

ANALYSIS

Item 1: Secretary of State Election Finance Reform

Analyst: Paul Siebert

Request: Allocate \$5,412,851 General Fund and authorize the establishment of 21 positions (9.69 FTE) for the Secretary of State to implement the significant changes to election finance regulations required by HB 4024, which passed at the end of the 2024 legislative session.

Analysis: During the last week of the 2024 legislative session, the House Rules Committee reported out HB 4024, which makes significant changes to the regulation of election finances to be overseen by the Secretary of State's Office (SOS). Reforms that become operative on January 1, 2027 include restrictions on the organization of political committees, numerous contribution limits, timelines on completing election complaints and new civil penalties. HB 4024 also requires SOS to design, develop, and implement an internet-based campaign finance dashboard, with required features and publishing deadlines by January 1, 2028.

Because HB 4024 was reported out of committee so late in the session, there was not time to include the funding necessary to implement the measure into pending legislation. Instead, SOS was directed to request the resources necessary to implement HB 4024 from the Emergency Board at their meeting in May 2024.

The largest costs to implement the new election finance reforms are those related to the information technology (IT) expenditures necessary for new contribution limit reporting requirements and the development of the required online campaign finance dashboard. SOS currently uses the Oregon Elections System for Tracking and Reporting (ORESTAR) application for candidate filing, voters' pamphlet filing, and campaign finance reporting. This application is over 20 years old, no longer meets modern technology needs, and is incompatible with modern software and hardware standards. Because of this, SOS will have to undertake a complete overhaul of ORESTAR prior to January 1, 2027, a large IT project which must be completed on a short timeline with a required go-live date of January 1, 2028.

To complete this IT work, SOS is requesting 14 positions which will reside in the Information Services Division, except for a Campaign Finance Business Analyst position which will be added to the Elections Division. Four of the IT positions are limited duration, with the remainder being permanent positions. The estimated cost for these positions for the remainder of the biennium, including services and supplies, is \$2.5 million General Fund. An additional \$1.8 million General Fund is being requested for IT Professional Services, Quality Assurance contracts, and anticipated Attorney General costs. It should be noted that SOS unsuccessfully requested planning money to replace the ORESTAR application during the last two legislative sessions. ORESTAR lacks essential web accessibility features, has a user interface that is non-intuitive and difficult to navigate, and is built upon legacy technology, making it difficult to obtain support services. The current system requires manual workarounds and ongoing troubleshooting. While a new system will provide long-term benefits, the tight development and go-live timelines required to hit the implementation dates contained in HB 4024 will pose a significant challenge to meet successfully.

HB 4024 also requires SOS's Elections Division to administer new compliance, investigation, public education provisions, and rule making responsibilities. SOS is requesting six positions to meet these new responsibilities. A Compliance Manager will serve as the program expert on requirements gathering and work through compliance issues with external stakeholders, as well as inform administrative rules development. A Rules and Hearings Coordinator will oversee the development and maintenance of administrative rules and administrative law hearings. An Administrative Support Specialist will assist with administrative hearings processes and support program managers. The request also contains funding to reclassify of an existing position overseeing campaign finance due to the addition of staff and responsibilities from a Business Operations Manager 1 to a Business Operations Manager 3.

The final component of the Elections Division request is the addition of three election law complaint investigation related positions. An Investigations Manager is being requested to oversee all investigation related work, act as the subject matter expert during the requirements gathering and implementation phases of the election finance project and ensure the consistency of investigation practices and outcomes on all election law complaints. SOS is also requesting two additional investigator positions, which would bring the total number of investigators to five. SOS expects the number of new complaints to increase when the new election finance limits go into effect. At the same time, starting January 1, 2027, new election investigations must begin within 30 days of receiving a complaint and findings must be issued within 60 days of a complaint being received. The Elections Division currently has a backlog of 761 election complaint cases and even with the addition of a third investigator approved during the 2024 session the backlog would be 655 cases by the end of 2026. In addition, the number of complaints being received has seen significant increases, a trend that only seems to be getting worse. So far during the 2024 election cycle, SOS has received twice as many complaints as they had at this point in the 2022 election cycle and seven times more than the 2020 election cycle.

The Secretary of State's Office is also requesting the addition of a Human Resource Analyst position to meet the demand of adding the requested positions including hiring activities as well as providing ongoing human resource services support. SOS reports the need for additional human resources support predates the new work required by HB 4024 but will pose even more difficulties with the addition of the requested new positions.

Recommendation: The Legislative Fiscal Office recommends that the Emergency Board allocate \$5,412,851 General Fund to the Secretary of State and authorize the establishment of 17 permanent positions (7.77 FTE) and four limited duration positions (1.92 FTE) to implement the election finance reforms contained in HB 4024 (2024).

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Secretary of State
Beck

Request: Allocate \$5,412,851 million from the State Emergency Fund and establish 21 positions (9.69 FTE) for the implementation the election finance reforms contained in House Bill 4024 (2024).

Recommendation: The Secretary of State is not under Executive Branch authority.

Discussion: House Bill 4024, from the 2024 Legislative Session, set campaign contribution limits, disclosure and reporting requirements for campaign independent expenditures, and civil penalties for violations of the contribution limits and disclosure requirements. The measure also established complaint investigation requirements and deadlines, required unexpended candidate funds to be used only for certain purposes, and required an incumbent to file at least seven days before the filing deadline. The timeline for implementation of House Bill 4024 is tight, requiring the Secretary of State's Office (SOS) to overhaul its web-based campaign filing software, ORESTAR, prior to the January 1, 2027, operative date. This requires a major IT project to be completed within two years. Other requirements of the bill direct SOS to propose revisions to the manual on campaign finance to incorporate House Bill 4024 revisions into the manual no later than May 1, 2025, and all rules for the program, are required to be proposed no later than September 2025, requiring significant planning and work, and the need for the agency to hire and onboard staff immediately.

