,211 - \$273,556) \times 50\%) - \$0 = \$256,828$ New fees for each of the 1,777 businesses and government entities: $\$256,828 \div 1,777 = \$145$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Water Pre-Treatment	No fees	\$408,072	\$0	\$141,805	\$266,267	Mixed	Same as above	<b>\$133,133</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$408,072 - \$141,805) \times 50\%) - \$0 = \$133,133$ New fees for each of the 347 businesses and federal government entities: $\$133,133 \div 347 = \$384$								
Water State Operating Permit	No fees	\$730,100	\$0	\$253,710	\$476,390	Mixed	Same as above	<b>\$238,195</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$730,100 - \$253,710) \times 50\%) - \$0 = \$238,195$ New fees for each of the 745 businesses and government entities: $\$238,195 \div 745 = \$320$								
<i>General Permit Monitoring for compliance with permit standards</i>								
General Permit (GP), Construction Sites	No fees	\$382,680	\$0	\$132,981	\$249,699	Mixed	Public benefits include control of run-off into streams. Businesses and governments benefit from the privilege of using state resources.	<b>\$124,849</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$382,680 - \$132,981) \times 50\%) - \$0 = \$124,849$ New fees for each of the 2,126 businesses and government entities: $\$124,849 \div 2,126 = \$59$								
General Permit, Baseline	No fees	\$125,280	\$0	\$43,535	\$81,745	Mixed	Same as above	<b>\$40,873</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$125,280 - \$43,535) \times 50\%) - \$0 = \$40,873$ New fees for each of the 1,160 businesses and federal government entities: $\$40,873 \div 1,160 = \$35$								
General Permit, Ready Mix	No fees	\$32,184	\$0	\$11,184	\$21,000	Mixed	Same as above	<b>\$10,500</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$32,184 - \$11,184) \times 50\%) - \$0 = \$10,500$ New fees for each of the 149 businesses: $\$10,500 \div 149 = \$70$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
General Permit, Hot Mix	No fees	\$15,250	\$0	\$5,299	\$9,951	Mixed	Same as above	\$4,975
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$15,250 - \$5,299) \times 50\%) - \$0 = \$4,975$ New fees for each of the 50 businesses: $\$4,975 \div 50 = \$100$								
<i>Solid Waste</i> (monitoring of landfills and other solid-waste-related facilities)								
Land Application	No fees	\$5,958	\$0	\$0	\$5,958	Mixed	Public benefits include control of solid waste. Businesses and governments benefit from the privilege of storing or disposing of solid waste/garbage.	\$2,979
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$5,958 - \$0) \times 50\%) - \$0 = \$2,979$ New fees for each of the 18 businesses and local government entities: $\$2,979 \div 18 = \$166$								
Non-Municipal Landfill	No fees	\$8,740	\$0	\$0	\$8,740	Mixed	Same as above	\$4,370
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$8,740 - \$0) \times 50\%) - \$0 = \$4,370$ New fees for each of the 20 businesses: $\$4,370 \div 20 = \$219$								
Municipal Landfill	No fees	\$74,151	\$0	\$0	\$74,151	Mixed	Same as above	\$37,076
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$74,151 - \$0) \times 50\%) - \$0 = \$37,076$ New fees for each of the 21 businesses and local government entities: $\$37,076 \div 21 = \$1,766$								
Landfill Expansion	No fees	\$8,988	\$0	\$0	\$8,988	Mixed	Same as above	\$4,494
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$8,988 - \$0) \times 50\%) - \$0 = \$4,494$ New fees for each of the 6 businesses and local government entities: $\$4,494 \div 6 = \$749$								
Processing Center	No fees	\$1,757	\$0	\$0	\$1,757	Mixed	Same as above	\$879

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$1,757 - \$0) \times 50\%) - \$0 = \$879$								
New fees for each of the 7 businesses: $\$879 \div 7 = \$126$								
Class I Landfill	No fees	\$31,620	\$0	\$0	\$31,620	Mixed	Same as above	<b>\$15,810</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$31,620 - \$0) \times 50\%) - \$0 = \$15,810$								
New fees for each of the 68 businesses and government entities: $\$15,810 \div 68 = \$233$								
Class II Landfill	No fees	\$25,544	\$0	\$0	\$25,544	Mixed	Same as above	<b>\$12,772</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$25,544 - \$0) \times 50\%) - \$0 = \$12,772$								
New fees for each of the 62 businesses and government entities: $\$12,772 \div 62 = \$206$								
Transfer Center	No fees	\$5,472	\$0	\$0	\$5,472	Mixed	Same as above	<b>\$2,736</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$5,472 - \$0) \times 50\%) - \$0 = \$2,736$								
New fees for each of the 32 businesses and local government entities: $\$2,736 \div 32 = \$86$								
Composting Facility	No fees	\$1,309	\$0	\$0	\$1,309	Mixed	Same as above	<b>\$655</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$1,309 - \$0) \times 50\%) - \$0 = \$655$								
New fees for each of the 7 businesses: $\$655 \div 7 = \$94$								
Incinerator	No fees	\$349	\$0	\$0	\$349	Mixed	Same as above	<b>\$175</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$349 - \$0) \times 50\%) - \$0 = \$175$								
New fee for the only business regulated in FY 2001: $\$175 \div 1 = \$175$								
Water Treatment Facility	No fees	\$6,099	\$0	\$0	\$6,099	Mixed	Same as above	<b>\$3,050</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$6,099 - \$0) \times 50\%) - \$0 = \$3,050$								
New fees for each of the 19 businesses and local government entities: $\$3,050 \div 19 = \$161$								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Surface Water Quality (On-going Monitoring)</i>								
Water Quality Standards Monitoring (for compliance with standards)	No fees	\$165,033	\$0	\$165,033	\$0	Public	Public benefits include protection of quality of surface waters through planning and monitoring.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
Beach Monitoring (for bacteria levels and beach water safety)	No fees	\$123,296	\$0	\$123,296	\$0	Public	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
Ambient Monitoring of Water Quality (to provide data for water management programs)	No fees	\$719,971	\$0	\$80,997	\$638,974	Public	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
TMDL-Basin Planning (for managing total maximum daily loads--amounts of specific pollutants that a stream can handle without violating standards--for state river basins)	No fees	\$2,989,461	\$0	\$12,000	\$2,977,461	Public	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Asbestos Abatement Certification Fees for contractors, inspectors, designers and other workers	\$35 - \$350	\$239,371	\$239,371	\$0	\$0	Private	Asbestos abatement contractors and personnel receive the privilege of being allowed to work in the highly regulated asbestos industry.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the cost of the service.								
Wastewater Operator Certification	\$50 application /\$30 renewal	\$35,944	\$35,944	\$0	\$0	Private	Operators receive the privilege of being allowed to work in wastewater operation.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the cost of the service.								
Lead Paint Abatement/ Certification	\$35-\$350 for workers and firms; \$450 for training; \$100-250 per project	\$49,535	\$49,535	\$0	\$0	Private	Businesses receive the privilege of being allowed to work in lead paint abatement.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for the cost of the service.								
Other Pollution Control Activities including non-point source pollution (generalized run-off into streams)	No fees.	\$12,167,409	\$0	\$12,167,409	\$0	Mixed	The public benefits from control of non-point source pollution. Grantees, including Soil and Water Conservation Commission subgrantees, receive the benefit of public assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding is sufficient without fees.								

Pollution Control Annual Services Subtotal	\$22,877,500	\$643,100	\$14,709,313	\$7,525,087				\$1,670,722
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

<b>Pollution Control Subtotal</b>		\$48,709,290	\$22,071,870	\$16,182,864	\$10,454,556			<b>\$3,139,817</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Land & Water Resources:**

<i>Land and Water permitting and dam monitoring</i> (reviews permit requests for withdrawals from surface water and groundwater, authorizes and inspects dam construction and repair, inspects high hazard dam safety every five years)								
Groundwater (GW) Use Permit Applications	\$10	\$763,776	\$0	\$0	\$763,776	Mixed	Public benefits to businesses and government entities include ensuring safety of dams and control of water use. Private benefits include privilege of using state resources and professional oversight services of DEQ staff.	<b>\$377,808</b>
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>  DEQ received \$4,080 in fee revenues for this service (although they were not expended in this category).  Potential new fee revenue: <math>((\\$763,776 - \\$0) \times 50\%) - \\$4,080</math> in fee revenues = \$377,808  Additional new fees for each of the 408 businesses and government entities: <math>\\$377,808 \div 408 = \\$926</math></p>								
GW Use Permit Renewals	\$10	\$577,486	\$0	\$0	\$577,486	Mixed	Same as above	<b>\$271,453</b>
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>  DEQ received \$17,290 in fee revenues for this service (although they were not expended in this category).  Potential new fee revenue: <math>((\\$577,486 - \\$0) \times 50\%) - \\$17,290</math> in fee revenues = \$271,453  Additional new fees for each of the 1,729 businesses and government entities: <math>\\$271,453 \div 1,729 = \\$157</math></p>								
GW Permit Modifications	No fees	\$35,738	\$0	\$0	\$35,738	Mixed	Same as above	<b>\$17,655</b>
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>  DEQ received \$214 in fee revenues for this service (although they were not expended in this category).  Potential new fee revenue: <math>((\\$35,738 - \\$0) \times 50\%) - \\$214</math> in fee revenues = \$17,655  New fees for each of the 214 businesses and government entities: <math>\\$17,655 \div 214 = \\$83</math></p>								
Surface Water Use Permit Applications	\$10	\$17,110	\$0	\$0	\$17,110	Mixed	Same as above	<b>\$7,975</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> DEQ received \$580 in fee revenues for this service (although they were not expended in this category). Potential new fee revenue: $((\$17,110 - \$0) \times 50\%) - \$580$ in fee revenues = \$7,975 Additional new fees for each of the 58 businesses and local government entities: $\$7,975 \div 58 = \$138$								
Surface Water Use Permit Renewals	\$10	\$59,829	\$0	\$0	\$59,829	Mixed	Same as above	<b>\$27,325</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> DEQ received \$2,590 in fee revenues for this service (although they were not expended in this category). Potential new fee revenue: $((\$59,829 - \$0) \times 50\%) - \$2,590$ in fee revenues = \$27,325 Additional new fees for each of the 259 businesses and local government entities: $\$27,325 \div 259 = \$106$								
Surface Water Use Permit Modifications	No fees	\$1,414	\$0	\$0	\$1,414	Mixed	Same as above	<b>\$707</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$1,414 - \$0) \times 50\%) - \$0 = \$707$ New fees for each of the 7 businesses and local government entities: $\$707 \div 7 = \$101$								
Low Hazard Dam Approval of Construction	No fees	\$59,820	\$0	\$0	\$59,820	Mixed	Same as above	<b>\$29,910</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$59,820 - \$0) \times 50\%) - \$0 = \$29,910$ New fees for each of the 30 businesses and government entities: $\$29,910 \div 30 = \$997$								
Significant Hazard Dam Approval	No fees	\$11,964	\$0	\$0	\$11,964	Mixed	Same as above	<b>\$5,982</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$11,964 - \$0) \times 50\%) - \$0 = \$5,982$ New fees for each of the 3 businesses: $\$5,982 \div 3 = \$1,994$								
High Hazard Dam Approval	No fees	\$127,600	\$0	\$0	\$127,600	Mixed	Same as above	<b>\$63,800</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$127,600 - \$0) \times 50\%) - \$0 = \$63,800$								
New fees for each of the 16 businesses and government entities: $\$63,800 \div 16 = \$3,988$								
High Hazard Dam Inspections	No fees	\$298,820	\$0	\$0	\$298,820	Mixed	Same as above	<b>\$149,410</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$298,820 - \$0) \times 50\%) - \$0 = \$149,410$								
New fees for each of the 268 businesses and government entities: $\$149,410 \div 268 = \$558$								
Water Well Drillers Licensing	\$100/year-\$10/mo. late fee	\$79,248	\$20,800	\$0	\$58,448	Private	The water well driller receives the privilege of conducting well drilling activities in the state.	<b>\$58,448</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $(\$79,248 - \$0) - \$20,800 = \$58,448$								
New fees for each of the 208 businesses: $\$58,448 \div 208 = \$281$								
Land & Water data collection and studies (ensures that citizens have an adequate water supply; conserves, manages, protects and promotes development of state water resources)	No fees.	\$618,802	\$0	\$136,756	\$482,046	Public	The public benefits from maintenance of a state water resource database information system, regular monitoring of streams and lakes, and water resource investigations for implementation of the State Water Management Plan.	<b>\$0</b>
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<b>Land &amp; Water Subtotal</b>		<u>\$2,651,607</u>	<u>\$20,800</u>	<u>\$136,756</u>	<u>\$2,494,051</u>			<u><b>\$1,010,473</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Geology:**

Surface Mining Permit	\$100 to \$500/year based on acreage	\$47,377	\$19,352	\$0	\$28,025	Mixed	The public benefits from oversight of mining. Mining interests benefit from mineral resources drawn from the land.	\$4,337
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$47,377 - \$0) \times 50\%) - \$19,352 = \$4,337$ Additional new fees for each of the 59 businesses and government entities: $\$4,337 \div 59 = \$74$								
Surface Mining Compliance	\$25/year	\$303,776	\$21,575	\$0	\$282,201	Mixed	Same as above	\$130,313
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$303,776 - \$0) \times 50\%) - \$21,575 = \$130,313$ Additional new fees for each of the 863 businesses and government entities: $\$130,313 \div 863 = \$151$								
Surface Mining Renewal	\$100 to \$500/year	\$25,149	\$4,150	\$0	\$20,999	Mixed	Same as above	\$8,425
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$25,149 - \$0) \times 50\%) - \$4,150 = \$8,425$ Additional new fees for each of the 83 businesses and government entities: $\$8,425 \div 83 = \$102$								
Surface Mining Transfer	\$100 to \$500/year	\$900	\$750	\$0	\$150	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay at least half of the costs not funded by federal and other funds.								
Surface Mining Permit Amendment	\$100 to \$500/year	\$748	\$550	\$0	\$198	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay at least half of the costs not funded by federal and other funds.								
Surface Mining Exemption	No fees	\$10,101	\$0	\$0	\$10,101	Mixed	Same as above	\$5,051

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$10,101 - \$0) \times 50\%) - \$0 = \$5,051$ New fees for each of the 91 businesses and government entities: $\$5,051 \div 91 = \$56$								
Surface Mine Exemption Monitoring	No fees	\$55,699	\$0	\$0	\$55,699	Mixed	Same as above	<b>\$27,850</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$55,699 - \$0) \times 50\%) - \$0 = \$27,850$ New fees for each of the 763 businesses and government entities: $\$27,850 \div 763 = \$37$								
Release of Bond to cover damages	No fees	\$131,098	\$0	\$0	\$131,098	Mixed	Same as above	<b>\$65,549</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$131,098 - \$0) \times 50\%) - \$0 = \$65,549$ New fees for each of the 118 businesses: $\$65,549 \div 118 = \$556$								
State-owned Mineral Leasing	DEQ retains 0.5% of the royalties generated.	\$6,900	\$4,999	\$0	\$1,901	Private	Leases generated for the state totaled \$999,700 in FY 2001.	<b>\$0</b>
<b>Implications for changes to fee structure</b>								
<i>None.</i> Total lease fees of \$999,700 which were deposited into the state general fund cover the cost. DEQ could recover its costs of \$1,901 paid by the general fund if the law allowed them to retain 0.7 % of the lease revenues rather than 0.5%.								
Lignite Coal Mine Permit	Fees are assessed to cover the cost of the program	\$133,617	\$66,809	\$66,808	\$0	Mixed	The public benefits from lignite mining oversight for protection of resources and the environment. Mining interests benefit from mineral resources drawn from the land.	<b>\$0</b>
<b>Implications for changes to fee structure</b>								
<i>None.</i> Funding is sufficient without new fees.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Geology (Geologic mapping; research into sediment distribution, contamination, water resources problems, and deep subsurface geology)	Revenues not categorized as fees. Other revenues consist of onshore and offshore geophysical survey revenues, map sales	\$1,305,375	\$0	\$280,500	\$1,024,875	Public; some services provide private benefits (1)	The public benefits from research which adds to knowledge and location of mineral and water resources and geologic hazards and which has applications for future use in environmental land-use decisions and managing pollution and biology of coastlines and fisheries.	unknown
<b>Implications for changes to fee structure</b>								
<p><i>Limited opportunities for additional fees revenues may exist. (1) Some geology personnel provide consulting services to water well contractors and engineering firms by conducting geotechnical investigations. DEQ should analyze its costs to verify that the consulting fees it charges cover 100% of consulting-related costs. DEQ should also determine whether private firms that use its research, especially in the exploitation of mineral resources, should pay for their proportional share of research costs.</i></p>								

<b>Geology Subtotal</b>	<u>\$2,020,740</u>	<u>\$118,185</u>	<u>\$347,308</u>	<u>\$1,555,247</u>	<u>\$241,523</u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Administrative Services :**

Environmental Resource Center (public information center)	\$1 per ton of municipal solid waste	\$1,632,920	\$1,129,403	\$72,299	\$431,218	Mixed	The public benefits from an education, outreach and public information function to help individuals and organizations reduce, reuse and recycle wastes. Non-state entities benefit from technical assistance.	\$0
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**Implications for changes to fee structure**

*None.* Fees pay for more than 50% of the costs not funded by federal and other revenues.

Administrative Services business functions	No fees.	\$3,808,810	\$0	\$1,902,027	\$1,906,783	n/a	Consists of the administrative costs which the consultant determined were not allocable to other programs. Administrative costs of approximately \$300,000 were allocated to other DEQ programs.	\$0
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**Implications for changes to fee structure**

*None.* According to DEQ and its consultant, this portion of administrative costs was not allocable to DEQ programs.

<b>Administrative Subtotal</b>		\$5,441,730	\$1,129,403	\$1,974,326	\$2,338,001			\$0
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Construction Grants:**

State Revolving Fund Loans (Loan program)	Administrative fees	\$21,592,198	\$814,488	\$20,777,710	\$0	Mixed	Public benefits accrue when environmental and public health problems related to surface and ground water quality are solved. Private benefits accrue to individual communities for wastewater collection, stormwater pollution control and other construction projects.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> Funding is sufficient without new fees.</p>								

<b>DEQ Total</b>	<u>\$80,415,565</u>	<u>\$24,154,746</u>	<u>\$39,418,964</u>	<u>\$16,841,855</u>	<u><b>\$4,391,812</b></u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Ethics Commission (MEC)**

<i>Advisory Opinions</i> (issued upon request to state and local public officials regarding proper adherence to ethics laws)	No fees	\$138,842	\$0	\$0	\$138,842	Mixed	The public benefits from education of public officials to decrease the potential for conflicts of interest. Non-state public officials receive private benefits from information provided by the Commission.	<b>\$0</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>None.</i> As supported by PEER's Theory of Fee-Setting on page 8, in some instances the goal of influencing behavior is more important than recouping costs. In order to influence the behavior of public officials to follow ethics laws, no fees should be imposed for this service. If fees are considered, an average fee of \$118.47 for each of the 586 advisory opinions (to recover 50% of the cost of the program) would discourage officials from seeking opinions to help them adhere to the statutes.</p>								
<i>Investigations of sworn complaints against public officials</i>	No fees	\$262,102	\$0	\$0	\$262,102	Public	The public benefits from assuring integrity in public service through the investigation of wrongdoing by public officials.	<b>unknown</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional revenues exist.</i> The Legislature could amend the statutes to allow recovery of court costs for investigations that result in convictions. MEC estimates potential annual revenue could range from \$5,000 to \$50,000.</p>								
<i>Disclosure Forms</i> (collection of Statements of Economic Interest filed by elected and appointed officers and certain public officials)	No fees	\$109,589	\$0	\$0	\$109,589	Public	The public benefits from public disclosure of economic interests/financial ownership by public officials to help assure trust in public offices.	<b>\$15,000</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional fee revenues exist.</i> Fines could be imposed for late filers. Any financial penalties imposed should be deposited directly into the general fund. MEC estimates that annual fines would approximate \$15,000.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>MEC Total</b>		<u>\$510,533</u>	<u>\$0</u>	<u>\$0</u>	<u>\$510,533</u>			<u><u>\$15,000</u></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Finance and Administration**

<i>Purchasing, accounting, budgeting and payroll functions for DFA, building projects, and district attorneys</i>	No fees	\$781,314	\$0	\$69,512	\$711,802	Public	The public benefits from support of state operations and efforts to protect state assets.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Supervisory and management functions; advice and assistance to other state entities</i>	No fees	\$811,137	\$0	\$0	\$811,137	Public	The public benefits from support of state operations.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Financial oversight of revenues and expenditures, recordkeeping for state agencies, and statement preparation</i>	No fees	\$1,881,338	\$0	\$83,095	\$1,798,243	Public	The public benefits from oversight of "public funds" to insure they are correctly expended, recorded and reported in compliance with the state laws, rules and regulations.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Information technology services for agencies and issuance of accounts payable warrants and state tax refunds</i>	No fees	\$970,984	\$0	\$154,157	\$816,827	Public	The public benefits from support of state operations and availability of information to aid in protecting assets.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>State budget recommendations and management</i>	No fees	\$522,476	\$0	\$0	\$522,476	Public	The public benefits from the implementation, execution and control of the state budget in compliance with state laws, rules and regulations.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Purchase of commodities and travel (coordination for state and local entities)</i>	No fees	\$442,671	\$0	\$0	\$442,671	Mixed	The public benefits from regulatory oversight of purchasing and travel. Local public entities benefit privately from state assistance with purchasing.	\$0
<b>Implications for changes to fee structure</b> <i>Limited opportunities exist for additional fee revenues. DFA should determine the cost of its assistance to local entities and determine whether fees could be charged to cover the costs.</i>								
<i>Maintain and service all buildings and grounds under the Office of Capitol Facilities' jurisdiction</i>	No fees	\$9,244,457	\$0	\$2,263,558	\$6,980,899	Public	The public benefits from assurance that all state buildings and grounds are maintained and serviced in the most efficient and economical manner.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Handmail services for state entities; U.S. Mail and property management for DFA</i>	No fees	\$239,530	\$0	\$0	\$239,530	Public	The public benefits from support of state operations.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Construction and renovation projects and real property (lease) management</i>	No fees	\$1,251,235	\$0	\$0	\$1,251,235	Public	The public benefits from management of state capital improvement needs, including controlling use of resources.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Flood insurance management for state-owned facilities</i>	No fees	\$52,482	\$0	\$52,482	\$0	Public	The public benefits from flood insurance coverage for state-owned facilities.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Air transportation services for state government entities</i>	\$540 to \$950 per hour flown plus pilot expenses.	\$1,647,912	\$219,047	\$294,991	\$1,133,874	Public	The public benefits from management of state owned and operated aircraft on behalf of state agencies.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Surplus Property (sale of unused federal and state property to eligible organizations)</i>	Vary with type of equipment from 2%-10% of original acquisition cost	\$722,396	\$722,396	\$0	\$0	Mixed	The public benefits from management of surplus property to achieve a return for the state. Purchasers of property receive private benefits.	\$0
<b>Implications for changes to fee structure</b> <i>None. Fees pay for the program.</i>								
<i>Statewide Automated Accounting System (maintainance and enhancement)</i>	Agencies' repayment of program expenses	\$1,570,689	\$1,289,369	\$281,320	\$0	Public	The public benefits from having a central repository of current payroll and human resource management information for oversight of public assets.	\$0
<b>Implications for changes to fee structure</b>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>None.</i>								
<i>Management of the Mississippi Management and Reporting System</i> (provides advice and assistance to state agencies; participates in statewide technology initiatives)	Agencies' repayment of program expenses	\$350,478	\$350,478	\$0	\$0	Public	The public benefits from having an automated delivery system of information for the state's executive and agency managers.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Government E-commerce Network and Imaging Environment --GENIE</i> (provides electronic purchasing approvals, payments, remittance)	Agencies' repayment of program expenses	\$456,368	\$343,964	\$112,404	\$0	Public	The public benefits from development of e-commerce to expedite client services.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Statewide Payroll and Human Resource System --SPAHRS</i> maintenance and operation	Agencies' repayment of program expenses	\$2,985,200	\$2,985,200	\$0	\$0	Public	The public benefits from automated delivery of information for the state's executive and agency managers.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Image 2000 System</i> (includes providing computer images of employee applications online to expedite hiring processes)	Agencies' repayment of program expenses based on usage	\$641,263	\$641,263	\$0	\$0	Public	The public benefits from having a central repository of relevant management information to assist in reducing administrative expenses.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Mississippi Resource Library and Information Network--MERLIN</i> (maintenance and enhancement)	Agencies' repayment of program expenses based on usage	\$1,772,692	\$1,772,692	\$0	\$0	Public	The public benefits from having a central repository of relevant management information for oversight of public assets.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Crime Victim Compensation Program</i> administration	(\$3 fee for probation and parole)	\$223,882	\$0	\$223,882	\$0	Mixed	The public benefits from a program of providing financial assistance to victims of criminal acts who have suffered bodily injury or death. Crime victims benefit privately from assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None. Fees pay for the program.</i>								
<i>State &amp; School Employee Health Plan</i> administration	No fees	\$1,542,842	\$0	\$1,542,842	\$0	Public	The public benefits from administration of a State & School Employee Health Insurance Plan with the goal of controlling costs.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
State Agencies' Workers Compensation Program administration	No fees	\$106,527	\$0	\$106,527	\$0	Public	The public benefits from administration of the State Agencies' Workers Compensation program to reduce state risks and protect assets from liability.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
Unemployment Insurance Program administration	No fees	\$14,448	\$0	\$14,448	\$0	Public	The public benefits from state agency management of billing, collection of premiums, management of excess funds, and processing of unemployment claims reimbursements.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
Children's Health Insurance Program administration	No fees	\$182,522	\$0	\$182,522	\$0	Public	The public benefits from a program with the goal of ensuring that all children have health insurance.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<b>DFA Total</b>		<u>\$28,414,843</u>	<u>\$8,324,409</u>	<u>\$5,381,740</u>	<u>\$14,708,694</u>			<u>\$0</u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Forestry Commission (MFC)**

<i>Fire control</i> includes detection, fire suppression & prevention education	Fees revenues include fire suppression fees for the landowner of the greater of \$85/hour/unit or actual cost when fire escapes onto an adjacent landowner's property; \$55-\$65/hour for firelane & firebreak construction, road building & maintenance; and \$10/acre minimum for site-prep & prescribed burning.	\$15,206,614	\$1,340,379	\$3,127,666	\$10,738,569	Mixed	Public benefits include fire prevention education & protection of state timber resources. Private benefits include fire suppression services for landowners.	<b>\$4,699,095</b>
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Landowners are assessed property taxes of 9¢/forested acre under the forest acreage tax (earmarked for the purchase of fire fighting equipment). Forest acreage taxes, shown in the "federal and other" funds category of expenditures above, totaled \$1,291,487.

