

**Representative Cameron Henry**  
Chairman



**Representative Franklin Foil**  
Vice Chairman

# **FY19-20 HB 105 Review**

## **Secretary of State**

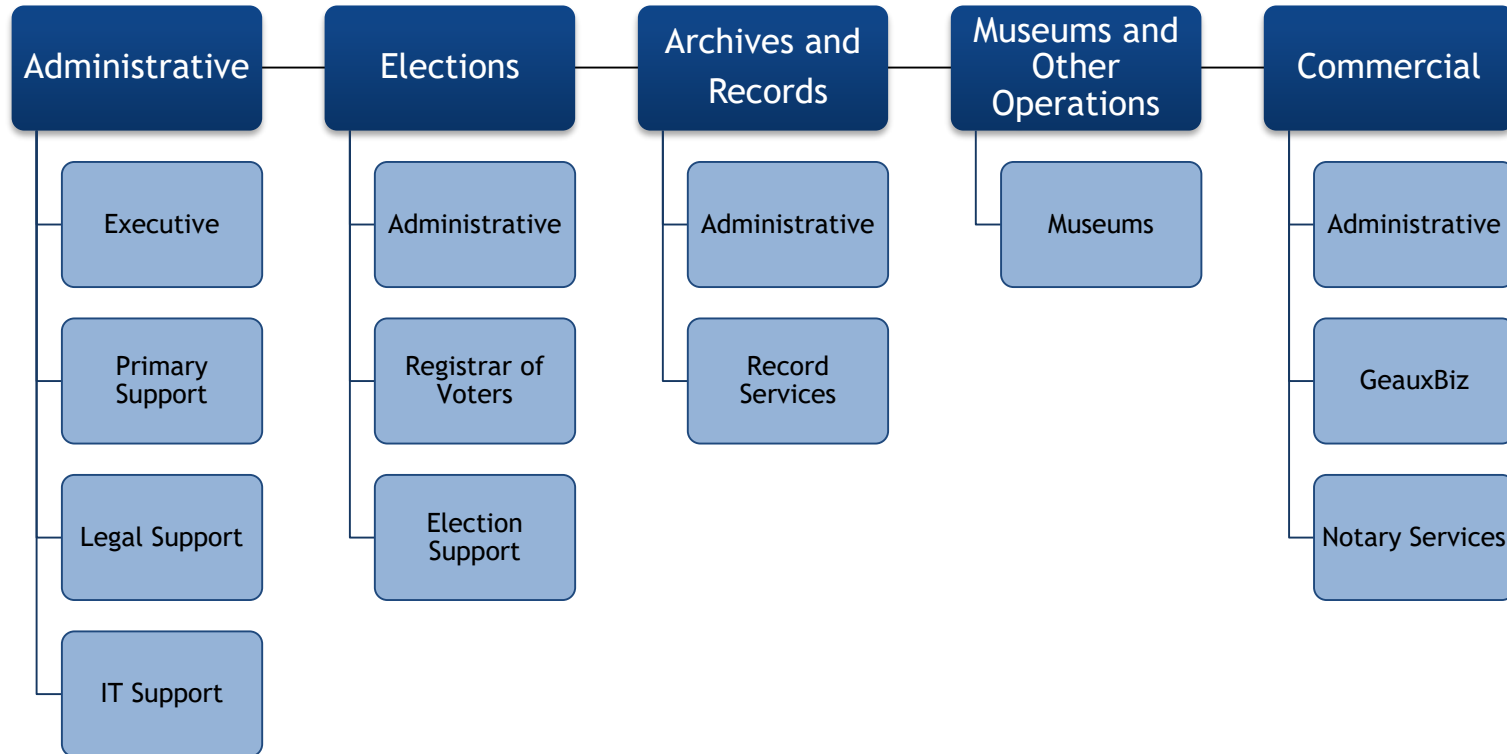
**House Committee on Appropriations**  
by the House Fiscal Division

April 2, 2019

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# DEPARTMENT ORGANIZATION



# DEPARTMENT FUNCTIONS

## Chief Election Officer

Prepares and certifies ballots for all elections, disseminating election returns, administering election laws, overseeing voter registration, and custody of the voting machines.

## Museums

Responsible for the operation of the state museums located across the state, including the Old State Capital in Baton Rouge and the Louisiana State Exhibit Museum in Shreveport.

## Business and Notary Registration

Maintains the official registration of all Notarial Commissions and administers the GeauxBiz program which gives current and potential business owners a single place to go for all the necessary licensing information to operate within the state.

## Archiving

Operates the State Centralized Micrographics Unit, the State Records Center and the State Records Management Program while serving as the official archives of the state and publishing all laws enacted by the state.