SOS originally estimated the cost of House Bill 4024 between \$4.8 million and \$5.3 million for the 2023-25 biennium, but the bill passed without the needed funding. SOS requests \$5.4 million General Fund and a total of 21 positions (9.69 FTE), split between the Administrative Services Division and the Elections Division, to complete the work. Seventeen of the positions requested are for permanent positions, and four are limited duration position requests, which will support the implementation stage of the work. The position costs equate to \$3.3 million and the remaining \$2.1 million will provide Services and Supplies support including Professional Services, quality assurance services, IT, and DOJ support.

Legal Reference: Allocation of \$2,925,693 from the State Emergency Fund to supplement the appropriation made by chapter 458, section 1(1), Oregon Laws 2023, for the Secretary of State, Administrative Services Division for the 2023-25 biennium.

Allocation of \$2,487,158 from the State Emergency Fund to supplement the appropriation made by chapter 458, section 1(2), Oregon Laws 2023, for the Secretary of State, Elections Division for the 2023-25 biennium.



LaVonne Griffin-Valade
Oregon Secretary of State

April 29, 2024

The Honorable Senator Rob Wagner, Co-Chair
The Honorable Representative Julie Fahey, Co-Chair
State Emergency Board
900 Court Street NE
H-178 State Capitol
Salem, OR 97301

Dear Co-Chairs:

Nature of the Request:

The Oregon Secretary of State (SOS) requests a General Fund allocation of \$5,412,851 and authorization to establish 21 positions (9.69 FTE) to implement the significant election finance reforms contained in House Bill 4024 passed during the recently concluded 2024 legislative session.

Agency Action:

House Bill 4024 represents the most significant election finance reform in Oregon in decades. Successful implementation of the bill will be critical to building trust with Oregonians and maintaining transparency in elections.

As it stands today, the agency does not have the capacity to absorb the new programs required by the bill. Staff capacity is especially limited in 2024 due to the presidential election cycle. Therefore, implementation will require an investment in several divisions of the Secretary of State's Office.

The timeline for HB 4024 is tight and ambitious. In order to enforce the legislation's campaign finance limits and support new committee structures, the Elections Division will need to overhaul ORESTAR prior to the January 1, 2027, operative date. The legislation includes additional public-facing requirements for ORESTAR that become operative in 2028. However, the division uses ORESTAR as a back-end system to manage its campaign finance compliance work and will need to synchronize the software update with the earlier operative date. That means completing a large IT project within two years. Factoring in five months to hire and onboard key staff (May — September 2024), four months for requirement gathering and scoping the project (October 2024 — January 2025), eight months for an RFP process (February — September 2025) and 16 months to develop, test and launch the new system (October 2025 — January 2027) we are already concerned about the timeline.

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Salem, Oregon 97310

LaVonne Griffin-Valade
Oregon Secretary of State

Cheryl Myers
Deputy Secretary & Tribal Liaison

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Other elements of the bill, such as proposed rules for the program, are due in less than a year (May 2025), requiring us to hire and onboard staff immediately.

The Oregon Secretary of State requests the funding and position authority necessary to implement HB 4024. **SOS' total request for funding is \$5.4 million from the State's General Fund. This includes:**

- **13 Information Services Positions, Professional IT/consulting services; DOJ support:** HB 4024 will require a complete overhaul of ORESTAR, Oregon's campaign finance system. This is a significant IT project that will require funding and authority for 13 positions, professional IT and quality assurance services, and DOJ contract support.
- **7 Elections Positions; 1 Reclassification:** The Oregon Elections Division — already constrained by the increasing complexity of modern election administration — will need to create a new team of seven to oversee the compliance, investigatory, rulemaking, and public education components of the bill. These are highly specialized positions that will require months of onboarding and training to be able to effectively enforce the provisions of HB 4024.
- **Supplies and Services; 1 HR Position:** The above represents substantial growth for our agency. As such, we additionally request funding for supplies and services (laptops, quality assurance services, etc.) and one Human Resources Analyst position to keep the agency within standard statewide HR staffing ratios.

Upon passage of HB 4024, SOS immediately initiated efforts to develop a preliminary plan for implementation of the bill's requirements. Significant actions taken by the agency included:

- SOS performing a thorough analysis of the components of HB 4024. Implementation of the bill's requirements involves a high degree of complexity, with substantial variation in the nature of requirements, due dates, skillsets, and cross-divisional resource deployment. SOS determined the personal services and supplies and services that would be needed in the current biennium for a successful implementation. Additional information generated from these efforts can be found in the following attachments:
 - **Attachment 1: HB 4024 Request Reconciliation** - please see this attachment for a reconciliation between the bill requirements and the requested positions.
 - **Attachment 2: Draft Implementation Timeline**
 - **Attachment 3: Planned Position Utilization & Justification** – please see this attachment for more information on planned position utilization and for additional context and background to substantiate requested positions.
 - **Attachment 4: ORESTAR – Current State & Planning Considerations** – please see this attachment for a summary of key planning considerations, background, and risks regarding ORESTAR.
- SOS developing position descriptions and classifying them. All positions in SOS' May e-board request have been classified by SOS Human Resources.
- Starting recruitment for critical positions.

- SOS proactively communicating its anticipated resource needs with legislative partners to ensure state resources are prioritized to address successful implementation of HB 4024.

Action Requested:

SOS requests position authority and funding (General Fund) for the following positions. Please note the default compensation level of these positions has been adjusted to Step 6, in recognition of current market hiring trends. Requested compensation levels have been adjusted for positions that have either been filled or have an associated outstanding offer of employment. Furthermore, permanent positions have only been requested in instances where the workload need is long term. Preservation of permanent status is critical for all of the permanent positions requested to ensure recruitment efforts are successful and overall risk levels are maintained within acceptable levels.

