

LSC Redbook

Analysis of the Executive Budget Proposal

Secretary of State

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TABLE OF CONTENTS

OVERVIEW	1
Responsibilities	1
Appropriations	1
By Fund Group.....	1
By Type of Expense	2
Issues of Interest	3
HAVA Funds.....	3
Business Filings.....	3
ANALYSIS OF EXECUTIVE PROPOSAL	5
Category 1: Elections Division	5
Operating Expenses (050321)	5
Poll Workers Training (050407)	6
Board of Voting Machine Examiners (050610).....	6
BOE Reimbursement and Education (050620).....	6
Help America Vote Act (HAVA) (050616)	7
Category 2: Business Services Division	8
Business Services Operating Expense (050603)	8
Notary Commission (050609).....	9
Uniform Commercial Code and Corporate/Business Filing Refunds (050605 and 050606)	9
 ATTACHMENTS:	
Catalog of Budget Line Items	
Budget Spreadsheet By Line Item	

Secretary of State

- Total recommended funding of \$35.4 million for the biennium
- Approximately 81% of the biennium budget supported by business filing fees
- Most business filings have become 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. Overall, between the two divisions, the Secretary of State employs 142 people according to January 2015 payroll records.

Appropriations

By Fund Group

Fund Group	FY 2015*	FY 2016	% change, FY 2015-FY 2016	FY 2017	% change, FY 2016-FY 2017
General Revenue	\$2,612,422	\$2,378,226	-8.9%	\$2,378,226	0.0%
Internal Service Activity	\$123,826	\$87,200	-29.6%	\$87,200	0.0%
Dedicated Purpose	\$15,055,138	\$14,860,400	-1.3%	\$14,860,400	0.0%
Federal	\$3,102,525	\$502,000	-83.8%	\$0	-100.0%
Holding Account	\$115,000	\$115,000	0.0%	\$115,000	0.0%
TOTAL	\$21,008,911	\$17,942,826	-14.6%	\$17,440,826	-2.8%

*FY 2015 figures represent estimated expenditures.

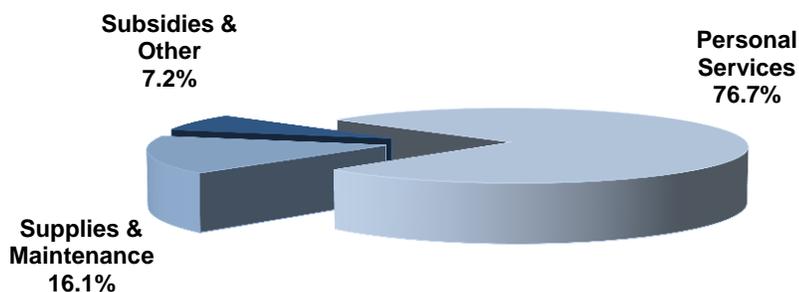
As Table 1 shows, the executive recommendation for the Secretary of State is \$17.9 million in FY 2016 and \$17.4 million in FY 2017. The recommended FY 2016 funding amounts are 14.6% lower than estimated FY 2015 spending of \$21.0 million. About \$14.4 million (approximately 80.0% of the total proposed budget) in each fiscal year is derived from business filing fees collected by the Business Services Division and accounted for under the Dedicated Purpose Fund Group. The approximate \$200,000 reduction in proposed spending within this area is possible mainly because of online forms for business filings, which has lowered costs. Approximately \$2.4 million in each fiscal year (approximately 12.0% of the overall proposed funding) comes from the GRF. This is approximately \$235,000 less than estimated spending from the GRF in FY 2015, when additional expenses for poll worker training expenses were incurred as a result of the November 2014 general election.

There is a substantial decrease in spending from federal sources in the proposed budget for the FY 2016-FY 2017 biennium. This accounts for about \$2.6 million of the difference between estimated FY 2015 spending and the amount budgeted for FY 2016. The reason is that federal funding issued as part of the Help America Vote Act (HAVA) has been depleted, with no additional amounts expected to be forthcoming. The remaining cash balance of \$502,000 would be used in FY 2016. Additionally, federal grants previously used for other election-related activities will not be available in the upcoming biennium.