Potential new fee revenue:  $((\$15,206,614 - \$3,127,666) \times 50\%) - \$1,340,379 = \$4,699,095$

Additional new acreage tax per acre:  $\$4,699,095 \div \text{approximately } 14,349,856 \text{ acres} = 33 \text{ cents}$

The tax on 1,000 acres would increase from \$90 at 9 cents currently to \$420 at 42 cents after the increase.

Legislative action is required to increase the acreage tax rate (which has not been increased since 1992) and expand its purpose beyond purchase of fire-fighting equipment. *Other potential for fee increases exists*, but as almost all fees were increased effective July 2001 this offers less opportunity for impact on revenues than the acreage tax. For instance, assuming a \$10 per hour fee increase for fire suppression, revenues would increase \$6,520 (based on an estimated 652 hours of suppression work in FY 2001). A 25% or \$2 per acre increase in prescribed burning would increase revenues by \$19,380 (based on an estimated 9,690 acres of work in FY 2001). In addition, MFC should review the costs of its fire suppression, fire control and prevention education services separately to determine if subprogram costs exceed subprogram revenues. As fire detection and prevention education are services with public benefits, a breakdown of costs would assist in determining the optimum funding through various sources (general fund, fees and taxation).

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Private lands management to help small, non-industrial landowners make their lands a sustainable forest resource through crew work services and forest technical assistance programs (e.g., Forest Stewardship Program; Forest Resource Development Program cost-share assistance grants for forest regeneration & improvement; MS Reforestation Tax Credit)	No fees for plan management or timber sale assistance. Fees for crew assistance work (e.g. timber marking, tree planting, site preparation) on an hourly or per acre basis. Crew assistance fees were last adjusted in July 2001.	\$8,445,703	\$973,580	\$2,515,858	\$4,956,265	Mixed	Public benefits include urban & community forestry assistance projects & a sustainable forest resource to ensure adequate present and future supplies of timber. Private benefits include assistance, grants & services to aid landowners to increase the timber available for sale & future growth potential.	\$1,991,343

**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $(\$8,445,703 - \$2,515,858) \times 50\% - \$973,580 = \$1,991,343$

*Additional new forest management plan fees could be charged.* Currently MFC charges from \$3-\$5 per acre for plans. Some are provided free of charge. According to firms surveyed by PEER, private foresters charge \$8-\$12/acre for management plans (depending on the size of the timber) or an hourly minimum fee for smaller jobs. Assuming MFC charged a \$10 fee in line with private firms, fees generated on the additional \$5 (\$10 new fee less \$5 highest fee currently charged) would total more than \$986,030 (\$5 X 197,206 acres managed in FY 2001). MFC should ensure that it follows a consistent policy in per-acre charges to prepare plans.

*Timber sale assistance provides another opportunity for new fees.* MFC has not charged fees for assistance with timber sales in the past. If fees were charged for timber sale assistance, the proposed fee for management plans could be reduced. MFC should begin tracking its timber sale assistance services separately from its other services to determine the potential revenue from new fees. According to a PEER telephone survey of forestry consultants, comparable private sector charges are based on percentage of timber sales at 10% -15% of gross sales for a first thinning and 6% - 8% for a final harvest.

*The severance tax, last increased in 1981, is a third option for increased revenues.* "Other funds" expended by MFC consist of \$2,038,756 in severance taxes paid on timber & timber product purchases, i.e. the timber industry pays a tax when purchasing pulpwood and other wood products from landowners. As these funds are currently earmarked for the Forest Resource Development Program (assistance to any landowner in establishing, improving and re-planting forest lands in the form of 50% of the cost of development), the statutes would have to be amended so that these funds could be used on other types of assistance. The tax is based on a varied fee schedule according to volume, weight & type of wood purchased. Currently MFC holds a cash balance of severance taxes not spent. The agency states that the technical assistance varies from year to year based on emergency situations, such as wood diseases, and that cash balances are used in those emergency situations.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Public lands management for 16th section school trust lands & other state & federal areas/parks, including crew work services and forest technical assistance programs (e.g. Forest Stewardship Program; Forest Resource Development Program cost-share assistance grants for forest regeneration & improvement; MS Reforestation Tax Credit)	Crew assistance work at actual cost with varying hourly or per acre fees for providing services, e.g. timber marking, tree planting, site preparation & prescribed burning	\$3,426,180	\$486,790	\$461,256	\$2,478,134	Mixed	The public benefits from a sustained yield of timber production to insure support of local schools through timber sales and management of other public lands to meet the objective of controlling agencies. Schools and other non-state owners benefit privately from income & cost share assistance from FRDP funds provided through severance taxes.	\$995,672

**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $((\$3,426,180 - \$461,256) \times 50\%) - \$486,790 = \$995,672$

MFC should conduct a cost analysis to determine that it is actually charging public landowners for the true cost of all types of its assistance, e.g., the equitable allocation of administrative costs should be included in the crew assistance charges.

*Timber sale assistance fees are an option.* See discussion of Timber sale assistance under the Private Lands Management section above.

*The severance tax is an option.* See discussion of the severance tax under the Private Lands Management section above.

The \$461,256 in "other" funds expended (shown above) include severance taxes of \$222,705 paid by the timber industry on timber & timber product purchases (the buyer is levied the tax). The severance tax provides funds for the Forest Resource Development Program (FRDP) for cost-share assistance to landowners for the establishment, improvement, replanting, etc., of their forest lands. (See discussion under private lands management regarding the potential for an increase in the severance tax.)

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Insect/disease control</i> (statewide forest health detection & damage assessment through routine aerial surveys & on-the-ground inspections, eradication planning, technical assistance & services)	Related crew assistance not included in routine inspections & provided at owner request with varying hourly or per acre fees for on-the-ground services, e.g. rate for control by spray application dependent upon application method (hand \$50/acre minimum, mechanical \$30/hr. minimum)	\$533,910	\$81,129	\$39,758	\$413,023	Mixed	Public benefits include protection from diseases and insects through aerial detection surveys in an effort to reduce the loss of the state's timber resources. Private benefits include identification of landowners' specific problems to aid in protecting their forest lands.	<b>\$165,947</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$533,910 - \$39,758) \times 50\%) - \$81,129 = \$165,947$  A new fee for preparation of pest eradication plans would increase revenues. The agency should begin tracking expenditures and other eradication plan data (e.g., number of plans completed, number of acres involved) to determine the potential fees. Larger landowners generally hire consultants for inspections and eradication plans at a rate of approximately \$100-\$150/hr. Although MFC charges some fees for services provided at landowner request, it currently does not charge for inspections or eradication plans, all of which are subject to cyclical factors, e.g. the cost to prepare plans increases as demand increases during periods of epidemic. Because MFC serves predominantly smaller landowners, landowner requested inspections could remain free of charge since detection activities are routinely done with or without landowner consent. However, fees for professional consulting services involved in preparing eradication plans could be charged on a minimum hourly basis. Other funds expended include revenues from the sale of scrap. Fee revenue consists of labor charges for crew assistance fees.								
<i>Federal excess property</i> (military and other equipment received on loan and converted for fire control use by the volunteer fire departments)	No fees.	\$533,911	\$0	\$120,888	\$413,023	Public	The public derives the benefit of lower insurance ratings for rural Mississippians & faster responses to rural fire calls by local volunteer fire departments.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal & other revenue consists of \$81,130 derived from crew assistance, sale of scrap, & miscellaneous sources.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Regeneration through seed orchard management (for production of genetically improved seed to be planted at nurseries) & nursery management (for production of genetically superior seedlings grown for sale)	Sold at the rate of \$20 per 100 or \$33-\$190 per 1,000 (translates to 3 to 20 cents per seedling) depending on the type of seedling sold	\$2,135,649	\$324,527	\$159,034	\$1,652,088	Mixed	Public benefits include increasing the state's timber resources from effective nursery & orchard management. Private benefits include landowners' purchase of genetically improved tree seedlings for reforestation & converting marginal cropland to timber production.	\$663,781
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i></p> <p>Potential new fee revenue: <math>((\\$2,135,649 - \\$159,034) \times 50\%) - \\$324,527 = \\$663,781</math></p> <p>Additional new fee per seedling (on average for all types): <math>\\$663,781 \div 37,822,500 = 1.8</math> cents</p> <p>The \$2,135,649 regeneration expenditures include both nursery and orchard expenditures. It is the interpretation of PEER (see PEER report # 412) that orchard expenditures should not be separated from nursery expenditures when considering the solvency of the seedling program because the orchard produces the genetically improved seed to be grown at the nurseries. Otherwise, the nurseries would have to acquire seed. Further, some expenses are commingled.</p>								

<b>MFC Total</b>	<u>\$30,281,967</u>	<u>\$3,206,405</u>	<u>\$6,424,460</u>	<u>\$20,651,102</u>		<u><u>\$8,515,837</u></u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Gaming Commission (MGC)**

<i>Compliance</i> (includes audits and internal control reviews of casinos; financial and background investigations of corporate licensees; compliance reviews of associated equipment--e.g., tables, chips)	Audit--\$50/hr. (increased to \$60/hr. on 7/1/02); corporate investigation--\$80/hr.; associated equipment--\$80/hr. (increased to \$125/hour on 7/1/02); gaming application fees of \$5,000; license fees of \$5,000 for casinos, \$1,000 for manufacturers & \$500 for distributors	\$1,262,691	\$982,046	\$0	\$280,645	Mixed	Private benefits include the privilege of engaging in gaming activities for a profit and increased public confidence in the industry. Public benefits include oversight of the gaming industry.	\$0
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**Implications for changes to fee structure**

*None, because fees pay at least half of the cost of the program.* Additional fee revenue was collected by the State Tax Commission from the gaming application & license fees listed above. As this money went directly to the general fund, MGC did not generate this revenue as special funds.

		Source of Funds Expended						
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
<i>Gaming lab</i> includes statistical testing and oversight of all electronic gaming devices and associated equipment manufactured for use in the state (e.g., slot machines, gaming tables)	Gaming lab fee of \$80/hour (Gaming lab fees increased to \$125 per hour effective July 1, 2002)	\$227,838	\$227,838	\$0	\$0	Mixed	Private benefits include the privilege of selling slot machines in the state for a profit and increased public confidence in the industry. Public benefits include assurance that slot machines provide the payouts required by law.	\$0
<b>Implications for changes to fee structure</b> <i>None, because fees pay for the program.</i> MGC charges fees to gaming equipment operators which exceed the lab operating costs, e.g., excess revenues were \$158,422 in FY2001. According to the Theory of Fee Setting, businesses should not be charged fees in excess of the cost to operate a particular service. MGC stated that it has now hired new engineers, which increased its costs but will also increase revenues from additional billable hours. MGC should allocate its administrative costs to the Gaming Lab to determine full costs of the operation and monitor its fees and costs for equitable fee-setting.								
<i>Personal Investigation</i> (includes conducting personal investigations, background checks & approval of key, suitability & Gaming Commission employee applications & renewals; internal affairs investigations)	Owner/ manager licensing-- \$60/hour (increased to \$80/hr. on 07/01/02); annual reports (yearly filing application fees)--\$90 to \$150	\$1,186,271	\$1,186,271	\$0	\$0	Mixed	Private benefits include the privilege of being employed in the gaming industry. Public benefits include assurance that individuals without ties to organized crime or criminal records are being employed in the casino industry.	\$0
<b>Implications for changes to fee structure</b> <i>None. Fees pay for the program.</i>								



			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
<i>Enforcement</i> (includes regulatory inspections; day-to-day policing, including citations and arrests when appropriate; and work permitting of all casino employees, including background checks)	Work permits-- \$75 for 3 years; Slot machine verification -- \$15 per machine as of 7/1/02; other fees	\$2,603,887	\$956,319	\$0	\$1,647,568	Mixed	Casinos benefit privately from compliance monitoring, improved customer service, controls on criminal activity & from benefits of hiring quality employees through the use of enforcement personnel that are certified in law enforcement. The public benefits from policing in the casinos and hiring of honest employees.	<b>\$345,625</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i></p> <p>Potential new fee revenues: <math>(\\$2,603,887 - \\$0) \times 50\% - \\$956,319 = \\$345,625</math></p> <p>New fees for each of the 13,000 new or reissued permit checks: <math>\\$345,625 \div 13,000 = \\$101</math></p> <p>MGC may experience future revenues of \$429,000 per year from the \$15 per slot machine verification fees implemented on 7/1/02. Therefore, the increase in the work permit fees may not be necessary unless MGC experiences substantial new expenditures in the slot machine verification program. Regardless, MGC should calculate the actual costs of individual services so that it may more accurately set fees for specific activities.</p>								
<i>Criminal Investigation</i> through working in conjunction with other law enforcement jurisdictions to conduct investigations of criminal or improper activity	No fees. Excess revenues from investigation fees and from carryover funds from previous years help to pay for this service.	\$411,171	\$110,129	\$0	\$301,042	Mixed	The casino privately benefits from state assistance in minimizing criminal activity. The public also benefits from investigation of criminal activities.	<b>\$95,457</b>

			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenues: <math>((\\$411,171 - \\$0) \times 50\%) - \\$110,129 = \\$95,457</math>            New fees for each of the 91 regulated entities would be \$1,049 on average for each entity <math>(\\$95,457 \div 91 \text{ regulated entities})</math>. The 91 entities consist of 31 casinos, 6 wide area progressives, and 54 manufacturers, distributors and manufacturer/ distributors. However, MGC should allocate its costs according to the proportionate amount of resources involved in regulating the entities and conducting other investigative activities to finalize the fees. Also, because fees for one service should not subsidize another service, MGC should revise its fees as necessary to ensure that any <i>individuals</i> paying for personal investigations do not subsidize the <i>Criminal Investigation</i> program (i.e., Criminal Investigations used \$110,129 to subsidize its operations from excess personal investigation fees charged in the Riverboat Investigations division in FY 2001 and from carryover funds from various fees charged in previous years).</p>								
<i>Administrative support and overhead</i> for the riverboat gaming program	No fees. Excess revenues from gaming lab fees and carryover funds help to pay for these activities.	\$2,694,901	\$288,354	\$0	\$2,406,547	Mixed	Private benefits include the privilege of engaging in gaming activities for a profit. Public benefits include oversight of the gaming industry.	<b>\$1,059,097</b>
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenues: <math>((\\$2,694,901 - \\$0) \times 50\%) - \\$288,354 = \\$1,059,097</math>            MGC should allocate its administrative costs among the other programs to determine full costs of each program and should monitor its fees and costs for equitable fee-setting.</p>								

		Source of Funds Expended						
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
Charitable Gaming (Licensee investigations of charity operators and equipment companies; personal suitability reviews of owners and managers; bingo hall site inspections; includes administrative support costs of \$551,968)	License fees-- \$50 to \$2,500; machine fees-- \$50, various other fees	\$1,387,690	\$733,611	\$0	\$654,079	Mixed	Private benefits include the privilege of engaging in charitable gaming activities for a profit. Public benefits include oversight of the charitable gaming industry.	\$0
<b>Implications for changes to fee structure</b>								
<i>Fees pay at least half of the cost of the program; however, opportunities for additional fee revenues exist. MGC has suggested that a per unit fee of \$10 could be assessed for electronic bingo machines in each bingo hall (similar to the machine fee for slots). This would result in \$30,200 in additional revenues based on 3,020 units in FY 2001.</i>								

<b>Total MGC</b>	<b>\$9,774,449</b>	<b>\$4,484,568</b>	<b>\$0</b>	<b>\$5,289,881</b>	<b>\$1,500,178</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Office of the Governor (OG)**

<i>Governor's Office</i>	No fees.	\$2,505,888	\$0	\$0	\$2,505,888	Public	The public benefits from a support staff that ensures that the Governor is prepared for all duties.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Governor's Mansion</i>	No fees.	\$546,164	\$0	\$0	\$546,164	Public	The public benefits from maintenance of an official residence for the Governor and his family.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Also see the discussion of museum services under the Department of Archives and History.								

<b>OG Total</b>	\$3,052,052	\$0	\$0	\$3,052,052	\$0
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Grand Gulf Military Monument Commission (GGMMC)**

<i>Grounds admission, camping, gift shop, museum, pavilion rentals, miscellaneous</i>	Fees range from \$35-\$75 for pavilion; 50¢ to \$15 for other	\$267,680	\$13,288	\$0	\$254,392	Mixed	Public benefits include the preservation of a historical monument. Private benefits include visitor access to park facilities.	<b>\$5,000</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional fee revenues exist by charging museum visitors a \$2 entrance fee. Increasing admissions to \$2 for all visitors, as suggested for other museums in the state, would increase revenues. (See discussion in the Department of Archives and History schedule in this report.) Admissions to grounds and the museum currently range from 50¢ to \$2, depending on the visitor's age. FY 2001 fee revenue for admission totaled \$10,891. Although information was not readily available to allow PEER to calculate the actual new revenues if admissions were increased as suggested, fee revenue might increase as much as \$5,000 or more based on past revenues. GGMMC should determine its gift shop revenues and expenditures to ensure that costs do not exceed revenues. Fee revenues totaled \$61,838 in FY 2001 for all park activities. As shown above, GGMMC spent only \$13,288 of these revenues to pay for the program during that year. Opportunities exist to reduce the general fund cost by allocating fee revenues to program expenses.</i></p>								

<b>GGMMC Total</b>		<u>\$267,680</u>	<u>\$13,288</u>	<u>\$0</u>	<u>\$254,392</u>			<u><b>\$5,000</b></u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**State Department of Health (SDH)**

<i>Boiler /Pressure Vessel</i> (inspects and certifies the use of boilers and pressure vessels)	Fees range from \$15 to \$500	\$368,603	\$304,309	\$21,293	\$43,001	Mixed	The public benefits from protection from injury and damage from boiler and pressure vessel explosions. Private benefits include reduction of risks in the operation of potentially dangerous machinery.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay more than 50% of costs not funded by federal and other funds.								
<i>Radiological Health</i> program identifies potential radiological health hazards and develops precautionary measures of control.	Fees range from \$50 to \$300,000	\$1,230,852	\$721,401	\$259,157	\$250,294	Mixed	The public benefits from enforcing standards to keep harmful radiation at a low level. Businesses receive the privilege of operating potentially harmful equipment that uses radioactive materials.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay more than 50% of costs not funded by federal and other funds.								
<i>General Sanitation</i> performs general sanitation inspections	Fees range from \$10 to \$150	\$7,207,707	\$1,368,116	\$933,976	\$4,905,615	Mixed	The public benefits from the enforcement of regulatory standards to minimize unsanitary conditions. Private recipients (businesses, family day care homes, food establishments, waste water systems and local governments) benefit from assurance that quality standards are being met.	\$1,768,750