| SOS Division | Working Title | Classification | Fund Type | Type (Perm/LD) | # of Pos. | FTE | Amount |
|--------------|-----------------------------------|----------------------|-----------|----------------|-----------|------|------------|
| Elections | Compliance Manager | BOM1 | GF | Perm | 1 | 0.5 | \$ 171,426 |
| Elections | Investigations Manager | BOM1 | GF | Perm | 1 | 0.46 | \$ 158,503 |
| Elections | Rules and Hearings Coordinator | OPA3 | GF | Perm | 1 | 0.5 | \$ 159,782 |
| Elections | TBD | Reclass BOM1 to BOM3 | GF | Reclass | N/A | N/A | \$ 29,111 |
| Elections | Administrative Support Specialist | OS2 | GF | Perm | 1 | 0.42 | \$ 84,916 |
| Elections | Campaign Finance Business Analyst | OPA2 | GF | Perm | 1 | 0.5 | \$ 153,136 |
| Elections | Investigator | CS2 | GF | Perm | 1 | 0.46 | \$ 123,798 |
| Elections | Investigator | CS2 | GF | Perm | 1 | 0.46 | \$ 123,798 |
| ASD - ISD | Project Manager | ISS8 | GF | LD | 1 | 0.5 | \$ 194,485 |
| ASD - ISD | Solutions Architect | ISS8 | GF | LD | 1 | 0.5 | \$ 194,485 |
| ASD - ISD | Business Analyst | ISS7 | GF | Perm | 1 | 0.5 | \$ 169,785 |
| ASD - ISD | Front End Engineer | ISS8 | GF | Perm | 1 | 0.42 | \$ 165,773 |
| ASD - ISD | UI/UX Engineer | ISS8 | GF | Perm | 1 | 0.5 | \$ 194,485 |
| ASD - ISD | Developer | ISS7 | GF | Perm | 1 | 0.5 | \$ 175,648 |
| ASD - ISD | Developer | ISS7 | GF | Perm | 1 | 0.42 | \$ 150,076 |

| | | | | | | | |
|----------------|------------------------------|------|----|------|-----------|-------------|---------------------|
| ASD - ISD | Data Architect | ISS8 | GF | Perm | 1 | 0.5 | \$ 194,485 |
| ASD - ISD | Database Administrator | ISS8 | GF | LD | 1 | 0.42 | \$ 165,773 |
| ASD - ISD | Tester | ISS7 | GF | Perm | 1 | 0.25 | \$ 98,931 |
| ASD - ISD | DevOps | ISS7 | GF | LD | 1 | 0.5 | \$ 175,648 |
| ASD - ISD | Application Security Analyst | ISS7 | GF | Perm | 1 | 0.38 | \$ 137,289 |
| ASD - ISD | Service Desk | ISS6 | GF | Perm | 1 | 0.5 | \$ 162,634 |
| ASD - HR | Human Resources Analyst | HRA3 | GF | Perm | 1 | 0.5 | \$ 164,955 |
| Totals: | | | | | 21 | 9.69 | \$ 3,348,922 |

SOS requests services and supplies funding (General Fund) for the following:

| Description | Amount |
|--|---------------------|
| Other services and supplies (e.g., onboarding, laptops, etc.) | \$ 258,000 |
| Professional services (IT Contractors; LD Offset) | \$ 409,241 |
| Quality assurance services | \$ 346,688 |
| IT professional services (e.g., requirements development/planning) | \$ 750,000 |
| DOJ support | \$ 300,000 |
| Total: | \$ 2,063,929 |

Legislation Affected:

Oregon Law 2023, Chapter 458, Section 1(1) increase by \$2,925,693 (ASD)

Oregon Law 2023, Chapter 458, Section 1(2) increase by \$2,487,158 (Elections)

Successful implementation of House Bill 4024, as currently written, is now a top priority for this agency. I would like to extend my respectful appreciation for your consideration of this request.

Sincerely,



LaVonne Griffin-Valade, she/her

Oregon Secretary of State

Attachment 1: HB4024 Request Reconciliation

Position Requests:

| Request # | Classification | Working Title | Division | Type | Estimated Timeline for Hiring |
|-----------|----------------------|-----------------------------------|------------------------------------|------------------|-------------------------------|
| 1 | BOM1 | Compliance Manager | Elections Division | Permanent | 6/1/2024 |
| 2 | BOM1 | Investigations Manager | Elections Division | Permanent | 8/1/2024 |
| 3 | OPA3 | Rules and Hearings Coordinator | Elections Division | Permanent | 6/1/2024 |
| 4 | Reclass BOM1 to BOM3 | TBD | Elections Division | RECLASS | NA |
| 5 | OS2 | Administrative Support Specialist | Elections Division | Permanent | 9/1/2024 |
| 6 | OPA2 | Campaign Finance Business Analyst | Elections Division | Permanent | 7/1/2024 |
| 7 | CS2 | Investigator | Elections Division | Permanent | 8/1/2024 |
| 8 | CS2 | Investigator | Elections Division | Permanent | 8/1/2024 |
| 9 | ISS8 | Project Manager | Information Systems Division / ASD | Limited Duration | 6/1/2024 |
| 10 | ISS8 | Solutions Architect | Information Systems Division / ASD | Limited Duration | 7/1/2024 |
| 11 | ISS7 | Business Analyst | Information Systems Division / ASD | Permanent | 6/1/2024 |
| 12 | ISS8 | Front End Engineer | Information Systems Division / ASD | Permanent | 9/1/2024 |
| 13 | ISS8 | UI/UX Engineer | Information Systems Division / ASD | Permanent | 7/1/2024 |
| 14 | | Developer | Information Systems Division / ASD | Permanent | 7/1/2024 |
| 15 | ISS7 | Developer | Information Systems Division / ASD | Permanent | 9/1/2024 |
| 16 | ISS8 | Data Architect | Information Systems Division / ASD | Permanent | 5/1/2024 |
| 17 | ISS8 | Database Administrator | Information Systems Division / ASD | Limited Duration | 9/1/2024 |
| 18 | ISS7 | Tester | Information Systems Division / ASD | Permanent | 7/1/2024 |
| 19 | ISS7 | DevOps | Information Systems Division / ASD | Limited Duration | 7/1/2024 |
| 20 | ISS7 | Application Security Analyst | Information Systems Division / ASD | Permanent | 7/1/2024 |
| 21 | ISS6 | Service Desk | Information Systems Division / ASD | Permanent | 7/1/2024 |
| 22 | HRA3 | Human Resources Analyst | Human Resources / ASD | Permanent | 7/1/2024 |

