

**Department 108 - Secretary of State
House Bill No. 1002**

Dalrymple Executive Budget Comparison to Prior Biennium Appropriations

	FTE Positions	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	33.00	\$6,428,612	\$2,444,168	\$8,872,780
2015-17 Adjusted Legislative Appropriations ¹	34.00	9,424,720	3,583,536	13,008,256
Increase (Decrease)	(1.00)	(\$2,996,108)	(\$1,139,368)	(\$4,135,476)

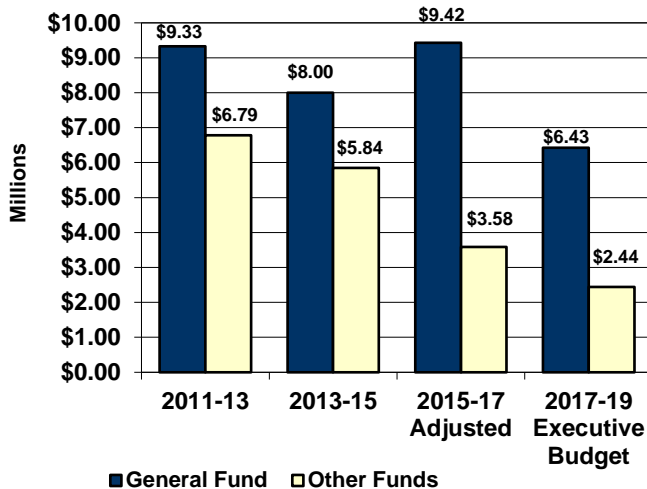
¹The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016, but do not include the following:

- Additional special funds authority of \$350,000 resulting from Emergency Commission action during the 2015-17 biennium.
- Additional spending authority of \$2,000 from the state contingencies appropriation, as approved by the Emergency Commission during the 2015-17 biennium.

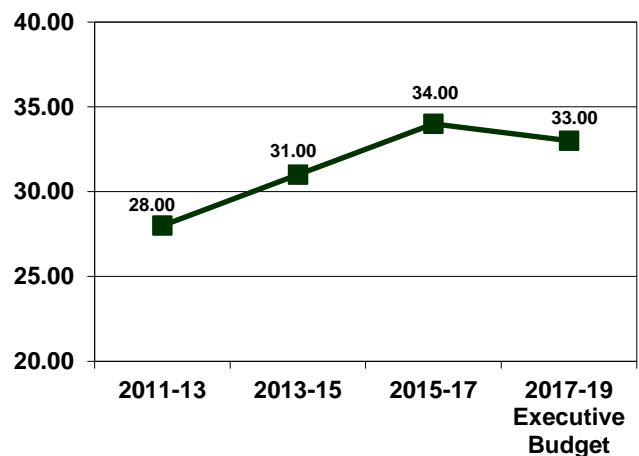
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 Dalrymple Executive Budget	\$6,428,612	\$0	\$6,428,612
2015-17 Adjusted Legislative Appropriations	6,374,720	3,050,000	9,424,720
Increase (Decrease)	\$53,892	(\$3,050,000)	(\$2,996,108)

Agency Funding



FTE Positions



Dalrymple Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2017-19 Dalrymple Executive Budget	\$6,428,612	\$2,444,168	\$8,872,780
2017-19 Base Level	6,374,720	3,583,536	9,958,256
Increase (Decrease)	\$53,892	(\$1,139,368)	(\$1,085,476)

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Dalrymple and Burgum Executive Budget Highlights
(With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases, of which \$19,334 is for salary increases and \$94,446 is for health insurance increases. (The Burgum budget removed funding for salary increases and provided for employees to pay for a portion of health insurance.) The House removed funding for the salary increases.	\$110,337	\$3,443	\$113,780
2. Removes 1 nonclassified FTE position	(\$104,445)		(\$104,445)

3. Adds funding from the Secretary of State general services operating fund for hosting and maintenance costs of the new North Dakota central indexing system	\$526,000	\$526,000
4. Removes funding for election reform, including reductions for data processing (\$200,000), contractual services and repairs (\$1,164,620), and professional fees (\$151,707). Of these amounts, \$405,000 is from the Help America Vote Act election reform matching fund and \$1,111,327 is from federal funds.	(\$1,516,327)	(\$1,516,327)
5. The Burgum budget removed 2 nonclassified FTE positions. The House removed 2 FTE positions and \$213,646.	(\$208,890)	(\$208,890)

Other Sections in House Bill No. 1002

Health insurance increase - Section 2 identifies the amount included in the agency appropriations relating to increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

General services operating fund - Section 4 provides an exemption to the provision of North Dakota Century Code Section 54-09-08 to allow any unexpended and unobligated balance remaining in the Secretary of State's general services operating fund on June 30, 2017, to be available to be expended by the Secretary of State during the 2017-19 biennium.

