

**Department 108 - Secretary of State  
House Bill Nos. 1002 and 1062**

**Executive Budget Comparison to Prior Biennium Appropriations**

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

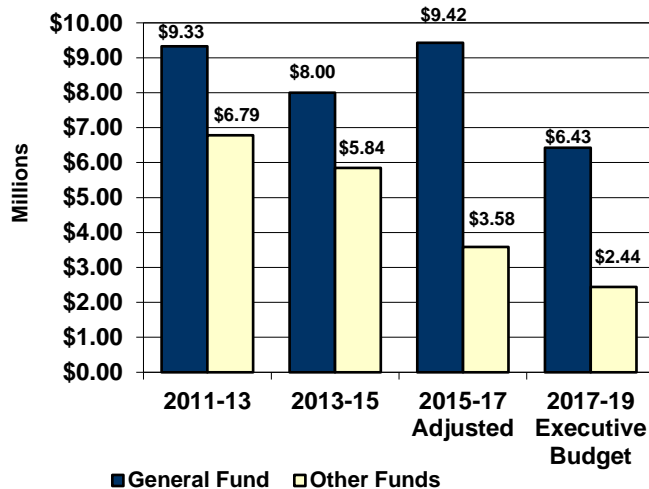
<sup>1</sup>The 2015-17 biennium agency appropriation amounts reflect general fund budget reductions made in August 2016, but do not include the following:

- 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.

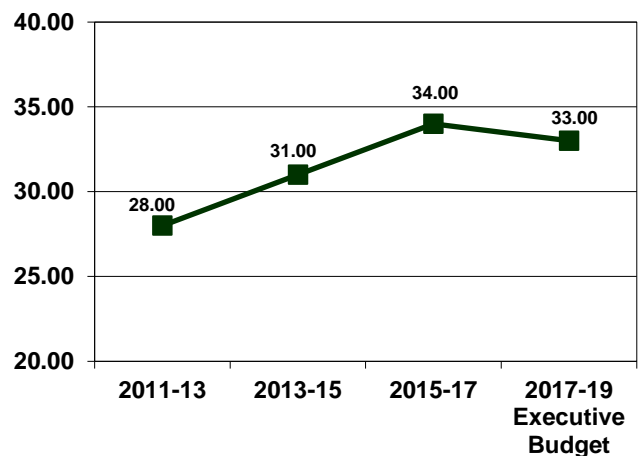
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2017-19 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**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2017-19 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)

**Executive Budget Highlights**

	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	\$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)

**Other Bill Sections Recommended to be Added in the Executive Budget  
(As Detailed in House Bill No. 1062)**

**Secretary of State's salary** - Section 3 provides the statutory changes increasing the Secretary of State's salary. The Secretary of State's annual salary is increased from the current level of \$105,770 to \$106,828, effective July 1, 2018, to reflect the 1 percent recommended salary increase.

**General services operating fund** - Section 4 amends North Dakota Century Code 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.

**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. 1122** - Provides an appropriation of \$3 million from the general fund to the Secretary of State for the procurement and implementation of electronic pollbooks to be utilized statewide in all polling places.

**House Bill No. 1123** - Provides an appropriation of \$9 million from the general fund to the Secretary of State for the procurement and implementation of a voting system to be utilized by the Secretary of State and county offices in the polling places of the state.

**Secretary of State - Budget No. 108**  
**House Bill Nos. 1002 and 1062**  
**Base Level Funding Changes**

	<b>Executive Budget Recommendation</b>			
	<b>FTE Position</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2017-19 Biennium Base Level</b>	34.00	\$6,374,720	\$3,583,536	\$9,958,256
<b>2017-19 Ongoing Funding Changes</b>				
Base payroll changes		(\$69,361)	(\$202,484)	(\$271,845)
Salary increases - Performance		18,749	585	19,334
Health insurance increases		91,588	2,858	94,446
Increases overtime and temporary salaries			50,000	50,000
Adds funding for North Dakota central indexing system hosting and maintenance			526,000	526,000
Removes 1 FTE position	(1.00)	(104,445)		(104,445)
Increases funding for information technology expenses		118,956		118,956
Removes funding for election reform			(1,516,327)	(1,516,327)
Reduces funding for public printing		(1,595)		(1,595)
<b>Total ongoing funding changes</b>	<b>(1.00)</b>	<b>\$53,892</b>	<b>(\$1,139,368)</b>	<b>(\$1,085,476)</b>
<b>One-time funding items</b>				
No one-time funding items				\$0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>(1.00)</b>	<b>\$53,892</b>	<b>(\$1,139,368)</b>	<b>(\$1,085,476)</b>
<b>2017-19 Total Funding</b>	<b>33.00</b>	<b>\$6,428,612</b>	<b>\$2,444,168</b>	<b>\$8,872,780</b>

**Other Sections in Secretary of State - Budget No. 108**

	<b>Executive Budget Recommendation</b>
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.
General services operating fund	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.

## 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
Executive Budget changes	53,892	(3,050,000)	(2,996,108)
2017-19 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 Executive Budget Changes to the Original and Adjusted Base Budgets

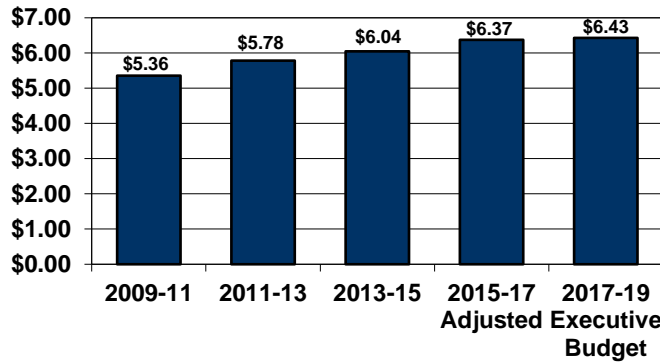
	Changes to Original Budget	Budget Reduction Adjustments	Changes to Adjusted Budget
Adds funding for recommended salary and benefit increases	\$110,337	\$0	\$110,337
Base payroll changes	(69,361)	0	(69,361)
Removes 1 nonclassified FTE position	(104,445)	0	(104,445)
Adjusts funding for information technology 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

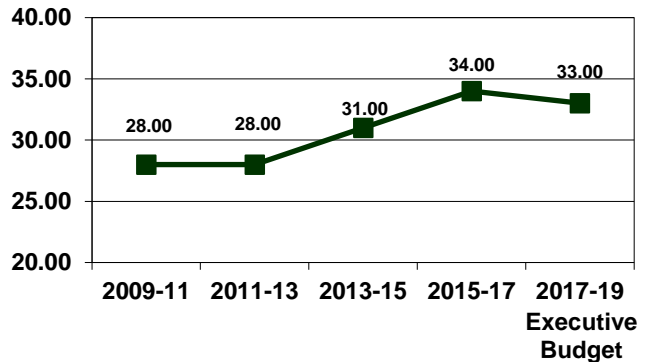
# Historical Appropriations Information

## 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 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 office assistant FTE positions and continued 3 FTE positions authorized during the 2013-15 biennium from one-time funding \$597,840

**2017-19 Biennium (Executive Budget Recommendation)**

- 1. Removes 1 nonclassified FTE position (\$104,445)