| Requirement Number | Topic | Section of Bill | Bill Requirement | Due Date | Plan | Position Deployment |
|--------------------|--|--|--|--|---|-------------------------------|
| 1 | IT Campaign Finance Systems Modernization/Reconfiguration (set up and maintenance) | All; substantial new provisions throughout bill; multiple sections | Set up a new system, or configure the existing system (ORESTAR) to track new data fields for reporting and enforcement in accordance with the provisions of HB4024; ensure is flexible to accommodate regular updates to limits (e.g. CPI adjustments at the start of each election cycle) | 1/1/2027 | Hire Information Systems Division position requests, develop detailed implementation plan. | 9-22 |
| 2 | Campaign Finance Program Development (set up and maintenance) | All; substantial new provisions throughout bill; multiple sections | Develop a program within Elections Division to administer the new Campaign Finance Provisions. Administration will include setting up program guidance, systems, oversight, and education. Administration will confirm to the requirements of HB4024. | 1/1/2027 | Hire position request #s 1, 4, 5, and 6. Develop program in coordination with agency resources. Develop detailed implementation plan. | 1, 4, 5, 6, 22 |
| 3 | Fund establishment, management, and oversight | 5 | Establishment of Campaign Finance Education Fund | 91 days after sine die of 2024 regular session | SOS to set up and maintain within existing resources. | Absorbed w/existing resources |
| 4 | Web-based Dashboard | 14 | Create a web-based campaign finance dashboard on campaign donations and expenditures. | 1/1/2028 | Hire Information Systems Division position requests, develop detailed implementation plan. | 9-22 |
| 5 | Software Updates | 14 | Update software related to campaign filings to promote transparency, efficiency, and modern best practices in campaign finance reporting. | 1/1/2028 | Hire Information Systems Division position requests, develop detailed implementation plan. | 9-22 |

| | | | | | | |
|----|--|----|--|--|---|-------------------------------|
| 6 | Campaign Finance Investigations / Enforcement | 19 | Investigations must be commenced within 30 days of receiving the complaint and a finding must be issued within 60 days of receiving the complaint. Coordination with administrative hearings office for contested outcomes. Coordination w/Attorney General on civil penalty enforcement for violations. OAR development on Campaign Finance enforcement. | 1/1/2027 | Hire position request #s 2, 3, 4, 5, 7, and 8. Develop program in coordination with agency resources. | 2, 3, 4, 5, 7, 8, 22 |
| 7 | Campaign Finance Education and Outreach | 21 | The Secretary of State shall hire a full time employee to provide voter education, support, and outreach regarding Oregon's campaign finance laws. | 91 days after sine die of 2024 regular session | Hire position request #1, develop and implement program. | 1, 22 |
| 8 | Campaign Finance Technical Assistance to Candidates, Campaigns, and Public | 21 | SOS shall provide technical assistance to candidates, campaigns, and the public to ensure a smooth transition of HB4024. | 1/1/2027 | Hire position request #1, develop and implement program. | 1, 22 |
| 9 | Rule writing | 24 | SOS shall propose revisions to the manual on campaign finance that is adopted by administrative rule. | 5/1/2025 | Hire position request #s 1, 3, and 4, commence rule writing in coordination with program personnel. | 1, 3, 4, 22 |
| 10 | Rule writing | 24 | SOS shall propose rules necessary to implement the provisions of HB4024. | 9/15/2025 | Hire position request #s 1, 3, and 4, commence rule writing in coordination with program personnel. | 1, 3, 4, 22 |
| 11 | Updates/Communication | 24 | SOS shall report to the interim committees of the Legislative Assembly on actions taken by SOS to implement HB4024. | 1/1/2026 | SOS to address with existing resources. | Absorbed w/existing resources |
| 12 | IT System Configuration | 24 | SOS shall reorganize as a multicandidate political committee any active political committee that remains organized to operate as a miscellaneous political committee on 3/31/27. Any moneys in the bank accounts of a political committee shall transfer to the newly organized multicandidate political committee and may be used in the same manner as any other moneys contributed to the multicandidate political committee. | 3/31/2027 | Hire Information Systems Division position requests, develop detailed implementation plan. | 9-22 |

Attachment 2: DRAFT Implementation Timeline

This implementation timeline provides an overview of key updates in HB 4024 and includes estimated timelines of work to be completed by the Secretary of State’s Office. The timeline is subject to change.

Yellow highlights denote key statutory deadlines.

| 2024 | | | |
|--|---|---|---|
| April | May | June - August | September – December |
| <ul style="list-style-type: none"> • SoS IDs positions needed. • SoS IDs key positions to begin recruitment before E-Board (include positions posted here). • Work to develop a program within the Elections Division to administer program begins. | <ul style="list-style-type: none"> • E- Board Meeting: SoS to seek approval of positions needed to implement the law (average 50 days from pre-recruitment to offer letter). • <u>May hiring</u>: Data Architect (ISD) • <u>2024 Primary Election.</u> | <ul style="list-style-type: none"> • Recruitment begins for positions approved by E-Board. <ul style="list-style-type: none"> ○ <u>June Hiring</u>: Compliance Manger (Elections), Rules & Hearings Coordinator (Elections), Project Manager (ISD), Business Analyst (ISD) ○ <u>July Hiring</u>: HR Analyst (ASD/HR), Campaign Finance Business Analyst (Elections), Solutions Architect (ISD), UI/UX Engineer (ISD), Developer (ISD), Tester (ISD), DevOps (ISD), Application Security Analyst (ISD), Service Desk (ISD), ○ <u>August Hiring</u>: Investigations Manager (Elections), two Investigators (Elections), • Establish Campaign Finance Education Fund (91 days is June 6, 2024). | <ul style="list-style-type: none"> • The onboarding of new staff begins. • OAR work begins. • Contested Cases & Rule Coordinator will begin planning for draft rules process and engagement. This work includes revisions to the manual on campaign finance and any other rules to implement HB 4024. • Work on ORESTAR requirements gathering begins. • <u>September Hiring</u>: Administrative Support (Elections), Front End Engineer (ISD), Database Administrator (ISD), Developer (ISD) • <u>2024 General Election.</u> |