Continuing Appropriations

Athletic commission fund - Section 53-01-09 - Appropriates any funding received by the Secretary of State for license fees for all boxers, kickboxers, mixed style fighters, promoters, managers, judges, timekeepers, cornerpersons, knockdown counters, matchmakers, and referees or other participants and fees based on the percentage of gross revenues from any boxing, kickboxing, mixed fighting style competition, or sparring exhibition held in this state to pay for the expenses of members of the Commission of Combative Sports.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1418 - Requires all statements of interest filed with the Secretary of State, county auditors, and city auditors to be made available on the Internet.

Senate Bill No. 2210 - Provides for a fee increase on combative sports gross revenues and allows the Secretary of State the authority to perform screening tests for controlled substances on boxers, kickboxers, and mixed-style fighters participating in an exhibition.

Senate Bill No. 2343 - Requires the Secretary of State to develop software to accommodate electronic online filing requirements for certain campaign finance reports.

Secretary of State - Budget No. 108
House Bill No. 1002
Base Level Funding Changes

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2017-19 Biennium Base Level	34.00	\$6,374,720	\$3,583,536	\$9,958,256	34.00	\$6,374,720	\$3,583,536	\$9,958,256
2017-19 Ongoing Funding Changes								
Base payroll changes		(\$69,361)	(\$202,484)	(\$271,845)		(\$69,361)	(\$202,484)	(\$271,845)
Salary increases - Performance				0				0
Health insurance increase		91,588	2,858	94,446		91,588	2,858	94,446
Employee portion of health insurance		(47,979)	(1,497)	(49,476)				0
Adjusts overtime and temporary salaries			50,000	50,000		(50,000)	50,000	0
Removes 1 FTE position	(1.00)	(104,445)		(104,445)	(1.00)	(104,445)		(104,445)
Removes 2 FTE positions	(2.00)	(208,890)		(208,890)	(2.00)	(213,646)		(213,646)
Adds funding for North Dakota central indexing system hosting and maintenance			526,000	526,000			526,000	526,000
Increases funding for information technology expenses		118,956		118,956			118,956	118,956
Adjusts funding for operating expenses				0		(62,100)	25,000	(37,100)
Removes funding for election reform			(1,516,327)	(1,516,327)			(1,516,327)	(1,516,327)
Reduces funding for public printing		(1,595)		(1,595)		(1,595)		(1,595)
Total ongoing funding changes	(3.00)	(\$221,726)	(\$1,141,450)	(\$1,363,176)	(3.00)	(\$409,559)	(\$995,997)	(\$1,405,556)
One-time funding items								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	(3.00)	(\$221,726)	(\$1,141,450)	(\$1,363,176)	(3.00)	(\$409,559)	(\$995,997)	(\$1,405,556)
2017-19 Total Funding	31.00	\$6,152,994	\$2,442,086	\$8,595,080	31.00	\$5,965,161	\$2,587,539	\$8,552,700

Other Sections in Secretary of State - Budget No. 108

	Burgum Executive Budget Recommendation (Changes to Dalrymple Budget in Bold)				House Version			
Health insurance increase								
					Section 2 identifies the funding increase for health insurance premium increases included in the agency's appropriation.			

Other Sections in Secretary of State - Budget No. 108

**Burgum Executive Budget Recommendation
(Changes to Dalrymple Budget in Bold)**

House Version

Salary of the Secretary of State

Section 3 provides the statutory changes to increase the Secretary of State's salary by 1 percent effective July 1, 2018.
(The Burgum budget recommendation removes this section.)

General services operating fund exemption

Section 4 amends Section 54-09-08 to remove the requirement that the Secretary of State transfer any unobligated balance remaining in the fund exceeding \$75,000 to the general fund.

Section 4 provides an exemption for the Secretary of State's general services operating fund to allow any unexpended and unobligated balance on June 30, 2017, to be expended during the 2017-19 biennium rather than the unobligated balance exceeding \$75,000 to be transferred to the general fund.