By Type of Expense

As Chart 1 illustrates, approximately \$13.4 million (76.7%) 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 \$3.2 million (16.1%) of the budget in FY 2016 and \$2.4 million in FY 2017. The remaining amount, approximately \$1.3 million (7.2%) 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 2016-FY 2017



Issues of Interest

HAVA Funds

The Secretary of State is responsible for the administration of HAVA and pays for the cost of the voting-process enhancements with federal funds appropriated under the Help America Vote Act 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 (MOVE) Act. The Secretary of State has not received any additional federal funding for these purposes since FFY 2010. As such, the balance in this fund has been drawn down. The remaining balance in this fund at the end of FY 2015 is estimated to be \$502,000, which would be used in FY 2016 to pay the costs listed above.

The available federal funding will allow the Secretary of State to maintain current HAVA-related operations with respect to hardware and software during FY 2016, but this 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 the Business Services Fund (Fund 5990) to the degree that Fund 5990 can absorb those costs.

Business Filings

The Secretary of State began the process of implementing an online system to make corporate filing forms accessible and payable online during calendar year (CY) 2014. 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 88,068 in calendar year 2012 to 93,775 in CY 2014. Making these forms available online reduces administrative costs associated with manual filings and reduces common filing errors. The Secretary of State estimates that nearly half of all business filings are now being submitted online. All revenues associated with business filings and the costs of administering the business services program are paid into and paid from Fund 5990.

H.B. 3 and S.B. 26 – Filing Fee Reductions

H.B. 3 and S.B. 26, as pending before the 131st General Assembly, reduce various filing fees charged and collected by the Secretary of State. First, for corporations that do not issue shares of capital stock, the bill reduces the fee for filing and recording articles of incorporation from \$125 to \$99. For stock-issuing corporations, the minimum filing fee of \$125 is reduced to \$99; however, the maximum filing fee of \$100,000 is unchanged by the bill. Under current law, the filing fee for stock-issuing corporations is calculated

based on how many shares of stock the corporation is authorized to issue. In addition to these fee reductions, Table 2 below lists the other fee reductions proposed in the bill.

Table 2. Secretary of State Filing Fee Reductions Proposed in H.B. 3 and S.B. 26		
Type of Filing	Previous Fee	New Fee
Articles of Incorporation – Savings and Loan	\$125	\$99
Certificate of Conversion, Merger, or Consolidation and Designation of Agent	\$125	\$99
Articles of Incorporation – Credit Union or American Credit Union Guaranty Association	\$125	\$99
Articles of Organization of LLC, Application of Registered Foreign LLC, and Registration Application of Domestic or Foreign LLP	\$125	\$99
Certificate of Limited Partnership, Application of Registration as a Foreign Limited Partnership, or Initial Statement of Partnership Authority	\$125	\$99
License to Transact Business in Ohio by a Foreign Profit or Nonprofit Corporation	\$125	\$99
Report to Operate a Business Trust or Real Estate Investment Trust, Foreign or Domestic	\$125	\$99
Recordation of a Trade Name or Fictitious Name Registration	\$50	\$39
Exclusive Right for Name Use or Application to Reserve a Name	\$50	\$39

All filing fees charged and collected by the Secretary of State are deposited into the Business Services Fund (Fund 5990). The overall magnitude of revenue losses experienced by the Secretary of State as a result of the bill would depend largely upon the number of new business filings that occur each year. According to the Secretary of State's records, there has been a steady rise in annual new business filings in Ohio in recent years, from 88,068 in CY 2012 to 89,735 in CY 2013, and to 93,775 in CY 2014. Given these current filing trends, the Secretary of State estimates that these fee reductions would result in approximately \$2.0 million in decreased filing fee revenue each fiscal year. In FY 2014, Fund 5990 received \$15.6 million in filing fee revenue.

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 80.1% of the proposed funding for these activities is supported by the GRF in FY 2016. A portion of FY 2016 funding (16.9%) comes from federal sources and is related to implementation of Help America Vote Act (HAVA) requirements. No federal funding for these purposes is available for FY 2017. As a result, GRF funding will support 96.5% of funding for this category of appropriations in FY 2017.

Governor's Recommended Funding for the Elections Division				
Fund	ALI and Name		FY 2016	FY 2017
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
Internal Service Activity Fund Group				
4S80	050610	Board of Voting Machine Examiners	\$7,200	\$7,200
5FG0	050620	BOE Reimbursement and Education	\$80,000	\$80,000
Internal Service Activity Fund Group Subtotal			\$87,200	\$87,200
Federal Fund Group				
3AS0	050616	Help America Vote Act (HAVA)	\$502,000	\$0
Federal Fund Group Subtotal			\$502,000	\$0
Total Funding: Elections Division			\$2,967,426	\$2,465,426

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 2016 and FY 2017, matching FY 2015 estimated expenditures. Specifically, this line item funds the salaries of Elections Division employees. In previous fiscal years, additional payroll funding was supplied by appropriations from the Business Services Fund (Fund 5990). However, all Elections Division payroll will be paid from this line item during the FY 2016-FY 2017 biennium.

