



# Secretary of State

*2017-19*

*Joint Committee on Ways and Means*

*Budget Presentation*

*Phase II – April 20, 2017*

# Administrative Services Division

## Policy Package

### Package 101 Elections Staffing Needs \$715,223 GF

#### - Program Manager - *Information Systems Specialist 8*

Provides application development oversight (cost, schedule, scope), project planning, problem analysis, and monitoring vendor relationships for all elections technology projects

#### - Java Developer – (2 LD's to Perm) *Information Systems Specialist 7*

Provides security remediation, system design, enhancement, maintenance, and programming support for elections applications

# Elections Impact if Not Funded

## Java Developers – (2 LD's to Perm) *Information Systems Specialist 7*

- These election positions were established and approved as LD's in in Secretary of State's 2015-17 LAB to support ORESTAR pending recommendations of the consultants review of ORESTAR modules. That final report recommended outsourcing two modules (Election Night Reporting & Contact Tracking) and maintaining in-house the other six modules. We are requesting these two LD positions become permanent for on-going development, maintenance and sustainment.
- Based on the consultant's report, it is most effective to maintain these six modules in-house, therefore, these LD's need to be made permanent.

# Elections Impact if Not Funded

## **Program Manager - Information Systems Specialist 8**

- The Elections Division currently administers the Oregon Motor Voter, ORESTAR, and OCVR systems.
- The position's primary focus would be to provide technical and business analysis as well as project management for these systems.

**If these positions are not funded Elections Division will not be able to fully maintain its existing systems.**

# Elections Division

***Ensuring Accurate, Secure, Efficient,  
Transparent, and Accessible  
Elections in Oregon***

# Elections Division Policy Package

## **Package 104 - Technology Package – ORESTAR/OCVR System Integration \$300,000 GF**

The integration of the OCVR-ORESTAR systems will result in business staff time savings for each County Election Office. In addition, currently the division is required to conduct duplicate manual entries. Integrating the systems will eliminate double entry and decrease data entry errors resulting in more accurate information. This is a one-time funding request that will complete the integration.

# Corporation Division

- *Help startup and existing businesses grow and thrive by using faster and smarter business processes.*
- *Provide timely document processing services, business advocacy and convenient access to information about businesses, notaries, secured transactions, and government resources for a prosperous Oregon.*

# Corporation Division

## Policy Packages 112, 113, 114

**House Bill 2354 (Pkg. 112) \$628,182 OF, FTE 4.0**

**House Bill 2352 (Pkg. 113) \$193,460 OF, FTE 1.0**

**House Bill 2353 (Pkg. 114) \$1,106,140 OF, FTE 6.0**

**Total \$1,927,782 OF, FTE 11.0**

**These bills have not received a Public Hearing or been scheduled for a Work Session.**



# 3 Biennium Revenue/Expenditures

	2017-19		2019-21		2021-23
112					
Expenditures	\$ 628,182		\$ 728,691		\$ 845,282
Revenue	\$ 642,000		\$ 642,000		\$ 642,000
113					
Expenditures	\$ 193,460		\$ 224,414		\$ 260,320
Revenue	\$ -		\$ -		\$ -
114					
Expenditures	\$ 1,106,140		\$ 1,283,122		\$ 1,488,422
Revenue	\$ -		\$ -		\$ -
115					
Expenditures	\$ -		\$ -		\$ -
Revenue	\$ 1,168,488		\$ 1,620,440		\$ 1,626,928

# Corporation Division

## House Bill 2191-A

**House Bill 2191-A** is a collaborative effort by the Secretary of State, Attorney General, Oregon State Bar, Business lobby and House Business and Labor Committee to develop a less invasive, low cost and more business friendly alternative solution to anonymous shell companies saving 10 FTE and \$1.7 million compared to HB 2352, HB 2353 and HB 2354.

Requires 1.0 FTE to support investigations of companies suspected of violating statutory requirements. Costs \$157,718 in 2017-19, and \$224,414 in 2019-21.

# Corporation Division

## Policy Package 115

### Corporation Funding – Revenue Only

**House Bill 2348** increases the Secretary of State's share of Business Registry revenue from \$20 per filing to \$25 per filing. Allows the Secretary to continue to support and maintain business registry program operations and services.

The bill will increase funds available to the Secretary by \$2,921,220 (2017-19) and is offset by an equal decrease in funds transferred to the General Fund.

A \$2 increase would equal \$1,168,488 (2017-19).

# Corporation Division

## Policy Package 115

### House Bill 2348 (passed out of committee with a referral to Ways and Means)

- Inflation, legislatively mandated program growth, security requirements and expense growth have eroded the Secretary's ability to maintain future operations and program growth out of the \$20 portion of the business registry fee.
- Failure to provide additional funding will force additional staff and program reductions that will negatively impact the Secretary's ability to serve customers and support businesses, maintain systems, delay processing of customer documents.

