

LSC Redbook

Analysis of the Executive Budget Proposal

Secretary of State

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February 2013

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Secretary of State

- Total recommended funding of \$38.9 million for the biennium
- Nearly 74% of the budget supported by business filing fees
- Beginning the process of making all business filings available online

OVERVIEW

Responsibilities

As Ohio's chief election officer, the Secretary of State 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 152 people according to January 2013 payroll records.

Appropriations

By Fund Group

As Table 1 shows, the executive recommendation for the Secretary of State is \$19.5 million in both FY 2014 and FY 2015. These amounts are 21.3% lower than estimated FY 2013 spending of \$24.3 million. The majority of the funding – about \$14.4 million (73.8%) 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 – \$2.0 million (10.3%) of the budget in each fiscal year – for various election reform initiatives required by the Help America Vote Act (HAVA).

Approximately \$2.4 million (12.2%) of the proposed budget in each fiscal year comes from the GRF.

Table 1. Executive Budget Recommendations by Fund Group, FY 2014-FY 2015

Fund Group	FY 2013*	FY 2014	% change, FY 2013-FY 2014	FY 2015	% change, FY 2014-FY 2015
General Revenue	\$2,378,226	\$2,378,226	0.0%	\$2,378,226	0.0%
General Services	\$1,136,265	\$611,200	-47.6%	\$611,200	0.0%
State Special Revenue	\$14,669,273	\$14,385,400	-1.9%	\$14,385,400	0.0%
Federal Special Revenue	\$6,440,924	\$2,010,000	-68.8%	\$2,010,000	0.0%
Holding Account Redistribution	\$150,000	\$115,000	-23.3%	\$115,000	0.0%
Total	\$24,774,669	\$19,499,826	-21.3%	\$19,499,826	0.0%

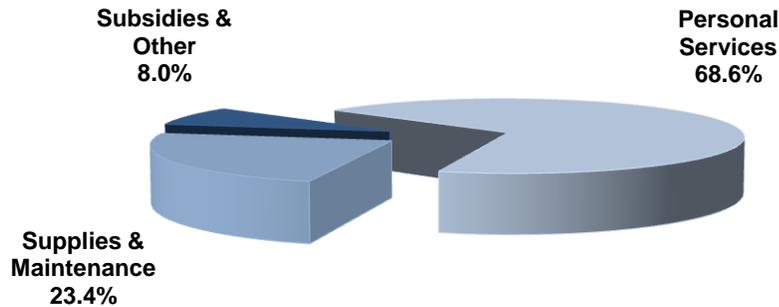
*FY 2013 figures represent estimated expenditures.

Of the approximate \$5.3 million overall difference between estimated spending in FY 2013 and the FY 2014 recommendation, about \$4.4 million (83.0%) is explained by a reduction in federal funding in two areas, including (1) statewide voter registration database and voting machine improvements, and (2) acquisition and use of technology to enhance the absent voting process for military and overseas voters under the Military and Overseas Voter Empowerment (MOVE) Act. Funding for the MOVE improvements is, however, provided in the FY 2013 budget. There is also a decrease in recommended spending among funds within the General Services Fund Group. Much of this money is used to compensate counties for the cost of statewide ballot advertising and to reimburse them for special elections and recounts. However, the amounts needed for this purpose are approved by the Controlling Board and transferred on an as-needed basis from the GRF to the appropriate funds used for these purposes by the Secretary of State.

By Type of Expense

As Chart 1 illustrates, approximately \$13.4 million (68.6%) 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 \$4.6 million (23.4%) of the budget. The remaining amount, approximately \$1.5 million (8.0%) 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 2014-FY 2015**



Issues of Interest

HAVA Funds

The Secretary of State is responsible for the administration of the Help America Vote Act (HAVA) and pays for the cost of the voting-process enhancements under the Act with federal funds. More specifically, these costs are paid through the Help America Vote Act (HAVA) Fund (Fund 3AS0). These responsibilities include (1) improving the statewide voter registration database, (2) ameliorating, acquiring, leasing, modifying, or replacing voting systems and technology, and (3) implementing MOVE. There is money for the MOVE implementation in the current FY 2013 budget in the Federal Miscellaneous Grants Fund (Fund 3FM0). However, the Secretary of State has not received any additional federal funding for HAVA since federal FY 2010. As such, the balance in this fund has been drawn down. The mid-February 2013 cash balance in Fund 3AS0 was \$4.1 million.