Attachment 2: DRAFT Implementation Timeline

| 2025 | | |
|---|---|---|
| January - April | May- September | October - December |
| <ul style="list-style-type: none"> Contested Cases & Rule coordinator continues engagement with partners, legislature, and others in the rule writing process. 2025 Regular Long Session. The incoming Secretary will work with the legislature to continue investments in HB 4024. | <ul style="list-style-type: none"> May 1st: SoS will publish proposed changes to the Campaign Finance Manual rules. September 15th: SOS will publish proposed rules to implement HB 4024. September Legislative Days – The bill directs SoS to report on HB 4024 to interim committees before Jan 1, 2026. Work on ORESTAR requirements gathering and development throughout the year. 2025 Special District Election. | <ul style="list-style-type: none"> Engagement on proposed rules. December Legislative Days– The bill direct SoS to report on HB 4024 to interim committees before Jan 1, 2026 The bill direct SoS to report on HB 4024 to interim committees before Jan 1, 2026 Begin work on multicandidate political work begins. This requires an IT system configuration. |
| 2026 | | |
| January - April | May- September | October - December |
| <ul style="list-style-type: none"> January 1st: Section 17(b) becomes operative. 2026 Short Session starts in February. Begin drafting technical assistance documents and training for candidates, campaigns, and the public. | <ul style="list-style-type: none"> Work on ORESTAR continues. Work on multicandidate political committee continues. Updates to rules related to new investigations timeline start. Engagement begins as well. 2026 Primary Election. | <ul style="list-style-type: none"> Campaign Finance module would be validated for go live readiness in this timeframe. Finalize technical assistance documents for candidates, campaigns, and the public. Deploy technical training for candidates, campaigns, public and the media. Finalize multicandidate political committee work. Finalize any work related to new investigations timeline. |

Attachment 2: DRAFT Implementation Timeline

| | | |
|--|--|--|
| | | <ul style="list-style-type: none"> • 2026 General Election. |
| 2027 | | |
| January - April | May- September | October - December |
| <ul style="list-style-type: none"> • January 1st: Limits, committee reorganization, unexpended fund, and Campaign Finance Education Fund, Civil Penalties for non-compliance of new sections become operative, and new ORESTAR system up and running. New investigations timeline. Administrative hearings process for complainants begins. • January 31st: Multicandidate political committees established. • February: Long Session starts • March 31st: Remaining miscellaneous committees reorganized as multicandidate committees. • Web based Dashboard work begins. • New Campaign Finance System goes live. • | <ul style="list-style-type: none"> • Web Based Dashboard work continues. • Update software related to campaign finance filings to promote transparency, efficiency, and modern best practice reporting work begins. • Continue updating technical assistance documents and offering training. • “Paid for by” disclosure rules work begins, including public engagement. • 2026 Special District Election. | <ul style="list-style-type: none"> • Web based dashboard testing. • Finalize updates software related to campaign finance filings to promote transparency, efficiency, and modern best practice reporting. • “Paid for by” disclosure rules work continues. |
| 2028 | | |
| January | February - December | |
| <ul style="list-style-type: none"> • January 1st: Original Source disclosures, online dashboard, and amendments to “paid for by” disclosures become operative and web-based dashboard should be live. • February: Short Session. | <ul style="list-style-type: none"> • SoS continues to support and implement the new Campaign Finance law in Oregon. • <i>2028 Primary and General Elections</i> | |

Attachment 3: Planned Position Utilization & Justification

Summary of Position Requests:

| ID | SOS Division | Working Title | Classification | Fund Type | Type (Perm/LD) | # of Pos. | FTE | Amount |
|----|--------------|-----------------------------------|----------------------|-----------|----------------|-----------|------|------------|
| A | Elections | Compliance Manager | BOM1 | GF | Perm | 1 | 0.5 | \$ 171,426 |
| B | Elections | Investigations Manager | BOM1 | GF | Perm | 1 | 0.46 | \$ 158,503 |
| C | Elections | Rules and Hearings Coordinator | OPA3 | GF | Perm | 1 | 0.5 | \$ 159,782 |
| D | Elections | TBD | Reclass BOM1 to BOM3 | GF | Reclass | N/A | N/A | \$ 29,111 |
| E | Elections | Administrative Support Specialist | OS2 | GF | Perm | 1 | 0.42 | \$ 84,916 |
| F | Elections | Campaign Finance Business Analyst | OPA2 | GF | Perm | 1 | 0.5 | \$ 153,136 |
| G | Elections | Investigator | CS2 | GF | Perm | 1 | 0.46 | \$ 123,798 |
| H | Elections | Investigator | CS2 | GF | Perm | 1 | 0.46 | \$ 123,798 |
| I | ASD - ISD | Project Manager | ISS8 | GF | LD | 1 | 0.5 | \$ 194,485 |
| J | ASD - ISD | Solutions Architect | ISS8 | GF | LD | 1 | 0.5 | \$ 194,485 |
| K | ASD - ISD | Business Analyst | ISS7 | GF | Perm | 1 | 0.5 | \$ 169,785 |
| L | ASD - ISD | Front End Engineer | ISS8 | GF | Perm | 1 | 0.42 | \$ 165,773 |
| M | ASD - ISD | UI/UX Engineer | ISS8 | GF | Perm | 1 | 0.5 | \$ 194,485 |
| N | ASD - ISD | Developer | ISS7 | GF | Perm | 1 | 0.5 | \$ 175,648 |
| O | ASD - ISD | Developer | ISS7 | GF | Perm | 1 | 0.42 | \$ 150,076 |
| P | ASD - ISD | Data Architect | ISS8 | GF | Perm | 1 | 0.5 | \$ 194,485 |
| Q | ASD - ISD | Database Administrator | ISS8 | GF | LD | 1 | 0.42 | \$ 165,773 |
| R | ASD - ISD | Tester | ISS7 | GF | Perm | 1 | 0.25 | \$ 98,931 |
| S | ASD - ISD | DevOps | ISS7 | GF | LD | 1 | 0.5 | \$ 175,648 |
| T | ASD - ISD | Application Security Analyst | ISS7 | GF | Perm | 1 | 0.38 | \$ 137,289 |
| U | ASD - ISD | Service Desk | ISS6 | GF | Perm | 1 | 0.5 | \$ 162,634 |
| V | ASD - HR | Human Resources Analyst | HRA3 | GF | Perm | 1 | 0.5 | \$ 164,955 |

Attachment 3: Planned Position Utilization & Justification

| | | | |
|----------------|-----------|-------------|---------------------|
| Totals: | 21 | 9.69 | \$ 3,348,922 |
|----------------|-----------|-------------|---------------------|

A. Compliance Manager

The primary purpose of this position is to oversee all compliance-related aspects of the Division’s work on campaign finance. The Compliance Manager will serve as a program expert during the requirements gathering and implementation phases of the campaign finance reform project. This position will oversee the new and ongoing operations, training, and public-facing compliance-related interactions between the compliance team and external stakeholders. This position will also support the work of the campaign finance compliance team by working through compliance related issues involving external stakeholders including professional treasurers, campaign staffers, and local jurisdictions that have enacted campaign finance regulations.