# ADMINISTRATIVE

## Executive Services

- The leadership and management function ensures the duties and responsibilities of the department are carried out in an effective and efficient manner.
- Includes the Secretary, his executive staff, public information, and publication staff.

## Primary Support Services

- Responsible for providing support to the department, including accounting, purchasing, and human resources.

## Legal Support Services

- The Legal Division reviews and approves all ballot provisions, home rule charter propositions, recall elections, and constitutional amendments. This division also drafts and reviews contracts.
- The Commission Division authenticates the signatures on various certificates, as well as provides advice and interpretation of multiple statutes.

## Information Technology Support Services

- Assists with planning and implementing the information technology hardware and software that the department uses.



# ELECTIONS

## Administrative Services

- Responsible for processing and qualifying candidates for state offices, and preparing ballots for elections.
- Directs, assists, and prescribes rules and regulations that are applied by each registrar of voter in the state.
- Encourages qualified Louisiana citizens to register to vote by providing educational programs for school-aged children and adults.
- Investigates reports of voter fraud.

## Registrar of Voters

- Responsible for the payment of the state's share of salaries of the Registrar of Voters and their employees, and the prorated portion of the annual canvass costs. The canvass examines the validity of the addresses of record for the registered voters in Louisiana.
- The Registrar of Voters are also responsible for registering voters in the state, as well as updating registration data.

## Election Support Services

- Responsible for the day-to-day maintenance and repair of the voting machines, and emergency repair on the day of elections.



# ARCHIVES AND RECORDS

## Administrative Services

- Identifies, collects, preserves, maintains, and makes available the records and artifacts of Louisiana's history at the Louisiana State Archives Building.
  - Over 2.2 million genealogical records are available online.

## Record Services

- Provides the services, information, and facilities necessary to promote and support the State's governmental records.
- Provides storage for business records and for state agencies.

*Louisiana State Archives  
Baton Rouge, LA*



# MUSEUMS AND OTHER OPERATIONS

## Museum Services

- Responsible for presenting exhibits, education, and other programs to the public that emphasize the political, social, and economic influences, personalities, institutions, and events that are part of Louisiana's history and culture.
  - Acquires, refurbishes, and preserves artifacts and other historical relics.
- 
- |  |                                   |
|--|-----------------------------------|
| ▪ Delta Music Museum                   | ▪ LA State Exhibit Museum         |
| ▪ Eddie G. Robinson Museum             | ▪ LA State Oil and Gas Museum     |
| ▪ Germantown Colony Museum             | ▪ Mansfield Female College Museum |
| ▪ LA Military Hall of Fame and Museum° | ▪ Old State Capitol               |
| ▪ LA State Cotton Museum °             | ▪ Tioga Heritage Park & Museum *  |

*Old State Capitol  
Baton Rouge, LA*



- \* Closed
- ° 100% Reimbursed by Local entities



# COMMERCIAL

## Administrative Services

- Provides services for business licensing, as well as collects fees and tracks annual reporting for businesses operating in Louisiana.
- Serves as the processing agent for the state on foreign filings and corporate filings.
- Serves as the processing agent for foreign insurance companies and out-of-state motorists involved in suits resulting from automobile accidents in Louisiana.
- Responsible for the Uniform Commercial Code (UCC) notification system.

