

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1002 - Funding Summary

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Secretary of State			
Salaries and wages	\$4,392,045	\$4,263,223	(\$128,822)
Operating expenses	2,663,597	2,663,597	
Capital assets	10,000	10,000	
Petition review	8,000	8,000	
Election reform	5,143,115	5,143,115	
Accrued leave payments	<u> </u>	<u>82,831</u>	<u>82,831</u>
 Total all funds	 \$12,216,757	 \$12,170,766	 (\$45,991)
Less estimated income	<u>5,845,849</u>	<u>5,844,417</u>	<u>(1,432)</u>
General fund	\$6,370,908	\$6,326,349	(\$44,559)
 FTE	 31.00	 31.00	 0.00
 Public Printing			
Public printing	<u>\$320,500</u>	<u>\$320,500</u>	<u> </u>
 Total all funds	 \$320,500	 \$320,500	 \$0
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$320,500	\$320,500	\$0
 FTE	 0.00	 0.00	 0.00
 Bill Total			
Total all funds	\$12,537,257	\$12,491,266	(\$45,991)
Less estimated income	<u>5,845,849</u>	<u>5,844,417</u>	<u>(1,432)</u>
General fund	\$6,691,408	\$6,646,849	(\$44,559)
 FTE	 31.00	 31.00	 0.00

House Bill No. 1002 - Secretary of State - House Action

	Executive Budget	House Changes	House Version
Salaries and wages	\$4,392,045	(\$203,549)	\$4,188,496
Operating expenses	2,663,597	(100,000)	2,563,597
Capital assets	10,000		10,000
Petition review	8,000		8,000
Election reform	5,143,115		5,143,115
Accrued leave payments	<u> </u>	<u>82,831</u>	<u>82,831</u>
 Total all funds	 <u>\$12,216,757</u>	 <u>(\$220,718)</u>	 <u>\$11,996,039</u>
Less estimated income	<u>5,845,849</u>	<u>(3,674)</u>	<u>5,842,175</u>
General fund	\$6,370,908	(\$217,044)	\$6,153,864
 FTE	 31.00	 0.00	 31.00

Department 108 - Secretary of State - Detail of House Changes

	Decreases Funding for Credit Card Usage Fees¹	Corrects Executive Compensation Package²	Adjusts State Employee Compensation and Benefits Package³	Provides Separate Line Item for Accrued Leave Payments⁴	Total House Changes
Salaries and wages		14,820	(135,538)	(82,831)	(203,549)
Operating expenses	(100,000)				(100,000)
Capital assets					
Petition review					
Election reform					
Accrued leave payments				82,831	82,831
Total all funds	(\$100,000)	\$14,820	(\$135,538)	\$0	(\$220,718)
Less estimated income	0	445	(4,119)	0	(3,674)
General fund	(\$100,000)	\$14,375	(\$131,419)	\$0	(\$217,044)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment removes funding added in the executive budget for credit card usage fees.

² Funding is added due to a calculation error in the executive compensation package.

³ This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

⁴ A portion of salaries and wages funding from the general fund (\$78,184) and from other funds (\$4,647) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

This amendment also:

- Identifies \$283,754 from the general fund as one-time funding related to the 3 new FTE positions for the business registration unit (2 FTE positions) and the business information unit (1 FTE position) included in the executive recommendation.
- Identifies \$225,600 from the general fund provided for overtime is one-time funding.
- Amends Section 4 of the bill related to the salary of the Secretary of State. The amendment makes the statutory changes necessary to provide a salary increase of 3 percent effective July 1, 2013, and 3 percent effective July 1, 2014. The executive recommendation included increases of 4 percent each year of the 2013-15 biennium.
- Replaces Section 5 of the bill to provide an exemption to Section 54-44.1-11 and allow the Secretary of State to continue up to \$1,750,000 of the funding provided for the mainframe migration computer project during the 2011-13 biennium into the 2013-15 biennium.
- A section is added providing that the 3 new positions are authorized only for the 2013-15 biennium and must be reevaluated after the completion of the mainframe migration computer project to determine if the positions should be included in the agency's 2015-17 biennium budget request as optional items.