The available federal funding will allow the Secretary of State to maintain current HAVA-related operations with respect to hardware and software, but will not allow for any upgrades or expansions. The Secretary of State will also not be able to use this fund to pay for backup paper ballots in select counties, or to supplement poll worker training costs as it has in the past. As a result, the Secretary of State has indicated, absent any additional funds, that the primary required operations relating to HAVA will also have to be shifted to Fund 5990 to the degree that Fund 5990 can absorb those costs.

Business Filings

The Secretary of State is beginning the process of implementing an online system to make corporate filing forms accessible and payable online by calendar year 2014. (Currently, only UCC filings are available online.) According to the Secretary of State's records, there has been a steady increase in annual new business filings in Ohio in recent years, from 75,854 in calendar year 2009 to 88,068 in calendar year 2012. Making these forms available online would reduce administrative costs associated with manual

filings, and possibly reduce common filing errors, according to the Secretary of State. All revenues associated with business filings and the costs of administering the business services program are paid into and paid from the Business Services Fund (Fund 5990).

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 53.1% of the proposed funding for these activities is supported by the GRF. About 44.9% of funding in each fiscal year comes from federal sources and is related to implementation of Help America Vote Act (HAVA) requirements.

Governor's Recommended Funding for the Elections Division				
Fund	ALI and Name		FY 2014	FY 2015
General Revenue Fund				
GRF	050321	Operating Expenses	\$2,144,030	\$2,144,030
GRF	050407	Poll Workers Training	\$234,196	\$234,196
General Revenue Fund Subtotal			\$2,378,226	\$2,378,226
General Services Fund Group				
4S80	050610	Board of Voting Machine Examiners	\$7,200	\$7,200
5FG0	050620	BOE Reimbursement and Education	\$80,000	\$80,000
General Services Fund Group Subtotal			\$87,200	\$87,200
Federal Special Revenue Fund Group				
3AH0	050614	Election Reform/Health and Human Services	\$300,000	\$300,000
3AS0	050616	Help America Vote Act (HAVA)	\$1,710,000	\$1,710,000
Federal Special Revenue Fund Group Subtotal			\$2,010,000	\$2,010,000
Total Funding: Elections Division			\$4,475,426	\$4,475,426

Operating Expenses (050321)

This GRF line item is used to pay for the expenses that the Secretary of State incurs for administering elections. The executive recommendation for this line item is approximately \$2.1 million in both FY 2014 and FY 2015, matching FY 2013 estimated expenditures. Specifically, this line item funds the salaries of Elections Division employees, although additional payroll funding is supplied by appropriations from the Business Services 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. The Campaign Finance Section receives, processes, and examines all submitted campaign finance

statements. The Field Services Section acts as a liaison between the Secretary of State 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. The Secretary of State annually reimburses counties for those expenses once a statement of expenses has been received. Additionally, the office maintains online training sessions and training materials for poll workers on its web site. This GRF line item pays for those reimbursements. The executive recommendation for this line item is \$234,196 in both FY 2014 and FY 2015, which matches the amount budgeted for this line item in FY 2013. In Presidential election years, the Secretary of State has used the Help America Vote Act (HAVA) Fund (Fund 3AS0) to help supplement the costs of poll worker training.

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, the main operating budget act for the FY 2012-FY 2013 biennium, increased the fee charged to these vendors from \$1,800 to \$2,400. The fee increase itself was a result of the membership of the board increasing from three to four members under 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 2014 and FY 2015, matching estimated FY 2013 spending for these purposes.

BOE Reimbursement and Education (050620)

This line item is used to reimburse boards of elections (BOE) 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 \$80,000 in each fiscal year; a decrease of 34.4% from FY 2013 estimated spending of \$121,861. Note, however, that 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. This fund is contingent upon receiving federal money for these purposes. However, the Secretary of State is still responsible for meeting the requirements of the ADA with respect to polling locations. The executive recommendation for this line item is \$300,000 in both FY 2014 and FY 2015. This is a decrease of 54.3% from FY 2013 estimated expenditures of \$655,798.