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenues: <math>((\\$7,207,707 - \\$933,976) \times 50\%) - \\$1,368,116 = \\$1,768,750</math>            Additional new inspection fees for each of the 22,651 general sanitation inspections and 28,886 food establishment inspections: <math>\\$1,768,750 \div 51,537</math> total inspections = \$34.32</p>								
<i>Milk &amp; Bottled Water</i> regulates by inspection milk production and the distribution of milk and bottled water products.	Fees range from \$200 to \$300	\$1,101,535	\$39,328	\$86,174	\$976,033	Mixed	The public benefits from reducing potential for diseased milk and milk products. Businesses enjoy increased confidence from regulation of milk and bottled water facilities.	\$468,353
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenues: <math>((\\$1,101,535 - \\$86,174) \times 50\%) - \\$39,328 = \\$468,353</math>            Additional new fees for each of the 332 sites permitted: <math>\\$468,353 \div 332</math> facilities = \$1,411            As businesses may not be able to afford these fees, SDH should evaluate the risks and services provided in determining an appropriate fee. SDH should also analyze its cost to determine if it is providing services in the most efficient manner.</p>								
<i>Water Supply/Public</i> regulates the engineering, design, construction, operation and maintenance of the state's public water supplies	Fees range from \$30 to \$1500	\$4,006,922	\$1,571,982	\$1,826,075	\$608,865	Mixed	The public benefits from standards that assure safe drinking water is available through the state's 1,510 public water supplies. Individual operators benefit privately from certification.	\$0
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for fee revenues exist.</i> SDH should analyze the costs of its Waterworks Operator and Backflow Prevention Assembly Tester certifications to determine whether fees cover the cost of these private services.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Child Care Licensure</i> inspects and licenses day care facilities and youth camps.	Fees range from \$25 to \$200	\$1,501,085	\$174,925	\$1,109,470	\$216,690	Mixed	The public benefits from assurance that child care facilities meet state requirements. Child care facilities benefit privately from increased public confidence from state regulation. Child care providers also receive private benefits from in-service training.	\$20,883
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenues: $((\$1,501,085 - \$1,109,470) \times 50\%) - \$174,925 = \$20,883$ Additional new inspection fees (on average per licensee per year) for each of the 1,935 sites licensed: $\$20,883 \div 1,935 = \$10.79$ Increasing inspection fees will provide incentive to reduce the number of inspections needed.								
<i>Professional Licensure</i> provides oversight and enforcement of regulations and technical support for the provision of emergency medical services, child care facilities, special health professionals and health care facilities.	Fees range from \$25 to \$250	\$312,727	\$312,727	\$0	\$0	Private	Businesses and individuals enjoy increased confidence from public assurance that facilities meet standards and support is provided to ensure quality service delivery.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees cover the cost of services.								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Health Facility Licensure</i> certifies and licenses hospitals, nursing homes, personal care homes, home health agencies, ambulatory surgical facilities, birthing centers, abortion facilities and hospices.	Fees range from \$100 to \$5,000	\$4,121,505	\$656,553	\$3,464,952	\$0	Mixed	The public benefits from assurance that health facilities comply with state and federal standards, the level of care being delivered is continually upgraded, and patients/residents are protected from abuse and neglect. Businesses enjoy increased confidence from public assurance that facilities meet standards and support is provided to ensure quality service delivery.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> Program fees and other funding cover the cost of the program.</p>								
<i>Emergency Medical Services</i> organizes, regulates, and maintains a statewide program to improve emergency medical care, tests and certifies the Emergency Medical Technicians on the basic, intermediate, and paramedic levels.	Fees range from \$1 to \$500 for EMT and ambulance service licenses and driver certifications	\$9,811,359	\$118,123	\$9,485,797	\$207,439	Mixed	The public benefits from a quality, effective system of emergency medical care. Emergency Medical Technicians and ambulance services benefit privately from being allowed to provide services.	\$44,658

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenues: $(\$9,811,359 - \$9,485,797) \times 50\% - \$118,123 = \$44,658$ Additional new fees for each of the 3,489 licenses and certifications: $\$44,648 \div 3,489 = \$12.80$								
<i>Planning/ Resource Development</i> provides planning for health services, facilities, and manpower on a statewide basis through the development of the State Health Plan. The state administers the Certificate of Need (CON) program. The Office of Rural Health Care addresses rural health care needs.	Fees range from \$500 to \$25,000	\$4,955,719	\$640,170	\$4,295,549	\$20,000	Mixed	The public benefits from state health planning. Health care providers benefit privately from technical assistance and health planning related to health care needs of the citizens of MS.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fee revenues pay for more than half of the costs not funded with federal or other funds.								
<i>Vital Records</i> provides direct vital record services to the general public	Fees range from \$1 to \$145,248	\$3,719,487	\$2,790,801	\$417,026	\$511,660	Mixed	The public benefits from having access to accurate vital records and health statistics. Citizens have direct access to vital records.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fee revenues pay for more than half of the costs not funded with federal or other funds.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Home Health</i> addresses the needs of the homebound impaired, elderly or disabled patient. Program evaluations are conducted at home health agencies.	Fees range from \$38 to \$97	\$7,743,131	\$6,441,609	\$459,185	\$842,337	Mixed	The public realizes the benefit that home health agencies are in compliance with state and federal standards for licensure and certification. Home health patients receive private benefits.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fee revenues pay for more than half of the costs not funded with federal or other funds.								
<i>Cancer Diagnosis</i> targets screening for breast and cervical cancer and referral, follow-up and reimbursement for outpatient diagnostic services for patients with dysplasia or breast or cervical cancer	No fees.	\$1,389,427	\$0	\$930,277	\$459,150	Mixed	The public benefits from the prevention of premature death and undue illness through detection and treatment of breast and cervical cancer and through public education, Pap smears, pelvic exams, clinical breast exams. Citizens benefit privately from medical care.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Diabetes Diagnosis</i> provides support services including screening and referral for definitive diagnosis, joint medical management, education, informational materials, and diet counseling.	No fees.	\$160,747	\$0	\$46,310	\$114,437	Mixed	The public benefits from the prevention or delay of complications and death due to diabetes. Citizens benefit privately from medical care.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>Hypertension</i> screening, diagnosis, treatment, and follow-up services primarily through joint management with the patient's private physician.	No fees.	\$415,757	\$0	\$203,831	\$211,926	Mixed	The public realizes the benefit as a result of the prevention of premature death and undue illness due to hypertension and cardiovascular disease. Citizens benefit privately from medical care.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>Child Health</i> provides well and sick child services to children at or below 185% of the non-farm poverty level.	No fees.	\$4,260,054	\$0	\$3,009,347	\$1,250,707	Mixed	The public realizes the benefit of preventive and health maintenance services in child health. Poverty-level children receive private benefits from medical services.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i> According to the Theory of Fee-Setting, additional fees are not charged if the recipients' income levels prevent them from receiving the service.								
<i>Children's Medical Program</i> provides diagnosis and treatment for children with major orthopedic, neurological, and cardiac conditions and genetic disorders.	No fees.	\$5,319,966	\$0	\$4,843,965	\$476,001	Mixed	Service recipients receive private tests and screening. The public realizes benefits when assistance to children with special health care needs is provided, thus reducing the high cost associated with these problems.	\$0
<b>Implications for changes to fee structure</b>								
<i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>Family Planning</i> provides services to teenagers and women at risk and prenatal care once pregnancy has occurred.	No fees.	\$17,941,940	\$0	\$14,346,435	\$3,595,505	Mixed	Service recipients receive private care. The public benefits from the reduction of unplanned pregnancies and the reduction of material and infant mortality/morbidity.	\$0
<b>Implications for changes to fee structure</b>								
<i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>Infant and Toddler</i> an interagency early intervention system of services for infants and toddlers with developmental disabilities.	No fees.	\$7,298,644	\$0	\$4,751,916	\$2,546,728	Mixed	Service recipients receive private care. The public realizes the benefit from a system of coordinated services to help meet the developmental needs of children through two years of age, thus reducing the high cost associated with these problems.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
Maternity services are targeted for pregnant women whose income is at or below 185% of the federal poverty level.	No fees.	\$11,402,284	\$0	\$8,732,659	\$2,669,625	Mixed	Service recipients receive private care. The public realizes the benefit of the reduction of maternal and infant mortality and morbidity and low birth weight by providing prenatal care, thus reducing the high cost associated with these problems.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> According to the Theory of Fee-Setting, additional fees are not charged if the recipients' income levels prevent them from receiving the service.								
HIV/AIDS Includes services such as epidemiology, screening, surveillance, diagnosis and treatment of HIV/Aids	No fees.	\$8,957,619	\$0	\$7,914,085	\$1,043,534	Mixed	Service recipients receive private tests and screening. The public realizes benefits from the control of the incidence of HIV/AIDS	\$0
<b>Implications for changes to fee structure</b>								
<i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Immunization</i> provides support services designed to prevent vaccine-preventable disease morbidity and mortality. Services include vaccines, monitoring of immunization levels, disease surveillance and outbreak control.	No fees.	\$7,912,326	\$0	\$4,579,607	\$3,332,719	Mixed	Service recipients receive private care. The public realizes benefits to prevent vaccine-preventable disease morbidity and mortality.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>Sexually Transmitted Disease</i> includes services such as epidemiology, screening, surveillance, diagnosis and treatment of sexually transmitted disease	No fees.	\$4,785,850	\$0	\$2,860,675	\$1,925,175	Mixed	Service recipients receive tests, screening and treatment. The public realizes benefits from the control of the incidence of sexually transmitted disease.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Tuberculosis</i> includes services such as epidemiology, screening, surveillance, diagnosis and treatment of tuberculosis	No fees.	\$4,543,685	\$0	\$2,009,881	\$2,533,804	Mixed	Service recipients receive tests, screening and treatment. The public realizes benefits from the control of the incidence of tuberculosis.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist.</i> "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.								
<i>WIC</i> provides special supplemental food and nutrition to low-income pregnant, postpartum, and breast feeding women, infants, and preschool children.	No fees.	\$57,827,764	\$0	\$53,464,206	\$4,363,558	Mixed	The public realizes the benefit from the reduction of mortality and the incidence of physical and mental deficiencies associated with inadequate nutrient intake during pregnancy, infancy, and early childhood. Service recipients receive supplemental food.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> According to the Theory of Fee-Setting, additional fees are not charged if the recipients' income levels prevent them from receiving the service.								
<i>Epidemiology</i> provides a statewide surveillance program to monitor the occurrence and trends of reportable diseases.	No fees.	\$3,294,446	\$0	\$2,313,872	\$980,574	Public	The public realizes benefits from the identification and control of reportable disease conditions.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Domestic Violence</i> reduces the incidence of family violence and sexual assault through the provision of direct services program activities provided through contracts with 13 domestic violence shelters and 9 rape crisis centers	No fees.	\$1,408,669	\$0	\$1,404,399	\$4,270	Public	The public realizes benefits from the reduction of domestic violence and sexual assault. Private benefits include intervention activities such as housing, group sessions, and legal advocacy for victims of domestic violence.	\$0
<b>Implications for changes to fee structure</b> <i>Limited new opportunities for fee revenues exist. "Federal and Other" revenues consist of both fee-based revenues and Medicaid reimbursement. According to the Theory of Fee-Setting, additional fees would not be charged if the recipients' income levels prevent them from receiving the service.</i>								
<i>Health Promotion</i> supports services aimed at school, community health, and worksite programs to improve the health of Mississippians.	No fees.	\$1,698,317	\$0	\$1,453,490	\$244,827	Public	The public benefits from the promotion of healthy communities in order to improve the quality of life by fostering healthy lifestyles, environments, policies, attitudes and behavior.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Tobacco Use Prevention</i> programs aimed at reducing tobacco use among youth	No fees.	\$3,102,340	\$0	\$1,575,045	\$1,527,295	Public	The public realizes benefits from reduced tobacco use in reduced mortality and medical costs.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Support Service</i> (accounting, personnel and other administrative and technical functions)		\$13,072,332	\$3,215,333	\$4,428,490	\$5,428,509	Mixed	The public benefits and individuals and entities benefit privately from support of the Department of Health.	<b>unknown</b>
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist. SDH should allocate these costs among programs in order to determine accurately the fees that should be charged for private and mixed services.</i>								
<b>SDH Total</b>		<u>\$200,872,799</u>	<u>\$18,355,377</u>	<u>\$141,227,144</u>	<u>\$41,290,278</u>			<u><b>\$2,302,643</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Human Services (DHS)**

<p><i>Division of Economic Assistance: TANF program</i> (temporary financial assistance for needy families w/children under 18)</p>	No fees	\$71,464,189	\$0	\$47,058,663	\$24,405,526	Mixed	The public benefits because TANF helps the public care for underprivileged members of society. Underprivileged individuals receive private benefits that they could not afford on their own.	\$0
<p><b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.</p>								
<p><i>Division of Economic Assistance: Employment &amp; Training Program</i> (food stamp assistance for able-bodied adults w/o dependents to be used to obtain the education or training needed to become employable)</p>	No fees	\$2,646,821	\$0	\$1,742,913	\$903,908	Mixed	Public benefits include assisting the needy, yet able-bodied people of society find employment. Needy individuals benefit privately from assistance in finding and getting work.	\$0
<p><b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.</p>								

			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
Division of Economic Assistance: Food Assistance Program (food distributed to low-income households, homeless shelters & soup kitchens through a Soup Kitchen or Food Bank Program )	No fees	\$50,289,615	\$0	\$33,115,356	\$17,174,259	Mixed	The public benefits from caring for the needy and underprivileged by providing them food. Low-income households benefit privately by receiving food they normally would not get.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.								
Division of Economic Assistance: Work Program (assistance for able-bodied parents and needy caretakers to enable them to become employed and self-supporting).	No fees	\$7,940,465	\$0	\$5,228,740	\$2,711,725	Mixed	The public benefits because this service helps locate employment for needy, yet able-bodied people. Needy individuals receive private assistance in finding/getting work.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.								

			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
Division of Aging & Adult Services Program (home-delivered meals; congregate meals at senior centers; transportation to meal sites & medical appts.; home assistance to people aged 60 & older)	No fees	\$18,014,988	\$0	\$17,230,316	\$784,672	Mixed	The public benefits because the division helps care for the aged when needed. Aged individuals get personal/private assistance.	\$0
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional fee revenues exist.</i></p> <p>According to DHS personnel, most people served in this program are low-income and do not have families with the financial means to provide these types of services for them. DHS should research its various programs to determine if any fees are feasible and if federal regulations allow fees to be charged.</p>								
Division of Child Support Enforcement (locates non-custodial parents to enforce unpaid child support; reviews & recommends changes to support orders)	\$25 application/processing fee for handling cases. Other fees range from 25¢ for copies to \$500 for attorney fees.	\$37,962,173	\$2,502,318	\$30,349,213	\$5,110,642	Mixed	The public benefits from assurance that children are provided support by their parents. Single parents and their children receive the personal/private benefit of child support payments from absent parents.	unknown
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional fee revenues exist.</i></p> <p>As 141,167 individuals were served during FY 2001, additional new fees per year on average would be less than \$20. However, DHS contends that most of the people being served by this program are welfare recipients or low-income. DHS should determine if any additional fees are feasible or collectible and allowable by federal regulations.</p>								

			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
<i>Office for Children and Youth</i> (child care services in the form of certificate awards to welfare & working poor families w/children under 13)	No fees	\$88,827,031	\$0	\$85,053,310	\$3,773,721	Mixed	The public benefits because the program helps to care for children of welfare recipients and the working poor. Private benefits include individual services for children of the working poor and those on welfare.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.								
<i>Division of Community Services</i> (services in the areas of employment, education, income management, housing, nutrition, health & safety to alleviate the causes & effects of poverty & promote clients to self-sufficiency & stability)	No fees	\$43,531,351	\$0	\$43,531,351	\$0	Mixed	The public benefits by assisting people out of poverty and back into mainstream society. Recipients benefit privately from assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees would not be appropriate because the purpose of the program is to assist low-income clients.								

			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
<i>Division of Family &amp; Children's Services</i> (protective/preventive services to children, youth & vulnerable adults from abuse and neglect; foster care & adoption placement services for children in DHS custody)	No fees	\$68,219,627	\$0	\$54,873,598	\$13,346,029	Mixed	The public benefits from protecting children, youth and vulnerable adults from elements outside of their control. Individual children, youth and vulnerable adults benefit privately from protection from abuse and neglect.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The primary clients are children, who are unable to pay fees. State assistance includes intervention in the home on behalf of children and vulnerable adults.								
<i>Division of Social Services Block Grant Program</i> (services for the needy to prevent, reduce or eliminate financial dependency, neglect, abuse or exploitation of children & adults, and inappropriate institutional care)	No fees	\$19,651,827	\$0	\$19,651,827	\$0	Mixed	The public benefits because the program helps the public provide for children, youth and vulnerable adults protection against elements outside of their control. The program also helps the public provide support to impoverished people to get out of poverty and rejoin mainstream society. Needy children, youth and vulnerable adults benefit privately from private assistance.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*None.* Funding is sufficient to pay for services.

<i>Division of Support Services</i> (general oversight responsibility for the services provided in the program areas; policy directives for the entire department; basic administrative support)	No fees	\$12,942,468	\$0	\$8,876,131	\$4,066,337	Mixed	The public benefits and individuals privately benefit from support of DHS programs.	\$0
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**Implications for changes to fee structure**  
*None.* DHS programs are for low-income people without the means to pay for services.



			Source of Funds Expended					
State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Fees	Federal and Other	General Fund	Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
Division of Youth Services (provides professional counseling & related services to children; provides institutional services for delinquent children; collects & publishes statewide statistical data regarding Youth Court cases; administers law and policy and establishes standards for youth services programs)	No fees	\$26,346,804	\$0	\$8,821,901	\$17,524,903	Mixed	The public benefits from oversight and care for delinquent and needy youth and provision of statistical data on Youth Court cases. Children and youth receive the private/personal benefits of professional counseling, institutional, and related services.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Incarceration costs are borne by the state. DHS should determine costs for individual services and determine if fees are appropriate for specific types of services.								

**DHS Total**

\$447,837,359    \$2,502,318    \$355,533,319    \$89,801,722

unknown

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Commission on Judicial Performance (MCJP)**

<i>Receive and investigate complaints of misconduct by judges</i>	No fees.	\$338,450	\$0	\$0	\$338,450	Public	The public benefits from enforcement of standards for protection from judicial misconduct.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								

<b>MCJP Total</b>		\$338,450	\$0	\$0	\$338,450			\$0
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Library Commission (MLC)**

<i>Public Services Staffing</i> (provides consulting and training to 247 public libraries for library improvement)	No fees.	\$1,046,295	\$0	\$239,649	\$806,646	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Public Services Purchases</i> (serves as major resource library and provides direct library services to disabled Mississippians)	minor lost book fees (included in "other funds")	\$252,263	\$0	\$65,367	\$186,896	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Library Aid</i> (state & federal grants for administration)	No fees.	\$9,413,927	\$0	\$1,050,336	\$8,363,591	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Network Services</i> (technology support for libraries and agency staff)	No fees.	\$185,781	\$0	\$59,680	\$126,101	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Network Services</i> (staffing for technology support)	No fees.	\$286,929	\$0	\$71,732	\$215,197	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Executive Director's Office</i> (staffing)	No fees.	\$269,337	\$0	\$73,047	\$196,290	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Administrative Services</i> (personnel for financial and administrative support)	No fees.	\$567,032	\$0	\$97,655	\$469,377	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Agency-wide operations</i> (includes travel, employee training, contract and other services, commodities)	No fees.	\$1,222,535	\$0	\$560,908	\$661,627	Public	The public benefits from comprehensive library programs for Mississippians.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>MLC Total</b>		\$13,244,099	\$0	\$2,218,374	\$11,025,725			\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Marine Resources (DMR)**