B. Investigations Manager

The primary purpose of this position is to oversee all investigations-related work of the Division. The Investigations Manager will serve as a program expert during the requirements gathering and implementation phases of the campaign finance reform project. This position will oversee, monitor, and provide direction on new and ongoing operations, training, and public-facing investigations-related interactions between the investigations team and external stakeholders. This position will also ensure consistency and accuracy of investigatory practices across investigatory programs by reviewing staff work product adheres to applicable laws, rules, and best practices.

C. Rules and Hearings Coordinator

The primary purpose of this position is to oversee all administrative rulemaking and contested case hearings-related aspects of the Division’s work on campaign finance. The Rules and Hearings Coordinator will work with program experts to write and update administrative rules and manage external stakeholder engagement processes throughout implementation phases of the campaign finance reform project. This position will also oversee the ongoing administrative rules and administrative law hearings for the Division. House Bill 4024 will require a long term need for rule writing, given that the bill requires numerous rules to be updated before each election cycle (e.g., inflationary adjustments every two years).

D. Reclassification (BOM1 to BOM3)

In order to implement HB 2024, we must add management capacity in the campaign finance and investigations team. This will require reclassifying the manager of all campaign finance and investigations programs. Currently, this position serves as the sole supervisor for campaign finance programs, and is responsible for hiring, performance reviews, and

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staff management, among other duties. Adding in management capacity will allow this position to use their subject matter expertise to oversee implementation of HB 4024.

E. Administrative Support Specialist

The primary purpose of this position is to provide administrative support to the Elections Program Manager and the Division's work on campaign finance reform. This will include, but is not limited to: coordinating and scheduling internal and external meetings and public hearings, serving as hearings officer for administrative rules hearings, including accepting public comments and preparing hearings transcripts, tracking incoming requests for investigations, serving as the archiving specialist by using agency and statutory retention policies to preserve and archive records, and assisting preparation of internal and external communications with stakeholders, including newsletters, program materials, and program updates.

F. Campaign Finance Business Analyst

The primary purpose of this position is to manage the requirements, testing and maintenance of the Elections Division's business applications for campaign finance and investigations. This will include interpreting the requirements of HB 4024 and assisting in developing policies and procedures to implement those regulations for Elections systems, with a focus on elections users and business practices. This position will also translate regulations and business processes into technical solutions and system requirements. This person will work with information systems partners, the ORESTAR application administrator, and the Elections management team to develop detailed application requirements and implement those requirements.

G. Investigator (1 of 2)

The primary purpose of this position is to provide investigatory support and enforcement of Oregon election law. We anticipate investigations to increase with the new investigation's timeline required by HB 4024. This position will review investigation requests for possible violations of Oregon election laws and rules, and they will make recommendations about whether the Division should proceed with an investigation. This investigator position will also conduct thorough investigations into possible violations by interviewing individuals, reviewing documents, and obtaining evidence. They will prepare and issue final determinations, warning/education notices, penalty notices and other legal documents.

H. Investigator (2 of 2)

The primary purpose of this position is to provide investigatory support and enforcement of Oregon election law. This position is needed to help the Elections Division clear the backlog of cases before the expedited deadline requirements of HB 4024 relating to

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investigations are operative. This position will review investigation requests for possible violations of Oregon election laws and rules, and they will make recommendations about whether the Division should proceed with an investigation. This investigator position will also conduct thorough investigations into possible violations by interviewing individuals, reviewing documents, and obtaining evidence. They will prepare and issue final determinations, warning/education notices, penalty notices and other legal documents.

I. Project Manager

The SOS is asking for an Information Technology Project Manager to oversee the development and implementation of a new, state-of-the-art system. This role will be responsible for developing a comprehensive project plan, including timelines, milestones, and resource allocation. The IT Project Manager will work closely with stakeholders, including the Elections Division, candidates, and campaign finance filers, to gather requirements and ensure the new system meets their needs. The IT Project Manager will oversee the selection and management of vendors, ensuring they adhere to project specifications, timelines, and budget constraints. The IT Project Manager will implement rigorous quality assurance and testing procedures to ensure the new system is reliable, secure, and free of defects.

J. Solutions Architect

The SOS is seeking the appointment of a specialized Solutions Architect (SA) to design and oversee the development of a new, state-of-the-art system. The Solutions Architect will be responsible for designing the overall system architecture, ensuring scalability, reliability, and performance. The SA will select the appropriate technologies and platforms for the new system, ensuring compatibility, security, and sustainability. The SA will plan and oversee the integration of the new system with existing state systems and databases, ensuring seamless data flow and interoperability. The SA will implement rigorous quality assurance processes and performance tuning measures to ensure the new system meets the required standards and performance benchmarks.

K. Business Analyst

The SOS is seeking the appointment of a specialized Business Analyst (BA) to conduct comprehensive requirement gathering for the development and implementation of a new, state-of-the-art system. The Business Analyst will conduct comprehensive stakeholder interviews and workshops to gather detailed requirements for the new system. The BA will document the gathered requirements in a clear and organized manner, ensuring all functional and non-functional requirements are captured. This role will work closely with stakeholders, including the Elections Division, candidates, and campaign finance filers, to validate and refine the requirements throughout the project lifecycle. The BA will also assist

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in defining acceptance criteria and conducting user acceptance testing to ensure the new system meets the defined requirements and objectives.