Department 108 - Secretary of State

Appropriations Comparisons to the Original and Adjusted Base Budgets

General Fund Appropriations Adjustments (As a result of the August 2016 General Fund Budget Reductions)

	Ongoing	One-Time	Total
2015-17 original general fund appropriations	\$7,035,308	\$3,050,000	\$10,085,308
General fund reductions	(660,588)	0	(660,588)
Adjusted 2015-17 appropriations	\$6,374,720	\$3,050,000	\$9,424,720
Dalrymple Executive Budget changes	53,892	(3,050,000)	(2,996,108)
2017-19 Dalrymple Executive Budget	\$6,428,612	\$0	\$6,428,612

Summary of August 2016 General Fund Budget Reductions

	Ongoing	One-Time	Total
Reduced operating expenses, including information technology costs and travel	(\$630,133)		(\$630,133)
Reduced public printing	(30,455)		(30,455)
Total reductions	(\$660,588)	\$0	(\$660,588)
Percentage reduction to ongoing and one-time general fund appropriations	9.39%	0.00%	6.55%

2017-19 Dalrymple Executive Budget Changes to the Original and Adjusted Base Budgets

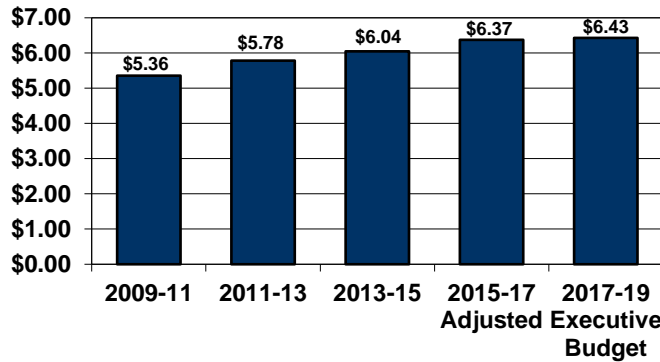
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$110,337	\$0	\$110,337
Base payroll changes	(69,361)	0	(69,361)
Removes 1 nonclassified FTE position	(104,445)	0	(104,445)
Adjusts funding for information technology expenses	(511,177)	630,133	118,956
Reduces funding for public printing	(32,050)	30,455	(1,595)
Total	(\$606,696)	\$660,588	\$53,892

Department 108 - Secretary of State

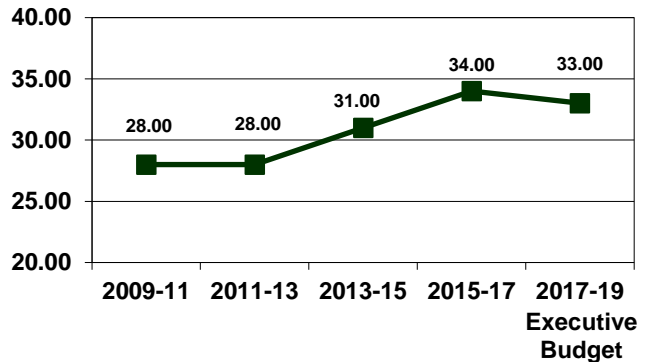
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2009-11

Agency Funding (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2009-11	2011-13	2013-15	2015-17 Adjusted	2017-19 Dalrymple Executive Budget
Ongoing general fund appropriations	\$5,356,588	\$5,783,121	\$6,043,495	\$6,374,720	\$6,428,612
Increase (decrease) from previous biennium	N/A	\$426,533	\$260,374	\$331,225	\$53,892
Percentage increase (decrease) from previous biennium	N/A	8.0%	4.5%	5.5%	0.8%
Cumulative percentage increase (decrease) from 2009-11 biennium	N/A	8.0%	12.8%	19.0%	20.0%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2011-13 Biennium

- 1. Increased funding for operating expenses, including funding for desktop support services from the Information Technology Department \$249,000

2013-15 Biennium

- 1. Provided funding for costs related to increased usage of credit card payments received \$100,000

2015-17 Biennium

- 1. Added 6 FTE positions, including 3 FTE office assistant positions and continued 3 FTE positions authorized during the 2013-15 biennium from one-time funding \$597,840

2017-19 Biennium (Dalrymple and Burgum Executive Budget Recommendations)

- 1. Removes 1 nonclassified FTE position (\$104,445)
- 2. Removes 2 nonclassified FTE positions (\$208,890)