Help America Vote Act (HAVA) (050616)

This line item is used to carry out HAVA-related requirements through federal money deposited into the Help America Vote Act (HAVA) Fund (Fund 3AS0). 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). The executive recommendation for this line item is \$1.7 million in both FY 2014 and FY 2015, a decrease of 56.5% from FY 2013 estimated spending in this area.

No federal funding for these purposes has been received since federal FY 2010. As noted previously, the February 2013 cash balance in Fund 3SA0 is approximately \$4.1 million. Between planned spending in the remainder of FY 2013 and in the next biennium, the Secretary of State anticipates this fund may be depleted by the end of FY 2015. Overall, the recommended funding will allow the Secretary of State to maintain systems hardware and software related to the statewide voter registration database and county voting machines, but upgrades or expansions will not likely be possible. Nor will the available cash balance in the fund allow for the Secretary of State to pay for backup paper ballots in select counties, or to supplement poll worker training costs as it has in the past from this source of funding. Ultimately, it appears as though the cost of carrying out many of the HAVA requirements will have to be shifted to the Business Services Fund (Fund 5990).

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.

Governor's Recommended Funding for the Business Services Division				
Fund	ALI and Name		FY 2014	FY 2015
General Services Fund Group				
4120	050609	Notary Commission	\$475,000	\$475,000
4130	050601	Information Systems	\$49,000	\$49,000
General Services Fund Group Subtotal			\$524,000	\$524,000
State Special Revenue Fund Group				
5990	050603	Business Services Operating Expense	\$14,385,400	\$14,385,400
State Special Revenue Fund Group Subtotal			\$14,385,400	\$14,385,400
Holding Account Redistribution Fund Group				
R001	050605	Uniform Commercial Code Refunds	\$30,000	\$30,000
R002	050606	Corporate/Business Filings	\$85,000	\$85,000
Holding Account Redistribution Fund Group Subtotal			\$115,000	\$115,000
Total Funding: Business Services Division			\$15,024,400	\$15,024,400

Business Services Operating Expense (050603)

The executive recommendation for this line item is \$14.4 million in both FY 2014 and FY 2015, a decrease of 1.9% over the FY 2013 estimate of \$14.7 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 \$15.0 million in fee revenue in FY 2012. It is anticipated that the fund will collect approximately \$14.5 million from these various fees in FY 2013.

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, matching estimated FY 2013 expenditures. The line item is funded through fees paid by individuals for notary public licenses. The Notary Commission Fund (Fund 4120) collected just over \$501,000 in revenues in FY 2012. Projected receipts for FY 2013 are \$490,000.

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 2014 and FY 2015, which is a decrease of 19.7% from FY 2013 estimated expenditures of \$60,985 for these purposes.

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 2014 and FY 2015, a decrease of 21.3% from the FY 2013 estimate of \$150,000.

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General Revenue Fund

GRF 050321 Operating Expenses

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$2,236,036	\$2,240,616	\$2,143,989	\$2,144,030	\$2,144,030	\$2,144,030
	0.2%	-4.3%	0.0%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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 Business Services Fund (Fund 5990).

GRF 050407 Poll Workers Training

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$209,743	\$238,100	\$0	\$234,196	\$234,196	\$234,196
	13.5%	-100%	N/A	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: This line item is used to provide online training programs and 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.

General Services Fund Group

4120 050609 Notary Commission

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$560,037	\$495,166	\$457,140	\$475,000	\$475,000	\$475,000
	-11.6%	-7.7%	3.9%	0.0%	0.0%

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

Legal Basis: ORC 147.01 and 147.37; Section 389.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: This line item pays for the operating costs for the Notary Public Office, including the cost of issuing licenses.

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4130 050601 Information Systems

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$100,518	\$26,589	\$36,982	\$60,985	\$49,000	\$49,000
	-73.5%	39.1%	64.9%	-19.7%	0.0%

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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.

