

# **LSC Redbook**

**Analysis of the Executive Budget Proposal**

**Secretary of State**

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# Secretary of State

- Total recommended funding of \$42.7 million for the biennium
- Nearly 68% of the budget support by UCC filing fees
- Began collecting and recording transition account filings in FY 2011

## OVERVIEW

### Responsibilities

As Ohio's chief election officer, the Secretary of State (SOS) supervises the administration of election laws and the 88 county boards of elections. The Secretary of State also chairs the five-member Ohio Ballot Board, which approves statewide ballot language, reviews statewide initiative and referendum petitions, and informs voters about proposed ballot issues. In overseeing elections, the Secretary of State compiles and maintains election statistics, political party records, and other related records, including campaign finance reports filed by candidates running for statewide office, the General Assembly, and political action committees. These responsibilities are handled by the Elections Division.

The other major responsibility of the Secretary of State is to oversee business licensing in the state. This function is handled by the Business Services Division. In addition to these and other types of business filings, the Division handles a variety of Uniform Commercial Code (UCC) filings. The Business Services Division also houses the Notary Commission, which is responsible for processing applications and issuing commissions for notaries public, attorney notaries public, special police officers, and Department of Natural Resources Reserve Officers. Overall, between the two divisions, the Secretary of State employs 167 people according to March 2011 payroll records. The vast majority of these employees work within the Business Services Division.

### Appropriations

#### Budget by Fund Group

As the table below shows, the executive recommendation for the Secretary of State is \$21.3 million in both FY 2012 and FY 2013. These amounts are 3.6% lower than estimated FY 2011 spending of \$22.1 million. The majority of the funding – about \$14.4 million (67.4%) in each year – is derived from business filing fees collected by the Business Services Division. These amounts are budgeted under the State Special Revenue Fund Group. The Secretary of State also receives a considerable amount of federal funding – \$3.8 million (17.8%) – for various election reform initiatives required by the Help America Vote Act (HAVA). Approximately \$2.4 million (11.1%) of the proposed budget in each year comes from the GRF.

Of the approximate \$800,000 difference between the FY 2011 estimate and the FY 2012 recommendation, about \$600,000 is explained by a proposed decrease in appropriations for statewide ballot advertising costs and boards of elections reimbursements for special election costs, budgeted for under the General Services Fund Group. However, this is not to say that funding for these purposes is eliminated under the executive proposal. Instead, if these costs do occur, the Secretary of State pays these costs through a request for cash transfers from the Controlling Board to the appropriate Secretary of State line item.

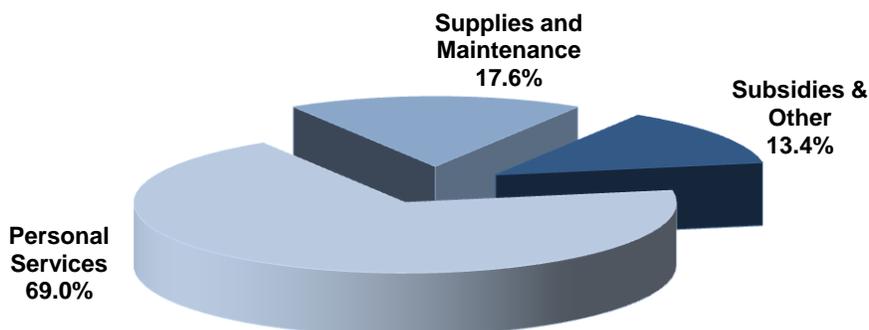
Executive Budget Recommendations by Fund Group, FY 2012-FY 2013					
Fund Group	FY 2011*	FY 2012	% change, FY 2011-FY 2012	FY 2013	% change, FY 2012-FY 2013
General Revenue	\$2,540,705	\$2,378,226	(6.4%)	\$2,378,226	0%
General Services	\$1,257,563	\$656,200	(47.8%)	\$656,200	0%
State Special Revenue	\$14,425,400	\$14,385,400	(0.3%)	\$14,385,400	0%
Federal Special Revenue	\$3,800,000	\$3,800,000	0%	\$3,800,000	0%
Holding Account Redistribution	\$115,000	\$115,000	0%	\$115,000	0%
<b>Total</b>	<b>\$22,138,668</b>	<b>\$21,334,826</b>	<b>(3.6%)</b>	<b>\$21,334,826</b>	<b>0%</b>

\* FY 2011 figures represent estimated expenditures.