L. Front End Engineer

The SOS is seeking the appointment of a specialized Front-End Engineer (FEE) to design and develop a user-friendly and accessible interface for a new, state-of-the-art system. The Front-End Engineer will be responsible for designing the user interface of the new system, ensuring it is intuitive, accessible, and user-friendly. The FEE will develop the front-end components of the system, employing best practices to optimize performance and responsiveness across various devices and browsers. The FEE will collaborate with stakeholders and conduct usability testing to refine the user interface and improve the overall user experience. The FEE will also ensure that the new system meets accessibility standards, making necessary adjustments and enhancements to accommodate users with disabilities.

M. UI/UX Engineer

The SOS is seeking the appointment of a specialized UI/UX Engineer to design and develop an intuitive, accessible, and user-friendly interface for a new, state-of-the-art system. The UI/UX Engineer will be responsible for designing the visual elements and layout of the new system, ensuring a clean and intuitive user interface. The UI/UX Engineer will conduct user research, create user personas, and design user flows and wireframes to optimize the overall user experience. The UI/UX Engineer will ensure the new system meets accessibility standards, making necessary adjustments and enhancements to accommodate users. The UI/UX Engineer will conduct usability testing and gather user feedback to refine and improve the functionality of the system.

N. Developer (1 of 2)

The SOS is seeking the appointment of two specialized Developers to expedite the development process and ensure timely delivery of a modern, accessible, user-friendly, and reliable system. The Developers will be responsible for developing the user interface and user experience components of the new system, ensuring its intuitive, responsive, and accessible. The Developers role is to develop the back-end logic and functionality of the system, including data processing, validation, and storage, to ensure seamless operation and reliability. The Developers are responsible for integration of the new system with existing systems and databases, ensuring data consistency and interoperability across platforms. The Developers will conduct thorough testing and debugging of the system to identify and address any issues or bugs, ensuring a smooth and error-free user experience.

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O. Developer (2 of 2)

The SOS is seeking the appointment of two specialized Developers to expedite the development process and ensure timely delivery of a modern, accessible, user-friendly, and reliable system. The Developers will be responsible for developing the user interface and user experience components of the new system, ensuring its intuitive, responsive, and accessible. The Developers role is to develop the back-end logic and functionality of the system, including data processing, validation, and storage, to ensure seamless operation and reliability. The Developers are responsible for integration of the new system with existing systems and databases, ensuring data consistency and interoperability across platforms. The Developers will conduct thorough testing and debugging of the system to identify and address any issues or bugs, ensuring a smooth and error-free user experience.

P. Data Architect

The SOS is seeking the appointment of a specialized Data Architect to design and implement a robust, secure, and efficient data architecture for a new, state-of-the-art system. The role of the Data Architect (DA) will be to design the data architecture of the new system, ensuring it is scalable, efficient, and meets the requirements of the Elections Division and other stakeholders. The DA will design and optimize the database schema, ensuring data integrity, performance, and security. The DA will develop a data migration strategy to transfer data safely and efficiently from the existing system to the new system that will utilize new technologies. The DA will implement robust data security measures and ensure compliance with data protection regulations and best practices.

Q. Database Administrator

The SOS is seeking the appointment of a specialized Database Administrator to manage, optimize, and maintain the database infrastructure for a new, state-of-the-art system. The Database Administrator (DBA) will be responsible for managing and maintaining the database infrastructure, ensuring optimal performance, reliability, and security. The DBA will optimize database queries, indexes, and configurations to enhance system performance and responsiveness. The DBA will implement and manage backup and recovery procedures to safeguard data integrity and availability. The DBA will implement and enforce data security policies and ensure compliance with data protection regulations and best practices.

R. Tester

The SOS is seeking the appointment of a specialized Tester to ensure the new system is thoroughly tested for functionality, usability, and reliability before deployment. The Tester will develop and execute a comprehensive test plan to validate the functionality, usability, and reliability of the new system. The Tester will conduct thorough testing, including testing, integration testing, system testing, and user acceptance testing, to identify and

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rectify defects or issues. The Tester will assess the system's performance under various load conditions to ensure it can handle the expected volume of users and transactions. The Tester will ensure the new system meets accessibility standards, conducting tests to verify its usability for individuals with disabilities.

S. DevOps

The SOS is seeking the appointment of a specialized DevOps Engineer to streamline the development, deployment, and maintenance processes of the new, state-of-the-art system. The DevOps Engineer will implement and manage continuous integration (CI) and continuous deployment (CD) pipelines to automate the build, testing, and deployment processes, ensuring rapid and reliable releases of new system updates and features. The DevOps Engineer will automate the provisioning and configuration of infrastructure resources, optimizing performance, scalability, and reliability. The DevOps Engineer will implement monitoring and logging solutions to proactively identify and address issues, ensuring optimal system performance and availability. The DevOps Engineer will implement and enforce security best practices and ensure compliance with relevant regulations and standards, safeguarding the integrity and confidentiality of the system and its data.

T. Application Security Analyst

The SOS is seeking the appointment of a specialized Application Security Analyst to ensure the new system is secure, compliant, and resilient against potential cyber threats and vulnerabilities. The Application Security Analyst will conduct comprehensive security assessments and penetration testing to identify and remediate vulnerabilities in the new system. The Application Security Analyst will develop and implement security policies, procedures, and best practices to ensure the confidentiality, integrity, and availability of the system and its data. This role will develop and maintain an incident response plan to effectively address and mitigate security incidents and breaches. The Application Security Analyst will ensure the new system complies with relevant security regulations and standards and will assist in preparing for and responding to security audits and assessments.

U. Service Desk

SOS is seeking the appointment of a specialized Service Desk Analyst to provide efficient and effective technical support for users during the transition to the new system. The Service Desk Analyst is also needed to support the additional staff and technology resources this new system will require. The Service Desk Analyst will provide first-level technical support to users, assisting with system access, troubleshooting, and resolving issues in a timely manner. The Service Desk Analysts' role will include conducting user

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training sessions and providing guidance on system usage and best practices, and helping users navigate the new system effectively. The Service Desk Analyst will escalate complex technical issues to the appropriate technical team(s) for resolution, ensuring timely and effective problem resolution. The Service Desk Analyst will also collect feedback and suggestions for system improvements, helping to identify areas for enhancement and optimization. The new system will require additional staffing needs in both Elections and Information Systems Division (ISD), the Service Desk Analyst will provide support in onboarding and providing technical support to this expanded team. The Service Desk Analyst will play a crucial role in managing and supporting these resources.

