

**74th OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session
BUDGET REPORT AND MEASURE SUMMARY**

MEASURE: HB 5042-A

JOINT COMMITTEE ON WAYS AND MEANS

**Carrier – House: Rep. Jenson
Carrier – Senate: Sen. Johnson**

Action: Do Pass as Amended and Be Printed A-Engrossed

Vote: 17 – 3 – 1

House – Yeas: D. Edwards, Galizio, Jenson, Nathanson, Nolan, Shields

– Nays: Garrard, Hanna, Morgan

– Exc:

Senate – Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett, Winters

– Nays:

– Exc:

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Reviewed By: Daron Hill, Legislative Fiscal Office

Meeting Date: 4/6/07

Agency

Secretary of State

Budget Page

I-21

LFO Analysis Page

471

Biennium

2007-09

Senators: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson,
Schrader, Verger, Westlund, Whitsett, Winters

Senator Kurt Schrader, Co-Chair

Representatives: D. Edwards, Galizio, Garrard, Hanna, Jenson,
Morgan, Nathanson, Nolan, Shields

Representative Mary Nolan, Co-Chair

Representative Bob Jenson, General Government Subcommittee Chair

Budget Summary*

	2005-07		2007-09		Percentage Committee
	Legislatively Approved Budget (1)	Governor's Budget	Committee Recommendation	Difference from Governor's Budget	Change from Governor's Budget
General Fund	\$ 11,462,627	\$ 11,614,930	\$ 11,698,259	\$ +83,329	+0.7%
Other Funds	34,324,182	39,712,282	38,613,529	-1,098,753	-2.8%
Federal Funds	9,293,472	9,158,195	9,158,195	0	0.0%
Total	\$ 55,080,281	\$ 60,485,407	\$ 59,469,983	\$ -1,015,424	-1.7%

Position Summary

Authorized Positions	203	208	199	-9
Full-time Equivalent (FTE) Positions	202.46	207.50	198.50	-9.00

(1) Includes adjustments through the December 2006 meeting of the Emergency Board

* Excludes Capital Construction expenditures

Summary of Revenue Changes

General Fund appropriations support Elections, Archives, and portions of the support divisions (Executive Office, Business Services, Information Services, and Human Resources).

Other Funds are received primarily through fees for filing and services from the Corporation Division and an assessment to state agencies for the Audits Division. These two divisions transfer a portion of the revenues received to fund the balance of the support divisions' budget. The Archives Division assesses state agencies based on their cubic storage space at the State Records Center. The agency also collects miscellaneous fees for documents and copier charges within the Elections and Archives Divisions.

Federal Funds are received under the Help America Vote Act (HAVA) for elections related functions.

Summary of Subcommittee Action

The Secretary of State is an elected, constitutional office, serving as auditor of public accounts, custodian of Legislative and Executive public records, and Chief Elections Officer. The Subcommittee approved a budget of \$59,469,983 total funds and 198.50 full-time equivalent positions. This is an 8.0 percent increase from the 2005-07 Legislatively Approved Budget and a 29.3 percent increase from the 2007-09 Essential Budget Level.

The Secretary of State's appropriation bill for the 2005-07 biennium has separate appropriation/limitation amounts for each of the divisions and the Help America Vote Act (HAVA) program. The Subcommittee approved combining the internal support functions with the Administration Division (Executive Office), but leaving the other divisions in separate appropriations/limitations.

Administrative Division (Executive Office)

The Executive Office coordinates policy development, strategic planning, legislative initiatives, and press relations, and serves as liaison to the State Land Board. The Subcommittee approved a budget of \$1,517,944 total funds and 6.00 full-time equivalent positions.

Elections Division

This program administers state and federal election laws; provides training to county and city election officials, political party representatives, and candidates; publishes statewide voters' pamphlets; and administers the filing and verification of initiative, referendum, and recall petitions. The Subcommittee approved a budget of \$6,454,339 total funds and 15.00 full-time equivalent positions.

The Subcommittee approved Package 161 – Voters' Pamphlet Funding, with a modification. The package, as approved, provides \$1,200,000 General Fund to pay for the Primary and General Election voters' pamphlets.

The Subcommittee approved Package 163 – Elections Position, with a modification. The package, as approved, provides \$50,000 General Fund to enable the division to hire temporary clerical assistance, as needed, to help with photocopying, filing and other clerical duties especially during times of heavy workload.

Business Services Division

This program provides accounting, budgeting, cashiering, payroll, purchasing, contract administration, safety and risk management, fixed assets, and inventory control services. The Subcommittee approved a budget of \$3,060,523 total funds and 16.00 full-time equivalent positions.

The Subcommittee approved Package 142 - BSD Reclassifications, which reclassifies one Accountant 3 position to Accountant 4, and one Accounting Technician 2 position to Procurement and Contract Specialist 1 based on a review of their duties.