<i>Recreational saltwater fishing licensing</i>	License fees ranging from \$4.00 - \$240.00	\$88,330	\$88,330	\$0	\$0	Private	The service provides a private benefit because only those licensed to fish are granted the privilege.	\$0
<b>Implications for changes to fee structure</b> <i>None, because fees pay for the program.</i>								
<i>Commercial saltwater fishing licensing</i>	Varying fees for residents and non-residents	\$35,962	\$35,962	\$0	\$0	Private	The service provides a private benefit because only those licensed to fish commercially are granted the privilege.	\$0
<b>Implications for changes to fee structure</b> <i>None, because fees pay for the program.</i>								
<i>Public affairs &amp; outreach</i>	No fees.	\$117,973	\$0	\$7,709	\$110,264	Public	The public benefits from promoting awareness of DMR's programs to enhance, protect, manage and conserve marine resources	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Facilities operations (includes accounting, purchasing &amp; computer operations)</i>	Commercial and residential permits for fishing and shrimp, crab and oyster harvesting	\$1,727,146	\$495,014	\$6,482	\$1,225,650	Mixed	The public and private entities benefit from administrative support of DMR operations.	\$365,318
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((1,727,146 - 6,482) \times 50\%) - 495,014 = \$365,318$ Additional new fees for the approximately 72,000 commercial and residential permit holders: $\$365,318/72,000 = \$5.07$ Other revenues consist of off road fuel taxes. DMR should analyze its current fee structure and assure that fees collected are equitable among the various types of fishermen.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Data &amp; technology management</i> (operation of databases for compliance, permitting, land-use suitability, and species and zone management)	No fees.	\$498,726	\$0	\$0	\$498,726	Public	The public benefits from a program that aids policy makers & programmatic personnel in accomplishing their tasks	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Wetlands permitting</i> (for commercial and residential use) and compliance reviews to ensure consistency with federal regulations	Residential permits of \$50 and commercial permits of \$500	\$1,239,782	\$44,195	\$855,078	\$340,509	Mixed	Private entities benefit from the permitting for commercial enterprise & development. The public benefits from the preservation of the state's coastal wetlands.	\$173,157
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i>								
Potential new fee revenue: $((\$1,239,782 - \$855,078) \times 50\%) - \$44,195 = \$148,157.$								
$\$148,157 + \$25,000$ in proposed violation fees to be deposited into the general fund = $\$173,157.$								
Additional new fees for each of the 896 permits and compliance actions : $\$148,157 \div 896 = \$165.35$								
Additional new penalties for violations: $\$25,000 \div 125 = \$200$								
DMR should study in detail the costs and revenues of this program and establish updated fee amounts for permit applications, new fees for permit extensions and compliance actions and public notice fees. DMR should also establish penalties for violations, enforce and collect the penalties, and deposit them into the general fund.								
<i>Tidelands management projects</i>	No fees.	\$1,714,838	\$0	\$1,714,838	\$0	Public	The public benefits from initiatives & studies to develop, protect & conserve coastal resources	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with "Tidelands" special funds.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Tidelands public access projects</i>	No fees.	\$2,896,000	\$0	\$2,896,000	\$0	Public	The public benefits from developments & improvements designed to increase public accessibility & enjoyment of coastal waters	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with "Tidelands" special funds.								
<i>Derelict vessel program (disposal of abandoned vessels)</i>	No fees.	\$200,000	\$0	\$200,000	\$0	Public	The public benefits from a program for removal & disposal of derelict vessels & restoration of the state's coastal wetlands & navigable waterways	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The program is funded entirely by the Tidelands Trust Fund.								
<i>Seafood marketing to promote the Mississippi seafood industry</i>	No fees.	\$50,000	\$0	\$50,000	\$0	Private	The state's seafood industry benefits privately from marketing of its products.	<b>unknown</b>
<b>Implications for changes to fee structure</b>								
<i>Some opportunity for additional fee revenues may exist.</i> This service is funded by the Tidelands Trust Fund. However, this service has private, not public benefits. For fees to pay for 100% of the costs, DMR could charge assessments of \$667 for each of the 75 seafood businesses benefiting from the marketing. The seafood businesses might prefer that the marketing program be halted rather than pay the fees.								
<i>Coastal preserves program (protection of state wetland ecosystems)</i>	No fees.	\$190,812	\$0	\$190,812	\$0	Public	The public benefits from acquisition and management of the state's remaining coastal wetland ecosystems.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The Secretary of State's office provided funding under a memorandum of agreement.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Shell retention</i> (purchase of shell material to put back into oyster reefs for revitalization of oyster stocks)	Shell retention fees, which vary from 15 cents to 60 cents per bag	\$85,073	\$85,073	\$0	\$0	Mixed	The public benefits from assurance of new & future crops for human consumption of oysters. Oyster fishermen benefit privately from management of oyster populations.	\$0
<b>Implications for changes to fee structure</b>								
<i>None, because shell retention fees pay for the program.</i>								
<i>Shellfish Management</i> (ongoing water quality sampling and lab analysis to determine safety of oyster harvesting and closure as necessary)	Shell retention fees, which vary from 15 cents to 60 cents per bag; oyster harvesting permits and fees	\$648,597	\$67,308	\$581,289	\$0	Mixed	The public benefits from assurance that oysters harvested comply with federal safety standards. Fishermen benefit privately from cultivation of oyster reefs, surveying of potential oyster growing sites, and mapping of existing sites.	\$0
<b>Implications for changes to fee structure</b>								
<i>None. Shell retention fees and other oyster-related permits and fees combined with the offroad fuel tax fully fund the program.</i>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Fisheries management</i> (conservation and management of marine organisms through research and data collection; regulation of harvesting, setting of catch limits and inspection of seafood processing; and habitat enhancement)	Various permit fees for recreational and commercial fishing, including crab and shrimp permits	\$301,283	\$150,642	\$0	\$150,641	Mixed	The public benefits from oversight and management of statewide fish stocks and marine life. Fishermen and seafood processors benefit privately from management of healthy fish stocks and seafood safety. Fishermen of saltwater finfish also benefit from state certification of recreational fishing records.	\$0
<b>Implications for changes to fee structure</b>								
<i>Limited opportunities exist for additional fee revenues.</i> DMR should estimate the costs and benefits of charging fees to fishermen of recreational saltwater finfish for tracking of state records certification. Currently, various permit fees pay at least half of the cost of the service borne by the state.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Seafood technology</i> (regulatory inspections of shellfish processing & transporting facilities, technical assistance to the seafood industry to aid in compliance and economic enhancement, and promotion of food safety & sanitation education)	No fees.	\$140,870	\$0	\$0	\$140,870	Mixed	The public benefits from plant inspections to determine compliance with sanitation and health safety regulations and assure safe seafood products for human consumption. The seafood processing industry benefits from oversight of sanitation regulations and technical assistance.	<b>\$70,435</b>
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenue: <math>((\\$140,870 - \\$0) \times 50\%) - \\$0 = \\$70,435</math>            Additional new fees for each of the 152 inspected seafood units: <math>\\$70,435 \div 152 = \\$463</math>            These fees would include the cost of follow-up inspections for industries which had not followed regulations and also the cost of technical assistance. However, preferably DMR should study its costs to determine how to charge fees separately for permitting and for inspections or follow-up inspections. This will impose a greater financial burden on those businesses that do not follow regulations consistently.</p>								
<i>Shrimp &amp; Crab Management</i> (regulating type of catch and time of harvest; removal of abandoned crab traps)	Fees range from \$60 - \$1,125	\$20,323	\$20,323	\$0	\$0	Mixed	The public benefits and fishermen benefit privately from maintaining healthy populations of shrimp and crabs for human consumption (regulations to ensure future viability and availability).	<b>\$0</b>
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Artificial reef</i> (establishment of reefs from materials such as old oil rigs and monitoring of coordinates)	No fees.	\$87,360	\$0	\$87,360	\$0	Mixed	The public benefits from establishment of sites that provide habitat for marine life. Fishermen benefit privately from new fish habitats.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The program is currently fully funded with federal funds.								
<i>Gulf of Mexico Fisheries Management Liaison</i> (Gulf state discussion group)	No fees.	\$33,955	\$0	\$33,955	\$0	Public	The public benefits from coordination with surrounding states in resolving fisheries problems.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Trip tickets</i> (program to have fishermen record daily oyster harvesting activities)	No fees.	\$23,524	\$0	\$23,524	\$0	Mixed	The public benefits and fishermen benefit privately from a program to prevent sale of contaminated oysters, to determine reef origination, and to provide revitalization efforts.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program is fully funded by the Gulf State Marine Fisheries Management Council.								
<i>Night surveys</i> (marine patrol monitoring of the fish catch of primarily recreational fishermen)	No fees.	\$20,683	\$0	\$20,683	\$0	Public	The public benefits from collecting data to track species statistically for fisheries management, e.g. depletions & abundances of a particular species.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program is fully funded by the Gulf State Marine Fisheries Management Council.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Marine patrol</i> for daily enforcement of laws & regulations and promotion of boat & water safety through educational programs	No fees.	\$1,969,758	\$0	\$1,969,758	\$0	Public	The public benefits from the enforcement of regulations designed to minimize environmental deterioration and the protection, propagation, & conservation of seafood, aquatic life, & associated coastal wetland habitats	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other revenues consist of off road fuel taxes.								
<i>Clean Vessel Act Program</i> (installation & maintenance of marine pump-out stations)	No fees.	\$90,679	\$0	\$90,679	\$0	Public	The public benefits from enhancement, protection, and conservation of coastal resources.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								
<i>Coastal conservation</i>	No fees.	\$63,140	\$0	\$63,140	\$0	Public	The public benefits from a program designed to protect & manage the state's remaining coastal wetland ecosystems with Harrison, Hancock and Jackson counties the primary beneficiaries.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								
<i>Northern Gulf Coast Planning Partnership</i>	No fees.	\$107,625	\$0	\$107,625	\$0	Public	The public benefits from a program designed to protect & manage the state's remaining coastal wetland ecosystems with Harrison, Hancock and Jackson counties as the primary beneficiaries	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with federal funds.								
<i>Coastal Partnership</i>	No fees.	\$22,216	\$0	\$22,216	\$0	Public	The public benefits from a program designed to protect & manage the state's remaining coastal wetland ecosystems with Harrison, Hancock and Jackson counties as the primary beneficiaries.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with federal funds.								
<i>Watersheds</i>	No fees.	\$55,633	\$0	\$55,633	\$0	Public	The public benefits from a program designed to protect & manage the state's remaining coastal wetland ecosystems with Harrison, Hancock and Jackson counties as the primary beneficiaries.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with federal funds.								
<i>Grand Bay National Estuarine Research Reserve (NERR) for facilitation of educational program development through local, federal &amp; reserve system partnerships</i>	No fees.	\$171,646	\$0	\$171,646	\$0	Public	The public benefits from a program designed to sustain coastal resources & augment coastal stewardship throughout the coastal zone.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with federal funds.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Coastal Resources Management Plan</i> to build the capacity of state & local governments to manage & protect coastal wetlands & marine resources through partnerships among private & public entities	No fees.	\$111,367	\$0	\$111,367	\$0	Public	The state's counties & cities derive the benefit of a program designed to sustain coastal resources & provide for a healthy economy in the coastal areas.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								
<i>Sargassum</i>	No fees.	\$94,362	\$0	\$94,362	\$0	Public	The public benefits from a program to study juvenile fishes in sargassum & frontal zones as essential habitat.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								
<i>Brown Shrimp Disaster Grant</i>	No fees.	\$264,461	\$0	\$264,461	\$0	Public	The public benefits from managing the shrimp population through long-term monitoring & environmental data collection.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								
<i>Marine fisheries statistical data collection</i>	No fees.	\$80,386	\$0	\$80,386	\$0	Public	The public benefits from data collection necessary in fisheries management plan development, procedures, & regulation.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fully funded with federal funds.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Other Federal Grants</i> (13 grants--including for bullet proof vests, a charter boat program, and disaster relief)	No fees.	\$1,035,476	\$0	\$1,035,476	\$0	Public	The public benefits from federal programs with a variety of fisheries management & ecological purposes.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Program fully funded with federal funds.								
<b>DMR Total</b>		<u>\$14,187,986</u>	<u>\$986,847</u>	<u>\$10,734,479</u>	<u>\$2,466,660</u>			<u><b>\$608,910</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Division of Medicaid (DOM)**

<i>Medical Services</i> (provides reimbursements to medical facilities for treatment of low-income patients)	\$2 per day Nursing Facility Assessment fee*	\$1,966,982,554	\$12,877,857	\$1,805,817,081	\$148,287,616	Mixed	The public benefits from providing medical services for those least able to afford it. Recipients receive private benefits from medical care.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> The agency stated that it has already established patient fees at the maximum allowed under the federal regulations.            *This fee is based on MISS. CODE ANN. (1972) § 43-13-145, which states that each licensed nursing facility &amp; intermediate care facility for the mentally retarded in the state must pay a fee for each patient in a licensed bed of the facility. The U.S. Secretary of Health &amp; Human Services may waive the fee for nonprofit, public, charitable or religious facilities. All assessments collected are deposited into the Medical Care Fund (created for Medicaid by MISS. CODE ANN. (1972) § 43-13-143).</p>								
<i>Medical Services: DSH Payments--</i> Disproportionate Share Hospital payments (federally allowed lump sum payments to hospitals that serve a disproportionate share of uncompensated care for the uninsured)	No fees	\$181,348,104	\$0	\$137,987,772	\$43,360,332	Mixed	The public benefits from providing medical services for those least able to afford it. Recipients receive private benefits from medical care. Hospitals that provide a disproportionate share of uncompensated care benefit privately from payments. The state match portion of the DSH program is provided by intergovernmental transfers from hospitals.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> The purpose of this federal program is to assist and/or encourage facilities to provide medical assistance for the poor.</p>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Medical Services: CHIP II Program</i> (The Mississippi Health Benefits Program for uninsured children aged 19 and younger under 200% of the Federal Poverty Level)	No fees	\$34,297,389	\$0	\$34,297,389	\$0	Mixed	The public benefits from assisting low-income children to receive health care. Recipients receive private benefits from medical care.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding is sufficient to pay for the cost of the service.								
<i>Administrative Services</i> (including quality control, surveillance & investigation, accounting, budgeting, non-emergency transportation)	No fees	\$68,499,271	\$0	\$39,472,269	\$29,027,002	Mixed	The public benefits from support of Division of Medicaid operations. Recipients receive private benefits from medical care.	0
<b>Implications for changes to fee structure</b> <i>None.</i> The agency stated that it has already established patient fees at the maximum allowed under the federal regulations.								
<b>DOM Total</b>		\$2,251,127,318	\$12,877,857	\$2,017,574,511	\$220,674,950			\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Mental Health (DMH)**

**Retardation Centers**

<i>Boswell Regional Center</i> provides transitional training for mentally retarded adults from across Mississippi who are 21 years or older.	Rates of \$225/day (DMH documenta-tion did not separate fee revenue from other revenue)	\$24,860,684	\$0	\$15,310,042	\$9,550,642	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
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**Implications for changes to fee structure**

*None.* Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.

<i>Ellisville State School</i> provides therapeutic services for mentally retarded and developmentally disabled clients under five years of age to adulthood from 33 South Central and East Mississippi counties.	Rates vary from \$220/day to \$280/day	\$65,935,523	\$2,055,948	\$48,345,532	\$17,589,991	Mixed	Same as above	\$0
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**Implications for changes to fee structure**

*None.* Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Hudspeth Regional Center</i> provides therapeutic services for mentally retarded clients from 22 central Mississippi counties.	\$245/day (DMH documenta-tion did not separate fee revenue from other revenue)	\$38,065,947	\$0	\$29,789,394	\$8,276,553	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								
<i>Juvenile Rehabilitation Center</i> provides therapeutic services to mentally retarded youth from across the state who also have associated delinquency.	\$375/day (DMH documenta-tion indicated no fees were collected in FY 2001)	\$4,001,467	\$0	\$0	\$4,001,467	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								
<i>North Miss. Regional Center</i> provides therapeutic services to mentally retarded clients from 23 northern counties of Mississippi.	\$225/day (DMH documenta-tion did not separate fee revenue from other revenue)	\$41,425,303	\$0	\$30,300,513	\$11,124,790	Mixed	Same as above	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**

*None.* Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.

<i>South Miss. Regional Center</i> provides therapeutic services to mentally retarded clients from six southern counties of Mississippi.	\$285/day (DMH documenta-tion did not separate fee revenue from other revenue)	\$27,084,381	\$0	\$18,939,529	\$8,144,852	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
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**Implications for changes to fee structure**

*None.* Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.

**Psychiatric Hospitals**

<i>Central Miss. Residential Center</i> provides transitional living and community support for adult psychiatric patients from across Mississippi.	\$375/day (DMH documenta-tion indicated no fees were collected in FY 2001)	\$2,482,692	\$0	\$111,030	\$2,371,662	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
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**Implications for changes to fee structure**

*None.* Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>East Miss. State Hospital</i> provides long term psychiatric and substance abuse rehabilitation services for patients from 31 East Mississippi counties and from North and South Mississippi who require long term treatment.	Each site varies from \$175/day to \$950/day	\$47,315,080	\$2,590,941	\$12,324,291	\$34,990,789	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								
<i>Miss. State Hospital</i> provides long term psychiatric and substance abuse rehabilitation services for patients primarily from 51 West and central Mississippi counties.	Each site varies from \$170/day to \$1,100/day	\$112,331,951	\$4,361,110	\$31,794,829	\$80,537,122	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
North Miss. State Hospital provides acute (short term) psychiatric and substance abuse rehabilitation services to patients from northern Mississippi.	\$375/day	\$6,180,538	\$21,788	\$0	\$6,180,538	Mixed	Provides a public service delivery system for those who are not able to function independently and/or pay for comprehensive services. Provides private benefits of therapeutic rehabilitation.	\$0
<b>Implications for changes to fee structure</b>								
None. Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								
South Miss. State Hospital provides acute (short term) psychiatric and substance abuse rehabilitation services to patients from southern Mississippi.	\$375/day (DMH documenta-tion indicated no fees were collected in FY 2001)	\$6,073,939	\$0	\$0	\$6,073,939	Mixed	Same as above	\$0
<b>Implications for changes to fee structure</b>								
None. Medicaid, which pays a majority of client fees, requires that a certain portion of each beneficiary's personal income be used to cover a small portion of the daily charge. DMH states that it adjusts its private pay rates yearly. No amounts of additional fees are anticipated because the agency collects very little from private pay patients, many of whom are indigent.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Administration and Other Programs and Grants</i>								
<i>Central Office Administration</i> Supports institutional services; provides auditing, monitoring, and evaluation; and manages grants.	No fees.	\$5,249,865	\$0	\$2,521,473	\$2,728,392	Mixed	Provides public and private benefits through support of the Department of Mental Health.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> As stated above, the Department of Mental Health anticipates no additional fees which could be allocated to administrative costs.								
<i>Central Office Grants</i> evaluates grant submissions and administers grants to service providers.	No fees.	\$2,103,048	\$0	\$2,103,048	\$0	Mixed	Provides public benefits through support of mental health-related entities. Provides private benefits to grant recipients.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal and other funds paid for services during FY2001.								
<i>Service Budget</i> administers community-based programs for mental health and retardation, children and youth, and substance abuse.	No fees.	\$49,248,611	\$0	\$27,812,088	\$21,436,523	Mixed	Provides public benefits through treatment and programs for recipients, some of whom are indigent, to help avoid more costly intervention and treatments by the state. Provides private benefits for recipients.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> DMH collects Medicaid reimbursements when allowable, but does not charge additional fees. The agency believes that charging fees for home and community based programs would discourage persons from seeking these services who otherwise would be admitted later to more expensive residential programs. The Theory of Fee-Setting allows for adjustment of fees to encourage certain behaviors. In addition, the agency states that most persons served are financially challenged or indigent and very little would be collected if fees were charged.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Alcohol Tax Administration</i> Administers grants for community based substance abuse programs.	No fees.	\$436,227	\$0	\$436,227	\$0	Mixed	Provides the public service of supporting a service delivery system to the public. Provides private benefits for recipients.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal and other funds paid for services during FY2001.								
<i>Alcohol Tax Grants</i> uses 3% of the tax on wine and beer to fund community based substance abuse treatment.	No fees.	\$3,429,723	\$0	\$3,429,723	\$0	Mixed	same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal and other funds paid for services during FY2001.								
<i>Community Mental Health Centers</i> provide non-residential mental health treatment.	No fees.	\$70,017,902	\$0	\$70,017,902	\$0	Mixed	same as above	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal and other funds paid for services during FY2001.								
<b>DMH Total</b>		\$506,242,881	\$9,029,787	\$293,235,621	\$213,007,260			\$0



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Military Department (MD)**

<i>Armed Forces Museum</i> at Camp Shelby	No fees	\$130,992	\$0	\$0	\$130,992	Mixed	Public benefits include historical preservation and education about contributions of Mississippians to the defense of the U.S. Visitors to the museum benefit privately.	\$12,000
<p><b>Implications for changes to fee structure</b>  <i>Limited opportunities for additional fee revenues exist by charging museum visitors a \$2 entrance fee.</i>            Potential fee revenue: \$2 admission fee X approximately 6,000 visitors to the museum = \$12,000</p> <p>Increasing admissions to \$2 for all visitors, as suggested for other museums in the state, would increase revenues. (See discussion in the Department of Archives and History schedule in this report.) The 6,000 is an annualized figure based on 3,977 visitors over a recent eight-month period. As the museum was renovated and reopened in October 2001, the number of visitors should exceed 6,000 in the future.</p>								
<i>Headquarters Support Fund</i> (command, control, administration and support for the Army and Air National Guard units)	No fees	\$3,213,344	\$0	\$0	\$3,213,344	Public	The public benefits from protection of life and property	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								
<i>Armory Construction/Maintenance</i> (repair and minor construction for existing armories in the state)	No fees	\$851,634	\$0	\$0	\$851,634	Public	The public benefits from proper maintenance, construction and upkeep of armories.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Education Assistance</i> (grants for higher education of soldiers)	No fees	\$1,436,058	\$0	\$0	\$1,436,058	Mixed	The public benefits from education programs designed as incentives to recruit students to join the Mississippi National Guard. Recipients benefit privately from the assistance.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> As outlined in the Theory of Fee-setting, setting of fees can encourage behavior of service recipients. Requiring 50% participation from recruits in education funding would reduce the effectiveness of the recruiting program.								
<i>Timber Fund</i> (sale of timber on state-owned land to be used on improvements at Camp Shelby)	No fees	\$229,393	\$0	\$229,393	\$0	Public	The public benefits from upkeep and maintenance of Camp Shelby.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> "Other" funds include sales of timber.								
<i>Army National Guard</i> (includes base, security and counterdrug operations)	No fees	\$30,914,985	\$0	\$30,628,673	\$286,312	Public	The public benefits from having manpower and administrative support to accomplish missions.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Camp Shelby/Youth Challenge Program</i> assists young high school dropouts in obtaining a GED and employment.	No fees	\$4,857,761	\$0	\$4,857,761	\$0	Public	The public benefits from having troubled youth obtain a high school diploma and a job.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds include \$2,084,516 in state funds from the Department of Education and \$792,772 in sales of services and commodities at Camp Shelby.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Air National Guard</i> (support of bases in Jackson, Meridian, and Gulfport)	No fees	\$7,937,992	\$0	\$7,398,352	\$539,640	Public	The public benefits from having facilities operations, maintenance, and crash/rescue firefighter support to insure Air National Guard missions are accomplished.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<b>MD Total</b>		<u>\$49,572,159</u>	<u>\$0</u>	<u>\$43,114,179</u>	<u>\$6,457,980</u>			<u><b>\$12,000</b></u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Development Authority (MDA) and related budgets**

National & International Development focuses on the locations, relocation or expansion of domestic & international businesses & firms as well as recruits direct & indirect foreign investment & promotes exportation of goods & services produced by MS businesses.	No fees	\$3,007,670	\$0	\$84,802	\$2,922,868	Mixed	The public benefits from increased tax revenues, employment opportunities, workforce training, long-term economic growth & internationalization of the state's economy. Private benefits include increased sales opportunities for MS goods & services & promotion of capital investment & exportation.	\$0
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**Implications for changes to fee structure**

*None.* The potential for fee revenue is unlikely because this is a marketing program designed to encourage economic development. As outlined in the Theory of Fee Setting, the state's underlying purpose is to influence the behavior of businesses to operate in the state. "Other funds expended" includes an \$84,802 transfer of federal reimbursements from the Support Services division.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Minority Business</i> promotes the growth & development of new & existing minority & women-owned businesses.	Minority surety performance bond fee @ .6 % of bond	\$547,263	\$1,390	\$46,879	\$498,994	Mixed	The public benefits from a broader economic base & employment opportunities. Private benefits include availability of technical assistance, capital through direct low-interest loans, procurement opportunities & contract participation for women & minority-owned businesses.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The potential for fee revenue is unlikely because this is a marketing program designed to encourage economic development. As outlined in the Theory of Fee Setting, the state's underlying purpose is to influence the behavior of businesses to operate in the state. "Other funds expended" includes an \$46,879 transfer of federal reimbursements from the Support Services division.								
<i>Financial Resources</i> administers financing & incentive programs to promote business development & expansion.	Loan Origination, Administrative and Bond Fees. New fees per 2002 Legislative Session: 3% of certain bond proceeds estimated to generate \$100,000 annually.	\$868,180	\$123,876	\$744,304	\$0	Mixed	The public benefits from financing projects that promote economic growth in economically challenged areas, e.g. special infrastructure projects. Private benefits for businesses include financial assistance, increased competitiveness & ability to compete in domestic & international markets.	\$180,000

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
 Current fees are sufficient to pay for 50% of the cost of services not paid for by federal and other revenue.  
*New fees suggested by MDA:* Agribusiness Loan Program--Interest from Revolving Loans & Investments of Balance (estimated additional revenue of \$60,000); Economic Development Highway Act--3% of bond proceeds (estimated to generate \$120,000 in additional revenue).  
 "Other funds expended" consist of a transfer from MS Business Finance Corporation.

<i>Existing Industry &amp; Business</i> focuses on retention, expansion & creation of in-state industries by meeting the needs of existing & home-grown businesses.	No fees.	\$1,682,976	\$0	\$80,360	\$1,602,616	Mixed	The public benefits from employment opportunities & a broader economic base. Private benefits include financial, managerial, marketing & technical consulting services provided to businesses.	<b>\$801,308</b>
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**Implications for changes to fee structure**  
*Opportunities for additional fee revenues exist.*  
 Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be:  $((\$1,682,976 - \$80,360) \times 50\%) - \$0 = \$801,308$   
 If fees were charged for each of the 5,990 interactions with businesses in FY 2001, the average fee would be \$133.77  $(\$801,308 \div 5,990)$ . However, as outlined in the Theory of Fee Setting, if fees are charged at too high a rate, demand for services will decrease. In order to determine the potential fee revenue, MDA should determine the costs of services such as technical consulting & the number of service recipients in each category for which fees may be charged.  
 "Other funds expended" consist of \$5,360 in funds from the Manufacturing Directory & \$75,000 in federal funds from a grant that is no longer active.

<i>Tourism Services</i> promotes MS as a business & leisure travel destination.	No fees.	\$11,314,658	\$0	\$1,316,625	\$9,998,033	Mixed	The public benefits from increased revenues, taxes, direct jobs, enhanced quality of life & the economic vitality of the state. Hotels, restaurants and other tourist-related businesses benefit privately from tourism.	<b>\$0</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*None.* As outlined in the Theory of Fee Setting, the state's underlying purpose is to influence the behavior of businesses and individuals to visit and spend dollars in the state. "Other funds expended" consist of Tourism Match Grant funds.