V. Human Resources Manager

As a separate constitutional office, the Oregon Secretary of State (SOS) maintains a full-service human resources function. The Human Resources Division is responsible for all aspects of human resources. Among those responsibilities are these core functions: recruitment and selection, strategic workforce planning, classification and compensation, compensation compliance, protected leaves, ADA, Affirmative Action, performance management, employee relations, investigations and complaints, employment litigation, succession planning, employee recognition, new employee orientation, criminal background and CJIS clearance, employee wellness, manager/leader training and development, records management, HRIS administration, employment policy and rule, safety and risk management and remote and out-of-state worker management.

Currently, with an FTE count of 245.63, we are staffed at a ratio of 1:62. Generally, the industry standard is 1 to every 50 – 100 workers, depending on a variety of factors. Some of these factors include industry and sector as complexity varies greatly in both. In addition, organization size and diversity of business lines, reliance on technology, state-specific employment laws, types of work performed across the organization and average age and experience level of the workforce impact appropriate ratios.

These factors all play a significant role in the demand for the human resources function at the SOS. One such factor is industry and sector. Government sector environments come with added laws and rules for employment relationships and rights afforded to the workforce. This makes the work more complex. In addition, the organization has four distinct business lines that come with separate and distinct needs and customization of service. Another key factor is technology. Where a human resources function can be automated, there is an expectation workload is made more efficient and decreases. decrease its staffing. One example of attempting to automate was the adoption of Workday. Unfortunately, the expected benefits have not been realized by the SOS. Instead, it has increased our workload and further complicated it. While we have automated some paper processes – shifting the way we do our work – the workload itself has not decreased. Another key factor is state-specific employment laws. Oregon remains a leader in

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employee-friendly labor laws. This means we have more laws to implement, support and comply with. New and revised labor laws have often brought increased workload. A few examples of this include pay equity and most recently, Paid Leave Oregon and Oregon Family Leave Act changes. Where protected leave is involved, we have seen an overall increase in the number of staff accessing these protections, the number of protected leave events and the amount of time needed to support each event request.

At the SOS, our workforce is primarily comprised of highly skilled professionals. This is an important factor because these workers demand a higher level of individualized support and professional development to engage and retain personnel compared to lower-skilled, blue-collar labor. Another important factor is the age and experience level of the workforce. At SOS, just about half of our workforce is GenY and GenZ (aka Millennials). Similarly, our management team is made up of fifty percent GenY and GenZ. While these workers are highly skilled, they do have less experience and consequently require more support and coaching from the Human Resources team.

Finally, an organization's size is an important factor. Smaller organizations have smaller ratios. This stems from the need to cover so many different areas in the human resources function and needing multiple human resources staff members to cover them all. An additional consideration in the SOS's case, it doesn't compare to other Executive Branch agencies where they have a Department of Administrative Services, Chief Human Resources Office. That office provides a high volume of support to agency HR shops. We are required to do everything executive branch agencies do as well as everything the DAS CHRO's office does. This adds to the complexity and demands on the SOS Human Resources Division.

In consideration of these factors, the Human Resources Division has worked to optimize its resources by reshuffling priorities, making business processes as efficient as possible and redistributing assignments to optimize staffing. However, the SOS FTE count continues to grow and the demands for Human Resources Division assistance right along with it. The team is no longer staffed adequately to keep up with the current demands. Additional resources are vital to support the implementation of HB4024. Therefore, the time has come to add capacity to continue to meet the demands of the Agency. The addition of a Human Resources Analyst 3 will ensure adequate capacity exists to support both the short and long-term needs of the Agency. Without this essential resource and added capacity, the Agency is in danger of failing to meet mission-critical functions, which could result in the Agency falling out of compliance with various employment laws and increases the likelihood of turnover in the Human Resources Division which will impact service delivery.

Attachment 4: ORESTAR Current State & Planning Considerations

The Oregon Elections System for Tracking and Reporting (ORESTAR) is a SOS application which serves as the State's candidate filing, voters' pamphlet filing, and campaign finance reporting system. It requires replacement or significant updates to ensure Oregonians have a system that is accessible, transparent, user-friendly, and reliable. The current application has been in use for over 20 years and does not meet modern needs. It regularly presents users with challenges that result in frustrating user experiences and increased workload for Elections Division and Information Systems Division (ISD) staff.

Because ORESTAR was built on technology that is over two decades old, it is incompatible with modern software and hardware standards. Recent fixes related to modern browsers have proven that extending the current technology is untenable. ORESTAR's legacy technology stack creates a challenge to find expertise to support it. Building a new system on this legacy technology will be difficult to support and unwise to attempt due to the technical limitations and delivery risks associated with this strategy.

Furthermore, ORESTAR lacks essential web accessibility features, disenfranchising voters with disabilities. The user interface is non-intuitive, resulting in frustrating and confusing experiences for many users. Due to the inefficiencies and technical limitations of the current system, the Elections Division and ISD are burdened with manual workarounds and troubleshooting, leading to decreased productivity and increased workload.

While there will be upfront costs associated with the development and implementation of a new system, there are many long-term benefits to be realized. These include:

- Improved efficiency from reduced workload for Elections Division and ISD staff;
- A modern user interface and experience that will enhance user satisfaction and provide equal access to all users, including those with disabilities;
- An increased application security posture to minimize security risks; and
- More reliable system availability.

These benefits will result in significant cost savings over time and should enable the new system to adapt to modern technologies and needs.

To ensure the integrity and transparency of our electoral process, it is imperative the legislature invests in a modern, reliable, and user-friendly candidate filing and campaign finance system. By investing in the requested positions below, we can better meet the public's expectation for a secure and transparent campaign finance system that aligns with the state's long-term goals and objectives.