### Budget by Category of Spending

As Chart 1 below illustrates, approximately \$14.7 million (69%) of the budget proposed by the executive is for personal services. Supplies and maintenance, including the Secretary of State's voter registration database, the UCC and business filings databases, and other equipment, make up approximately \$3.8 million (18%) of the budget. The remaining amount, approximately \$2.8 million (13%) is for other expenses, primarily subsidies to county boards of elections for poll worker training and reimbursements for holding special elections.

**Chart 1: Biennial Executive Budget Recommendations by Expense Type, FY 2010-FY 2011**



## Issues of Interest

### Printing Requirements

The Secretary of State is currently required by statute to make printed copies of election rosters and statistics as well as the session laws of each General Assembly. For session laws, the Secretary of State is required to produce at least 25 bound copies to be sent to individuals specified in the Revised Code. The Office recently completed the publication and binding process for the session laws of the 126th General Assembly, with the total costs exceeding \$100,000. All printing costs are paid for from the Corporate and Uniform Commercial Code Filing Fund (Fund 5990).

### Transition Accounts

H.B. 5 of the 128th General Assembly permits a person who has been elected or appointed to any elective office to establish a transition fund to receive donations and cover costs incurred for transition activities and inaugural celebrations. Under the bill, the Secretary of State will regulate transition funds in a manner similar to the way in which it regulates the Campaign Finance Law. As of this writing, five statewide elected officers (Governor, Auditor of State, Secretary of State, Attorney General, and Treasurer of State) established transition accounts, and in total, submitted 1,588 filings in relation to their transition funds.

## ANALYSIS OF EXECUTIVE PROPOSAL

### Category 1: Elections Division

This category of appropriations funds the Secretary of State's Elections Division, which is responsible for the administration and oversight of all elections in the state, as well as poll worker training. Approximately 37.7% of the proposed funding for these activities is supported by the GRF. The majority of proposed funding, about 62.2% in each fiscal year, comes from federal sources and is related to implementation of Help America Vote Act (HAVA) requirements.

<b>Governor's Recommended Funding for the Elections Division</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2012</b>	<b>FY 2013</b>
<b>General Revenue Fund</b>				
GRF	050321	Operating Expenses	\$2,144,030	\$2,144,030
GRF	050407	Poll Workers Training	\$234,196	\$234,196
<b>General Revenue Fund Subtotal</b>			<b>\$2,378,226</b>	<b>\$2,378,226</b>
<b>General Services Fund Group</b>				
4140	050602	Citizen Education	\$25,000	\$25,000
4S80	050610	Board of Voting Machine Examiners	\$7,200	\$7,200
5FG0	050620	BOE Reimbursement and Education	\$100,000	\$100,000
<b>General Services Fund Group Subtotal</b>			<b>\$132,200</b>	<b>\$132,200</b>
<b>Federal Special Revenue Fund Group</b>				
3AH0	050614	Election Reform/Health and Human Services	\$800,000	\$800,000
3AS0	050616	Help America Vote Act (HAVA)	\$3,000,000	\$3,000,000
<b>Federal Special Revenue Fund Group Subtotal</b>			<b>\$3,800,000</b>	<b>\$3,800,000</b>
<b>Total Funding: Elections Division</b>			<b>\$6,310,426</b>	<b>\$6,310,426</b>

#### Operating Expenses (050321)

This GRF line item is used to pay for the expenses the Secretary of State (SOS) incurs for administering elections. The executive recommendation for this line item is approximately \$2.1 million in both FY 2012 and FY 2013, a decrease of 6.4% when compared to the FY 2011 estimate of \$2.3 million. Specifically, this line item funds the salaries of Elections Division employees, although additional funding is supplied by appropriations from the Corporate and Uniform Commercial Code Filing Fund (Fund 5990).