## GeauxBiz

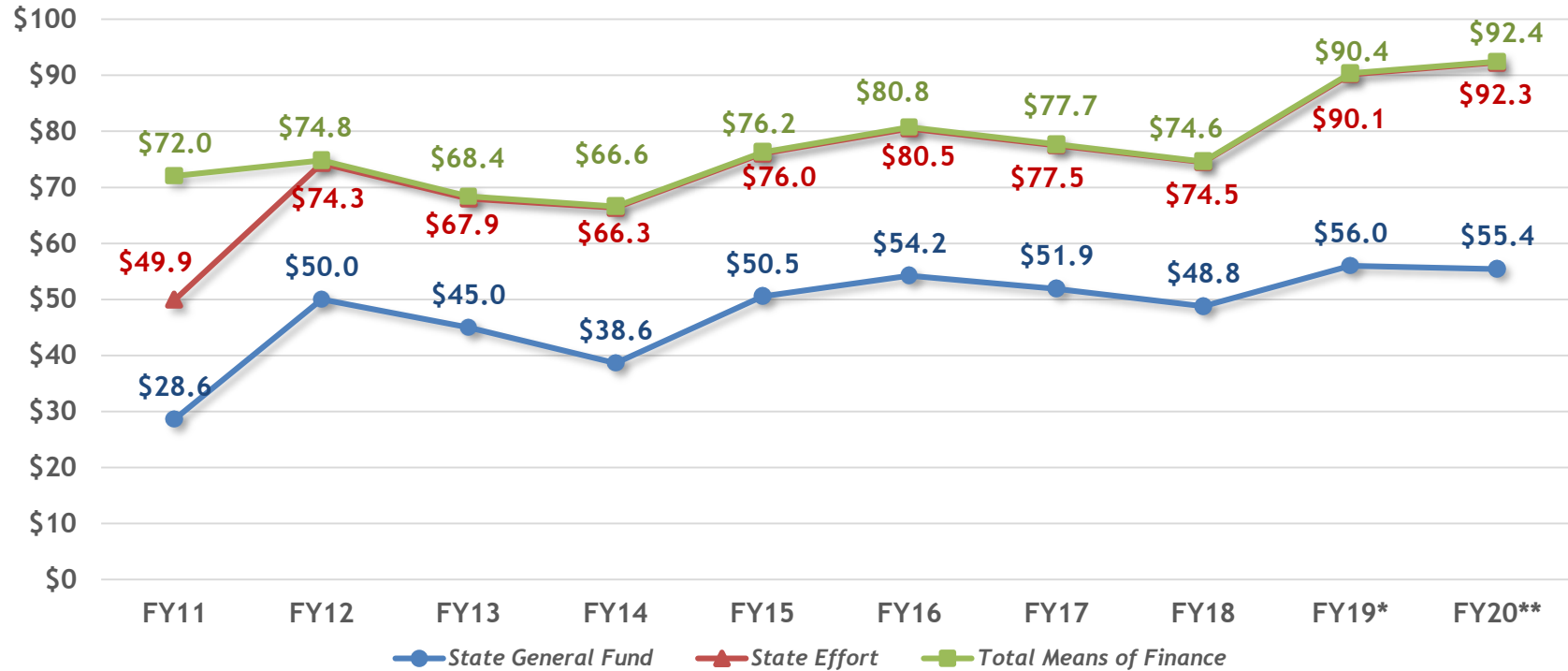
- Implemented in FY12.
- GeauxBiz is a 'one-stop shop' for launching a new business in the state of Louisiana. This software and database package is where business can register with the required departments, including the Secretary of State, Louisiana Workforce Commission, and the Department of Revenue.
- Prepares a customized business license checklist tailored to any specific business license need.

## Notary Services

- Maintains a database on the notary publics registered in the state.
- Processes applications for the state notary exam.



# BUDGET HISTORY (IN MILLIONS)



Source: Budget Supporting Documents and HB 105 of 2019 RS

\*Existing Operating Budget as of 12/1/1

\*\*HB 105 of 2019 RS

# MAJOR SOURCES OF REVENUE

## Self-generated Revenue \$28.9 Million

The Department's Fees and Self-generated Revenue comes from fees charged to corporations for various services. Fees are made up largely by the following:

- Credit Card Transaction Fees
- Annual Reports Filings
- Limited Liability Corporations (LLC's)
- Uniform Commercial Code
- Election Expenses - Cost Recovery

## Statutory Dedications \$8.0 Million

There are three Statutory Dedications budgeted within the department:

- Voting Technology Fund (Act 8 of the 2018 2<sup>nd</sup> session)
- Help Louisiana Vote Fund, Election Administration (Title I Section 101 of the Help America Vote Act)
- Shreveport Riverfront Convention Center & Independence Stadium Fund

## Interagency Transfers \$118,000

The Department's Interagency Transfers are payments from other state and local agencies for the microfilm services that the department provides. The largest amounts come from the following:

- Board of Regents
- City of Lake Charles
- Department of Children & Family Services
- Eastern LA Mental Health System
- LA State Board of Nursing
- St. Charles Parish Finance Department

# FUNDING OVERVIEW

Means of Financing	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY 19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change from Actuals
State General Fund	\$48,767,910	\$56,003,629	\$55,401,476	(\$602,153)	(1.1%)	\$6,633,566	13.6%
Interagency Transfers	\$79,606	\$227,500	\$118,000	(\$109,500)	(48.1%)	\$38,394	48.2%
Fees and Self-Gen Rev	\$25,714,779	\$28,125,054	\$28,914,823	\$789,769	2.8%	\$3,200,044	12.4%
Statutory Dedications	\$11,995	\$6,002,565	\$8,002,565	\$2,000,000	33.3%	\$7,990,570	66,615.8%
Federal Funds	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
<b>Total Means of Finance</b>	<b>\$74,574,290</b>	<b>\$90,358,748</b>	<b>\$92,436,864</b>	<b>\$2,078,116</b>	<b>2.3%</b>	<b>\$17,862,574</b>	<b>24.0%</b>



## \$2M Statutory Dedication

Increase out of the Voter Technology Fund Statutory Dedication from private elections for the new election voting system.