4140 050602 Citizen Education Fund

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$0	\$0	\$25,000	\$0	\$0
	N/A	N/A	N/A	-100%	N/A

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$6,932	\$5,043	\$11,620	\$7,200	\$7,200	\$7,200
	-27.3%	130.4%	-38.0%	0.0%	0.0%

Source: General Services Fund Group: Fee of \$2,400 charged to voting machine vendors

Legal Basis: ORC 3506.05; Section 389.10 of Am. Sub. H.B. 153 of the 129th 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. Am. Sub. H.B. 153 of the 129th G.A. increased the fee charged to vendors from \$1,800 to \$2,400.

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5FG0 050620 BOE Reimbursement and Education

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$50,278	\$334,753	\$2,816,715	\$121,861	\$80,000	\$80,000
	565.8%	741.4%	-95.7%	-34.4%	0.0%

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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. In FY 2012, in accordance with H.B. 319 of the 129th G.A., the SOS reimbursed county boards of elections approximately \$2.75 million for costs associated with redistricting, which included remapping and reprecincting counties, as well as reprogramming database systems and voting machines.

5FH0 050621 Statewide Ballot Advertising

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$1,077,353	\$0	\$2,117,911	\$446,219	\$0	\$0
	-100%	N/A	-78.9%	-100%	N/A

Source: General Services Fund Group: ORC 3501.17(G); transfers authorized by the Controlling Board

Legal Basis: As needed line item

Purpose: This line item is used to pay all costs associated with the required advertising of statewide ballot issues. The line item was created to reflect the process by which the Secretary of State pays for mandated state ballot advertising costs. The Secretary of State contracts with the appropriate media sources and pays these costs directly.

Federal Special Revenue Fund Group

3AC0 050619 Election Data Collection Grant

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$555,575	\$0	\$0	\$0	\$0	\$0
	-100%	N/A	N/A	N/A	N/A

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.

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3AH0 050614 Election Reform/Health and Human Services

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$465,107	\$518,857	\$366,822	\$655,798	\$300,000	\$300,000
	11.6%	-29.3%	78.8%	-54.3%	0.0%

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 389.10 of Am. Sub. H.B. 153 of the 129th 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 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$1,715,269	\$2,216,665	\$1,282,276	\$3,929,126	\$1,710,000	\$1,710,000
	29.2%	-42.2%	206.4%	-56.5%	0.0%

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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.

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3FM0 050624 Miscellaneous Federal Grants

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$0	\$0	\$0	\$1,856,000	\$0	\$0
	N/A	N/A	N/A	-100%	N/A

Source: Federal Special Revenue Fund Group: CFDA 12.217 - Electronic Absentee Systems for Elections; 10 USC 2358 - Research and Development Projects

Legal Basis: Established by Controlling Board on December 12, 2011

Purpose: This line item is used to house federal funds for which a specific fund was not designated. The FY 2013 appropriation was to be used to acquire and use technology to streamline the absent voting process for military and overseas voters, provide equipment to county boards of elections for this processing work, and to assist in working with Ohio universities to collect data and identify issues faced by such voters.

State Special Revenue Fund Group

5990 050603 Business Services Operating Expenses

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$13,476,527	\$13,116,239	\$12,518,228	\$14,669,273	\$14,385,400	\$14,385,400
	-2.7%	-4.6%	17.2%	-1.9%	0.0%

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 389.10 of Am. Sub. H.B. 153 of the 129th G.A.

Purpose: This line item is used to pay for expenses related to both the processing of Uniform Commercial Code filings and the processing of filings related to corporations and partnerships. This line item also supplements some staffing costs for the Elections Division.

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5N90 050607 Technology Improvements

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$188,959	\$178,738	\$0	\$0	\$0	\$0
	-5.4%	-100%	N/A	N/A	N/A

Source: State Special Revenue Fund Group: 1% of the money credited to the Business Services Fund (Fund 5990)

Legal Basis: Discontinued line item (originally established in ORC 1309.528(B))

Purpose: This line item was 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. H.B. 153 abolished Fund 5N90. As a consequence, the cost of technology upgrades incurred by the Secretary of State is now paid directly from Fund 5990.

