

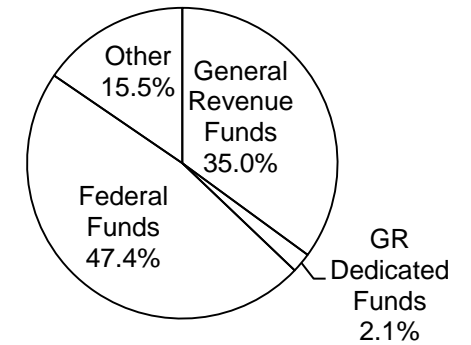
**Secretary of State
Summary of Recommendations - Senate**

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The Honorable Hope Andrade, Secretary of State

Beth Tanner, LBB Analyst

Method of Financing	2010-11 Appropriations	2010-11 Base	2012-13 Recommended	Biennial Change	% Change
General Revenue Funds	\$38,246,936	\$36,334,590	\$30,965,952	(\$5,368,638)	(14.8%)
GR Dedicated Funds	\$4,010,000	\$8,837,662	\$1,834,440	(\$7,003,222)	(79.2%)
<i>Total GR-Related Funds</i>	<i>\$42,256,936</i>	<i>\$45,172,252</i>	<i>\$32,800,392</i>	<i>(\$12,371,860)</i>	<i>(27.4%)</i>
Federal Funds	\$40,065,000	\$13,365,023	\$41,900,287	\$28,535,264	213.5%
Other	\$13,774,566	\$13,983,015	\$13,653,446	(\$329,569)	(2.4%)
All Funds	\$96,096,502	\$72,520,290	\$88,354,125	\$15,833,835	21.8%