<i>Welcome Centers</i> program operates eleven travel centers at entry points into the state where travel counselors provide information on attractions, events & points of interest.	No fees.	\$1,585,724	\$0	\$496,496	\$1,089,228	Mixed	The public benefits from revenue & taxes that result from promotion of MS. Hotels, restaurants and other businesses benefit privately from promotion of Mississippi attractions.	\$0
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**Implications for changes to fee structure**  
*None.* As outlined in the Theory of Fee Setting, the state's underlying purpose is to influence the behavior of travelers to visit attractions and spend dollars in the state. "Other funds expended" consist of a transfer from the Public Service Commission.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Energy Conservation</i> provides technical & financial assistance for improved energy efficiency to promote economic development, achieve environmental quality & increase employment opportunities for Mississippians.	Energy Loan Origination Fee @1% of loan	\$2,777,253	\$1,463	\$2,408,713	\$367,077	Mixed	The public derives the benefit of ensuring an environmentally sound supply of energy; increased public awareness of energy issues & concerns; economic development & employment opportunities; and special projects, e.g. alternative fuel development & recycling. Private benefits include increasing the responsiveness of public-funded technology efforts to private sector needs, improvement in competitiveness as businesses become more energy efficient & financial assistance.	<b>\$182,807</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i></p> <p>Using the benchmark of requiring service recipients to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be: <math>((\\$2,777,253 - \\$2,408,713) \times 50\%) - \\$1,463 = \\$182,807</math></p> <p>If fees were charged for each of the 116,773 clients served in FY 2001, the average fee would be \$1.57 <math>(\\$182,807 \div 116,773)</math>. However, as outlined in the Theory of Fee Setting, if fees are charged at too high a rate, demand for services will decrease. In order to determine the potential fee revenue, MDA should determine the costs of services such as business consulting for which fees may be charged and consider this in conjunction with its goal of influencing behavior towards energy conservation.</p> <p>"Other funds expended" consist of \$1,877,876 in Petroleum Violation Escrow funds (a court ordered payment with expenditures federally regulated) &amp; \$530,837 in federal funds.</p>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Community Services</i> administers technical & financial assistance programs that help communities prepare for growth.	Builders Processing/Sellers Fee @ 1% of loan. New fees per 2002 Legislative Session: interest on revolving loans made from taxable bond proceeds (interest estimated to generate \$2,000,000 in additional revenue)	\$64,167,251	\$5,041	\$60,969,235	\$3,192,975	Mixed	The public derives the benefit of community involvement in leadership & strategic planning to strengthen economic development. Communities receive financial assistance (grants and loans) to prepare for economic growth.	<b>unknown</b>
<p><b>Implications for changes to fee structure</b></p> <p><i>Limited opportunities for additional fee revenues exist because financial assistance is a primary purpose of the program.</i> MDA administered 177 grants and loans in FY 2001. In order to determine the potential fee revenue, MDA should calculate the costs of providing technical assistance to communities for which a fee may be charged.</p> <p>"Other funds expended" consist of \$456,856 in economic development match grants &amp; \$60,512,379 in federal funds.</p>								
<i>Employment Training</i> through the Workforce Investment Network Program, State Occupational Information Coordinating Committee & the Rapid Response Team to respond to business closures & lay-offs.	No fees.	\$25,641,555	\$0	\$25,641,555	\$0	Mixed	The public derives the benefit of a workforce investment system to improve the quality of the available workforce, reduce welfare dependency & enhance productivity & competitiveness of businesses. Private benefits include training programs to create/upgrade workforce skills to meet the needs of business and industry.	<b>\$0</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*None.* No general funds were expended for this program.  
 "Other funds expended" consist of \$171,667 in State Occupational Information Coordinating Committee grant funds & \$25,469,888 in federal funds.

<i>Support Services</i> provides agency administrative & managerial support systems.	No fees.	\$9,329,700	\$0	\$1,313,289	\$8,016,411	Mixed	The public derives the benefit of quality management & record keeping of the agency's fiscal affairs. Private benefits include management of programs that assist industries and businesses.	<b>unknown</b>
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**Implications for changes to fee structure**  
*Potential for new fee revenue exists.* MDA should allocate its administrative costs to other programs so that potential new fees can be calculated accurately based on the full cost of programs.  
 "Other funds expended" consist of \$440,244 in rent revenue from Tri-State Tishomingo Park. There was \$792,300 generated in rent revenue in FY '01. MDA is trying to maintain its tenants in order to sell the park. Federal funds include indirect cost reimbursements & Appalachian Regional Commission (ARC) funds.

**MDA-Related Budgets**

<i>MS Arts Commission</i> for the "Majesty of Spain" exhibit	No fees.	\$1,000,000	\$0	\$0	\$1,000,000	Public	The public derives the benefit of exposure to European culture, history, art & architectural achievements.	<b>\$0</b>
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**Implications for changes to fee structure**  
*None.*

<i>Computers in the Classroom Project</i>	No fees.	\$2,000,000	\$0	\$0	\$2,000,000	Public	The public derives the benefit of modern education equipment & materials in the classroom to promote learning & understanding of the surrounding world.	<b>\$0</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*None.*

<i>MS Space Commerce Initiative-</i> an agreement by NASA, MDA & the University of MS to promote remote sensing education, research & commerce within Mississippi.	No fees.	\$6,014,053	\$0	\$4,114,053	\$1,900,000	Mixed	The public benefits from promotion of high technology industries. Commercial remote sensing companies that join the initiative receive private benefits from research & development support.	\$0
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**Implications for changes to fee structure**  
*None.* The purpose of the program is to influence behavior towards promotion of a high technology industry.

<i>MS Technology Alliance--</i> a public-private partnership to enhance research capacity, build alliances between public & private sectors, and promote science & technology-based economic development.	No fees.	\$1,427,129	\$0	\$2,129	\$1,425,000	Public	The public derives the benefit of wealth created through higher paying, quality, high-tech employment opportunities.	\$0
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Institute for Technology Development -for the Commercial Post-Graduate Training (ComPEET) Program, a post-graduate, integrated circuit design, engineering training program.</i>	No fees.	\$4,309,918	\$0	\$3,559,918	\$750,000	Mixed	The public derives the benefit of recruiting high-tech companies to relocate to MS based on the availability of a highly trained, high-tech workforce. Private benefits accrue to trained engineers.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The purpose of the program is to influence behavior to retain trained engineers in the state.								
<i>East MS Community College -Golden Triangle (Center for Mfg. Tech.) - an industry-led partnership designed to improve the region's ability to provide highly skilled, technically proficient workers.</i>	No fees.	\$150,000	\$0	\$0	\$150,000	Public	The public derives the benefit of a competitive workforce in a 21st century global economy.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

<p><b>Implications for changes to fee structure</b>  <i>None.</i></p>
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<b>MDA Total</b>	<u>\$135,823,330</u>	<u>\$131,770</u>	<u>\$100,778,358</u>	<u>\$34,913,202</u>	<u>\$1,164,115</u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi River Parkway Commission (MRPC)**

<i>Volunteer Commission</i> (part of the multi-state MRPC organization for preservation, promotion and enhancement of the scenic, historic and recreational resources along the Mississippi River)	No fees.	\$24,204	\$0	\$0	\$24,204	Public	The public benefits from economic development and historical interest generated from the interpretative centers, trails and scenic overlooks along the Great River Road (e.g., highways 1 and 61) extending from Woodville to Southaven.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

<b>MRPC Total</b>		\$24,204	\$0	\$0	\$24,204			\$0
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Mississippi Bureau of Narcotics (MBN)**

Enforcement of drug laws (includes collection of evidence and destruction of illegal narcotics)	No fees	\$15,045,087	\$0	\$2,619,940	\$12,425,147	Mixed	The public benefits from reducing the availability of illegal drugs in the state. Local law enforcement agencies receive private (non-state) benefits from evidence destruction services provided by the Bureau of Narcotics.	unknown*
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**Implications for changes to fee structure**

*\*Limited opportunities for additional fee revenues exist. MBN could assess a fee to those local law enforcement agencies who use MBN for destruction of evidence services. MBN should calculate the specific costs of providing those services to local agencies before setting its fees.*

<b>MBN Total</b>		<u>\$15,045,087</u>	<u>\$0</u>	<u>\$2,619,940</u>	<u>\$12,425,147</u>			<u>unknown</u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Bureau of Plant Industry (BPI)**

*Plant Pest Program*

Note: BPI tracks the costs of the plant pest program as a whole. Therefore the cost of the services shown below are BPI estimates only.

<i>Exotic Pests Inspections</i> to assure against importation of new pests to Mississippi.	No fees	\$64,621	\$0	\$64,621	\$0	Mixed	Public benefits include protection from new pests. Nursery dealers benefit from being allowed to bring exotic plants into the state for sale.	\$0
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**Implications for changes to fee structure**

*None.* Costs are currently covered by federal revenues.

<i>Sweet Potato Tag sales for shipping</i> (provides regulatory ID tags for international shipping)	No fees	\$15,000	\$0	\$15,000	\$0	Private	Private benefits include meeting shipping standards for sales of products internationally.	\$0
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**Implications for changes to fee structure**

*None.* "Tag and tape" sales revenue is sufficient to pay for the cost of the service.

<i>Nursery Licensure and Certification</i> to certify plants and plant materials are free of destructive pests.	No fees	\$15,100	\$0	\$0	\$15,100	Private	Nurseries receive private benefits from being allowed to operate in the state.	\$15,100
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue: ( \$15,100-\$0) - \$0 = \$15,100  
 Each nursery license would cost \$25 based on 604 issued in FY 2001.



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Plant or Nursery Dealer Licenses</i>	No fees	\$18,850	\$0	\$0	\$18,850	Private	Nursery dealers receive private benefits from being allowed to operate in the state.	<b>\$18,850</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$18,850 - \$0) - \$0 = \$18,850$ Each plant or nursery dealer would pay a \$25 fee based on 754 dealers licensed in FY 2001.								
<i>Phytosanitary Certificates to assure plant products meet the standards of foreign countries and some states for shipping to their territories.</i>	No fees	\$151,300	\$0	\$0	\$151,300	Mixed	The public benefits from control of genetic defects and diseases. Nurseries benefit from the services of BPI to certify that plants have met standards for out-of-state shipping.	<b>\$75,650</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$151,300 - \$0) \times 50\% - \$0 = \$75,650$ Each phytosanitary certificate would cost \$25 based on 3,026 certificates issued in FY 2001 $(\$76,650 \div 3,026)$ .								
<i>Nursery/Nursery Dealer Inspections</i>	No fees	\$6,810	\$0	\$0	\$6,810	Mixed	Public benefits include protection from new pests. Nurseries and nursery dealers benefit from being allowed to bring plants into the state which might harbor pests new to the state.	<b>\$3,405</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$6,810 - \$0) \times 50\% - \$0 = \$3,405$ Each inspection would cost \$7.50 based on 454 plant and nursery dealer inspections during FY 2001.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Sweet Potato Weevil plant inspections</i>	No fees	\$1,605	\$0	\$0	\$1,605	Private	Nurseries benefit from the services of BPI to certify that plants are weevil free and meet shipping requirements of weevil-free states.	<b>\$1,605</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$1,605 - \$0) - \$0 = \$1,605$ Each inspection would cost \$15 based on 105 sweet potato farms inspected during FY 2001.								
<i>Plant Inspection/ Certification</i>	No fees	\$11,703	\$0	\$0	\$11,703	Mixed	The public benefits from protection of plant stocks from new pests. Nurseries and nursery dealers receive private benefits from BPI certification that plants are free of pests.	<b>\$5,852</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional revenues exist.</i> Potential new fee revenue: $(\$11,703 - \$0) \times 50\% - \$0 = \$5,852$ Each inspection would cost a fee of \$5.29 based on 1,106 locations inspected during FY 2001.								
<i>Administrative/ Other Costs</i>	No fees	\$211,309	\$0	\$84,417	\$126,892	Mixed	Provides administrative support for the plant pest program.	<b>\$63,446</b>
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$211,309 - \$84,417) \times 50\% - \$0 = \$63,446$ Fees from each program area should be increased enough to cover administrative costs.								
<i>Plant Pest Subtotal</i>		\$496,298	\$0	\$164,038	\$332,260			<b>\$183,908</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Pesticide Program</b>								
<i>Pesticide Registration</i> of all products sold to ensure that each batch meets regulated standards	Application to register pesticides-- \$100 in FY 2001; increased to \$200	\$735,914	\$0	\$735,914	\$0	Mixed	The public benefits from regulating the distribution and use of pesticides. Private businesses benefit from distribution and sales of a manufactured pesticide.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fees pay for the costs of the program. Note that "other" funds listed above consist of fee revenues. However, they are paid to the state treasury and returned to BPI in the form of special funds. Pesticide registration fees totaled \$970,200 in FY 2001. BPI allocated the remaining registration fee revenues to pay for certain professional services licensing costs (see notes in that section below).								
<i>Special Local-Need Pesticide Registration</i>	No fees	\$4,620	\$0	\$4,620	\$0	Mixed	The public benefits from regulating the distribution and use of pesticides. Private businesses benefit from registration of a product for sale only in Mississippi.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The cost is currently covered by federal revenues.								
<i>Section 18 Registration</i> (exemption under federal laws based on an emergency)	No fees	\$4,500	\$0	\$4,500	\$0	Mixed	The public benefits from regulating the distribution and use of pesticides. Provides private exemption benefits for registration of a product, e.g., if significant crop losses are expected.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The cost is currently covered by federal revenues.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Commercial Pesticide Applicator Certification</i>	No fees	\$47,075	\$0	\$47,075	\$0	Mixed	The public benefits from regulation of the profession. Provides private benefits to obtain an applicator certification through training and examination.	\$0
<b>Implications for changes to fee structure</b>								
None. The cost is currently covered by federal revenues.								
<i>Certification of Private Applicators (Farmers) to handle restricted-use pesticides on property directly under their control.</i>	No fees	\$70,000	\$0	\$70,000	\$0	Mixed	The public benefits from regulation of a profession that involves restricted-use substances. Provides private benefits to obtain a certificate through training and examination.	\$0
<b>Implications for changes to fee structure</b>								
None. Costs are currently covered by federal revenues.								
<i>Pesticide Dealer Licenses issued for restricted-use pesticides</i>	No fees	\$22,820	\$0	\$22,820	\$0	Mixed	The public benefits from regulation of a profession that involves restricted-use substances. Pesticide dealers benefit privately from being allowed to sell restricted-use pesticides.	\$0
<b>Implications for changes to fee structure</b>								
None. The cost is currently covered by federal revenues.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Pesticide Inspections</i> (of records, use, complaints and distribution to verify compliance with state laws and regulations for pesticide sale and use)	No fees	\$330,602	\$0	\$200,202	\$130,400	Mixed	The public benefits from assurance that pesticides are being sold and used legally. Pesticide dealers benefit privately from being allowed to operate under pesticide laws and regulations.	<b>\$65,200</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional revenues exist.</i> Potential new fee revenue: $(\$330,602 - \$200,202) \times 50\% - \$0 = \$65,200$ Each inspection would cost a fee of \$62.75 based on 1,039 pesticide inspections during FY2001.								
<i>Administrative Costs of Pesticide Program</i>	No fees	\$182,545	\$0	\$113,142	\$69,403	Mixed	Provides administrative support for the pesticide program.	<b>\$34,702</b>
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$182,545 - \$113,142) \times 50\% - \$0 = \$34,702$ Fees from each program area should be increased enough to cover administrative costs.								

<i>Pesticide Subtotal</i>	\$1,398,076	\$0	\$1,198,273	\$199,803	<b>\$99,902</b>
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<i>Apiary Program</i>								
<i>Apiary Inspections</i> (inspection of bee colonies for diseases and other serious bee pests)	No fees	\$46,387	\$0	\$0	\$46,387	Mixed	Public benefit includes ensuring that the local bee population is not destroyed. Businesses privately benefit from oversight of bee health.	<b>\$23,194</b>
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$46,387 - \$0) \times 50\% - \$0 = \$23,194$ New fee revenues for each of the 3,711 bee hive inspections in FY 2001: $\$23,194 \div 3,711 = \$6.25$ .								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

<i>Administrative and Other Costs</i> (Certification of beekeepers, breeders and producers of packaged bees)	No fees	\$36,759	\$0	\$0	\$36,759	Mixed	The public benefits from administrative support. Businesses privately benefit from certification to operate in the state.	\$18,380
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $(\$36,759 - \$0) \times 50\% - \$0 = \$18,380$ .

New fee revenues for each of the 3,711 bee hive inspections in FY 2001:  $\$18,380 \div 3,711 = \$4.95$

Specifically, BPI should determine the costs of certification of the businesses to ensure that fees charged will cover the cost of certification, which is a private benefit.

<i>Apiary Subtotal</i>	\$83,146	\$0	\$0	\$83,146	\$41,573
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**Professional Services Program** (regulates persons receiving fees for horticulture, tree surgery, weed control, consulting, professional soil classification, entomology, and plant pathology services) (A)

<i>Landscape Gardening Licenses</i>	No fees	\$2,900	\$0	\$0	\$2,900	Private	The individual benefits privately from engaging in the profession, as evidenced through examinations.	\$2,900
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $(\$2,900 - \$0) - \$0 = \$2,900$

Each landscape gardener would pay a \$50 fee based on 58 licenses issued in FY 2001.

<i>Tree Surgery Licenses</i>	No fees	\$450	\$0	\$0	\$450	Private	The individual benefits privately from engaging in the profession, as evidenced through examinations.	\$450
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*

Potential new fee revenue:  $(\$450 - \$0) - \$0 = \$450$

Each individual would pay a \$50 fee based on 9 licenses issued in FY 2001.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Consultant Licenses</i>	No fees	\$14,500	\$0	\$0	\$14,500	Private	The individual benefits privately from engaging in the profession, as evidenced through examinations.	\$14,500
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenue: (\$14,500-\$0) - \$0 = \$14,500            Each individual would pay a \$50 fee based on 290 licenses in FY 2001.</p>								
<i>Soil Classifier Licenses</i>	No fees	\$1,200	\$0	\$0	\$1,200	Private	The individual benefits privately from engaging in the profession, as evidenced through examinations.	\$1,200
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenue: (\$1,200-\$0) - \$0 = \$1,200            Each individual would pay a \$50 fee based on 24 licenses issued in FY 2001.</p>								
<i>Professional Services Licensing of 981 other professionals</i>	No fees	\$49,050	\$0	\$49,050	\$0	Private	The individual benefits privately from engaging in the profession, as evidenced through examinations.	\$49,050
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            "Federal and Other" expenditures above (\$49,050) consist of pesticide registration fees, which BPI has allocated to this program because of pesticide-related functions. In order to treat all licensees equitably, BPI would require that each professional services licensee pay \$50 (\$49,050 ÷ 981) professionals licensed in FY 2001).</p>								
<i>Professional Services ID cards (issued to 856 persons in 2,601 categories)</i>	No fees	\$21,400	\$0	\$21,400	\$0	Private	The individual benefits privately from employment in the pest control business.	\$21,400
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            "Federal and Other" expenditures above (\$21,400) consist of pesticide registration fees, which BPI has allocated to this program because it involves pesticide-related functions. In order to treat all licensees equitably, BPI would require that each professional services ID card cost \$25 (\$21,400 in expenditures ÷ 856 cards issued in FY 2001).</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Professional Services Permits for 117 pest control operators</i>	No fees	\$2,925	\$0	\$2,925	\$0	Private	The business benefits privately from the privilege of selling pest control services.	<b>\$2,925</b>
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            "Federal and Other" expenditures above (\$2,925) consist of pesticide registration fees, which BPI has allocated to this program because it involves pesticide-related functions. In order to treat all licensees equitably, BPI would require that each professional services pest control permit cost \$25 (\$2,925 in expenditures ÷ 117 pest control operator permits issued in FY 2001).</p>								
<i>Professional Services Exams (67 administered)</i>	No fees	\$1,800	\$0	\$1,800	\$0	Private	The individual benefits privately from engaging in the profession.	<b>\$1,800</b>
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            "Federal and Other" expenditures above (\$1,800) consist of pesticide registration fees, which BPI has allocated to this program because it involves pesticide-related functions. In order to treat all licensees equitably, BPI would require that each professional services testing fee equal \$26.67 (\$1,800 in expenditures ÷ 67 exams administered in FY2001).</p>								
<i>Administrative Costs</i>	No fees	\$330,824	\$0	\$147,261	\$183,563	Private	Provides administrative support for the professional services area	<b>\$183,563</b>
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenue: (\$330,824 - \$84,417) - \$0 = \$135,920.            Fees from each program area should be increased enough to cover administrative costs.</p>								

<i>Professional Services Subtotal</i>		<u>\$425,049</u>	<u>\$0</u>	<u>\$222,436</u>	<u>\$202,613</u>			<u><b>\$277,788</b></u>
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NOTE (A): It appears that in calculating its costs, BPI has estimated the costs in a manner that resulted in potential fees charged in most cases equalling an even \$25 or \$50. In order to determine equitable fees based on activities related to each service, PEER recommends that BPI develop a method of accurately estimating its costs based on time spent by personnel on various service tasks, direct costs for each of the services, and indirect cost allocations of administrative expenses.



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Seed Program</i> (licensing of agricultural and gardening seed for sale in the state and inspection and testing of the products)								
<i>Packet Seed Permits</i> (issued to seedsmen in order that they may engage in such business)	\$2.50/ agent and place of business (Revenues were deposited into the state treasury)	\$1,903	\$0	\$0	\$1,903	Private	Provides private business benefits by commissioning the sale of packet seeds.	\$320
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>  BPI collected fee revenues of \$1,583 but deposited them into the state treasury. Therefore, BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: (\$1,903-\$0) - \$1,583 fee revenues = \$320  The cost for each packet seed permit would increase from \$2.50 to \$3.00 based on sales of 634 permits in FY 2001. (Note that costs will vary by number of permits.)</p>								
<i>Vegetable Seed Permits</i> (issued to seedsmen in order that they may engage in such business)	\$5.00/ place of business	\$228	\$0	\$0	\$228	Private	Provides private business benefits by commissioning the sale of vegetable seeds.	\$38
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>  BPI collected fee revenues of \$190 and deposited them into the state treasury. Therefore, BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: (\$228-\$0) - \$190 in fee revenues = \$38  The cost for each vegetable seed permit would increase from \$5 to \$6 based on sales of 38 permits in FY 2001.</p>								
<i>Retail Seed Permits</i> (issued to seedsmen in order that they may engage in such business)	\$25/place of business	\$10,972	\$0	\$0	\$10,972	Private	Provides private business benefits by commissioning retail sales to consumers.	\$428
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>  BPI collected fee revenues of \$10,544 but deposited them into the state treasury. Therefore, BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: (\$10,972-\$0) - \$10,544 in fee revenues = \$428  The cost per unit would increase from \$25.00 to \$26.01 based on 422 permits issued in FY 2001.</p>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Permit for Sale to Wholesale Distributors</i> (issued to seedsmen in order that they may engage in such business)	\$5.00/place of business	\$276	\$0	\$0	\$276	Private	Provides private business benefits by commissioning sales to wholesale distributors.	\$45
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>  BPI collected fee revenues of \$231 and deposited them into the state treasury. Therefore, BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: <math>(\\$276 - \\$0) - \\$231</math> in fee revenues = \$45  The cost per unit would increase from \$5.00 to \$5.98 based on 46 permits issued in FY 2001.</p>								
<i>Wholesale Distributor Permit</i> (issued to wholesalers to allow the sale of seeds)	\$100/place of business	\$12,480	\$0	\$0	\$12,480	Private	Provides private business benefits by commissioning the sale of seeds at wholesale.	\$2,080
<p><b>Implications for changes to fee structure</b></p> <p><i>Opportunities for additional fee revenues exist.</i>  BPI collected fee revenues of \$10,400 but deposited them into the state treasury. Therefore, BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: <math>(\\$12,480 - \\$0) - \\$10,400</math> in fee revenues = \$2,080  The cost per unit would increase from \$100 to \$120 based on 104 permits issued in FY 2001.</p>								
<i>Lab Tests for compliance with "Pure Seed Law"</i>	various charges for analysis based on agency rules and regulations.	\$65,707	\$0	\$0	\$65,707	Mixed	The public benefits and businesses benefit privately from ensuring the integrity of what is grown for consumption.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**

*Opportunities for additional revenues exist.*  
 BPI collected fee revenues of \$52,019 but deposited them into the state treasury as required by law. BPI used its general fund appropriations to pay for this service.  
 Potential new fee revenue:  $(\$65,707 - \$0) \times 50\% - \$52,019$  in fee revenues = a number less than \$0.  
 New fee revenues for each of the 26,283 lab tests performed in FY 2001:  $\$13,689 \div 26,283 = 52$  cents.  
 Lab testing generated \$52,019 in fees (deposited into the state general fund), which are more than sufficient to pay for the cost of the program.