House Bill No. 1002 - Secretary of State - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,392,045	\$4,188,496	\$218,369	\$4,406,865
Operating expenses	2,663,597	2,563,597	100,000	2,663,597
Capital assets	10,000	10,000		10,000
Petition review	8,000	8,000		8,000
Election reform	5,143,115	5,143,115		5,143,115
Accrued leave payments		82,831	(82,831)	
Total all funds	<u>\$12,216,757</u>	<u>\$11,996,039</u>	<u>\$235,538</u>	<u>\$12,231,577</u>
Less estimated income	<u>5,845,849</u>	<u>5,842,175</u>	<u>4,119</u>	<u>5,846,294</u>
General fund	<u>\$6,370,908</u>	<u>\$6,153,864</u>	<u>\$231,419</u>	<u>\$6,385,283</u>
FTE	31.00	31.00	0.00	31.00

Department 108 - Secretary of State - Detail of Senate Changes

	Restores Executive Compensation Package¹	Removes Separate Line Item for Accrued Leave Payments²	Restores Funding for Credit Card Usage Fees³	Total Senate Changes
Salaries and wages	135,538	82,831		218,369
Operating expenses			100,000	100,000
Capital assets				
Petition review				
Election reform				
Accrued leave payments		(82,831)		(82,831)
Total all funds	<u>\$135,538</u>	<u>\$0</u>	<u>\$100,000</u>	<u>\$235,538</u>
Less estimated income	<u>4,119</u>	<u>0</u>	<u>0</u>	<u>4,119</u>
General fund	<u>\$131,419</u>	<u>\$0</u>	<u>\$100,000</u>	<u>\$231,419</u>
FTE	0.00	0.00	0.00	0.00

¹ Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

² The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

³ This amendment restores funding added in the executive budget for increased credit card usage fees which was removed by the House.

Section 4 of the bill is changed to provide 4 percent annual salary increases for the Secretary of State, the same as the executive budget. The House provided 3 percent annual increases.

House Bill No. 1002 - Secretary of State - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,392,045	\$4,188,496	\$74,727	\$4,263,223	\$4,406,865	(\$143,642)
Operating expenses	2,663,597	2,563,597	100,000	2,663,597	2,663,597	
Capital assets	10,000	10,000		10,000	10,000	
Petition review	8,000	8,000		8,000	8,000	
Election reform	5,143,115	5,143,115		5,143,115	5,143,115	
Accrued leave payments		82,831		82,831		82,831
Total all funds	\$12,216,757	\$11,996,039	\$174,727	\$12,170,766	\$12,231,577	(\$60,811)
Less estimated income	5,845,849	5,842,175	2,242	5,844,417	5,846,294	(1,877)
General fund	\$6,370,908	\$6,153,864	\$172,485	\$6,326,349	\$6,385,283	(\$58,934)
FTE	31.00	31.00	0.00	31.00	31.00	0.00

Department 108 - Secretary of State - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package¹	Adjusts State Employee Compensation and Benefits Package²	Restores Funding for Credit Card Usage Fees³	Total Conference Committee Changes
Salaries and wages	135,538	(60,811)		74,727
Operating expenses			100,000	100,000
Capital assets				
Petition review				
Election reform				
Accrued leave payments				
Total all funds	\$135,538	(\$60,811)	\$100,000	\$174,727
Less estimated income	4,119	(1,877)	0	2,242
General fund	\$131,419	(\$58,934)	\$100,000	\$172,485
FTE	0.00	0.00	0.00	0.00

¹ Changes made by the House to the executive compensation package are removed.

² This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

³ Funding added in the executive budget for increased credit card usage fees, removed by the House, is restored, the same as the Senate version.

Section 4 of the bill is changed to provide a 4 percent first year and a 3 percent second year salary increase for the Secretary of State. The Senate and the executive budget provided 4 percent annual increases. The House provided 3 percent annual increases.

In addition, a section is added to require the Secretary of State report to the Budget Section semi-annually regarding credit card usage rates and credit card fees paid by the Secretary of State. This reporting requirement was not included in the executive recommendation nor in the House or Senate versions.

House Bill No. 1002 - Public Printing - House Action

The House did not change the executive recommendation for public printing.

House Bill No. 1002 - Public Printing - Senate Action

The Senate did not change the House version for public printing.

House Bill No. 1002 - Public Printing - Conference Committee Action

The Conference Committee made no changes to funding for public printing. Neither the House nor the Senate made any changes to the executive budget for public printing.