RECOMMENDED FUNDING
BY METHOD OF FINANCING



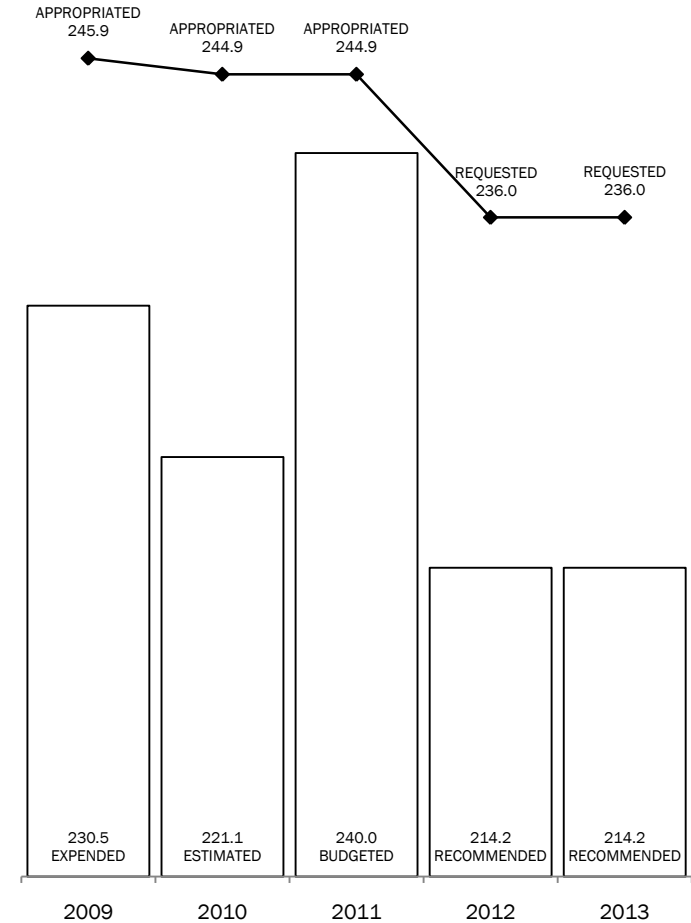
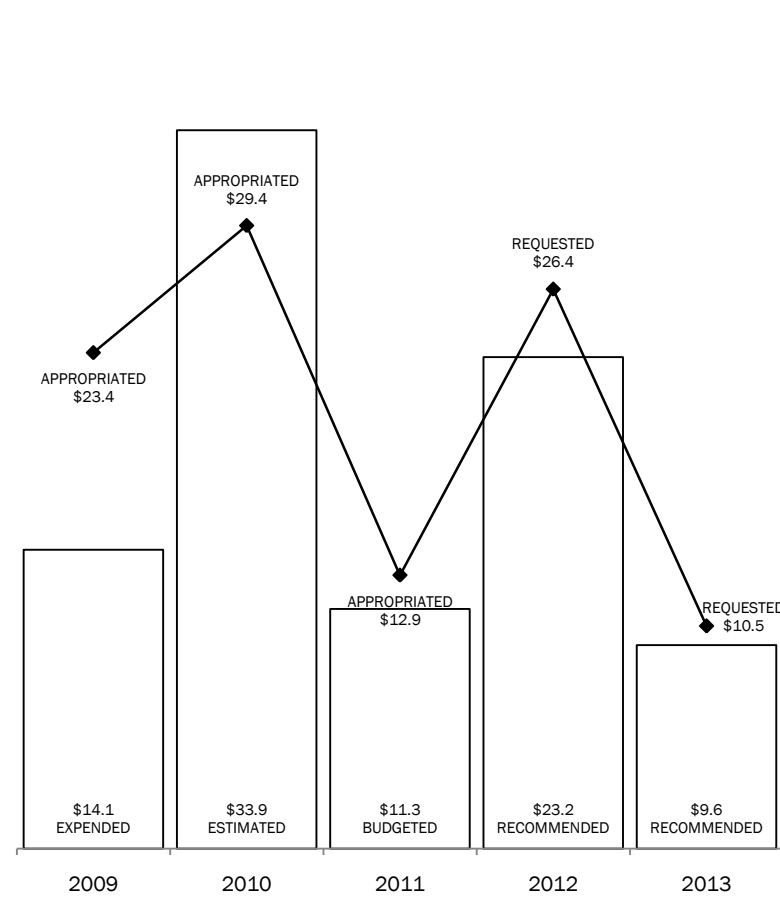
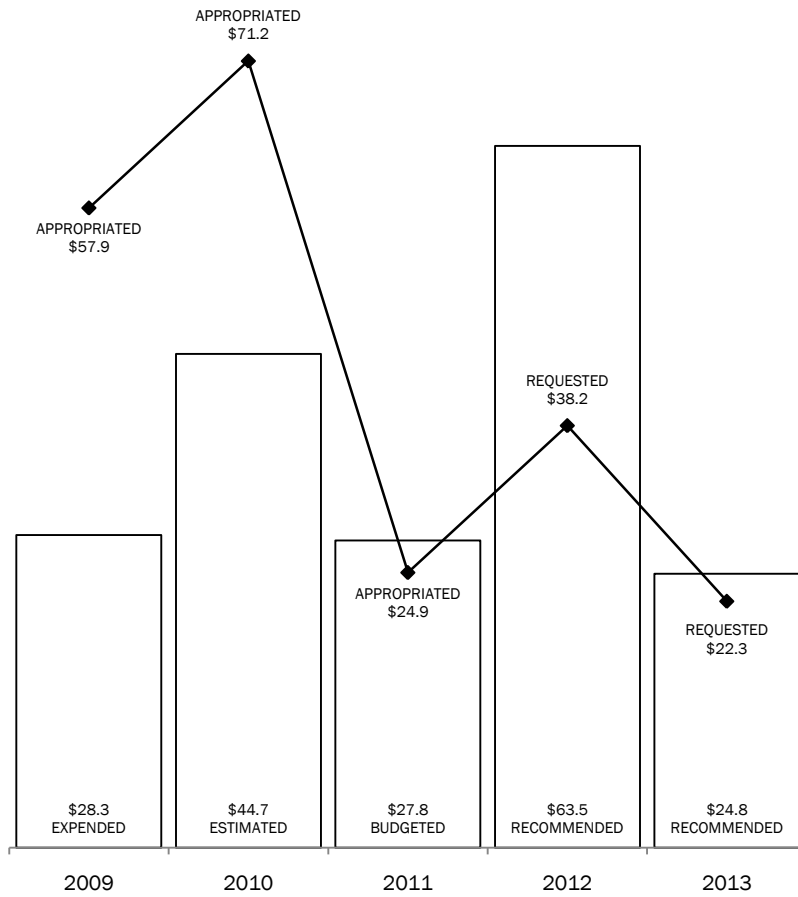
	FY 2011 Appropriations	FY 2011 Budgeted	FY 2013 Recommended	Biennial Change	% Change
FTEs	244.9	240.0	214.2	(25.8)	(10.8%)

The bill pattern for this agency (2012-13 Recommended) represents an estimated 99.8% of the agency's estimated total available funds for the 2012-13 biennium.

