

**SECRETARY OF STATE**

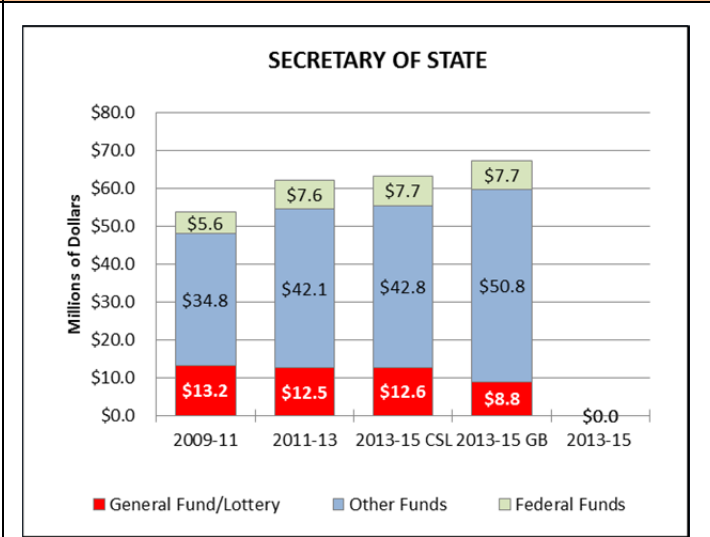
The Office of the Secretary of State is one of three constitutional offices established at statehood. The Secretary is auditor of public accounts, chief elections officer, and manager of the state’s records, a role that includes preserving official acts of the Legislative Assembly and the Executive Branch. The Secretary of State serves with the Governor and Treasurer of State on the State Land Board which manages state-owned lands.

SECRETARY OF STATE	2009-11 Actuals	2011-13 Leg. Approved	2013-15 Current Service Level	2013-15 Governor's Budget	2013-15 Co-Chairs' Budget (1.0)	% Change 2011-13 LAB to 2013-15 CSL
General Fund	13,154,574	12,500,468	12,579,143	8,846,089	0	0.6%
Other Funds	34,795,709	42,099,026	42,844,859	50,770,080	0	1.8%
Federal Funds	5,632,259	7,559,402	7,736,442	7,715,111	0	2.3%
<b>TOTAL FUNDS</b>	<b>\$53,582,542</b>	<b>\$62,158,896</b>	<b>\$63,160,444</b>	<b>\$67,331,280</b>	<b>\$0</b>	<b>1.6%</b>
Positions	198	197	196	206	0	-0.5%
FTE	197.30	195.69	195.19	204.37	0.00	-0.3%

Major Revenues	Budget Environment	Comparison by Fund Type
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- The \$12.6 million of General Fund in the 2013-15 biennium current service level budget finances one-fifth (19.9%) of total agency expenditures.
- General Fund support varies considerably, however, by agency program. The General Fund supports 51% of the Archives Division budget (\$3.6 million General Fund), and 47% of the Elections Division budget (\$6.9 million General Fund). The remaining \$2 million of General Fund finances 14% of administrative services expenses.
- The Audits and Corporation Divisions receive no General Fund and are fully supported by Other Funds, however, portions of the Audits Division assessments to state agencies are financed by General Fund appropriations to those agencies.
- The Audits Division is funded by assessments to most state agencies.

- General Fund expenditures for the Elections Division increase whenever special elections are called, or when large numbers of statements require the Voters Pamphlet to be published in more than one volume. These extraordinary costs, which cannot be predicted, are not approved in the agency’s regular budget but are instead reimbursed by the Emergency Board after the costs are incurred.
- Certain Elections Divisions expenditures, supported by the federal Help America Vote Act (HAVA), are using up available funds. The federal government is no longer providing new HAVA funds. In the agency’s requested budget, only \$2.2 million of HAVA funds would remain at the end of the 2013-15 biennium. Continuing these programs would require a shift to General Fund of



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<p>Agencies whose operations are predominately funded with dedicated trust funds (e.g., Department of Transportation), however, are billed for actual audit costs instead of paying an assessment. Audits Division assessments and billings are projected to total \$23.9 million in 2013-15, and will support the Division’s direct costs plus a portion of the agency’s central administrative costs (in the Administrative Services Division).</p> <ul style="list-style-type: none"> <li>• The Archives Division also assesses state agencies for the storage and retrieval of inactive, non-permanent records maintained by the Division. These assessments are projected to total \$3.1 million in 2013-15.</li> <li>• The Corporation Division collects fees on business registrations, secured transactions, and from notaries public. The agency retains the first \$20 of the business registry fee received. Registry fee collection amounts above \$20 are transferred to the General Fund. The Division is projected to collect \$66.8 million in the 2013-15 biennium, from which it will transfer \$48 million to the General Fund, use \$16.6 million to support agency expenditures, and retain \$2.2 million in additional ending balance.</li> </ul>	<p>approximately \$5.6 million in 2015-17.</p> <ul style="list-style-type: none"> <li>• Atypically, the Governor included no reductions to this budget in his recommendation, other than the statewide adjustments that reflect his proposed PERS policy changes.</li> </ul>	

**MAJOR CHALLENGES AND DECISION POINTS**

1. Agency request to replace General Fund support to the Archives Division with a new assessment added to state agency budgets. Total assessments in lieu of General Fund would equal \$3.7 million. Other agency budgets would need to be adjusted to include the new Archives Division assessment.
2. Archives Division is requesting an additional \$1 million in state agency assessments to purchase compact shelving.
3. The agency is requesting two positions and \$254,613 to establish an Office of Small Business Assistance. The fund source would be Corporate Division revenues that would otherwise be available for transfer to the General Fund. [SB 143]
4. The agency request includes \$1.3 million Other Funds to support seven positions in the Information Services. These include converting three existing limited-duration positions to permanent status, and adding four additional new positions.
5. A \$1.2 million expansion of the One-Stop Business Portal, and \$800,000 of improvements to the online business registration service are being requested. The fund source would be Corporate Division revenues that would otherwise be available for transfer to the General Fund.
6. Elections Divisions costs supported by the federal Help America Vote Act (HAVA) are using up available funds. Continuation of existing programs would require a shift to General Fund of approximately \$5.6 million in 2015-17, and of \$7.8 million thereafter.