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 website. This GRF line item pays for those reimbursements.

The executive recommendation for this line item is \$234,196 in both FY 2016 and FY 2017, a 50% decrease from estimated FY 2015 expenditures of \$468,392. However, no expenses were incurred under this line item in FY 2014. In effect, the recommended funding levels for this line item in the FY 2016-FY 2017 biennium would match the estimated expenditures during the previous biennium. In presidential election years, the Secretary of State has used the 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 2016 and FY 2017, matching estimated FY 2015 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 31.4% from FY 2015 estimated spending of \$116,626. Note, however, that this line item is used on an as-needed basis, and that funding can be increased by the Controlling Board as necessary.

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 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 (MOVE) Act. The executive recommendation for this line item is \$502,000 in FY 2016, a decrease of 81.3% from estimated FY 2015 spending of about \$2.7 million. This amount is the anticipated FY 2015 year-end cash balance in Fund 3AS0.

No federal funding for HAVA-related purposes has been received since FFY 2010. Between planned spending for HAVA purposes in the remainder of FY 2015 and in the next biennium, the Secretary of State anticipates that Fund 3AS0 could be depleted by the end of FY 2016. The remaining fund balance will allow the Secretary of State to maintain systems hardware and software for 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).

Additionally, previous federal funding made available in the Election Reform/HHS Fund (Fund 3AH0) has been used to meet the requirements of the Americans with Disabilities Act (ADA) for accessibility and voter education purposes. These funds were used to provide for better handicapped access and to acquire certain voting machines for handicapped individuals. No federal funding for these purposes is expected in the FY 2016-FY 2017 biennium. However, since the Secretary of State will still be responsible for meeting these ADA requirements, any related costs in this area would be paid from Fund 3AS0, and once that source of money is exhausted, 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 Business Services Fund (Fund 5990) account for \$14.4 million (99.2%) of the funding for the Business Services Division. The remainder is budgeted for filing refunds. The Division receives no GRF funding.

Governor's Recommended Funding for the Business Services Division				
Fund	ALI and Name		FY 2016	FY 2017
Dedicated Purpose Fund Group				
4120	050609	Notary Commission	\$475,000	\$475,000
5990	050603	Business Services Operating Expense	\$14,385,400	\$14,385,400
Dedicated Purpose Fund Group Subtotal			\$14,860,400	\$14,860,400
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 Fund Group Subtotal			\$115,000	\$115,000
Total Funding: Business Services Division			\$14,975,400	\$14,975,400

Business Services Operating Expense (050603)

The executive recommendation for this line item is \$14.4 million in both FY 2016 and FY 2017, a decrease of 1.0% over the FY 2015 estimate of \$14.5 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, including the personnel costs for the Business Services Division. 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 Business Services Fund (Fund 5990) collected just over \$15.6 million in fee revenue in FY 2014. It is anticipated that the fund will collect approximately \$15.0 million from these various fees in FY 2015. H.B. 3 and S.B. 26 of the 131st General Assembly, as pending, would reduce filing fee revenue collection for the SOS by approximately \$2.0 million in each fiscal year, depending on the number of business filings in a given year.

H.B. 64, the main operating budget bill, proposes to abolish the Information Systems Fund (Fund 4130), used by the Secretary of State. This fund 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. The fund receives fees charged to vendors making any such data requests. Instead, these fees would be deposited into Fund 5990, and any associated costs would be paid from this appropriation item. The February 2015 cash balance in Fund 4130 was just over \$69,000.

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 2015 expenditures. The line item is funded through fees paid by individuals for notary public licenses. The Notary Commission Fund (Fund 4120) collected just under \$490,000 in revenues in FY 2014. Projected receipts for FY 2015 are also \$490,000.

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

These line items are within the Holding Account 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 2016 and FY 2017, matching FY 2015 estimated expenditures.

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General Revenue Fund

GRF 050321 Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,143,989	\$2,144,029	\$2,141,406	\$2,144,030	\$2,144,030	\$2,144,030
	0.0%	-0.1%	0.1%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to pay the various operating expenses associated with election administration.