The Elections Division is divided into three areas. The Elections Section provides instructions and develops procedures for conducting elections, and prescribes applicable forms for voter registration, petitions, and ballot language. Second, the

Campaign Finance Section receives, processes, and examines all submitted campaign finance statements. Third, the Field Services Section acts as a liaison between SOS and county boards of elections, and distributes elections-related information to citizens.

### **Poll Workers Training (050407)**

Boards of elections are required to establish a poll worker training program. The boards are responsible for initial and ongoing training of poll workers and presiding judges. Training occurs twice per year. SOS annually reimburses counties for those expenses once a statement of expenses has been received. This GRF line item pays for those reimbursements. The executive recommendation for this line item is \$234,196 in both FY 2012 and FY 2013, a decrease of 6.4% from estimated FY 2011 expenditures of \$250,197.

### **Citizen Education (050602)**

The Secretary of State receives private donations from groups that agree to pay part or all of the costs associated with printing and distributing voter registration and education materials and for conducting workshops and conferences. Any such donations are collected in the Citizen Education Fund (Fund 4140) and paid from this line item. Currently, a Pew Charitable Trusts Grant provides funding to include voter registration forms in change of address forms. The executive recommendation for this line item is \$25,000 in both FY 2012 and FY 2013, the same as the estimated FY 2011 amount.

### **Board of Voting Machine Examiners (050610)**

This line item is used to pay for services and expenses of the members of the Board of Voting Machine Examiners. The line item is also used to pay for the cost of examining, testing, and certifying voting machine devices. The funding for these purposes is derived from fees charged to voting machine vendors for the certification of those machines. H.B. 153 increases the fee charged to these vendors from \$1,800 to \$2,400. The fee increase request is a result of the membership of the board increasing from three to four members as a result of H.B. 350 of the 127th General Assembly. Board members are compensated \$300 a day and reimbursed for expenses up to \$600. The executive recommendation for this line item is \$7,200 in both FY 2012 and FY 2013, matching estimated FY 2011 spending for these purposes.

### **BOE Reimbursement and Education (050620)**

This line item is used to reimburse boards of elections for the costs of certain special elections and recounts. This line item is funded through the BOE Reimbursement and Education Fund (Fund 5FG0), which receives transfers from the GRF upon application to and approval of the amounts by the Controlling Board. The executive recommendation for this line item is \$100,000 in each fiscal year.

As noted in the Overview, this line item is used on an as-needed basis. That is, the amount reimbursed from this line item will vary from year to year based upon any special elections or recounts. In FY 2010, the Secretary of State reimbursed 16 counties a total of \$6,000 for the costs of a recount of the 18th Congressional District primary election held on May 4, 2010. In FY 2011, the Secretary of State reimbursed Clinton, Highland, Montgomery, and Warren counties just over \$272,000 for the special election in the 3rd Congressional District held on July 13, 2010.

#### **Election Reform/Health and Human Services (050614)**

This line item is used to meet the requirements of the Americans with Disabilities Act (ADA), in accordance with state and federal law applying to accessibility and voter education. These funds are typically used to make construction improvements to voting facilities to allow for better handicapped access, or to acquire certain voting machines for handicapped individuals. The executive recommendation for this line item is \$800,000 in both FY 2012 and FY 2013, equivalent to the FY 2011 estimate.