ALL FUNDS

GENERAL REVENUE AND
 GENERAL REVENUE-DEDICATED FUNDS

FULL-TIME-EQUIVALENT POSITIONS



Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
					Recommendations include reductions from the agency's ten percent schedule and primarily reflect elimination of funding for colonias initiatives (8.0 FTEs and \$0.8 million); a reduction in administrative and support operations (8.8 FTE's and \$0.9 million); a reduction for poll worker wages (\$1.3 million); a reduction for acquisition of information technology (\$0.8 million); a reduction for decreased costs associated with office space and legal fees (\$0.2 million); a reduction to allow electronic session laws (\$0.1 million); a reduction for making constitutional amendment explanatory statements more concise in newspapers (\$0.3 million); a reduction for a one-time system upgrade to the Business Entity Filing System (\$0.3 million); and a reduction for data center consolidation costs related to the elimination of Strategy C.1.2, Colonias Initiatives (\$0.2 million) offset by an increase in HAVA funding (\$20.8 million).
DOCUMENT FILING A.1.1	\$13,186,891	\$13,053,991	(\$132,900)	(1.0%)	
DOCUMENT PUBLISHING A.2.1	\$1,071,998	\$783,340	(\$288,658)	(26.9%)	
Total, Goal A, INFORMATION MANAGEMENT	\$14,258,889	\$13,837,331	(\$421,558)	(3.0%)	
ELECTIONS ADMINISTRATION B.1.1	\$5,006,455	\$4,391,514	(\$614,941)	(12.3%)	
ELECTION/VOTER REGISTRATION FUNDS B.1.2	\$14,642,084	\$13,064,308	(\$1,577,776)	(10.8%)	
CONSTITUTIONAL AMENDMENTS B.1.3	\$1,095,931	\$822,240	(\$273,691)	(25.0%)	
ELECTIONS IMPROVEMENT B.1.4	\$22,202,685	\$43,028,175	\$20,825,490	93.8%	
Total, Goal B, ADMINISTER ELECTION LAWS	\$42,947,155	\$61,306,237	\$18,359,082	42.7%	
PROTOCOL/BORDER AFFAIRS C.1.1	\$358,894	\$350,728	(\$8,166)	(2.3%)	
COLONIAS INITIATIVES C.1.2	\$816,100	\$0	(\$816,100)	(100.0%)	
Total, Goal C, INTERNATIONAL PROTOCOL	\$1,174,994	\$350,728	(\$824,266)	(70.2%)	
INDIRECT ADMINISTRATION D.1.1	\$14,139,252	\$12,859,829	(\$1,279,423)	(9.0%)	
Total, Goal D, INDIRECT ADMINISTRATION	\$14,139,252	\$12,859,829	(\$1,279,423)	(9.0%)	
Grand Total, All Strategies	\$72,520,290	\$88,354,125	\$15,833,835	21.8%	

Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
DOCUMENT FILING A.1.1	\$3,253,133	\$3,120,233	(\$132,900)	(4.1%)	
DOCUMENT PUBLISHING A.2.1	\$954,957	\$666,299	(\$288,658)	(30.2%)	Recommendations provide for the filing, editing, compiling, and publishing of the Texas Administrative Code (TAC) and the Texas Register. The TAC contains all rules adopted by state agencies along with relevant annotations. The Texas Register is a report of notices state agencies must file and includes proposed, emergency, and adopted rules; notices of open meetings; appointments by the Governor; Attorney General opinions; and requests for contract proposals. Recommendations reflect a reduction of \$0.3 million primarily due to the reduction of \$0.2 million for two FTEs, and a reduction of \$0.1 million contingent on statutory changes allowing for an electronic version of session laws instead of requiring printed versions.
Total, Goal A, INFORMATION MANAGEMENT	\$4,208,090	\$3,786,532	(\$421,558)	(10.0%)	
ELECTIONS ADMINISTRATION B.1.1	\$4,334,256	\$3,719,315	(\$614,941)	(14.2%)	Recommendations provide for rules, directives, opinions, instructions, and training for election officials; assistance to voter registrars as requested; and maintenance of a central database of all registered voters in the state. A reduction of \$0.6 million is for administrative and support operations for assistance to election officials and the public (5.8 FTEs).
ELECTION/VOTER REGISTRATION FUNDS B.1.2	\$14,642,084	\$13,064,308	(\$1,577,776)	(10.8%)	Recommendations provide for management of funds for the primary election financing program and reimbursement to counties for postage for voter registration applications. Recommendations reflect a reduction of \$1.6 million primarily for reducing poll worker wages from \$8.50 to \$7.00 per hour (\$1.3 million), decreasing costs associated with office space and legal fees (\$0.2 million), and reducing one FTE (\$0.1 million).
CONSTITUTIONAL AMENDMENTS B.1.3	\$1,095,931	\$822,240	(\$273,691)	(25.0%)	Recommendations provide for contracts with newspapers throughout the state to publish proposed constitutional amendments. Recommendations also provide for translation of the proposed amendments into Spanish for publication in Spanish-language newspapers and for direct mailing to Hispanic households. A reduction of \$0.3 million is associated with changing the format of the explanatory information published in newspapers for constitutional amendments to be more concise thereby reducing costs.
ELECTIONS IMPROVEMENT B.1.4	\$0	\$0	\$0	0.0%	
Total, Goal B, ADMINISTER ELECTION LAWS	\$20,072,271	\$17,605,863	(\$2,466,408)	(12.3%)	

Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- GENERAL REVENUE FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
PROTOCOL/BORDER AFFAIRS C.1.1	\$358,894	\$350,728	(\$8,166)	(2.3%)	
COLONIAS INITIATIVES C.1.2	\$816,100	\$0	(\$816,100)	(100.0%)	Recommendations reflect a reduction of \$0.8 million due to the elimination of the colonia initiatives.
Total, Goal C, INTERNATIONAL PROTOCOL	\$1,174,994	\$350,728	(\$824,266)	(70.2%)	
INDIRECT ADMINISTRATION D.1.1	\$10,879,235	\$9,222,829	(\$1,656,406)	(15.2%)	Recommendations include moving indirect administrative costs from all the strategies into this new strategy for indirect administrative costs. Recommendations reflect a reduction of \$1.6 million primarily due to the reduction of \$0.6 million for acquisition of information technology and a reduction of \$0.3 million for data center consolidation costs elimination of colonias initiatives. Recommendations also include a method of finance swap of \$0.7 million in General Revenue to Federal Funds for indirect administration costs associated with the Help America Vote Act (HAVA).
Total, Goal D, INDIRECT ADMINISTRATION	\$10,879,235	\$9,222,829	(\$1,656,406)	(15.2%)	
Grand Total, All Strategies	\$36,334,590	\$30,965,952	(\$5,368,638)	(14.8%)	

Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- GR DEDICATED

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
DOCUMENT FILING A.1.1	\$0	\$0	\$0	0.0%	
DOCUMENT PUBLISHING A.2.1	\$0	\$0	\$0	0.0%	
Total, Goal A, INFORMATION MANAGEMENT	\$0	\$0	\$0	0.0%	
ELECTIONS ADMINISTRATION B.1.1	\$0	\$0	\$0	0.0%	
ELECTION/VOTER REGISTRATION FUNDS B.1.2	\$0	\$0	\$0	0.0%	
CONSTITUTIONAL AMENDMENTS B.1.3	\$0	\$0	\$0	0.0%	
ELECTIONS IMPROVEMENT B.1.4	\$8,837,662	\$1,834,440	(\$7,003,222)	(79.2%)	Recommendations reflect a reduction of \$7.0 million primarily due to costs associated with moving the Texas Elections Administration Management (TEAM) system out of the Department of Information Resources (DIR) data center.
Total, Goal B, ADMINISTER ELECTION LAWS	\$8,837,662	\$1,834,440	(\$7,003,222)	(79.2%)	
PROTOCOL/BORDER AFFAIRS C.1.1	\$0	\$0	\$0	0.0%	
COLONIAS INITIATIVES C.1.2	\$0	\$0	\$0	0.0%	
Total, Goal C, INTERNATIONAL PROTOCOL	\$0	\$0	\$0	0.0%	
INDIRECT ADMINISTRATION D.1.1	\$0	\$0	\$0	0.0%	
Total, Goal D, INDIRECT ADMINISTRATION	\$0	\$0	\$0	0.0%	
Grand Total, All Strategies	\$8,837,662	\$1,834,440	(\$7,003,222)	(79.2%)	

Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- FEDERAL FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
DOCUMENT FILING A.1.1	\$0	\$0	\$0	0.0%	
DOCUMENT PUBLISHING A.2.1	\$0	\$0	\$0	0.0%	
Total, Goal A, INFORMATION MANAGEMENT	\$0	\$0	\$0	0.0%	
ELECTIONS ADMINISTRATION B.1.1	\$0	\$0	\$0	0.0%	
ELECTION/VOTER REGISTRATION FUNDS B.1.2	\$0	\$0	\$0	0.0%	
CONSTITUTIONAL AMENDMENTS B.1.3	\$0	\$0	\$0	0.0%	
ELECTIONS IMPROVEMENT B.1.4	\$13,365,023	\$41,193,735	\$27,828,712	208.2%	The Help America Vote Act (HAVA) provides for elections improvements for equipment that meets voting systems standards; provisional voting; statewide voter registration system; state plan administration; and voting information for election officials, poll workers, election volunteers, and the public. Recommendations consist of the remaining estimated unexpended balance from the 2010–11 biennium and provides for expenditures on HAVA activities. The increase is primarily due to receiving additional HAVA federal funds during the 2010-11 biennium.
Total, Goal B, ADMINISTER ELECTION LAWS	\$13,365,023	\$41,193,735	\$27,828,712	208.2%	
PROTOCOL/BORDER AFFAIRS C.1.1	\$0	\$0	\$0	0.0%	
COLONIAS INITIATIVES C.1.2	\$0	\$0	\$0	0.0%	
Total, Goal C, INTERNATIONAL PROTOCOL	\$0	\$0	\$0	0.0%	
INDIRECT ADMINISTRATION D.1.1	\$0	\$706,552	\$706,552	100.0%	Recommendations include a method of finance swap of \$0.7 million in General Revenue to Federal Funds for indirect administration costs associated with the HAVA.
Total, Goal D, INDIRECT ADMINISTRATION	\$0	\$706,552	\$706,552	100.0%	
Grand Total, All Strategies	\$13,365,023	\$41,900,287	\$28,535,264	213.5%	

Secretary of State
Summary of Recommendations - Senate, By Method of Finance -- OTHER FUNDS

Strategy/Goal	2010-11 Base	2012-13 Recommended	Biennial Change	% Change	Comments (Optional)
DOCUMENT FILING A.1.1	\$9,933,758	\$9,933,758	\$0	0.0%	
DOCUMENT PUBLISHING A.2.1	\$117,041	\$117,041	\$0	0.0%	
Total, Goal A, INFORMATION MANAGEMENT	\$10,050,799	\$10,050,799	\$0	0.0%	
ELECTIONS ADMINISTRATION B.1.1	\$672,199	\$672,199	\$0	0.0%	
ELECTION/VOTER REGISTRATION FUNDS B.1.2	\$0	\$0	\$0	0.0%	
CONSTITUTIONAL AMENDMENTS B.1.3	\$0	\$0	\$0	0.0%	
ELECTIONS IMPROVEMENT B.1.4	\$0	\$0	\$0	0.0%	
Total, Goal B, ADMINISTER ELECTION LAWS	\$672,199	\$672,199	\$0	0.0%	
PROTOCOL/BORDER AFFAIRS C.1.1	\$0	\$0	\$0	0.0%	
COLONIAS INITIATIVES C.1.2	\$0	\$0	\$0	0.0%	
Total, Goal C, INTERNATIONAL PROTOCOL	\$0	\$0	\$0	0.0%	
INDIRECT ADMINISTRATION D.1.1	\$3,260,017	\$2,930,448	(\$329,569)	(10.1%)	Recommendations include moving indirect administrative costs from all the strategies into this new strategy for indirect administrative costs. Recommendations reflect a reduction of \$0.3 million primarily due to the reduction of \$0.1 million for acquisition of information technology and a reduction of \$0.2 million for a one-time system upgrade to the Business Entity Filing System (BEST).
Total, Goal D, INDIRECT ADMINISTRATION	\$3,260,017	\$2,930,448	(\$329,569)	(10.1%)	
Grand Total, All Strategies	\$13,983,015	\$13,653,446	(\$329,569)	(2.4%)	

Secretary of State
Selected Fiscal and Policy Issues

Fiscal Implications of LBB Recommendations:

1. **Colonia Initiative.** Recommendations include elimination of funding for the colonia initiatives program (\$0.8 million), which oversees and coordinates state agency efforts to improve physical living conditions through the provision of basic services such as water, wastewater, and housing for colonia residents. The elimination of this funding could result in the elimination of the intermediaries/ombudspersons who coordinate efforts between funding entities and colonia residents and delays in funding colonia projects. However, this will not affect the amount of funding available for colonia projects. Ombudspersons are currently located in El Paso, Maverick, Webb, Starr, Hidalgo, Cameron, and Nueces county with the director located in Weslaco.
2. **Costs for Primaries.** Recommendations reduce poll worker wages to the 2008-09 biennium wage of \$7 per hour from the 2010-11 biennium wage of \$8.50 per hour (\$1.3 million), which may result in difficulty finding poll workers to work the primaries. Recommendations also include reducing 6.8 FTEs (\$0.7 million) in administrative and support operations with the primary impact being a possible delay in responding to requests for assistance from election officials and the public.

Statutory Changes Required to Implement LBB Recommendations:

1. **Printed Session Laws.** Recommendations include a reduction of \$0.1 million contingent on statutory changes allowing for an electronic version of session laws instead of requiring printed versions per Government Code, Chapter 2158, Subchapter B, Sections 2158.061-2158.065.

**Secretary of State
FTE Highlights**

Full-Time-Equivalent Positions	Expended 2009	Actual 2010	Budgeted 2011	Recommended 2012	Recommended 2013
Cap ^(a)	245.9	244.9	244.9	214.2	214.2
Actual/Budgeted	230.5	221.1	240.0	NA	NA
Schedule of Exempt Positions (Cap)					
Secretary of State, Group 5 ^(b,c)	\$125,880	\$125,880	\$125,880	\$125,880	\$125,880

(a) Vacancies are primarily due to high turnover in administrative assistants and customer service representatives in document filing. Reduction of 25.8 FTEs for the 2012-13 biennium are due to the elimination of the colonia initiative (8.0 FTEs), reduction in administrative and support operations (8.8 FTE), and the elimination of FTEs for administrative assistant positions that are routinely vacant (9.0 FTE). No layoffs are anticipated from the elimination of 9.0 FTEs for routinely vacant positions.

(b) The exempt position moved from Group 4 in the 2008-09 biennium to Group 5 in the 2010-11 biennium.

(c) The State Auditor's Report No. 10-706, A Classification Study of Exempt Positions dated July 2010, found that the salary for the Secretary of State (\$116,739) is higher than the average salary for comparable positions (\$116,087) based on results of a survey of the 14 most populous and surrounding states.

**Secretary of State (SOS)
Performance Review and Policy Report Highlights**

Reports & Recommendations	GEER Report Page	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Is included in the Introduced Bill	Action Required During Session
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None.

NO RELATED RECOMMENDATIONS

**Secretary of State
Rider Highlights**

2. (revised) **Capital Budget.** Recommendations include funding for data center consolidation and eliminate funding for acquisition of information resource technologies and additional upgrades to the business entity web.
6. (old) **Distribution of Session Laws.** Delete rider contingent on statutory changes allowing for an electronic version of session laws instead of requiring printed versions per Government Code, Chapter 2158, Subchapter B, Sections 2158.061-2158.065.
10. (new) **Contingency Appropriation Requiring Statutory Changes.** Recommendations include a \$75,000 reduction in fiscal year 2012 in Strategy A.2.1, Document Publishing contingent on statutory changes allowing for an electronic version of session laws instead of requiring printed versions per Government Code, Chapter 2158, Subchapter B, Sections 2158.061-2158.065.
11. (old) **Software Revisions.** Delete rider for one-time 2010-11 biennium expenditure of \$250,000 on software revisions to improve the accuracy of the verification of the identification numbers submitted on voter registration applications. Project was not completed because it was part of the five percent reductions.

**Secretary of State
Items not Included in Recommendations**

	2012-13 Biennial Total	
	GR & GR- Dedicated	All Funds
1. One (1.0) FTE for assistance with the Texas Register.	\$ 123,610	\$ 123,610
2. Restore Strategy C.1.2, Colonias Initiatives base request funding and 8.0 FTEs.	\$ 894,622	\$ 894,622
3. Funding and Capital Budget authority for personal computers, printers, and scanners.	\$ 22,500	\$ 300,000
Total, Items Not Included in the Recommendations	\$ 1,040,732	\$ 1,318,232