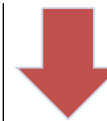
## \$789,769 FSGR

Expected collection in fees related to business filings.



## \$602,153 SGF

General increase in election costs and statewide adjustments offset by major reduction of \$3M, a non-recurring adjustment relating to the election system.



## \$109,500 IAT

Archives Division-reduction in microfilm services contracts from various state and local agencies.

# EXPENDITURE CHANGE OVERVIEW

Expenditure	FY 17-18 Prior Year Actual Expenditures	FY 18-19 Existing Operating Budget	FY 19-20 HB 105	\$ Change from Existing	% Change from Existing	\$ Change from Actuals	% Change from Actuals
Salaries	\$16,588,621	\$17,566,257	\$17,815,827	\$249,570	1.4%	\$1,227,206	7.4%
Other Compensation	\$387,286	\$455,694	\$455,694	\$0	0.0%	\$68,408	17.7%
Related Benefits	\$9,426,532	\$9,741,621	\$10,388,108	\$646,487	6.6%	\$961,576	10.2%
Travel	\$161,741	\$155,845	\$155,845	\$0	0.0%	(\$5,896)	(3.6%)
Operating Services	\$10,274,488	\$10,738,909	\$10,982,712	\$243,803	2.3%	\$708,224	6.9%
Supplies	\$732,134	\$826,123	\$821,298	(\$4,825)	(0.6%)	\$89,164	12.2%
Professional Services	\$0	\$0	\$0	\$0	0.0%	\$0	0.0%
Other Charges	\$36,653,953	\$50,531,299	\$51,216,880	\$685,581	1.4%	\$14,562,927	39.7%
Acq/Major Repairs	\$349,535	\$343,000	\$600,500	\$257,500	75.1%	\$250,965	71.8%
<b>Total Expenditures</b>	<b>\$74,574,290</b>	<b>\$90,358,748</b>	<b>\$92,436,864</b>	<b>\$2,078,116</b>	<b>2.3%</b>	<b>\$17,862,574</b>	<b>24.0%</b>
Authorized Positions	314	311	310	(1)	(0.3%)	(4)	(1.3%)

# SIGNIFICANT EXPENDITURE CHANGES

## Personnel Services \$896,057

- Increase funding for the annualization of Civil Service market rate adjustments, related benefits base adjustments, salary base adjustments ect.

## Operating Services \$243,803

- Increase funding for the expenses associated to the Elections Program.

## Other Charges \$685,581

- Increase funding for new election voting machines of \$2M in the Voting Technology Fund offset by a net reduction of (\$3M) in SGF.
- Increase funding for election day expenses within the Elections Program.
- Increase funding for the acquisition of a Digital Record Management System.
- Archives Building Improvement.

## Acquisitions and Major Repairs \$257,500

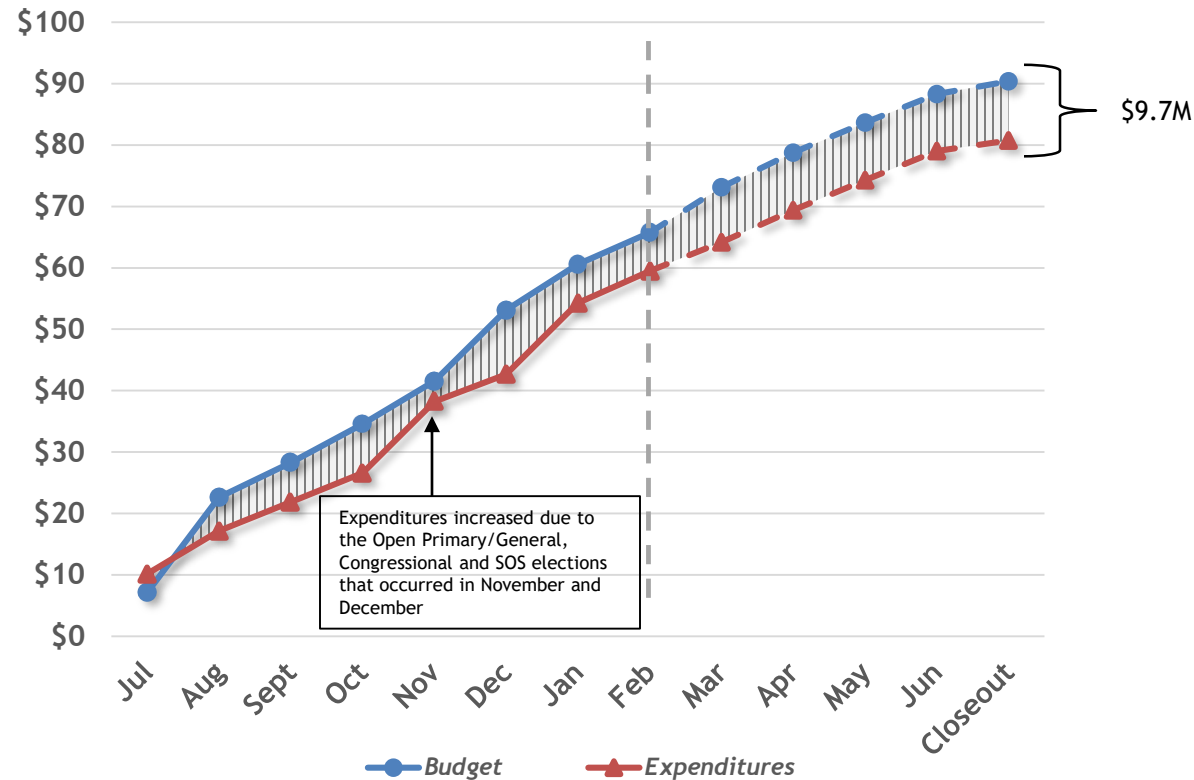
- Increases funding for the replacement of the research library reference materials and the acquisition of Albert sensors for the local Clerk of Court offices.