#### **Help America Vote Act (HAVA) (050616)**

This line item is used to carry out HAVA-related requirements. These responsibilities include (1) improving the statewide voter registration database, (2) ameliorating, acquiring, leasing, modifying, or replacing voting systems and technology, and (3) implementing the Military and Overseas Voter Empowerment Act (MOVE). This line item is contingent on federal funding. The executive recommendation for this line item is \$3,000,000 in both FY 2012 and FY 2013, the same as the estimated amount for FY 2011. It should be noted that there is no federal funding forthcoming during federal fiscal year (FFY) 2011 for this purpose. As of this writing, the cash balance of this fund is approximately \$7.7 million.

## Category 2: Business Services Division

The line items in this category are used to fund the Business Services Division. The Division is responsible for handling articles of incorporation for Ohio corporations and granting licenses to out-of-state corporations seeking to do business in Ohio. The Division is also responsible for processing numerous types of filings under the Uniform Commercial Code (UCC). Business filing fees deposited into the Corporate and Uniform Commercial Code Filing Fund (Fund 5990) account for \$14.4 million (95.7%) of the funding for the Business Services Division. The Division receives no GRF funding.

<b>Governor's Recommended Funding for the Business Services Division</b>				
<b>Fund</b>	<b>ALI and Name</b>		<b>FY 2012</b>	<b>FY 2013</b>
<b>General Services Fund Group</b>				
4120	050609	Notary Commission	\$475,000	\$475,000
4130	050601	Information Systems	\$49,000	\$49,000
<b>General Services Fund Group Subtotal</b>			<b>\$524,000</b>	<b>\$524,000</b>
<b>State Special Revenue Fund Group</b>				
5990	050603	Business Services Operating Expense	\$14,385,400	\$14,385,400
<b>State Special Revenue Fund Group Subtotal</b>			<b>\$14,385,400</b>	<b>\$14,385,400</b>
<b>Holding Account Redistribution Fund Group</b>				
R001	050605	Uniform Commercial Code Refunds	\$30,000	\$30,000
R002	050606	Corporate/Business Filings	\$85,000	\$85,000
<b>Holding Account Redistribution Fund Group Subtotal</b>			<b>\$115,000</b>	<b>\$115,000</b>
<b>Total Funding: Business Services Division</b>			<b>\$15,024,400</b>	<b>\$15,024,400</b>

### Business Services Operating Expense (050603)

The executive recommendation for this line item is \$14.4 million in both FY 2012 and FY 2013, an increase of 1.0% over the FY 2011 estimate of \$14.2 million. This line item is used to pay the expenses associated with collecting and processing UCC filings as well as filings associated with corporations or partnerships. It supports personnel costs for Business Services Division employees as well as some of the costs for Elections Division employees.

The revenue that supports the appropriation comes from fees charged for corporate and UCC filings. There are approximately 140 different UCC and business filings fees for the state. The Corporate and Uniform Commercial Code Filing Fund (Fund 5990) collected just over \$14.1 million in fee revenue in FY 2010. It is anticipated that the fund will collect approximately \$14.0 million from these various fees in FY 2011.

For the FY 2012-FY 2013 biennium, this line item will also be used to maintain, improve, or replace equipment, and to train employees in the use of IT systems and

processes used in the Business Services Division. These expenses were formerly paid from the Business Technology Program Fund (Fund 5N90), which was funded through a transfer of 1% of all receipts collected by Fund 5990. Instead, for the upcoming biennium, the Secretary of State will simply use Fund 5990 to pay these costs.

#### **Notary Commission (050609)**

This line item is used to pay the expenses of the Notary Public Office, including the cost of issuing licenses. The executive recommendation for this line item is \$475,000 in each fiscal year, a 5.0% decrease from estimated FY 2011 expenditures of \$500,000. The line item is funded through fees paid by individuals for notary public licenses. The Notary Commission Fund (Fund 4120) collected just over \$491,000 in revenues in FY 2010. Projected receipts for FY 2011 are \$480,000.

#### **Information Systems (050601)**

This line item is used to pay for the material and production costs for printouts and tapes containing voter registration data, electronic information requests for corporation lists, UCC lists, and other vendor-requested data. This line item is funded through fees charged to vendors making any such data requests. The executive recommendation for this line item is \$49,000 in both FY 2012 and FY 2013, an increase of 3.8% compared to estimated FY 2011 expenditures of \$47,200.