<i>Seed Inspections Conducted/ Samples Collected</i>	No fees	\$64,500	\$0	\$0	\$64,500	Mixed	The public benefits and businesses benefit privately from ensuring the integrity of what is grown for consumption.	<b>\$32,250</b>
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**Implications for changes to fee structure**

*Opportunities for additional revenues exist.*  
 Potential new fee revenue:  $(\$64,500 - \$0) \times 50\% - \$0 = \$32,250$ .  
 The cost for each seed inspection would be \$10 based on 3,225 inspections conducted in FY 2001.

<i>Administrative Costs</i>	No fees	\$250,082	\$0	\$0	\$250,082	Mixed	Provides administrative support for the seed program.	<b>\$125,041</b>
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue:  $(\$250,082 - \$0) \times 50\% - \$0 = \$125,041$ .  
 Fees from each program area should be increased enough to cover administrative costs.

<i>Seed Subtotal</i>		\$406,148	\$74,967	\$0	\$406,148			\$160,202
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**Feed and Fertilizer Program** (registration of feed, fertilizers, soil and plant amendments and lime products; permitting of all manufacturers of these products; inspection and sampling of products for label guarantees)

<i>Feed Inspections Conducted/ Samples Collected</i>	No fees	\$56,608	\$0	\$0	\$56,608	Mixed	Provides public and private benefits of business regulation.	<b>\$0</b>
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**Implications for changes to fee structure**

*None.* Feed and fertilizer program revenues (deposited into the state general fund) are more than sufficient to pay for the cost of the program. (\*\*) See note at the end of the Feed & Fertilizer section.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Feed Registration</i> for compliance with official feed terms	\$100/feed registration (revenues were deposited into the state treasury)	\$47,292	\$0	\$0	\$47,292	Mixed	The public benefits from regulating the distribution, sampling, and certification of feed and the compliance with labeling standards. Private businesses benefit from being able to sell feed in the state.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for the cost of the program. (**) See note at the end of the Feed & Fertilizer section.								
<i>Feed Penalties</i> for non-compliance with official feed terms	based on a formula	\$10,063	\$0	\$0	\$10,063	Private	Penalizes businesses for non-compliance with feed terms	\$431
<b>Implications for changes to fee structure</b>								
<i>Opportunities for additional fee revenues exist.</i> BPI collected fee revenues of \$9,632 but deposited them into the state treasury as required by law. BPI used its general fund appropriations to pay for this service. Potential new fee revenue: ((\$10,063-\$0) - \$9,632 in penalties = \$431 The charge per unit would increase by \$0.77 based on 560 feed penalties issued in FY 2001.								
<i>Feed Tonnage inspected</i>	\$0.25/ton	\$17,400	\$0	\$0	\$17,400	Mixed	Provides public and private benefits of business regulation.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for the cost of the program. (**) See note at the end of the Feed & Fertilizer section.								
<i>Fertilizer Registration</i> for compliance with official fertilizer terms	\$10-\$50/product	\$59,375	\$0	\$10,616	\$48,759	Mixed	The public benefits from regulating the distribution, sampling, and certification of fertilizer and the compliance with labeling standards. Private businesses benefit from being able to sell fertilizer in the state.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
None. Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for the cost of the program. (**) See note at the end of the Feed & Fertilizer section.								
Fertilizer Penalties for non-compliance with official fertilizer terms	based on a formula	\$25,277	\$0	\$0	\$25,277	Private	Penalizes businesses for non-compliance with fertilizer terms	\$217
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>  Fees collected for fertilizer penalties go to the state treasury. BPI funded this program out of its general fund appropriations.  Potential new penalty revenue: <math>((\\$25,277 - \\$0) - \\$25,060)</math> in penalties = \$217  The charge per unit would increase by \$1.54 based on 141 fertilizer penalties.</p>								
Fertilizer Tonnage inspected	\$0.25/ton	\$13,960	\$0	\$0	\$13,960	Mixed	Provides business benefits	\$0
<b>Implications for changes to fee structure</b>								
None. Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for 50% of program cost not funded by federal or other revenues. (**) See note at the end of the Feed & Fertilizer section.								
Lime Penalties for deviations from label guarantees	based on a formula	\$3,900	\$0	\$0	\$3,900	Private	Penalizes businesses for non-compliance with lime terms	\$3,768
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional fee revenues exist.</i>  BPI collected \$132 in penalties and deposited them into the state treasury as required by law. BPI used its general fund appropriations to pay for this service.  Potential new fee revenue: <math>((\\$3,900 - \\$0) - \\$132)</math> in penalties = \$3,768  The penalty would increase by \$1,884 based on 2 lime penalties reported.  BPI should analyze its costs to issue the lime penalties and the risks associated with violations of this regulation as compared to other regulations before finalizing this penalty increase.</p>								
Registration of Soil and Plant Amendments	\$0.25-\$0.75 per product	\$3,840	\$0	\$0	\$3,840	Mixed	Protects the public from unregulated changes to fertilizers, as well as provides business benefits.	\$0
<b>Implications for changes to fee structure</b>								
None. Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for 50% of program cost not funded by federal or other revenues. (**) See note at the end of the Feed & Fertilizer section.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Administrative Costs</i>	No fees	\$9,895	\$0	\$0	\$9,895	Mixed	Provides support for the fertilizer program.	\$0
<i>None.</i> Feed and fertilizer program fees (deposited into the state general fund) are more than sufficient to pay for 50% of program cost not funded by federal or other revenues. (**) See note at the end of the Feed & Fertilizer section.								

*Feed and Fertilizer Subtotal* \$247,610      \$0      \$10,616      \$236,994      \$0

\*\* NOTE: BPI collected Feed and Fertilizer fees of \$484,459 (excludes \$34,825 in penalties) which exceeded the cost of its \$247,610 Feed and Fertilizer program by \$ 236,850. According to the theory of fee-setting, entities should not be charged fees that exceed the cost of the services provided. If this disparity continues on an ongoing basis, the state should consider reducing the feed and fertilizer fees.

**BPI Total** \$3,056,327      \$74,967      \$1,595,363      \$1,460,964      \$763,372

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\*\*\*BPI collected program related fees of \$1,444,150, which were deposited directly into the state treasury.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Public Safety (DPS)**

<i>Highway Safety Patrol Enforcement</i> enforces all traffic and drug laws on state and federal highways.	citations (most revenues remain in the county where the fine is paid)	\$39,464,834	\$7,978,104	\$1,145,483	\$30,341,247	Public	The public benefits from assurance that highways will be safe for travel.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds expended include drivers license and motor vehicle records fees.								
<i>Drivers Services</i> issues driver licenses, identification cards, and provides for the suspension of driving privileges.	Various fees ranging from \$5 to \$40	\$7,774,412	\$565,656	\$56,325	\$7,152,431	Mixed	The service provides a private benefit because individuals receive the privilege to drive. Public benefits include the assurance that drivers meet minimum requirements and the promotion of safety.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Users pay fees to cover the cost of the service. DPS collected \$18.4 million in drivers license fees and records report fees which were deposited into the state general fund and not expended by DPS. Other funds expended include drivers license fees (in addition to those deposited into the state general fund) and motor vehicle records fees.								
<i>Implied Consent</i> (Training and certification of law enforcement officers to use breath-test equipment and provide court testimony; evaluating, procuring and maintaining breath testers)	Implied consent assessments of \$25 per DUI conviction	\$635,156	\$52,351	\$0	\$582,805	Mixed	The public benefits and individual non-state jurisdictions benefit privately from a central authority to procure and maintain breath testers.	unknown

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<p><i>Limited opportunities may exist to charge fees for permitting of law enforcement officers to conduct breath analyses.</i>  This service is paid for through the collection of drivers license fees which are deposited into the state general fund and not expended by DPS. (See discussion under Drivers Services section.)</p>								
<i>Polygraph Examining Board</i> administers licenses for polygraph examiners who operate in MS	\$100 for every 2 years	\$3,560	\$0	\$3,560	\$0	Private	The service provides a private benefit because polygraph examiners receive a license to practice in MS.	<b>\$1,760</b>
<b>Implications for changes to fee structure</b>								
<p><i>Opportunities for additional licensing fee revenues exist.</i>  Potential for fee revenue: \$3,560 - \$1,800 average fee revenue per year = \$1,760  With 36 licensed examiners, the average revenue per year is \$1,800 (36 examiners times \$100 fee divided by 2 year licensing period).  Additional new fees for each of the 36 examiners (on average per year): <math>\\$1,760 \div 36 = \\$48.89</math></p>								
<i>Motor Vehicle Inspection</i> inspects every motor vehicle, trailer, semi-trailer and pole trailer registered in MS.	Inspection fees of \$5; inspection station permit fees of \$10	\$497,008	\$79,250	\$0	\$417,758	Private	This service provides a private benefit because citizens who own motor vehicles must have a certificate of inspection. Inspection station permittees receive the private benefit of operating.	<b>\$0</b>
<b>Implications for changes to fee structure</b>								
<p><i>None.</i> Users pay fees to cover the cost of the service. DPS collected \$4 million in motor vehicle inspection fees which were deposited into the state general fund and not expended by DPS.</p>								
<i>Support Services</i> provides all executive and/or administrative support to the agency.	Accident and accident reconstruction reports	\$4,702,676	\$0	\$236,933	\$4,465,743	Mixed	The public benefits from DPS support in the areas of finance and accounting, budgeting, human resources, personnel, purchasing, payroll, maintenance of the law library, and information systems	<b>\$0</b>



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i> Drivers through licensing and motor vehicle inspections pay fees to cover the cost of the Support Services division, in addition to covering the costs of Drivers Services and Motor Vehicle Inspection. See discussion above under Drivers Services and Motor Vehicle Inspection sections. "Federal and Other" consists primarily of federal grants.								
<i>Criminal Information Center</i> (the state's criminal records repository)	Fingerprint check fees-- \$24 (DPS includes revenues in "other" funds)	\$2,759,461	\$0	\$810,935	\$1,948,526	Mixed	The public benefits from having a comprehensive database of criminal information which is available to law enforcement officials. Private benefits include local law enforcement, public defender, federal and state agency access to state and national criminal information.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Drivers through licensing and motor vehicle inspections pay fees to cover the cost of the service. See discussion above under Drivers Services and Motor Vehicle Inspection sections. "Federal and Other" consists primarily of federal grants.								
<i>Crime Stoppers</i> utilizes media in promoting local programs and helps increase the flow of information between law enforcement agencies.	\$1.50 fine levied for misdemeanor offenses	\$119,887	\$119,887		\$0	Mixed	Public benefits include increased public awareness of crimes and increased school safety. Private benefits include advice and assistance to local crime stopper programs and each of the 152 school districts.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Funds are sufficient to pay for the service.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Training Academy</i> provides basic and advanced training to state, county, and municipal law enforcement agencies.	Tuition and fees ranging from \$5 to \$60 per day	\$1,583,644	\$861,054	\$0	\$722,590	Mixed	Public benefits include the assurance that law enforcement officers are well-trained and are able to perform their duties. Law enforcement officers benefit privately by obtaining the knowledge and skills to collect evidence, conduct criminal investigations, learn communication skills and write accurate reports.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay more than half of the expenditures not funded by federal and other funds.								
<i>Forensics services of the Crime Laboratory</i> consists of expert witness testimony and scientific examinations performed on items of physical evidence collected from the scene of criminal activity and at autopsy.	Analytical fees of \$50 (increased from \$20 as of 10/01); testimonial witness fees of \$500; implied consent assessments of \$25 per DUI conviction	\$6,392,702	\$412,765	\$278,668	\$5,701,269	Mixed	The public benefits from forensic services used to identify, apprehend and adjudicate individuals involved in criminal activity. Private benefits include the provision of competent, timely forensic services to non-state clients (e.g., cities and counties).	<b>unknown</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**

*Opportunities exist for additional analytical fee revenues.*

Analytical fees were increased by \$30 during FY 2002, which has the potential to generate an additional \$600,000 in fees per year for the Crime Lab. For the potential fee revenue analysis below PEER assumed that fees exceed the FY 2001 level by \$600,000 to total \$1,012,765 (\$412,765 + \$600,000) Using the benchmark of requiring service recipients (often cities and counties) to pay 50% of the expenditures not paid through federal and other sources, potential new fee revenue would be:  $((\$6,392,702 - \$278,668) \times 50\%) - \$1,012,765 = \$2,044,252$   
 If fees were increased to cover the potential new fee revenue, the average fee would increase by \$103.26 for each of the 19,798 cases worked, for a total fee of \$153.26.

However, as outlined in the Theory of Fee Setting, if fees are charged at too high a rate, demand for services will decrease. DPS provided data showing that the number of cases dropped from 20,234 in CY 2000 to 19,798 in CY 2001 to 17,456 as of 12/13/02. DPS reported the reason is that local governments are stating that they cannot afford the increased \$30 fee implemented in October 2001. As a result, the full \$2,044,252 potential fee revenue (needed for fees to pay for 50% of costs not funded by federal and other revenues) cannot be realized immediately.

*Opportunities exist for additional defendant analytical fees set by judges.*

Potential new fee revenue of up to \$120,000 could be generated if judges would assess a \$300 analytical fee (for cases resulting in either a conviction, guilty plea or forfeiture) on approximately 400 trial appearances annually. The fee is approved by DPS but discretionary on the part of judges. Reportedly, the fee is rarely assessed. Also, in some instances defendants or inmates would be assessed the \$300 and would not be able to pay the full amount in the first year.  
 $\$300 \times 400 \text{ appearances} = \$120,000$ .

*In addition, opportunities exist to use cash balances to pay for services.*

<i>DNA Analysis services of the Crime Laboratory profiles DNA samples in criminal cases.</i>	\$100 per sample paid by law enforcement agencies; testimonial witness fees of \$500 (neither were collected in FY 2001)	\$241,404	\$0	\$74,569	\$166,835	Mixed	The public benefits from forensic services used to promote safety by identifying, apprehending and adjudicating individuals involved in criminal activity. Private benefits include the provision of competent, timely forensic services to non-state clients.	<b>\$120,000</b>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**

*Opportunities exist for additional fee revenues for DNA testing for crimes.*  
 Potential new fee revenue: \$100 for each of the approximately 1,200 samples per year would be \$120,000. Previously, DPS referred cases to private labs at a cost to law enforcement agencies of \$800 per case. Because the Crime Lab recently started analyzing DNA samples in-house, no fee revenue at the \$100 level has been generated to date.

*Limited opportunities for additional fee revenues exist for testimonials as expert witnesses in criminal trials.*  
 DPS has not been collecting any revenue through testimonial fees as they were not yet involved in DNA testing. Potential new revenues would be \$1,000 to \$12,500 based on estimates of 2 to 25 cases per year at a \$500 fee. This fee is dependent upon DPS being able to train its staff as expert witnesses.

*In addition, opportunities exist to use cash balances to pay for services.*

Medical Examiner (ME) oversees the investigation and certification of all deaths affecting the public interest. This activity provides training and education to county coroners and maintains death records.	A fee of \$550 per autopsy	\$289,985		\$25,897	\$264,088	Mixed	Public benefits include assurance that unnatural, suspicious, violent, or unexplained deaths will be investigated by trained coroners/medical examiner investigators. Private benefits include assistance for non-state law enforcement officials in cities and counties, courts, victims' families and other citizens.	<b>\$132,044</b>
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**Implications for changes to fee structure**

*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue:  $((\$289,985 - \$25,897) \times 50\%) - \$0 = \$132,044$ .  
 Revenue could be generated from autopsy fees (currently \$550) if a state medical examiner and three assistant examiners and support staff were hired and autopsy fees were increased to the national average of \$1,100. (DPS stated that it has had difficulty in hiring a state medical examiner.) To make this a reality, legislation would be needed to change current medical examiner and coroner statutes as they relate to performing autopsies. DPS should conduct an analysis to determine the full cost of implementing an autopsy program, including costs of morgue facilities. Although the potential new fee revenue would be \$1,022,450 (1,859 autopsies performed annually X the \$550 current rate), revenues net of new costs are currently not known.  
 "Other funds expended" consist of reimbursements for toxicology work sent to outside labs on behalf of county coroners.

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Jail Officer Training Board</i> (jail officer training and activities in support of such training)	25% of Law Enforcement Training Fund	\$525,960	\$0	\$525,960	\$0	Mixed	Public benefits include assurance that jail officers have been properly educated and trained so they can carry out their duty in a manner that protects the health, safety and welfare of people. Private benefits include assistance to non-state agencies in funding the mandated program.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding from the Jail Officer Training Fund pays 100% of the cost of the service.								
<i>Emergency Telecommunications Board</i> includes training emergency telecommunicators in the state.	Monthly fee on telephone service of 5 cents	\$428,310	\$0	\$428,310	\$0	Mixed	The public benefits from increasing the level of competence of local public safety and 911 telecommunicators. Private benefits include training for emergency telecommunicators.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding from the Emergency Telecommunications Fund pays more than 50% of costs not paid by federal or other revenues. In addition, opportunities exist to use cash balances to pay for services.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Law Enforcement Officers Standards and Training Board</i> (administers curriculum at training academies, conducts continuing education training, oversees standards)	\$5 ticket assessment on traffic, game and fish and other misdemeanor and felonies; \$11 implied consent violation assessment	\$2,025,105	\$2,025,105	\$0	\$0	Mixed	The public benefits from the assurance that well-trained law enforcement officers are important to the health, safety and welfare of the people of this state. Private benefits include training for law enforcement officers.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Funding from the Law Enforcement Training Fund is sufficient. Fees pay for 100% of program.								
<i>Public Safety Planning</i> administered funds to public and private non-profit agencies to promote crime prevention, drug investigation, juvenile delinquency prevention, traffic safety, alcohol and drug abuse education, intervention and prevention programs.	No fees	\$14,399,577	\$0	\$13,929,942	\$ 469,635	Mixed	The public benefits from promotion of public safety in the state. Grant beneficiaries benefit privately.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The purpose of the program is to provide federal grants to public and private non-profit agencies. General funds spent are state matching funds.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Council on Aging</i> promotes a coordinated effort among law enforcement, social services agencies and local communities to reduce crime against senior citizens.	\$1 fee assessment on all traffic violations (except parking and DUI violations)	\$272,654	\$0	\$272,654	\$0	Mixed	The public benefits from efforts to reduce crime in local communities, which fosters public safety. Private benefits include grant funding to non-state entities.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Federal and other funds are sufficient to pay for the service.								
<b>DPS Total</b>		\$82,116,335	\$12,094,172	\$17,789,236	\$52,232,927			<b>\$253,804</b>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Department of Rehabilitation Services (DRS)**

<i>Case Services</i> (assists disabled persons to live independently and obtain training for employment)	No fees	\$52,389,734	\$0	\$43,373,546	\$9,016,188	Mixed	Service recipients receive private assistance. The public benefits from helping all citizens to contribute to society through work and independence.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services.								
<i>Assistive Technology</i> (includes providing technology for adaptive driving, auditory impairments, and visual and learning impairments)	No fees	\$248,373	\$0	\$248,373	\$0	Mixed	Service recipients receive private assistance. The public benefits from providing citizens with technology to allow them to participate in their communities and in the workplace.	\$0
<b>Implications for changes to fee structure</b> <i>None, because federal funds pay for the program.</i>								
<i>Transitional Services</i> (integrated program of education and vocational training for adolescents)	No fees	\$465,788	\$0	\$465,788	\$0	Mixed	Service recipients receive private assistance. The public benefits from providing adolescents with disabilities with education and training to provide for themselves.	\$0
<b>Implications for changes to fee structure</b> <i>None, because federal funds pay for the program.</i>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Job Placement for the Delta area</i>	No fees	\$98,954	\$0	\$98,954	\$0	Mixed	Service recipients receive private assistance. The public benefits from having disabled persons who can successfully enter the workplace.	\$0
<b>Implications for changes to fee structure</b> <i>None, because federal funds pay for the program.</i>								
<i>Benefit Planning (provides assistance with obtaining Social Security Insurance and Social Security Disability Insurance)</i>	No fees	\$94,908	\$0	\$89,131	\$5,777	Mixed	Service recipients receive private assistance. The public benefits from helping citizens return to the workforce.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services.								
<i>Client informational and referral services (provided in local workforce areas)</i>	No fees	\$393,994	\$0	\$393,994	\$0	Mixed	Service recipients receive private assistance. The public benefits from returning all citizens to the workforce.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Funding from the Workforce Investment Boards throughout the state pays for the program.								
<i>Home and Community Based Services to recipients</i>	No fees	\$2,139,648	\$0	\$2,138,343	\$1,305	Mixed	Service recipients receive private assistance. The public benefits from assisting clients at risk of nursing home placement or other more intensive services.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> DRS provides these services through an interagency agreement with the Division of Medicaid (DOM). According to DRS, DOM's regulations do not allow fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. The program is funded by Medicaid federal pass-through funding and state matching funds from the Health Care Trust Fund.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Eligibility Determinations</i> (determines eligibility of disabled workers and their dependents to receive assistance)	No fees	\$20,367,247	\$0	\$20,367,247	\$0	Mixed	Service recipients receive private assistance. The public benefits from assisting disabled individuals to enter the workplace.	\$0
<b>Implications for changes to fee structure</b> <i>None, because federal and other funds pay for the program.</i>								
<i>Case Services</i> for the Older Blind (encourages older blind persons to seek independent living services)	No fees	\$396,041	\$0	\$365,989	\$30,052	Mixed	Service recipients receive private assistance. The public benefits from having older blind persons live at home as opposed to more expensive institutions.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. "Other funds" are provided by the Health Care Trust Fund.								
<i>Independent Living Program</i> (provides personal care attendants to allow disabled persons to live independently and perhaps become employable)	No fees	\$1,285,203	\$0	\$1,267,745	\$17,458	Mixed	Service recipients receive private assistance. The public benefits from having individuals live at home as opposed to a more expensive nursing home or institution.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. "Other funds" include Health Care Trust funds and federal funds.								
<i>State Attendant Care Program</i> (provides personal care services and attendants for persons who are severely disabled)	No fees	\$488,744	\$0	\$0	\$488,744	Mixed	Service recipients receive private assistance. The public benefits from having individuals live at home as opposed to a more expensive nursing home or institution.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. For instance, the fee for each of the 59 severely disabled individuals served in FY 2001 would total \$4,142 per year.								
<i>Spinal Cord/ Traumatic Brain Injury</i> (equipment, transitional, emergency, prevention and other services)	No fees	\$1,349,166	\$0	\$1,349,166	\$0	Mixed	Service recipients receive private assistance. The public benefits from assisting disabled persons to be successful in the workplace.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. Spinal Cord Trust funds pay for the program.								
<i>Case services to deaf and hard of hearing individuals</i> (includes advocacy, education, outreach and other services)	No fees	\$228,975	\$0	\$87,587	\$141,388	Mixed	Service recipients receive private assistance. The public benefits from assisting persons with hearing impairments to be successful in the workplace.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> According to DRS, federal regulations do not permit fees to be charged to clients for services rendered. In addition, the Theory of Fee Setting acknowledges that low incomes in general would not allow payment for some services. "Other" funding of \$87,587 is from the Health Care Trust Fund.								
<b>DRS Total</b>		<u>\$79,946,775</u>	<u>\$0</u>	<u>\$70,245,863</u>	<u>\$9,700,912</u>			<u>\$0</u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Soil and Water Conservation Services (SWCS)**

<i>District Assistance</i> (provides support and consultation to the 82 counties regarding soil and water conservation)	No fees	\$1,258,364	\$0	\$499,527	\$758,837	Mixed	Benefits the public by having an overall coordinator for soil and water conservation in Mississippi. Assists all 82 district counties and landowners by disseminating information and procuring state and federal assistance for local districts.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> As outlined in the Theory of Fee Setting, the agency distributes funds/consultation services for the purpose of influencing behaviors of local soil and water conservation districts and ultimately private landowners.</p>								
<i>Water Quality</i> program (to reduce agricultural source water pollution)	No fees	\$1,228,887	\$0	\$980,242	\$248,645	Public	The public benefits from having landowners educated in best practices for managing lands and reducing erosion to improve water quality.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> As outlined in the Theory of Fee Setting, the agency distributes funds/consultation services for the purpose of influencing behaviors of local soil and water conservation districts and ultimately private landowners.</p>								
<i>Surface Mining</i> (reviews applications and requests for bond releases submitted to DEQ and conducts related inspections to determine adequate soil and water conservation practices)	No fees	\$12,047	\$0	\$0	\$12,047	Mixed	Benefits the public by recommending practices that ensure soil and ground waters are protected and left intact throughout the reclamation process. Surface mining operators privately benefit by being allowed to use state resources in their endeavors.	\$6,024

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Implications for changes to fee structure**  
*Opportunities for additional fee revenues exist.*  
 Potential new fee revenue:  $((\$12,047 - \$0) \times 50\%) - \$0 = \$6,024$   
 New fees for each of the 210 applications processed in FY 2001:  $\$6,024 \div 210 = \$29$   
 This report also recommends increased permit fees for DEQ's review of surface mine permit applications.