# OTHER CHARGES

AMOUNT	DESCRIPTION
\$20,794,570	Election expenses including Administrative and field operations administration, voting machines, poll commissioners, ballot printing, etc.
\$13,982,419	Costs associated with Registrar of Voters.
\$8,389,487	New Voter Election Equipment: \$2M from Voting technology Fund, \$5.8M from HAVA Fund, \$500K from Fees & Self-Generated Revenues. Funding for HAVA fund is expected to be expended in FY 20.
\$3,051,888	Various Interagency Transfers such as Office of Telecommunications Management, Legislative Auditor, Risk Management, etc.
\$2,206,530	GeauxBiz Portal.
\$900,000	Commercial Additional On-Line Filings and Improvements.
\$575,000	Information Technology ongoing costs for Elections and Commercial Support.
\$527,658	Commercial Miscellaneous Operating Expenses.
\$626,250	Archives Building Improvements and Digital Record Management System.
\$113,078	Shreveport Riverfront Convention Center and Stadium Funds for the Louisiana State Exhibit Museum and Shreveport Water Works Museum.
\$50,000	Contractual Services within the Administrative Program
<b>\$51,216,880</b>	<b>Total Other Charges</b>

Source: Budget Supporting Documents and HB 105 of 2019 RS

# FY 19 EXPENDITURE TREND



Analysis shows approximately \$9.7 M or 11% in total means of finance budget authority (\$90.4M budgeted - \$80.7M projected) could be unspent at year-end based on actuals through February and projections through the end of the year.

The Department was appropriated \$5.9M in their HAVA fund for the acquisition of the voting machines for FY 19. Of the \$9.7M in projected unspent authority, the Department expects to carryforward \$5.9M into FY 20 for the new voting machines' acquisition.

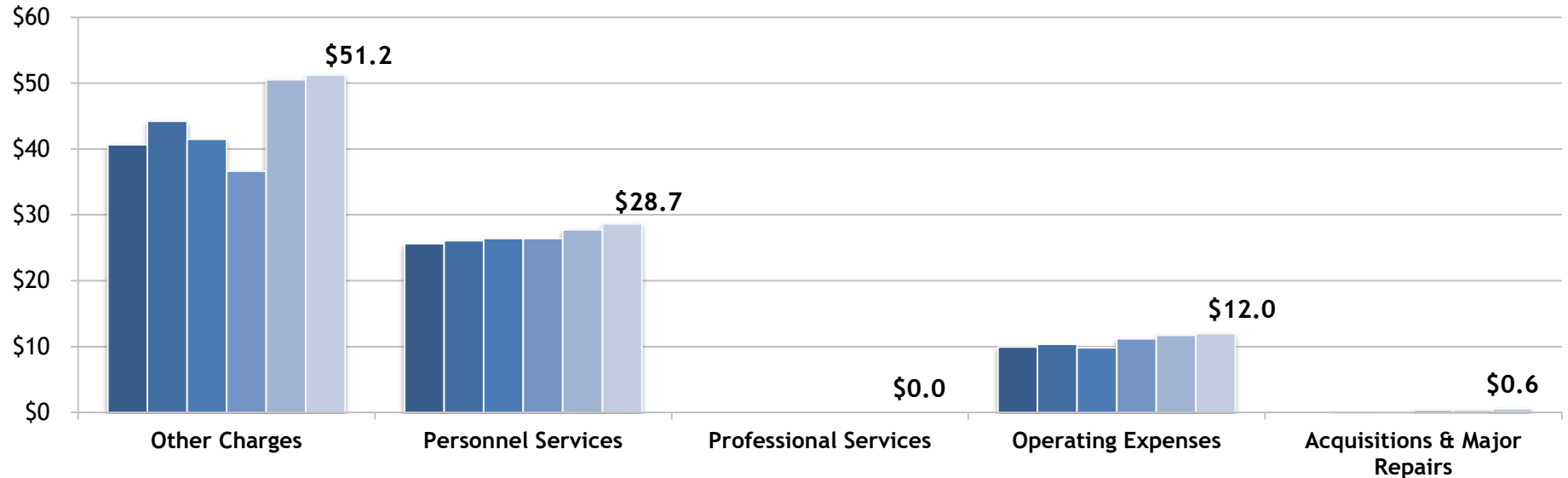
In FY 18, the Department did not spend \$3.3M or 4.2% of its budget authority comparing its end of year budget and actual expenditures. Of the \$3.3M, the Department reverted \$2.5M in FSGR.