#### **Uniform Commercial Code and Corporate/Business Filing Refunds (050605 and 050606)**

These line items are within the Holding Account Redistribution Fund Group portion of the Secretary of State's budget. These two line items are used to pay out UCC and corporate filing fees that may be subject to refund due to the filing not being recorded, or filings for which there was an overpayment. The executive recommendation for these line items collectively is \$115,000 in both FY 2012 and FY 2013, equal to the FY 2011 appropriations for these purposes.

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## Secretary of State

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### General Revenue Fund

#### **GRF 050321 Operating Expenses**

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$3,060,159	\$2,132,223	\$2,236,036	\$2,290,508	<b>\$2,144,030</b>	<b>\$2,144,030</b>
	-30.3%	4.9%	2.4%	<b>-6.4%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to pay the various operating expenses associated with election administration. In addition to this GRF support, payroll for some Elections Division staff is supported by the Corporate and Uniform Commercial Code Filing Fund (Fund 5990).

#### **GRF 050403 Election Statistics**

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$70,201	\$61,006	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-13.1%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:** General Revenue Fund

**Legal Basis:** As needed line item

**Purpose:** This line item is used to pay costs associated with maintaining a statewide voter registration database, and to provide electronically compiled election results from legislative, statewide, presidential and congressional races, and statewide ballot issues.

#### **GRF 050407 Poll Workers Training**

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$277,997	\$262,012	\$209,743	\$250,197	<b>\$234,196</b>	<b>\$234,196</b>
	-5.8%	-19.9%	19.3%	<b>-6.4%</b>	<b>0.0%</b>

**Source:** General Revenue Fund

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to reimburse county boards of elections for costs associated with poll worker training programs. Training occurs twice per year. The Secretary of State annually reimburses counties for these expenses once a statement of expenses has been received.

## Secretary of State

### GRF 050409    Litigation Expenditures

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$2,073	\$1,974	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	-4.8%	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:**            General Revenue Fund

**Legal Basis:** Discontinued line item

**Purpose:**        This appropriation item was used to pay legal expenses incurred by the Secretary of State in defending an action brought by Mallory et. al. The case, which involved a dispute over the election of judges from at-large districts and minority voting rights, was decided in 1997. After that, this line item was used for other legal expenses.

### GRF 050505    County Postage Reimbursement

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$2,625,677	\$0	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	-100%	N/A	<b>N/A</b>	<b>N/A</b>

**Source:**            General Revenue Fund

**Legal Basis:** Discontinued line item (originally established by Am. Sub. H.B. 562 of the 127th G.A.)

**Purpose:**        This line item was used to pay costs incurred by boards of elections to mail an absent voter's ballot application to voters required to receive a notice under section 3501.19 of the Revised Code for the November 4, 2008, general election. H.B. 562, the FY 2009-FY2010 capital bill, provided one-time funding of \$3.0 million for this purpose in FY 2009.

## Secretary of State

### General Services Fund Group

#### 4120 050609 Notary Commission

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$359,981	\$950,567	\$560,037	\$500,000	<b>\$475,000</b>	<b>\$475,000</b>
	164.1%	-41.1%	-10.7%	<b>-5.0%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: Fees paid by individuals for notary public licenses

**Legal Basis:** ORC 147.01 and 147.37; Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item pays for the operating costs for the Notary Public Office, including the cost of issuing licenses. During FY 2008, the SOS created a Client Service Center which consolidated Notary Commission services with other various filings, licensing, and certificates. This consolidation of services was paid from the Notary Commission Fund (Fund 4120) in FY 2009. However, due to decreasing revenue projections, the FY 2010-FY 2011 appropriations for this line item have been reduced. For FY 2010 and FY 2011, any non-Notary Commission related filing costs the Secretary of State incurs will be paid for from the Corporate and Uniform Filing Fund (Fund 5990).