<b>SWCS Total</b>		<u>\$2,499,298</u>	<u>\$0</u>	<u>\$1,479,769</u>	<u>\$1,019,529</u>			<u><b>\$6,024</b></u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Supreme Court and Affiliated Programs (SC)**

**Supreme Court:**

<i>Supreme Court Justices</i> (direct expenses, including salaries of assigned clerks and judicial assistants)	No fees	\$2,658,493	\$0	\$0	\$2,658,493	Public	The public benefits from adjudication by a high court of last resort.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Administration of the Supreme Court</i>	No fees	\$463,481	\$0	\$0	\$463,481	Public	The public benefits from adjudication by a high court of last resort.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Central Legal Division</i> (general legal support)	No fees	\$462,675	\$0	\$0	\$462,675	Public	The public benefits from adjudication by a high court of last resort.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Finance</i> (handles payroll and other duties)	No fees	\$169,584	\$0	\$0	\$169,584	Public	The public benefits from adjudication by a high court of last resort.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Information Systems</i> (computer systems and statistics)	No fees	\$798,900	\$0	\$0	\$798,900	Public	The public benefits from information and statistics relating to cases in civil and criminal trial courts.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>General Expenses</i> (of the Supreme Court)	No fees	\$324,210	\$0	\$0	\$324,210	Public	The public benefits from adjudication by a high court of last resort.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Clerk of Supreme Court and Court of Appeals (receives filing fees for cases and maintains organization of the court)</i>	varying fees for 51 activities	\$671,472	\$0	\$0	\$671,472	Public	The public benefits from adjudication by a high court of last resort.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fee revenues totaling \$190,111 were deposited into agency accounts. As shown above, SC did not spend its fee revenues to pay for the program. (Appropriation bills in subsequent years have included spending from this fund.)								
<i>State Law Library</i>	varying library fees	\$500,853	\$0	\$0	\$500,853	Public	The public benefits from a library collection which supports the research needs of the Supreme Court and the public.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fee revenues totaling \$9,575 were deposited into agency accounts. As shown above, SC did not spend its fee revenues to pay for the program. (Appropriation bills in subsequent years have included spending from this fund.)								
<b>Supreme Court Subtotal</b>		<u>\$6,049,668</u>	<u>\$0</u>	<u>\$0</u>	<u>\$6,049,668</u>			<u>\$0</u>
<b>Court of Appeals:</b>								
<i>Court of Appeals (handles appeals cases assigned by the Supreme Court)</i>	No fees	\$3,546,200	\$0	\$0	\$3,546,200	Public	The public benefits from alleviating the workload of the Supreme Court to expedite the handling of cases.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<b>Court of Appeals Subtotal</b>		<u>\$3,546,200</u>	<u>\$0</u>	<u>\$0</u>	<u>\$3,546,200</u>			<u>\$0</u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Administrative Office of Courts (AOC):**

<i>Administrative Office of Courts</i> (support for state courts; oversees dockets; evaluates practices and procedures)	No fees	\$895,246	\$0	\$884	\$894,362	Public	The public benefits from a program for improvement of state trial court operations and for efficient administration of non-judicial court business (e.g., statistical information).	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Judicial Advisory Study Committee</i> (legal community members appointed to make recommendations for improvement)	No fees	\$7,819	\$0	\$0	\$7,819	Public	The public benefits from recommendations to the legislature and judiciary for improving the court system.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Immigration &amp; Naturalization Service contract</i> (identifies illegal aliens who have committed crimes)	No fees	\$57,334	\$0	\$57,334	\$0	Public	The public benefits from a service that obtains data from circuit clerks to identify illegal aliens.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Court Improvement Plan</i> (for enhancement of the state Youth Court system)	No fees	\$122,676	\$0	\$92,007	\$30,669	Public	The public benefits from judicial reform for children in need of protective services.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i>								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Adequate Legal Representation for Youth</i> (DPS planning sub-grant)	No fees	\$3,690	\$0	\$3,690	\$0	Public	The public benefits from examining the access and right to counsel for accused juvenile offenders.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Task Force on Gender Fairness</i> (study of the issue)	No fees	\$49,210	\$0	\$8,878	\$40,332	Public	The public benefits from determining whether gender bias exists in the judicial system.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Drug Treatment Court</i> (project for Hinds County Drug Court that focuses on treatment)	No fees	\$119,010	\$0	\$0	\$119,010	Public	The public benefits from a less expensive alternative to incarceration for non-violent offenses.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Public Defender Task Force</i> (study of the issue)	No fees	\$77	\$0	\$0	\$77	Public	The Task Force's work led to the establishing the offices of Capital Defense and Capital Post-Conviction Counsel, which are of public benefit. (See pages 45 and 46.)	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Court Delay Reduction</i> (DPS planning sub-grant for presenting evidence in a more thorough and expeditious manner)	No fees	\$197,417	\$0	\$148,063	\$49,354	Public	The public benefits from improvements in the quality and presentation of evidence in courtrooms through use of communications equipment.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Certified Court Reporters</i> licensing program	Exam fee for the purpose of issuing a license	\$12,854	\$12,854	\$0	\$0	Private	Court reporters benefit from the privilege of working in state courts and assurance that court reporting follows sound standards.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay for this service.								
<i>Trial Judge Support Staff</i> (paid with county funds)	No fees	\$7,414,173	\$0	\$7,414,173	\$0	Public	The public benefits from support of trial judges at the county level.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> The counties pay for this service.								
<b>AOC Subtotal</b>		\$8,879,506	\$12,854	\$7,725,029	\$1,141,623			\$0

**Trial Judges General Fund Appropriation:**

<i>Chancery Judges</i> operations	No fees	\$5,391,712	\$0	\$0	\$5,391,712	Public	The public benefits from a chancery judge system.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Circuit Judges</i> operations	No fees	\$5,938,742	\$0	\$0	\$5,938,742	Public	The public benefits from a circuit judge system.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Special Judges operations (hears cases when a judicial officer is unwilling or unable to hear a case)</i>	No fees	\$253,309	\$0	\$0	\$253,309	Public	The public benefits from a back-up system for ensuring that cases are heard.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Complaint Tribunal (hears cases regarding attorney discipline)</i>	No fees	\$1,719	\$0	\$0	\$1,719	Public	The public benefits from assurance that a body exists to enforce attorney discipline.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>General Expenses (of all trial judges)</i>	No fees	\$137,805	\$0	\$0	\$137,805	Public	The public benefits from operation of a trial judge system.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<i>Trial Judges Support Staff Allowances (\$40,000 per judge)</i>	No fees	\$3,594,614	\$0	\$0	\$3,594,614	Public	The public benefits from operation of a trial judge system.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i>								
<b>Trial Judges Subtotal</b>		<u>\$15,317,901</u>	<u>\$0</u>	<u>\$0</u>	<u>\$15,317,901</u>			<u>\$0</u>

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Board of Bar Admissions:**

<i>Board of Bar Admissions</i> (administers the rules of admission to the Bar)	varying license and exam fees	\$198,724	\$198,724	\$0	\$0	Private	Attorneys privately benefit from the privilege of practicing law in the state.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fees pay for the services.								
<b>Bar Subtotal</b>		\$198,724	\$198,724	\$0	\$0			\$0

**Continuing Legal Education (CLE):**

<i>Continuing Legal Education--CLE</i> (ensures compliance with regulations)	\$1.50 fee per credit earned	\$80,425	\$80,425	\$0	\$0	Private	Attorneys benefit by satisfying requirements for continuing legal education to qualify for recertification and ability to pursue private business.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Fees pay for the services.								
<b>CLE Subtotal</b>		\$80,425	\$80,425	\$0	\$0			\$0
<b>SC Total</b>		\$34,072,424	\$292,003	\$7,725,029	\$26,055,393			\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**State Tax Commission (STC) and related budgets**

<i>Tax Collecting</i> (administers and enforces revenue laws of the state)	Collection fees assessed to counties	\$37,253,882	\$1,626,471	\$2,604,396	\$33,023,015	Public	The public benefits from programs funded by the collection of tax revenues.	\$0
<p><b>Implications for changes to fee structure</b></p> <p><i>None.</i> The Tax Collecting program includes the administration of motor vehicle and motor home titles (i.e., issuance of title documents for automobile owners and related administrative duties). The Tax Commission has not determined the costs of administering Title Administration in FY 2001. However, according to the Tax Commission, it conducted an analysis of FY 2002 costs and determined that FY 2002 Title Administration service costs (approximately \$3 million) were less than the \$3,626,598 in related revenue (i.e., \$4 fee for each of the 906,649 titles handled in FY 2002). (The \$3,626,598 was deposited directly into the state general fund and not retained by the Tax Commission for their operations).</p>								
<i>Alcoholic Beverage Control</i> acts as the exclusive wholesaler of alcoholic beverages in the state.	Liquor permits	\$7,009,092	\$0	\$ 495,815	\$ 6,513,277	Mixed	The public benefits from control over the production and sale of liquor in the state. Private benefits include business permits to sell alcoholic beverages.	\$0
<p><b>Implications for changes to fee structure</b></p> <p><i>None.</i> Fees collected totaled more than 50% of costs not funded by federal or other revenues. Permit licenses and other fee revenues totaled \$4,247,924 and were deposited directly into the state treasury. (A total of \$2,241,640 went into the General Fund, and the remainder was dispersed to cities or counties where the businesses are located.) Potential new fee revenue: <math>((\\$7,009,092 - \\$495,815) \times 50\%) - \\$4,247,924</math> in fees collected = a number less than \$0.</p>								
<i>Property</i> approves county property rolls; appraises property to assure uniform county assessments; and administers the homestead exemption reimbursement.	No fees.	\$3,503,436	\$0	\$ 366,844	\$ 3,136,592	Public	The public benefits from assurance of uniform taxation of property.	\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b>								
<i>None.</i>								
<i>Homestead Exemption Reimbursements</i> payments to counties, schools, and municipalities in order to make up for tax losses they incurred when granting ad valorem tax credit.	No fees.	\$76,300,000	\$0	\$0	\$76,300,000	Mixed	The public benefits from promotion of stability through home ownership. Private benefits include lower property taxes.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> The purpose of the program is to encourage home ownership through the Homestead Exemption Reimbursement. Program expenditures consist of tax credits and do not include administrative costs.								
<i>License Tag Commission</i> procures license plates and decals for the state.	No fees.	\$1,047,499	\$0	\$0	\$1,047,499	Mixed	Public benefits include tagging vehicles for ID purposes. Individuals benefit privately from the privilege of driving a car in the state.	\$0
<b>Implications for changes to fee structure</b>								
<i>None.</i> Auto registration fees that the Tax Commission transferred to the State Treasury in FY2001 (\$25,880,125) were more than sufficient to pay for the cost of procuring tags and decals. (A total of \$10,081,793 went into the General Fund. The remainder was dispersed to entities such as the Department of Transportation, county highway programs, and special tag groups such as colleges).								

**STC and related budgets Total**

\$125,113,909	\$1,626,471	\$3,467,055	\$120,020,383
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**\$0**

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Tennessee-Tombigbee Waterway Development Authority (TWDA)**

Waterway development (four-state program to promote economic development, including planning, policy-making and lobbying)	No fees	\$337,772	\$0	\$219,208	\$118,564	Mixed	The public benefits from increased recreation and economic improvements. Private shipping concerns benefit from lobbying of Congress against endangered species protection and other issues. Area businesses benefit privately through increased water transportation.	\$59,282
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for additional fee revenues exist.</i>            Potential new fee revenue: <math>((\\$337,772 - \\$219,208) \times 50\%) - \\$0 = \\$59,282</math>            Some form of recreation, tourism or other tax could be levied on businesses benefiting from these activities. However, research is needed to determine how to define those businesses that benefit from TWDA's marketing and lobbying activities.</p>								

<b>TWDA Total</b>		<u>\$337,772</u>	<u>\$0</u>	<u>\$219,208</u>	<u>\$118,564</u>			<u>\$59,282</u>
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State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**State Treasury Department (TD)**

<i>Unclaimed Property</i> (locates and returns unclaimed bank deposits and other property to rightful owners)	No fees.	\$439,890	\$0	\$439,890	\$0	Mixed	Property owners receive private benefits from returned funds. The public benefits from the state's oversight of unclaimed funds.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of unclaimed property receipts not claimed by their owners. The Treasury Department maintains a perpetual record of past unclaimed monies to ensure that any rightful owner entitled to funds will receive those funds.								
<i>Cash Management</i> (investment of funds to obtain the highest rates of return)	No fees.	\$496,234	\$0	\$142,001	\$354,233	Public	The public benefits from investment of all excess general and special funds and protection of state assets.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of unclaimed property receipts not claimed by their owners.								
<i>Debt Service</i> (coordinates new bond issues and makes debt payments)	No fees.	\$319,320	\$0	\$114,955	\$204,365	Public	The public benefits from the assurance of timely principal and interest payments on outstanding debts, thus reducing the financial burden on public resources.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of unclaimed property receipts not claimed by their owners.								
<i>Financial Management</i> (data processing; accounting for agency and state accounts)	No fees.	\$990,857	\$0	\$849,944	\$140,913	Public	The public benefits from maintenance of investment accounts of all state funds.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of unclaimed property receipts not claimed by their owners.								



State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Safekeeping of Collateral</i> (accounts for collateral pledged by banks to secure state funds deposited with them)	No fees.	\$371,568	\$0	\$371,568		Public	The public benefits from oversight of state funds deposited into other institutions and safekeeping of negotiable and non-negotiable instruments.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of unclaimed property receipts not claimed by their owners.								
<i>MPACT--Mississippi Prepaid Affordable College Tuition Program</i> (receives tuition payments in advance in exchange for guaranteed tuition at time of enrollment)	Application and other fees	\$2,279,480	\$293,615	\$1,985,865	\$0	Private	Mississippi families receive assistance in saving for college educations and receive private benefits from the state's handling of administrative and trust funds.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Program fees are established to cover the cost of the program. Other funds consist of contract payments from program participants and investment income.								
<i>MACS--Mississippi Affordable College Savings Program</i> (provides plan for families to save for tuition or for expenses not covered under MPACT such as supplies and housing)	Administrative costs of .007% on asset balances	\$55,118	\$0	\$55,118	\$0	Private	Mississippi families receive assistance in saving for college educations.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> During the first year of program operations, the FY 2001 expenses were funded by a start-up loan from the unclaimed property fund.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Health Care Trust Fund</i> (Investment of and accounting for funds received from Tobacco Settlement)	No fees.	\$123,303	\$0	\$123,303	\$0	Public	The public benefits from management of funds for high return combined with appropriate liquidity.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Other funds consist of interest earned from the Health Care Expendable Fund.								
<i>Education and Improvement Trust Fund</i> (funds for vocational equipment and textbooks for school districts)	No fees.	\$76,632	\$0	\$76,632	\$0	Public	The public benefits from vocational education for students, through efforts to maximize state (public) assets used for this purpose.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Sources of funds are oil and gas severance taxes, royalties and interest earned.								
<b>TD Total</b>		\$5,152,402	\$293,615	\$4,159,276	\$699,511			\$0

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			

**Veterans Affairs Board (VAB)**

Comprehensive nursing home care for nearly 600 war veterans at four nursing homes	\$46 per day in FY 2001 (\$50 per day as of 12-31-01)	\$22,979,233	\$9,308,775	\$10,909,683	\$2,760,775	Private	Individual veterans receive private benefits. Decision to honor veterans' public service through additional benefits is a federal, rather than a state, responsibility.	\$2,760,775
<p><b>Implications for changes to fee structure</b>  <i>None.</i> In FY 2001, the veterans paid 41% of the cost of service and the state paid 12%. In order for the veterans to pay 100% for the cost of their services after federal payments, their fees would increase to nearly \$59 in FY 2001 dollars.</p>								
Approving Agency (inspects and supervises schools that provide federally-funded educational benefits)	No fees	\$90,829	\$0	\$90,829	\$0	Private	Ensures veterans receive federal education benefits. Protects the federal government from fraudulent acts by the schools. Public benefits accrue to the federal government.	\$0
<p><b>Implications for changes to fee structure</b>  <i>None.</i> Although the approving agency service provides benefits, the service is federally funded. Therefore, there is no impact on general funds.</p>								
Claims (assists veterans with receiving federal benefits to which they are entitled by filing correct paperwork on their behalf and pursuing appeals)	No fees	\$610,163	\$0	\$0	\$610,163	Private	Individual veterans receive private benefits. Other groups, such as welfare recipients, do not receive technical assistance from third parties in collecting their benefits.	\$610,163
<p><b>Implications for changes to fee structure</b>  <i>Opportunities for new revenue exist:</i>            Additional new fee revenue: <math>(\\$610,163 - \\$0) - \\$0 = \\$610,163</math>.            Fee for claims handled: <math>\\$610,163 \div 10,607 \text{ claims} = \\$57.52</math>.            Fee for case files reviewed: <math>\\$610,163 \div 41,950 \text{ case files} = \\$14.55</math>.</p>								

**VAB TOTAL**

\$23,680,225      \$9,308,775      \$11,000,512      \$3,370,938

**\$3,370,938**

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Department of Wildlife, Fisheries and Parks (DWFP)</b>								
Wildlife Management (implements regulations and habitat enhancements for wildlife)	Hunting license fees ranging from \$5 to \$1500	\$11,787,598	\$4,645,248	\$5,716,364	\$1,425,986	Mixed	The public benefits from the prevention of species extinction and education services. Private benefits include technical assistance to landowners and hunting clubs. Individuals also benefit from hunting opportunities.	\$0
<b>Implications for changes to fee structure</b> <i>Some opportunities for additional fee revenues may exist, although fees pay more than half of the expenditures not funded through federal and other funds.</i> DWFP could charge a fee for technical guidance on habitat management, as private consultants charge for this service. DWFP could also implement the proposed fee increases recommended in the consultant's report evaluating hunting and fishing license fees. The revenue from increased hunting fees could be distributed to Wildlife Research and the Museum of Natural Science. These services are of benefit to the hunters who pay fees. (See discussion below.)								
State Fishing Lake Management (manages the state's fishing lakes and conserves fishery resources)	Fishing license fees ranging from \$1 to \$100	\$9,493,480	\$3,547,104	\$4,736,653	\$1,209,723	Mixed	The public benefits from conservation of fisheries and prevention of species extinction. Individuals benefit from fishing opportunities, including sportfishing events and seminars for area anglers.	\$0
<b>Implications for changes to fee structure</b> <i>Some opportunities for additional fee revenues may exist, although fees pay more than half of the expenditures not funded through federal and other funds.</i> DWFP should implement the proposed fee increases recommended in the consultant's report evaluating hunting and fishing license fees. The revenue from increased fishing license fees could be distributed to the State Fish Hatchery, Fisheries Research, and the Museum of Natural Science. These services are of benefit to the fishermen who pay fees. (See discussion below.)								
State Fish Hatchery (for growing fish to stock state fishing lakes and public waters)	Fishing license fees ranging from \$2 to \$30	\$1,232,785	\$67,988	\$956,194	\$208,603	Mixed	The public benefits and individuals benefit privately from restocking of fishing areas.	\$70,308

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$1,232,785 - \$956,194) \times 50\% = \$67,988 = \$70,308$ Fish Hatchery services are of benefit to fishermen who pay fees. Per a consultant's report entitled "Evaluating Hunting and License Fees for Mississippi" dated 9/25/2001, an analysis of impact on fishermen determined that DWFP can charge additional fees for fishing licenses to cover this shortfall.								
State Parks (provide outdoor recreational opportunities)	Various entrance fees	\$19,693,621	\$10,643,925	\$1,749,696	\$7,300,000	Mixed	Public benefits include preservation of natural state resources. Private recreation benefits include golf courses, camping, and convention and other facilities.	unknown
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues may exist.</i> In aggregate, fees pay more than half of the expenditures not funded by federal and other funds. However, DWFP should break out its costs on a more detailed basis to determine whether fees for private services, such as boat launch and convention rentals, are comparable to fees in the private sector, as outlined in the Theory of Fee-Setting.								
Fisheries Research (conducted to gain knowledge and answer specific questions to better manage resources)	No fees.	\$138,082	\$0	\$113,004	\$25,078	Mixed	The public benefits from application of research knowledge for improvement of state lakes. Private benefits include responses to individual questions and concerns about fish.	\$12,539
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $(\$138,082 - \$113,004) \times 50\% = \$0 = \$12,539$ Fisheries Research services are of benefit to fishermen who pay fees. Per a consultant's report entitled "Evaluating Hunting and License Fees for Mississippi" dated 9/25/2001, an analysis of impact on fishermen determined that DWFP can charge additional fees for fishing licenses to cover this shortfall.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
Wildlife Research (conducted to gain knowledge to better manage resources and provide answers to problems identified by sportsmen)	No fees.	\$339,717	\$0	\$278,017	\$61,700	Mixed	The public benefits from the application of knowledge from research and improvement in the quality of management of state-owned wildlife management areas. Private benefits include responses to individual questions and concerns about wildlife.	\$30,850
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$339,717 - \$278,700) \times 50\%) - \$0 = \$30,850$ Wildlife Research services are of benefit to hunters who pay fees. Per a consultant's report entitled "Evaluating Hunting and License Fees for Mississippi" dated 9/25/2001, an analysis of impact on hunters determined that DWFP can charge additional fees for hunting licenses to cover this shortfall.								
Museum of Natural Science (maintains the state's biological collections; provides public exhibits and education programs on state wildlife and fisheries)	Museum entrance fee of \$4; giftshop sales	\$4,696,525	\$544,126	\$452,399	\$3,700,000	Mixed	The public benefits from educational programs and state biological collection preservation. Visitors receive private benefits.	\$1,577,937
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Potential new fee revenue: $((\$4,696,525 - \$452,399) \times 50\%) - \$544,126 = \$1,577,937$ Museum education and biological collection services are of benefit to hunters and fishermen who pay fees. Per a consultant's report entitled "Evaluating Hunting and License Fees for Mississippi" dated 9/25/2001, an analysis of impact on hunters and fishermen determined that DWFP can charge additional fees for licenses to cover this shortfall. At 159,101 visitors in FY 2001, museum entrance fees would have to increase from \$4 to \$13.19 to cover potential fee revenues. The number of visitors would likely drop considerably. DWFP should conduct ongoing analyses to determine the amount of additional entrance fees, if any, that the market can bear and the impact on museum users. DWFP should also analyze the cost of gift shop services (including salaries and supplies) to determine that costs do not exceed revenues.								