# EXPENDITURE HISTORY (IN MILLIONS)

Fiscal Year:

■ 2014-15 ■ 2015-16 ■ 2016-17 ■ 2017-18 ■ 2018-19 EOB ■ 2019-20 HB 105



Source: Budget Supporting Documents and HB 105 of 2019 RS

# PERSONNEL INFORMATION

## FY 19-20

### Personnel/Budget Ratio

\$18.2M Salaries and Other  
Comp.

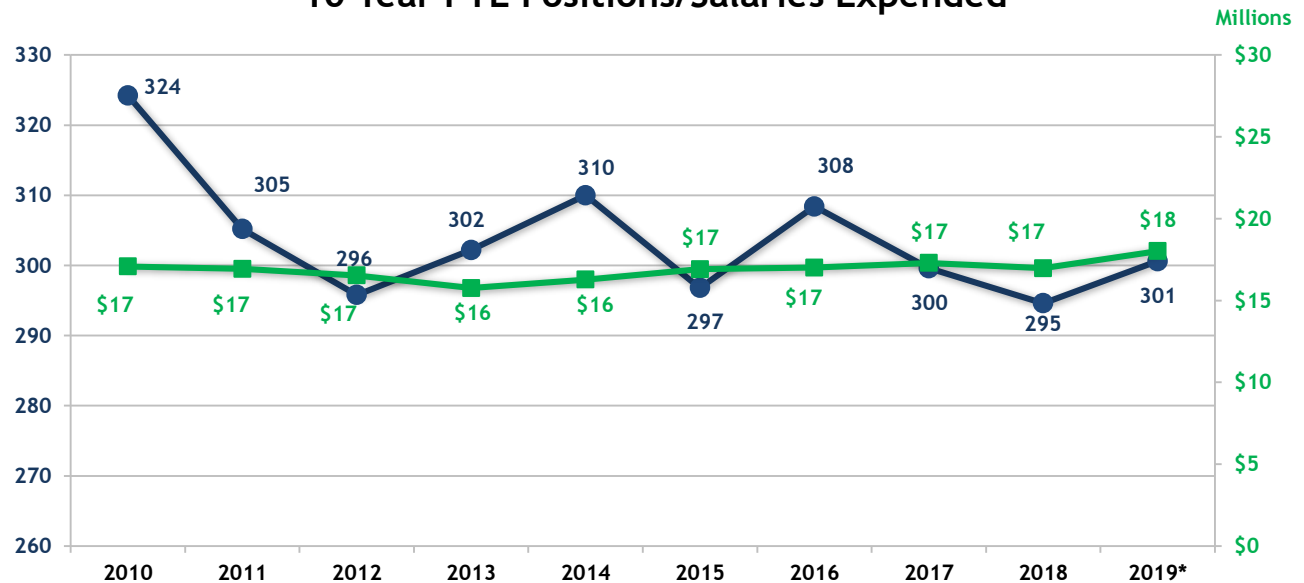
+\$388,108 Related Benefits  
= \$18.7M Total Personnel Services

**45% of budget  
expenditures  
(excluding Other Charges)**

### Authorized Positions

- 310 (293 classified and 17 unclassified)
- Secretary of State had 18 vacancies as of 1/31/2019.
- HB 105 budgets the elimination of 1 vacant position.
- 0 Other Charges Position.