#### 4130 050601 Information Systems

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$99,413	\$97,695	\$100,518	\$47,200	<b>\$49,000</b>	<b>\$49,000</b>
	-1.7%	2.9%	-53.0%	<b>3.8%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: Fees charged to vendors for special data requests (separate from routine information requests and document-processing)

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to pay for the material and production costs for printouts and tapes containing voter registration data, electronic information requests for corporation lists, Uniform Commercial Code (UCC) lists, and other special data requests from vendors. Primary users of this data are state and local political parties and candidates, labor unions, associations, advertising agencies, and issue organizations.

## Secretary of State

### 4140 050602 Citizen Education Fund

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$52,021	\$174,064	\$0	\$25,000	<b>\$25,000</b>	<b>\$25,000</b>
	234.6%	-100%	N/A	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: Donations from private groups for specified voter education purposes

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to support voter education programs. Costs include preparing, printing, and distributing voter registration and educational materials, and conducting related workshops and conferences.

### 4S80 050610 Board of Voting Machine Examiners

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$1,800	\$8,068	\$6,932	\$7,200	<b>\$7,200</b>	<b>\$7,200</b>
	348.2%	-14.1%	3.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: Fees charged to voting machine vendors

**Legal Basis:** ORC 3506.05; Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by H.B. 143 of the 120th G.A.)

**Purpose:** This line item is used to pay for services and expenses of the members of the Board of Voting Machine Examiners or for other expenses to examine, test, report, or certify voting machine devices.

### 5FG0 050620 BOE Reimbursement and Education

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$2,125,814	\$50,278	\$378,163	<b>\$100,000</b>	<b>\$100,000</b>
	N/A	-97.6%	652.1%	<b>-73.6%</b>	<b>0.0%</b>

**Source:** General Services Fund Group: Transfers authorized by the Controlling Board

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Controlling Board in December 2008)

**Purpose:** This line item is used to reimburse boards of elections for all costs of certain special elections and recounts. The Secretary of State reimbursed Cuyahoga County approximately \$1.2 million in FY 2009 for the special election primary in the 11th Congressional District held on October 14, 2008, and an additional \$997,000 for the general special election held on November 18, 2008.

## Secretary of State

### 5FH0 050621 Statewide Ballot Advertising

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$0	\$1,077,353	\$300,000	<b>\$0</b>	<b>\$0</b>
	N/A	N/A	-72.2%	<b>-100%</b>	<b>N/A</b>

**Source:** General Services Fund Group: Transfers authorized by the Controlling Board

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This new line item is used to pay all costs associated with the required advertising of statewide ballot issues. The line item was created to reflect a new process by which the SOS pays for mandated state ballot advertising costs. Previously, each county would advertise ballot issues and submit a claim for reimbursement. Under the new funding arrangement, SOS now contracts with the appropriate media sources and pays these costs directly.

### Federal Special Revenue Fund Group

#### 3AC0 050619 Election Data Collection Grant

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$0	\$1,444,099	\$555,575	\$0	<b>\$0</b>	<b>\$0</b>
	N/A	-61.5%	-100%	<b>N/A</b>	<b>N/A</b>

**Source:** Federal Special Revenue Fund Group: One time federal grant from the U.S. Election Assistance Commission

**Legal Basis:** Discontinued line item

**Purpose:** This line was used to develop and document administrative and procedural best practices in precinct-level election data collection.

## Secretary of State

### 3AH0 050614 Election Reform/Health and Human Services

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$58,187	\$702,766	\$465,107	\$800,000	<b>\$800,000</b>	<b>\$800,000</b>
	1107.8%	-33.8%	72.0%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: Federal Help America Vote Act (HAVA) of 2002, Pub. L. No. 107-252, Title II, Subtitle D, Section 261

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Controlling Board on November 3, 2003)

**Purpose:** This line item is used to meet the requirements of the federal Americans with Disabilities Act (ADA) and state law, including facility accessibility and voter education mandates. These funds are typically used to make construction improvements to voting facilities to allow for greater handicapped access, or to acquire certain voting machines for handicapped individuals.