Holding Account Redistribution Fund Group

R001 050605 Uniform Commercial Code Refunds

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$14,255	\$90,160	\$11,988	\$30,000	\$30,000	\$30,000
	532.5%	-86.7%	150.3%	0.0%	0.0%

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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.

R002 050606 Corporate/Business Filing Refunds

FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Estimate	FY 2014 Introduced	FY 2015 Introduced
\$32,346	\$35,162	\$47,599	\$120,000	\$85,000	\$85,000
	8.7%	35.4%	152.1%	-29.2%	0.0%

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

Legal Basis: Section 389.10 of Am. Sub. H.B. 153 of the 129th 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 2014 - FY 2015 Introduced Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2012	Estimate FY 2013	Introduced FY 2014	FY 2013 to FY 2014 % Change	Introduced FY 2015	FY 2014 to FY 2015 % Change
Report For Main Operating Appropriations Bill			Version: As Introduced					
SOS Secretary of State								
GRF	050321	Operating Expenses	\$ 2,143,989	\$ 2,144,030	\$ 2,144,030	0.00%	\$ 2,144,030	0.00%
GRF	050407	Poll Workers Training	\$ 0	\$ 234,196	\$ 234,196	0.00%	\$ 234,196	0.00%
General Revenue Fund Total			\$ 2,143,989	\$ 2,378,226	\$ 2,378,226	0.00%	\$ 2,378,226	0.00%
4120	050609	Notary Commission	\$ 457,140	\$ 475,000	\$ 475,000	0.00%	\$ 475,000	0.00%
4130	050601	Information Systems	\$ 36,982	\$ 60,985	\$ 49,000	-19.65%	\$ 49,000	0.00%
4140	050602	Citizen Education Fund	\$ 0	\$ 25,000	\$ 0	-100.00%	\$ 0	N/A
4S80	050610	Board of Voting Machine Examiners	\$ 11,620	\$ 7,200	\$ 7,200	0.00%	\$ 7,200	0.00%
5FG0	050620	BOE Reimbursement and Education	\$ 2,816,715	\$ 121,861	\$ 80,000	-34.35%	\$ 80,000	0.00%
5FH0	050621	Statewide Ballot Advertising	\$ 2,117,911	\$ 446,219	\$ 0	-100.00%	\$ 0	N/A
General Services Fund Group Total			\$ 5,440,368	\$ 1,136,265	\$ 611,200	-46.21%	\$ 611,200	0.00%
3AH0	050614	Election Reform/Health and Human Services	\$ 366,822	\$ 655,798	\$ 300,000	-54.25%	\$ 300,000	0.00%
3AS0	050616	Help America Vote Act (HAVA)	\$ 1,282,276	\$ 3,929,126	\$ 1,710,000	-56.48%	\$ 1,710,000	0.00%
3FM0	050624	Miscellaneous Federal Grants	\$ 0	\$ 1,856,000	\$ 0	-100.00%	\$ 0	N/A
Federal Special Revenue Fund Group Total			\$ 1,649,098	\$ 6,440,924	\$ 2,010,000	-68.79%	\$ 2,010,000	0.00%
5990	050603	Business Services Operating Expenses	\$ 12,518,228	\$ 14,669,273	\$ 14,385,400	-1.94%	\$ 14,385,400	0.00%
State Special Revenue Fund Group Total			\$ 12,518,228	\$ 14,669,273	\$ 14,385,400	-1.94%	\$ 14,385,400	0.00%
R001	050605	Uniform Commercial Code Refunds	\$ 11,988	\$ 30,000	\$ 30,000	0.00%	\$ 30,000	0.00%
R002	050606	Corporate/Business Filing Refunds	\$ 47,599	\$ 120,000	\$ 85,000	-29.17%	\$ 85,000	0.00%
Holding Account Redistribution Fund Group Total			\$ 59,587	\$ 150,000	\$ 115,000	-23.33%	\$ 115,000	0.00%
Secretary of State Total			\$ 21,811,269	\$ 24,774,688	\$ 19,499,826	-21.29%	\$ 19,499,826	0.00%