### 10 Year FTE Positions/Salaries Expended

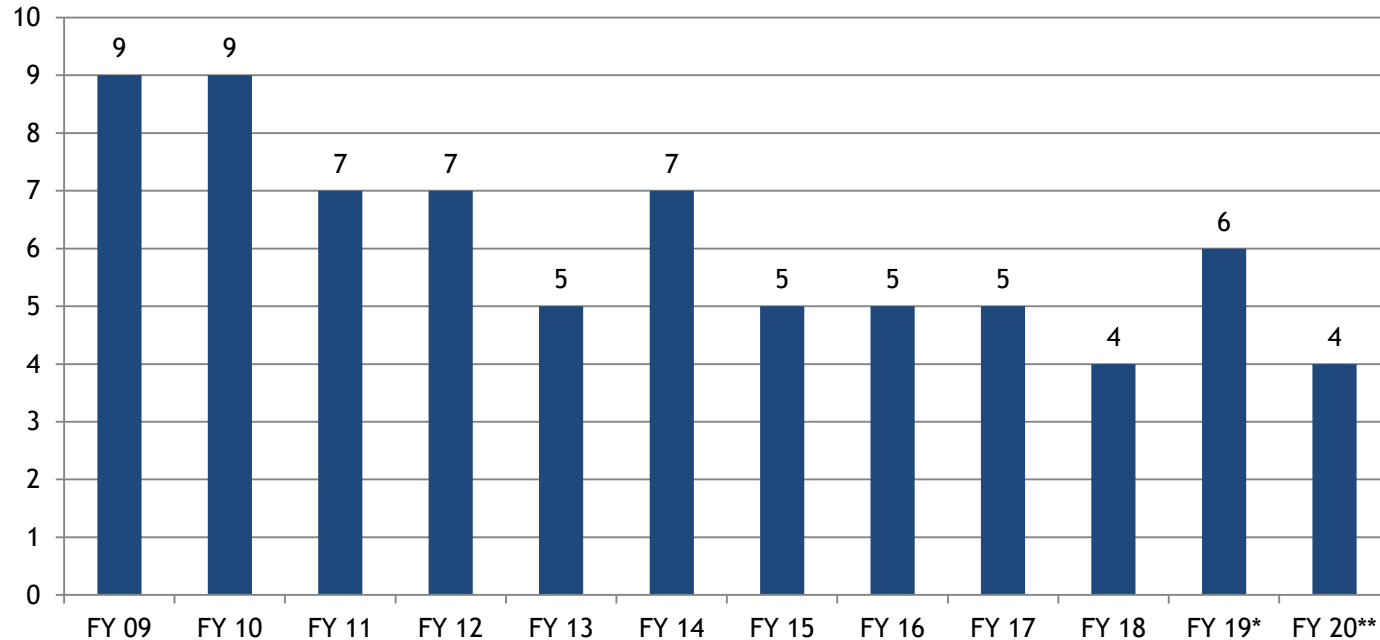


Source: Data from the Dept. of Civil Service and the Budget Supporting Documents and HB 105 of 2019 RS

\*Existing Operating Budget as of 12/1/18

# ELECTIONS

## Number of State-Wide and Local Elections



Source: Budget Supporting Documents  
Source: Louisiana Secretary of State

\*Includes scheduled elections.

\*\*Includes future elections.