Information Services Division

This Division provides information systems oversight and planning, technical support, information system support, application support, and business support. The Subcommittee approved a budget of \$12,746,830 total funds and 24.00 full-time equivalent positions.

The Subcommittee approved Package 171 - ISD Positions, which replaces two limited-duration, full-time positions as permanent, full-time positions (2.00 full-time equivalent). These positions include one Information Systems Specialist 7 and one Information Systems Specialist 8.

The Subcommittee approved Package 172 - Corporation Division Technology Projects, for continuation of the E-business projects implemented during the last three biennia for the Corporation Division. The package provides resources for Phase 3 and Phase 4 of the Central Business Registry project, Digital Image Records Management System for Business Registry, Trade and Service Mark Database, Electronic Check E-payment Enhancement, Business Registration Certificates, and the Notary Database Rewrite.

The Subcommittee approved Package 173 - Election Business Systems Projects, for continuation of the Elections Business System project. This package provides resources for Campaign Finance Release II, Committee Registration Release II, Candidate Filing, Complaints & Violations, and Initiative & Referendum projects. This package is funded with Help America Vote Act (HAVA) funds.

The Subcommittee approved Package 174 - BSD Point-of-Sale Project, to enhance the Business Services Division's Deposit Interface System by adding Point of Sale functionality.

The Subcommittee approved Package 175 - Electronic Records Management System, for the creation of an Electronic Records Management System and the planning and proposal for a Data Records Center/Archives Center. The Subcommittee directed the agency to report to the Joint Legislative Committee on Information Management Technology on the status of the projects.

Personnel Resources Division

This program provides centralized human resources services, advises and assists in interpreting and applying personnel policies and procedures, and oversees personnel management in the agency. The Subcommittee approved a budget of \$631,001 total funds and 3.00 full-time equivalent positions.

The Subcommittee approved Package 143, HRD Reclassifications, which reclassifies one Human Resource Analyst 1 to Human Resource Analyst 2 and one Principal Executive Manager D to Principal Executive Manager E based on a review of their duties.

Audits Division

The Audits Division was created to carry out the Secretary's constitutional duties as auditor of public accounts to assure that public funds are properly accounted for and spent in accordance with legal requirements. The Division performs, or contracts for, financial and compliance audits and performance audits of state agencies. The Subcommittee approved a budget of \$14,633,746 Other Funds and 72.00 full-time equivalent positions.

The Subcommittee approved Package 132 - Audits Reclassification, which reclassifies one Principal Executive Manager A to Training and Development Specialist 2 based on a review of the duties currently being performed by the position.

Archives Division

The Archives Division stores public records and protects and provides public access to Oregon's documentary heritage. The Division advises state and local agencies on records management and publishes the state's administrative rules. The Subcommittee approved a budget of \$5,817,257 total funds and 22.00 full-time equivalent positions.

The Subcommittee approved Package 121 - Archives Reclassifications, which reclassifies four positions based on a review of the duties currently being performed by the positions. The package reclassifies one Property Specialist 2 to Office Specialist 2, one Editor Assistant to Electronic Publication Design Specialist 1, one Principal Executive Manager D to Operations and Policy Analyst 3, and one Principal Executive Manager B to Principal Executive Manager D.

The Subcommittee added Package 806 - Rent Reduction in Archives Building, which reduces the rent for the Archives Building by \$69,173 General Fund and \$12,207 Other Funds.

Corporations Division

This program assists the public in registering business entities and secured personal property transactions in Oregon, commissions Notary Publics, investigates notary complaints, and provides certifications for notarized documents. The Division also administers the Business Information Center, which provides information to start a business in Oregon. The Subcommittee approved a budget of \$7,370,148 Other Funds and 35.50 full-time equivalent positions.

Help America Vote Act (HAVA)

The federal Help America Vote Act (HAVA) requires all states to implement a variety of election process reforms including replacing punch card voting systems, purchasing voting equipment that is accessible to people with disabilities, and developing a centralized voter registration system. The 2005 Legislature approved the creation of a new program unit to consolidate all HAVA activities into one unit. The Subcommittee approved a budget of \$7,238,195 Federal Funds and 5.00 full-time equivalent positions.

The Subcommittee approved Package 164 - Help America Vote, which funds the continuation of several projects that will help the state meet the mandates of HAVA including Accessible Voter System, Central Count Tally Systems, Public Voter Education, Training & Outreach Campaigns, Health and Human Services Funds, Computer/HTML Ballot Project, Toll Free Line, and continuation of the Oregon Central Voter Registration Project. The package also changes four limited-duration positions as permanent positions (Principal Executive Manager F, Procurement & Contract Specialist 3, Information Systems Specialist 8, and Electronic Publication Design Specialist 3) and establishes one limited-duration Operations & Policy Analyst 4 position.

Summary of Performance Measure Action

See attached Legislatively Adopted 2007-09 Key Performance Measures form.