State Service or Activity and Purpose	Fee description	FY 2001 Service or Program Expenditures	Source of Funds Expended			Benefit	Discussion on Determination of Public/Private Benefit	Potential New Fee Revenue
			Fees	Federal and Other	General Fund			
<i>Administration Costs not allocated to other programs</i>	No fees.	\$838,572	\$0	\$0	\$838,572	Mixed	Provides administrative support for programs that have public and private benefits.	\$419,286
<b>Implications for changes to fee structure</b> <i>Opportunities for additional fee revenues exist.</i> Per a consultant's report entitled "Evaluating Hunting and License Fees for Mississippi" dated 9/25/2001, an analysis of impact on hunters and fishermen determined that DWFP can charge additional fees for licenses to cover this shortfall. Before raising license fees to cover these administration costs, DWFP should analyze the types of costs included in this category to ensure that hunters and fishermen receive indirect benefits related to this area.								
<i>Law Enforcement not allocated to other programs</i>	No fees.	\$5,149,558	\$4,185,070	\$0	\$964,488	Public	The public benefits from assurance that state and federal statutes relating to fresh water fisheries, wildlife and boating safety laws are being enforced.	\$0
<b>Implications for changes to fee structure</b> <i>None.</i> Fees pay more than 50% of the costs not funded by federal and other revenues.								
<b>DWFP Total</b>		\$53,369,938	\$23,633,461	\$14,002,327	\$15,734,150			\$2,110,920

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## Agency Responses

PEER offered the executive directors of the forty-one agencies reviewed a chance to respond to PEER's review of their agency's potential for new fee revenues. PEER limited the responses to one page for each agency due to the size of the report but allowed the agencies to provide additional documentation related to their response to be held at PEER offices for review by anyone who requests a review of the information.

The following twelve agencies chose to respond:

- Agriculture and Commerce, Department of
- Animal Health, Board of
- Educational Television, Mississippi Authority for
- Forestry Commission
- Gaming Commission, Mississippi
- Health, State Department of
- Mississippi Development Authority
- Plant Industry, Bureau of
- Public Safety, Department of
- Soil and Water Conservation Services
- Tennessee-Tombigbee Waterway Development Authority
- Wildlife, Fisheries and Parks, Department of

None of the agencies chose to provide additional documentation related to their response to be held at PEER offices for review upon request.





STATE OF MISSISSIPPI  
DEPARTMENT OF AGRICULTURE AND COMMERCE  
LESTER SPELL, JR., D.V.M.  
COMMISSIONER

December 17, 2002

Dr. Max Arinder  
Executive Director  
The Mississippi Legislature PEER Committee  
P. O. Box 1204  
Jackson, MS 39215-1204

Dear Dr. Arinder:

The purpose of the Mississippi Legislative PEER Committee report on generating new fees is appreciated, as is the critical financial situation that the State of Mississippi today finds itself in. Before responding specifically to some of the recommendations presented, I should note that I presented to the Legislature some fee changes in 1997.

To appreciate the difficulty in raising fees on the regulated programs (which the bulk of these recommendations attempts to address), one needs to understand the premise that many of those who are regulated don't see the need for regulation in the first place. To increase a fee that they see no benefit in to begin with, and then for government to say that because they received benefit they should absorb more cost, simply does not wash. It, in their opinion, is the public (through government) receiving the benefit; and, therefore, the public should shoulder all of the cost. They, often correctly, would contend that the benefit is miscategorized as "mixed," and should instead be categorized as "public."

While these things are of concern to me as well, I am also specifically concerned with the proposals addressing revenues for the marketing and livestock theft functions. These functions, promotions and police-nature duties have traditionally been considered proprietary functions of government at all levels and divisions of government.

To propose a per acre fee of several cents is not only unwieldy but inefficient ---- (1) At 4 cents per acre, will a 5 acre parcel landowner have to send in a 20 cent check? (2) What will be the processing costs? (3) How will we know if we have all the farms? (4) At what costs will we endeavor to collect the 20 cents? ---- Most farmers are losing money to begin with. A farm is more than a simple income unit --- it affects our very lifestyle, and in a positive way. We should be doing all that we can to promote and protect agriculture in these difficult times, not concocting ways to put it further in the hole.

Sincerely,



Lester Spell, Jr., D.V.M.  
Commissioner of Agriculture & Commerce

lss



# Mississippi Board of Animal Health

JAMES A. WATSON, D.V.M.  
State Veterinarian

Max Arinder, Ph.D.  
Executive Director, PEER Committee  
Post Office Box 1204  
Jackson, Mississippi 39215-1204

December 9, 2002

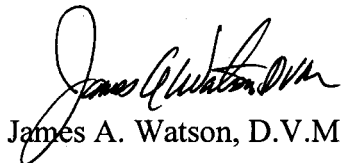
Dr. Arinder,

I would like to express my concerns about the "Potential for Fee Revenue Report"

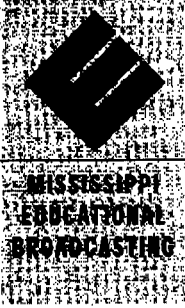
The discussion on determination of public/private benefit would lead one to believe that the benefits of regulatory programs for livestock and poultry, only benefit farmers, those actually producing the animals. However, the control and eradication of livestock and poultry diseases impact the whole economy of the state. An outbreak of avian influenza in the poultry industry or foot-and-mouth disease in livestock would cause a devastating economic loss to the entire state as a result of quarantines and restriction of live animals and food products from our state. There are many jobs in our state that are associated with feeding, care and processing of animals, especially with the poultry industry that would be impacted by the above mentioned diseases. Therefore, it is unfair to expect the farmer to bear the cost of programs that benefit the entire population of Mississippi.

Another concern is the manner in which the 50% cost recovery figure was derived. The Board of Animal Health, which performs very few private benefit services, has the 50% figure applied to the whole budget, not the portion of the budget used in generating the private benefits. In other words, the Board of Animal Health may spend 8% of it's time and budget on private benefit activities, yet the 50% figure was applied to the entire budget, (not the 8%) to determine a bench mark figure for potential new fee revenue. This will generate an un-realistically high benchmark figure against which an agency may be expected to achieve.

Thank you for the chance to respond to this report. If you have any questions, please do not hesitate to call.



James A. Watson, D.V.M



3825 Ridgewood Rd. • Jackson, MS 39211 • 601-432-6565 • www.etv.state.ms.us

December 11, 2002

Dr. Max K. Arinder  
Executive Director  
PEER Committee  
Woolfolk Building, 3<sup>rd</sup> floor  
501 N. West Street

via facsimile 359-1420

Dear Dr. Arinder:

The Mississippi Authority for Educational Television (ETV, PRM, and Radio Reading Service) has done a number of things in the past year to further our ability to create revenue.

The agency undertook a study of tower fees to assure that our fee structure was appropriate. While the fee structure was determined to be at the high end of the market study, we do feel that there is potential for additional private customers. Unfortunately, this is driven by the national economy at this time. Additionally, we feel that state agencies, in particular law enforcement and public service, should be given priority on these towers.

We would like to ask your consideration and assistance with the following:

- We have had to turn down revenue contracts signed by over 95% of public television entities nation wide because of indemnification language.
- We also have been advised that some of our potential to create research and development opportunities do not fall within our statute. This means we may not be able to pursue these opportunities.

Just last week, we had to decline potential revenue opportunities because the open records law meant that priority technical information would become part of the public records.

MAET recognizes that we need to become more aggressive in our efforts to secure revenue opportunities, but these issues have created barriers to these opportunities.

We seek any advice on how to remedy these situations.

Sincerely,

A handwritten signature in cursive script that reads "Marie".

Marie Antoon  
Executive Director

MA/dm



SOUTHERN HARDWOOD



SOUTHERN PINE

## MISSISSIPPI FORESTRY COMMISSION

December 10, 2002

Max K. Arinder, Director  
PEER  
P. O. Box 1204  
Jackson, MS 39215

Dear Mr. Arinder:

The MFC has reviewed your report on our services and fee schedule. As the report indicates, we periodically review our fee schedule for adjustments and recommend changes when warranted. We were already looking at the price of seedlings and other services for rate changes and implementation at the beginning of FY 2004. We will submit our recommended changes to our Governor Appointed Board of Commissioners for approval and posting at the Secretary of States Office to become effective July 1, 2003.

If you need further information, please call.

Sincerely,

A handwritten signature in cursive script, appearing to read "Everard Baker".

Everard Baker  
Assistant State Forester

Leonard A. Blackwell, II  
Chairman

A. J. Pitts  
Commissioner

Victor P. Smith  
Commissioner



Larry Gregory  
Executive Director

## MISSISSIPPI GAMING COMMISSION

Post Office Box 23577  
Jackson, Mississippi 39225-3577  
(601) 351-2800

December 11, 2002

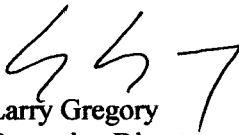
Dr. Max Arinder  
Executive Director  
PEER Committee  
P.O. Box 1204  
Jackson, MS 39215-1204

Dear Dr. Arinder:

The Mississippi Gaming Commission ("MGC") received your letter of December 10, 2002, together with selected fee charts for the MGC (herein referred to as "PEER's Report"). Since we were not provided the body of the report and have been limited to a one page response, it is extremely difficult to remark upon PEER's analysis. Nevertheless, it is critical that we make a few key points.

First, the MGC has only two (2) programs: Riverboat Gaming and Charitable Gaming. Within these programs, all activities are intertwined. Therefore, evaluating these programs by individual activities makes these functions appear independent when in fact they overlap. Second, the fee charts make it appear that some activities overcharge for services. This is not the case. All administrative and overhead costs have not been allocated to these individual functions. If all costs were fully allocated, our calculations show that revenues would be less than total costs. Finally, and most importantly, if PEER's conclusions, as we understand them, were implemented, the MGC would require additional general funds to operate. The MGC agrees that our mission is both public and private in nature. If we interpret PEER's Report correctly, this would mean that fifty percent (50%) of our funds should come from the general fund. As you know, the MGC is not funded fifty percent (50%) from general funds. In this time of budget crisis, we do not believe the Mississippi Legislature would want to increase our general funding. Instead, we should be allowed to continue to support the functions of this agency through the special funds generated by each program.

Sincerely,

  
Larry Gregory  
Executive Director

cc: Chairman Leonard A. Blackwell, II  
Commissioner Victor P. Smith  
Commissioner A.J. Pitts



MISSISSIPPI STATE DEPARTMENT OF HEALTH

December 13, 2002

May K. Arinder, Ph.D.  
Executive Director  
Joint Committee on Performance Evaluation  
and Expenditure Review  
Post Office Box 1204  
Jackson, MS 39215-1204

Dear Dr. Arinder:

I am in receipt of your letter regarding review of the Mississippi Department of Health's fees for services and programs. We feel there is merit to many of the recommendations and will be available to work with you and the legislature as needed for implementation.

Thank you for your assistance and support and please feel free to contact us should you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian W. Amy".

Brian W. Amy, MD, MHA, MPH  
State Health Officer

BWA/ckb

cc: Buck Ross

---

*Brian W. Amy, MD, MHA, MPH, State Health Officer*

570 East Woodrow Wilson • Post Office Box 1700 • Jackson, Mississippi 39215-1700  
601/576-7634 • Fax 601/576-7931 • [www.msdh.state.ms.us](http://www.msdh.state.ms.us)

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**STATE OF MISSISSIPPI**  
RONNIE MUSGROVE, GOVERNOR  
**MISSISSIPPI DEVELOPMENT AUTHORITY**  
ROBERT J. ROHRLACK, JR., CED  
EXECUTIVE DIRECTOR

December 13, 2002

Max Arinder, Ph.D.  
Executive Director  
Joint Committee on Performance Evaluation  
And Expenditure Review  
Post Office Box 1204  
Jackson, Mississippi 39215

Dear Dr. Arinder:

This letter is in response to the PEER review regarding the fee potential for general fund agencies. We appreciate the opportunity to work with your staff in gathering information for your analysis.

During the 2002 Legislative Session, the Mississippi Development Authority (MDA) worked with the House Ways and Means and Senate Finance Committees to identify sources of revenue that could be used to offset the direct cost of administering programs. Two additional sources are included in the report for the Financial Resources Division. These sources were recommended in a prior year report to the Legislative Budget Office and were not acted on during the 2002 Legislative Session.

Your report suggests that fees be initiated for the Existing Industry & Business Division. We feel that this Division, like the National & International Division (currently Business Development and Trade), is a marketing program designed to encourage economic development in the State.

The report also includes a recommendation that a fee be established for those clients served by our Energy Division. The programs administered by the Division encourage energy efficiency by providing technical, financial and educational assistance. We are concerned that the assessment of any fees would deter our goal to improve energy efficiency in the public and private sectors of Mississippi.

The report suggests that MDA should allocate its administrative costs to other programs to calculate full cost of programs. MDA currently allocates costs for support services to federally funded programs using a federally approved indirect cost rate. The remaining MDA programs not assessed this rate are supported primarily with general funds.

In accordance with your instructions we are limiting our published response to one page. We would welcome the opportunity to elaborate further the consequences of accessing client fees.

Sincerely,

A handwritten signature in black ink, appearing to read "Bob Rohrlack".

Robert J. Rohrlack, Jr., CED  
Executive Director

RJR:DS:kgr



**STATE OF MISSISSIPPI**  
**DEPARTMENT OF AGRICULTURE & COMMERCE - BUREAU OF PLANT INDUSTRY**  
LESTER SPELL, JR., D.V.M., COMMISSIONER  
MICHAEL TAGERT, DIRECTOR

December 12, 2002

Max Arinder, Ph. D.  
Executive Director  
PEER Committee  
P. O. Box 1204  
Jackson, MS 39215-1204

Dear Dr. Arinder:

This letter is sent in response to the draft fee schedule we received via email on December 11, 2002. After reviewing the schedule, I have the following comment with respect to your findings for our agency.

We feel the inspections we conduct are a service-oriented activity of the department and are not intended for the purpose of generating revenue. These inspections provide assurance to the public that industry is being regulated, and at the same time, it is a benefit to industry in that all parties are regulated in a fair and equitable manner. To that end, we feel that fees should not be charged for inspection activities.

Additionally, we do have civil and criminal authority when we find violations of state laws and regulations have occurred. This type of information is commonly received through the inspections we conduct in response to consumer complaints as well as during routine inspections. These civil and criminal penalties are assessed as a result of violations of state laws and regulations and serve as a deterrent to the parties involved. Therefore, our inspections offer protection to the consumers of this state, which we view as a service of the department and not an opportunity to generate additional revenue.

I want to thank you for the opportunity to comment on the report. Should you have any questions, feel free to contact me or a member of my staff.

Sincerely,

A handwritten signature in black ink that reads "Michael D. Tagert".

Michael D. Tagert  
Director





STATE OF MISSISSIPPI  
DAVID RONALD MUSGROVE, GOVERNOR  
DEPARTMENT OF PUBLIC SAFETY  
DAVID R. HUGGINS  
COMMISSIONER  
December 12, 2002

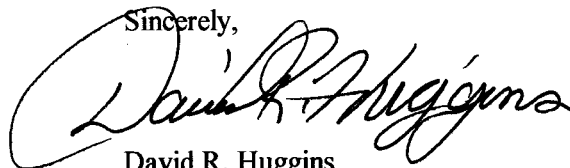
Max K. Arinder, Ph.D.  
Executive Director  
Joint Committee on Performance Evaluation and Expenditure Review  
Post Office Box 1204  
Jackson, Mississippi 39215-1204

Dear Mr. Arinder:

The Department of Public Safety (DPS) does not support any recommendation for fee increases for this Agency. Our response to the Joint Committee on Performance Evaluation and Expenditure Review (PEER) report provided us December 10, 2002, is as follows:

1. DPS does not concur with any proposed change to the existing Coroner system nor funding the Medical Examiner's Office (MEO) through increased fees. The actual cost of a fully funded and staffed MEO would most likely far exceed the potential revenue estimate.
2. The current fee structure for the State Crime Laboratory (SCL) already imposes a burden on cities and counties. The majority of the SCL's clientele are cities, counties and other governmental agencies and to impose a fee increase at this time would be an additional hardship on already strapped budgets. It is the mission of the SCL that any person upon whom a crime is committed in this State should have an equal chance of that crime being solved. If services are over priced the local and state clientele will do one of three things: (1) send evidence to private labs for testing; (2) have evidence tested at the SCL without the capability of paying the bill; (3) be financially restricted when deciding how much evidence to have analyzed.

In conclusion, we disagree with the recommended fee increases for the Department of Public Safety.

Sincerely,  
  
David R. Huggins  
Commissioner of Public Safety

P. O. Box 23005  
Jackson, Mississippi 39225-3005  
Telephone (601) 354-7645  
Fax (601) 354-6628



Gale Martin  
Executive Director

Paul Myrick  
Chairman  
Stringer, MS

December 13, 2002

Marc Curtis  
Vice Chairman  
Leland, MS

Max Arinder, Ph.D., Executive director  
PEER Committee  
501 North West Street, Suite 301-A  
Jackson, MS 39201

Benny Goff  
Lucedale, MS

Re: Fee study

Ross McGehee  
Natchez, MS

Dear Dr. Arinder:

Paul McKay  
Biloxi, MS

The Commission has reviewed the PEER Committee report on proposed fees for surface mining permit review. The Commission has no position on this subject, as it is purely a legislative policy decision. To enable the Commission's collection of fees for permit review, the surface mining application fees charged by the Department of Environmental Quality (DEQ) must be raised and the surface mining statute amended to direct a portion of the fee charged by DEQ be forwarded to the Commission.

W.P. "Bill" Thomas  
Greenwood, MS

M.C. Sparks, Jr.  
Lake Cormorant, MS

Jack Winstead  
Lawrence, MS

Sincerely,

Coley Bailey  
Grenada, MS

James L. Sledge  
State Forester  
Jackson, MS

A handwritten signature in black ink that reads "Don Underwood".

Don Underwood  
Deputy Director

Lester Spell  
Commissioner of  
Agriculture  
Jackson, MS

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Mississippi State, MS



# **TENNESSEE-TOMBIGBEE Waterway Development Authority**

POST OFFICE DRAWER 671 • TELEPHONE 662/328-3286

DONALD G. WALDON, Administrator

COLUMBUS, MISSISSIPPI 39703 FAX NO. 662/328-0363

email: [tenntom@ebicom.net](mailto:tenntom@ebicom.net)

December 12, 2002

Dr. Max Arinder, Ph D. Executive Director  
Joint Committee on Performance Evaluation And Expenditure Review  
Woolfolk Building, Suite 301-A, 501 North West Street  
Jackson, MS 39201

Dear Dr. Arinder,

This is in response to your agency's estimate of potential new fee revenues for collection by the Tennessee-Tombigbee Waterway Development Authority. As stated earlier to your staff, I believe the Authority has neither the legal authority nor the prospects of collecting these proposed fees as explained below.

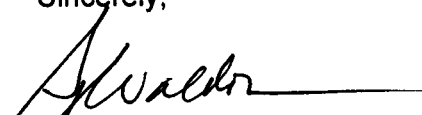
As you may know, TTWDA is a four-state interstate compact that markets and promotes the development of the Tennessee-Tombigbee Waterway and its economic and trade potential to Mississippi and the waterway region. The Tenn-Tom is a federally owned and operated waterway. TTWDA does not have any administrative authorities or responsibilities for the waterway. These are carried out by the U.S. Army Corps of Engineers that do collect recreation fees and other user charges from the public for the use of these federal facilities. In addition, the commercial users (shippers, carriers, etc.) of the waterway also pay a 20 cents per gallon fuel tax that are deposited in the U.S. Treasury.

Some states have considered charging a fee on tonnage shipped to and from or through the state via a federal waterway which has generated considerable opposition from farmers, producers and companies that use barge transportation. Such a tax also raises constitutional questions whether such fees are in violation of the commerce clause (interstate commerce) of the U.S. Constitution. If the State of Mississippi chose to adopt such a fee, it should be applied to all waterborne commerce in the state, including that on the Mississippi River and the Gulf Coast. Such a tax, if found to be constitutional, would make it difficult for Mississippi businesses and farmers to compete with nearby states that do not impose such a tax. Moreover, Mississippi already provides a tax incentive for its producers to ship to and from ports within the state, including those along the Tenn-Tom. A potential tax on tonnage would be completely contrary to this existing tax incentive.

Like all marketing and promotional agencies, TTWDA does not collect fees for its services or activities. Our efforts help attract nearly 3 million visitors to the waterway each year that generate more than \$150 million of additional economic spending in the waterway corridor annually. Our efforts along with those of MDA and local economic development groups, to attract industrial development and trade to the waterway have resulted in more than \$5 billion of new private investments and over 50,000 new jobs in the waterway corridor since it opened. Therefore, the State of Mississippi has received much benefit from its contributions to the waterway compact.

I trust that this information explains why it is not appropriate for TTWDA to collect fees for its waterway-related activities. Please let me know if you need any additional information or if I can be of any further assistance.

Sincerely,



Donald G. Waldon



**MISSISSIPPI  
DEPARTMENT OF WILDLIFE, FISHERIES AND PARKS**

**SAM POLLES, Ph.D.**  
Executive Director

December 11, 2002

Dr. Max Arinder, Executive Director  
Performance Evaluation and Expenditure Review  
Woolfolk Building, Suite 301-A  
Jackson, MS 39201

Dear Dr. Arinder:

I would like to thank you for the opportunity to review and comment on the report your office did on the fees generated by state agencies. After a review by my staff, the following information should be taken into consideration regarding fees generated by the Department of Wildlife, Fisheries and Parks.

First, the recommendations that fees should be charged for technical assistance in wildlife and fisheries could adversely affect the Department's ability to draw federal funds from the U. S. Department of Fish and Wildlife. Any fees received in these areas would be considered program income and reduce the state's allocation of federal funds.

Secondly, my concern is that an increase in fees charged at the Museum of Natural Science would substantially reduce the number of visitors to the Museum.

The Department of Wildlife, Fisheries and Parks will continue to endeavor to control spending so as to provide a safe and enjoyable experience for all who utilize the programs within the Department.

If we can be of further assistance, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Sam Polles", with a long horizontal flourish extending to the right.

Sam Polles, Ph.D.  
Executive Director

SP:jac

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## PEER Committee Staff

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Ted Booth, General Counsel

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