GRF 050407 Poll Workers Training

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$468,392	\$0	\$468,392	\$234,196	\$234,196
	N/A	-100%	N/A	-50.0%	0.0%

Source: General Revenue Fund

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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.

Dedicated Purpose Fund Group

4120 050609 Notary Commission

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$457,140	\$427,694	\$451,329	\$475,000	\$475,000	\$475,000
	-6.4%	5.5%	5.2%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Fees paid by individuals for notary public licenses

Legal Basis: ORC 147.01 and 147.37; Section 381.10 of Am. Sub. H.B. 59 of the 130th G.A.

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

Secretary of State

4130 050601 Information Systems

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$36,982	\$51,889	\$53,049	\$49,000	\$0	\$0
	40.3%	2.2%	-7.6%	-100%	N/A

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

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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. H.B. 64 of the 131st General Assembly proposes to abolish this fund and transfer its receipts and associated liabilities to Fund 5990.

5990 050603 Business Services Operating Expenses

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$12,518,228	\$13,025,715	\$12,643,825	\$14,531,138	\$14,385,400	\$14,385,400
	4.1%	-2.9%	14.9%	-1.0%	0.0%

Source: Dedicated Purpose Fund Group: Fees charged for Corporate and Uniform Commercial Code filings

Legal Basis: ORC 111.16 to 111.18 and 1309.528(A); Section 381.10 of Am. Sub. H.B. 59 of the 130th G.A.

Purpose: This line item is used to pay for expenses the Business Services Division incurs for processing Uniform Commercial Code filings and various filings required of corporations and partnerships.

Internal Service Activity Fund Group

4S80 050610 Board of Voting Machine Examiners

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$11,620	\$8,237	\$6,612	\$7,200	\$7,200	\$7,200
	-29.1%	-19.7%	8.9%	0.0%	0.0%

Source: Internal Service Activity Fund Group: Fee of \$2,400 charged to voting machine vendors

Legal Basis: ORC 3506.05; Section 381.10 of Am. Sub. H.B. 59 of the 130th 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 four members of the Board of Voting Machine Examiners and for other expenses related to examining, testing, and certifying voting machine devices.

5FG0 050620 BOE Reimbursement and Education

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,816,715	\$34,671	\$69,247	\$116,626	\$80,000	\$80,000
	-98.8%	99.7%	68.4%	-31.4%	0.0%

Source: Internal Service Activity Fund Group: Transfers authorized by the Controlling Board

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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 Secretary of State reimbursed county boards of elections approximately \$2.8 million for costs associated with redistricting, which included remapping and reprecincting counties, as well as reprogramming database systems and voting machines.

Secretary of State

5FH0 050621 Statewide Ballot Advertising

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$2,117,911	\$446,218	\$447,473	\$0	\$0	\$0
	-78.9%	0.3%	-100%	N/A	N/A

Source: Internal Service Activity Fund Group: Transfers from the GRF approved by the Controlling Board as required under ORC 3501.17(G)(1)

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, ballot issue explanations, and arguments for or against 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.

Holding Account Fund Group

R001 050605 Uniform Commercial Code Refunds

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$11,988	\$3,419	\$17,620	\$30,000	\$30,000	\$30,000
	-71.5%	415.4%	70.3%	0.0%	0.0%

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

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$47,599	\$127,282	\$80,156	\$85,000	\$85,000	\$85,000
	167.4%	-37.0%	6.0%	0.0%	0.0%

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

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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.

Secretary of State

Federal Fund Group

3AH0 050614 Election Reform/Health and Human Services

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$366,822	\$436,251	\$333,385	\$221,575	\$0	\$0
	18.9%	-23.6%	-33.5%	-100%	N/A

Source: Federal Fund Group: CFDA 90.401, Federal Help America Vote Act (HAVA) of 2002, Pub. L. No. 107-252, Title II, Subtitle D, Section 261

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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 moneys 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 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$1,282,276	\$3,382,272	\$783,373	\$2,689,521	\$502,000	\$0
	163.8%	-76.8%	243.3%	-81.3%	-100%

Source: Federal Fund Group: CFDA 90.401, Federal Help America Vote Act (HAVA) of 2002 Pub. L. No. 107-252

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th 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.

Secretary of State

3FM0 050624 Miscellaneous Federal Grants

FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimate	FY 2016 Introduced	FY 2017 Introduced
\$0	\$81,260	\$8,571	\$191,429	\$0	\$0
	N/A	-89.5%	2,133.5%	-100%	N/A

Source: Federal Fund Group: CFDA 12.217 - Electronic Absentee Systems for Elections

Legal Basis: Section 381.10 of Am. Sub. H.B. 59 of the 130th G.A. (originally 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 2014-FY 2015 appropriations are 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 military and overseas voters.