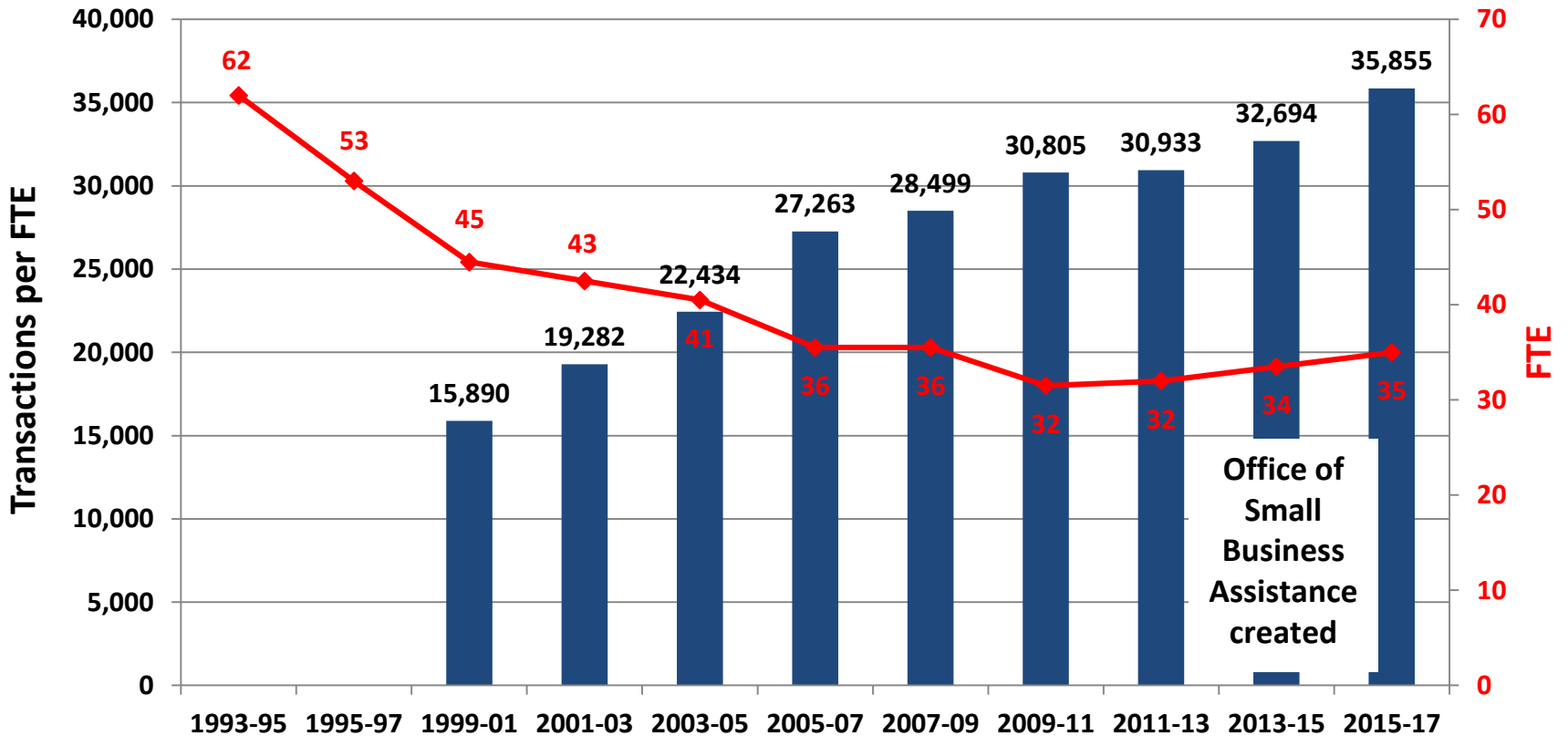
# Corporation Division

## Policy Package 115 continued

- At the anticipated budget growth rate of 16% per biennium, without additional funding the 2019-21 budget will exceed available revenues. Since the primary budget drivers are personnel, merchant fees and postage, and since postage and merchant fees are required costs, reducing staff would be inevitable. Reducing staff will impact the Corporation division's ability to process registration filings for customers and collect the associated fees that generates substantial revenue for the General Fund.
- Without the necessary funding to maintain services, delays and backlogs will increase, and businesses will migrate to other states resulting in a loss of registration fees to Delaware, Washington, Idaho, etc.

# Corporation Division Prior Staff Reductions

FTE Change/Transactions per FTE



Accountability

Transparency

Integrity