### 3AS0 050616 Help America Vote Act (HAVA)

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$4,027,629	\$3,026,125	\$1,715,269	\$3,000,000	<b>\$3,000,000</b>	<b>\$3,000,000</b>
	-24.9%	-43.3%	74.9%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Federal Special Revenue Fund Group: Federal Help America Vote Act (HAVA) of 2002 Pub. L. No. 107-252

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A. (originally established by Section 5 of Sub. H.B. 262 of the 125th G.A.)

**Purpose:** The line item is used to purchase new Direct Recording Electronic (DRE) or optical scan voting machines in compliance with the Help America Vote Act of 2002, make voter registration upgrades, provide voter education, and administer the federal grant program. Over the FY 2008-FY 2009 biennium, this line item was used to continue maintenance of the on-line poll worker training program, and provided \$6.5 million for county voting machine acquisitions, upgrades, and maintenance.

## Secretary of State

### State Special Revenue Fund Group

#### 5990 050603 Business Services Operating Expenses

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$13,724,865	\$15,313,499	\$13,476,527	\$14,245,400	<b>\$14,385,400</b>	<b>\$14,385,400</b>
	11.6%	-12.0%	5.7%	<b>1.0%</b>	<b>0.0%</b>

**Source:** State Special Revenue Fund Group: Fees charged for Corporate and Uniform Commercial Code filings under Titles 13 and 17 of the Revised Code

**Legal Basis:** ORC 111.16 to 111.18 and 1309.528(A); Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to pay for the operation of the Office of the Secretary of State and for expenses related to both the processing of Uniform Commercial Code filings and the processing of filings related to corporations and partnerships.

#### 5N90 050607 Technology Improvements

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$124,232	\$125,937	\$188,959	\$180,000	<b>\$0</b>	<b>\$0</b>
	1.4%	50.0%	-4.7%	<b>-100%</b>	<b>N/A</b>

**Source:** State Special Revenue Fund Group: One percent of the money credited to the Corporate and Uniform Commercial Code Filing Fund (Fund 5990)

**Legal Basis:** ORC 1309.528(B); Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used for the upkeep, improvement or replacement of equipment and for training employees in the use of equipment used to discharge the Office's corporate and uniform commercial code filing responsibilities.

### Holding Account Redistribution Fund Group

#### R001 050605 Uniform Commercial Code Refunds

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$127,886	\$7,395	\$14,255	\$30,000	<b>\$30,000</b>	<b>\$30,000</b>
	-94.2%	92.8%	110.5%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Holding Account Redistribution Fund Group: Uniform Commercial Code filing fees

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to make refunds due to overpayments and return fees for Uniform Commercial Code documents that are not recorded.

## Secretary of State

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### R002 050606 Corporate/Business Filing Refunds

FY 2008	FY 2009	FY 2010	Estimate FY 2011	Introduced FY 2012	Introduced FY 2013
\$59,674	\$40,922	\$32,346	\$85,000	<b>\$85,000</b>	<b>\$85,000</b>
	-31.4%	-21.0%	162.8%	<b>0.0%</b>	<b>0.0%</b>

**Source:** Holding Account Redistribution Fund Group: Corporate and business filing fees

**Legal Basis:** Section 387.10 of Am. Sub. H.B. 1 of the 128th G.A.

**Purpose:** This line item is used to refund filers for corporate filings that are not recorded or for overpayments of corporate filing fees.