Appropriation Amounts as Recommended by the Governor

All Fund Groups

Line Item Detail by Agency			Estimate FY 2014	Estimate FY 2015	Introduced FY 2016	FY 2015 to FY 2016		Introduced FY 2017	FY 2016 to FY 2017		
						\$ Change	% Change		\$ Change	% Change	
Report For Main Operating Appropriations Bill			Version: As Introduced								
SOS Secretary of State											
GRF	050321	Operating Expenses	\$ 2,141,406	\$ 2,144,030	\$ 2,144,030	\$ 0	0.00%	\$ 2,144,030	\$ 0	0.00%	
GRF	050407	Poll Workers Training	\$ 0	\$ 468,392	\$ 234,196	(\$234,196)	-50.00%	\$ 234,196	\$ 0	0.00%	
Sub-Total General Revenue Fund			\$ 2,141,406	\$ 2,612,422	\$ 2,378,226	(\$234,196)	-8.96%	\$ 2,378,226	\$ 0	0.00%	
4120	050609	Notary Commission	\$ 451,329	\$ 475,000	\$ 475,000	\$ 0	0.00%	\$ 475,000	\$ 0	0.00%	
4130	050601	Information Systems	\$ 53,049	\$ 49,000	\$ 0	(\$49,000)	-100.00%	\$ 0	\$ 0	N/A	
5990	050603	Business Services Operating Expenses	\$ 12,643,825	\$ 14,531,138	\$ 14,385,400	(\$145,738)	-1.00%	\$ 14,385,400	\$ 0	0.00%	
Sub-Total Dedicated Purpose Fund Group			\$ 13,148,202	\$ 15,055,138	\$ 14,860,400	(\$194,738)	-1.29%	\$ 14,860,400	\$ 0	0.00%	
4S80	050610	Board of Voting Machine Examiners	\$ 6,612	\$ 7,200	\$ 7,200	\$ 0	0.00%	\$ 7,200	\$ 0	0.00%	
5FG0	050620	BOE Reimbursement and Education	\$ 69,247	\$ 116,626	\$ 80,000	(\$36,626)	-31.40%	\$ 80,000	\$ 0	0.00%	
5FH0	050621	Statewide Ballot Advertising	\$ 447,473	\$ 0	\$ 0	\$ 0	N/A	\$ 0	\$ 0	N/A	
Sub-Total Internal Service Activity Fund Group			\$ 523,332	\$ 123,826	\$ 87,200	(\$36,626)	-29.58%	\$ 87,200	\$ 0	0.00%	
R001	050605	Uniform Commercial Code Refunds	\$ 17,620	\$ 30,000	\$ 30,000	\$ 0	0.00%	\$ 30,000	\$ 0	0.00%	
R002	050606	Corporate/Business Filing Refunds	\$ 80,156	\$ 85,000	\$ 85,000	\$ 0	0.00%	\$ 85,000	\$ 0	0.00%	
Sub-Total Holding Account Fund Group			\$ 97,776	\$ 115,000	\$ 115,000	\$ 0	0.00%	\$ 115,000	\$ 0	0.00%	
3AH0	050614	Election Reform/Health and Human Services	\$ 333,385	\$ 221,575	\$ 0	(\$221,575)	-100.00%	\$ 0	\$ 0	N/A	
3AS0	050616	Help America Vote Act (HAVA)	\$ 783,373	\$ 2,689,521	\$ 502,000	(\$2,187,521)	-81.33%	\$ 0	(\$502,000)	-100.00%	
3FM0	050624	Miscellaneous Federal Grants	\$ 8,571	\$ 191,429	\$ 0	(\$191,429)	-100.00%	\$ 0	\$ 0	N/A	
Sub-Total Federal Fund Group			\$ 1,125,329	\$ 3,102,525	\$ 502,000	(\$2,600,525)	-83.82%	\$ 0	(\$502,000)	-100.00%	
Secretary of State Total			\$ 17,036,045	\$ 21,008,911	\$ 17,942,826	(\$3,066,085)	-14.59%	\$ 17,440,826	(\$502,000)	-2.80%	
Grand Total			\$ 17,036,045	\$ 21,008,911	\$ 17,942,826	(\$3,066,085)	-14.59%	\$ 17,440,826	(\$502,000)	-2.80%	