
Department of State – Secretary of State
House Appropriations Subcommittee on Fiscal Accountability
March 30, 2023



Department of State – Secretary of State

- JLBC Baseline – Executive Comparison of Major Funding Changes

<u>Baseline Issues</u>	GF \$ in M Above Prior Year		
	<u>JLBC</u>	<u>Exec.</u>	<u>Sec. of State</u>
1) Presidential Preference Election Funding	4.0	5.9	5.9
<ul style="list-style-type: none"> - County statutory reimbursement = \$1.25/registered voter. For 2020 PPE election, different reimbursement rate was set, with a total county reimbursements of \$6.1 M - Baseline = FY 24 \$ Amount Assumed in FY 23 Budget 3-Year Plan - Exec = \$5.8 M with counties to provide expenditure plan, plus \$100k for SOS security and \$40k for SOS costs (logic/accuracy testing) 			
2) Electronic Records Repository Appropriation (Laws 2019, Chapter 275)	0.1	0.1	0.1
3) Remove FY 23 One-Time Funding:	<u>(8.3)</u>	<u>(8.3)</u>	<u>(8.3)</u>
<ul style="list-style-type: none"> - \$(8.0) M Election Services – No Primary/General Election in FY 24 - \$(250,000) One-time Funding for Early Ballot Tracking System Upgrades 			
Total	(4.2)	(2.3)	(2.3)

Department of State – Secretary of State

- Exec Proposes Additional Policy Issues

<u>Executive Policy Issues</u>	GF \$ in M Above Prior Year		
	<u>JLBC</u>	<u>Exec.</u>	<u>Sec. of State</u>
4) Address Confidentiality Program Funding	0.0	0.5	0.3
5) Attorney General Legal Services Funding (Restore AG Representation)	0.0	0.3	0.3
6) Talking Book Library Funding (Donation Shortfall)	0.0	0.1	0.1
7) Governor’s Bipartisan Elections Task Force (Plus \$6 M in FY 25) - Exec funds by removing county election appropriations in Treasurer - Treasurer \$ funded voter registration review and secure ballot paper	0.0	11.0	11.0
8) Delay Implementation of Professional Employer Organization Registration Process Until FY 25	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total	0.0	11.9	11.7

Secretary of State – Additional GF Policy Issue Requests

- Items Are In Addition to the Executive Budget

	GF \$ in M Above Prior Year
<u>Additional Secretary of State GF Policy Issues</u>	<u>Sec. of State</u>
9) Critical Election Infrastructure - \$1.2 M for additional staffing (10 FTE) and \$0.5 M for additional IT support (staff pay increase/additional contracted labor)	1.7
10) Physical and Cybersecurity Improvements – SOS Security Detail/Office Security Improvements, New Chief Information Security Officer, IT security upgrades	1.5
11) Business Services Enhancement - \$110k for salary increases, \$250k for process study	0.4
12) Other Issues - Archives Building Feasibility Study, Additional Budget Analyst, PEO development	<u>0.5</u>
Total GF	4.1

- SOS has submitted request to JLBC to review transfer of excess FY 23 election funding.
- After 2022 General Election, SOS has \$3.1 M of remaining monies. SOS is proposing to reallocate \$2.0 M for various uses, including parts of requests #9, #10, #11, and #12 displayed above.

Department of State – Secretary of State

- Executive Budget Other Fund Issues – HAVA Monies

- Arizona received several rounds of federal election funding since 2018, through HAVA (Help America Vote Act). These monies are subject to legislative appropriation.
- Executive Budget estimates \$1.9 M of HAVA funding still unallocated and would distribute this amount based on expenditure plan developed by SOS
- Sec. of State requests \$3.0 M HAVA Other Fund appropriation to assist counties and educate voters about current election law and PPE rules.