# FY 2012 - FY 2013 Introduced Appropriation Amounts

# All Fund Groups

Line Item Detail by Agency			Estimate FY 2010	Estimate FY 2011	Introduced FY 2012	FY 2011 to FY 2012 % Change	Introduced FY 2013	FY 2012 to FY 2013 % Change
<b>Report For Main Operating Appropriations Bill</b>			<b>Version: As Introduced</b>					
<b>SOS Secretary of State</b>								
GRF	050321	Operating Expenses	\$ 2,236,036	\$ 2,290,508	\$ 2,144,030	-6.40%	\$ 2,144,030	0.00%
GRF	050407	Poll Workers Training	\$ 209,743	\$ 250,197	\$ 234,196	-6.40%	\$ 234,196	0.00%
<b>General Revenue Fund Total</b>			<b>\$ 2,445,779</b>	<b>\$ 2,540,705</b>	<b>\$ 2,378,226</b>	<b>-6.40%</b>	<b>\$ 2,378,226</b>	<b>0.00%</b>
4120	050609	Notary Commission	\$ 560,037	\$ 500,000	\$ 475,000	-5.00%	\$ 475,000	0.00%
4130	050601	Information Systems	\$ 100,518	\$ 47,200	\$ 49,000	3.81%	\$ 49,000	0.00%
4140	050602	Citizen Education Fund	\$ 0	\$ 25,000	\$ 25,000	0.00%	\$ 25,000	0.00%
4S80	050610	Board of Voting Machine Examiners	\$ 6,932	\$ 7,200	\$ 7,200	0.00%	\$ 7,200	0.00%
5FG0	050620	BOE Reimbursement and Education	\$ 50,278	\$ 378,163	\$ 100,000	-73.56%	\$ 100,000	0.00%
5FH0	050621	Statewide Ballot Advertising	\$ 1,077,353	\$ 300,000	\$ 0	-100.00%	\$ 0	N/A
<b>General Services Fund Group Total</b>			<b>\$ 1,795,119</b>	<b>\$ 1,257,563</b>	<b>\$ 656,200</b>	<b>-47.82%</b>	<b>\$ 656,200</b>	<b>0.00%</b>
3AC0	050619	Election Data Collection Grant	\$ 555,575	\$ 0	\$ 0	N/A	\$ 0	N/A
3AH0	050614	Election Reform/Health and Human Services	\$ 465,107	\$ 800,000	\$ 800,000	0.00%	\$ 800,000	0.00%
3AS0	050616	Help America Vote Act (HAVA)	\$ 1,715,269	\$ 3,000,000	\$ 3,000,000	0.00%	\$ 3,000,000	0.00%
<b>Federal Special Revenue Fund Group Total</b>			<b>\$ 2,735,951</b>	<b>\$ 3,800,000</b>	<b>\$ 3,800,000</b>	<b>0.00%</b>	<b>\$ 3,800,000</b>	<b>0.00%</b>
5990	050603	Business Services Operating Expenses	\$ 13,476,527	\$ 14,245,400	\$ 14,385,400	0.98%	\$ 14,385,400	0.00%
5N90	050607	Technology Improvements	\$ 188,959	\$ 180,000	\$ 0	-100.00%	\$ 0	N/A
<b>State Special Revenue Fund Group Total</b>			<b>\$ 13,665,486</b>	<b>\$ 14,425,400</b>	<b>\$ 14,385,400</b>	<b>-0.28%</b>	<b>\$ 14,385,400</b>	<b>0.00%</b>
R001	050605	Uniform Commercial Code Refunds	\$ 14,255	\$ 30,000	\$ 30,000	0.00%	\$ 30,000	0.00%
R002	050606	Corporate/Business Filing Refunds	\$ 32,346	\$ 85,000	\$ 85,000	0.00%	\$ 85,000	0.00%
<b>Holding Account Redistribution Fund Group Total</b>			<b>\$ 46,601</b>	<b>\$ 115,000</b>	<b>\$ 115,000</b>	<b>0.00%</b>	<b>\$ 115,000</b>	<b>0.00%</b>
<b>Secretary of State Total</b>			<b>\$ 20,688,936</b>	<b>\$ 22,138,668</b>	<b>\$ 21,334,826</b>	<b>-3.63%</b>	<b>\$ 21,334,826</b>	<b>0.00%</b>