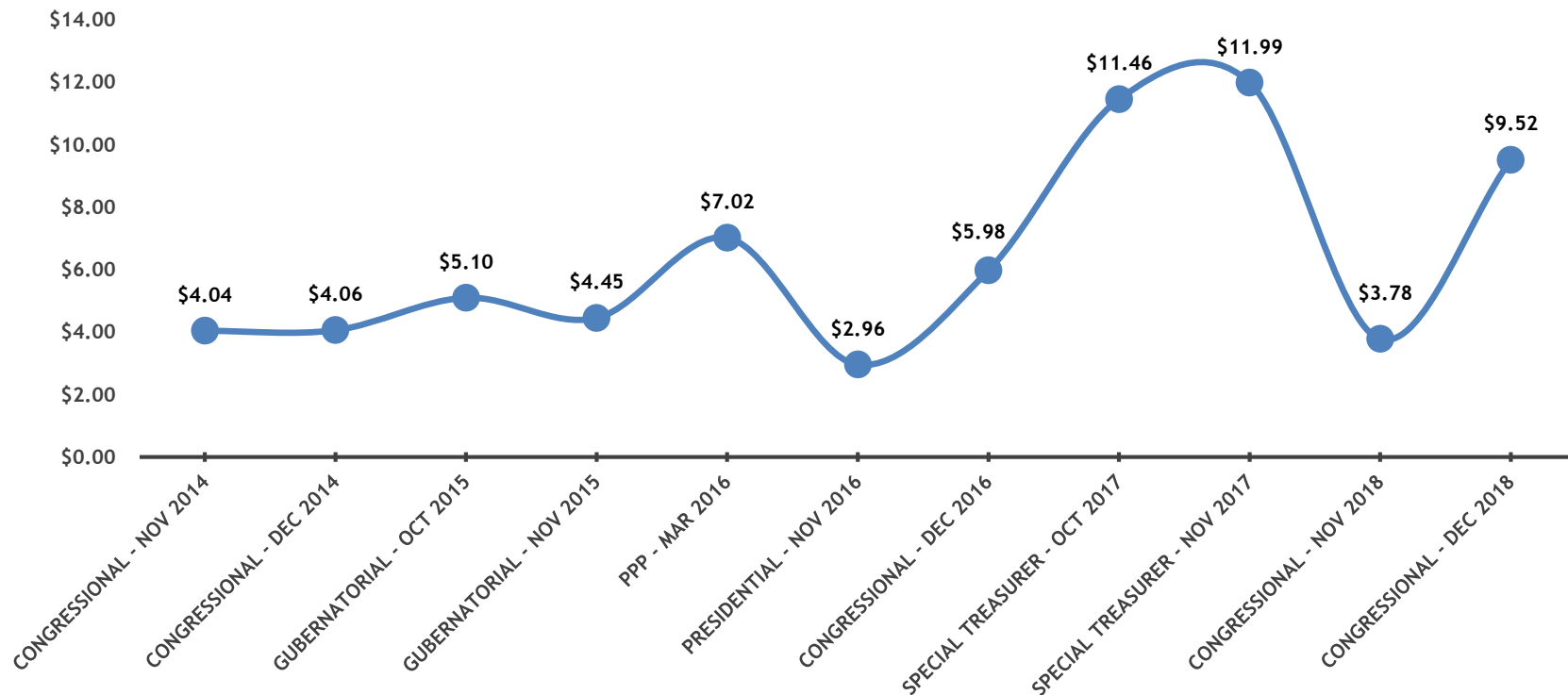
# STATE-WIDE ELECTION COSTS

Election Date	Election Type	Cost	Number of Voters	Percent Voted*	Cost/Vote
<b>FY 16</b>					
10/24/2015	Gubernatorial Primary	\$5,789,667	1,134,729	39.20%	\$5.10
11/21/2015	Gubernatorial General	\$5,191,478	1,165,800	40.19%	\$4.45
03/05/2016	Presidential Preference	\$4,491,293	639,722	27.93%	\$7.02
<b>FY 17</b>					
11/8/2016	Open Primary/Presidential/Congressional	\$6,066,275	2,049,532	67.79%	\$2.96
12/10/2016	Open General/Congressional	\$5,337,471	893,262	29.46%	\$5.98
<b>FY 18</b>					
10/14/2017	Open Primary/State Treasurer	\$4,864,970	424,497	14.27%	\$11.46
11/18/2017	Open General/State Treasurer	\$4,631,146	386,152	12.98%	\$11.99
<b>FY 19</b>					
11/06/2018	Open Primary/Congressional/SOS	\$5,742,532	2,992,160	50.78%	\$3.78
12/08/2018	Open General/Congressional/SOS	\$5,050,895	2,999,729	17.68%	\$9.52

Source: Louisiana Secretary of State

\* Percentage of registered voters that voted on election day, absentee or early voted

# STATEWIDE ELECTION COST PER VOTE



Source: Louisiana Secretary of State

# MUSEUMS

Museum	FY 17 Total Cost	FY 17 Visitation	FY18 Total Cost	FY 18 Cost per Visitor	FY 18 Visitation
LA State Exhibit Museum	\$852,385	80,489	\$902,469	\$21.04	42,893
Old State Capitol	\$1,282,263	47,447	\$1,308,258	\$25.50	51,305
Cotton Museum **	\$18,103	7,763	\$1,828	\$0.25	7,352
Old Arsenal Museum *	\$84,591	1,980	\$2,494	Closed	0
Eddie G. Robinson Museum	\$43,005	5,770	\$47,219	\$6.12	7,720
Delta Music Museum	\$48,508	4,926	\$48,893	\$7.93	6,163
Mansfield Female College	\$38,097	2,606	\$27,444	\$5.47	5,014
LA State Oil and Gas Museum	\$67,788	2,001	\$58,896	\$30.31	1,943
Germantown Colony Museum	\$27,111	897	\$32,285	\$41.60	776
LA Military Hall of Fame and Museum**	\$9,700	622	\$778	\$1.28	609
Tioga Heritage Park and Museum *	\$22,949	387	\$13,551	Closed	0




Source: Budget Supporting Documents; Louisiana Secretary of State

\* Closed in FY18

\*\* Expenses reimbursed by local entity

# DEPARTMENT CONTACTS



SECRETARY OF STATE				
		Kyle Ardoin	Secretary	(225) 922-2880
		Joe Salter	First Assistant to the Secretary	(225) 922-2880
		Shanda Jones	Undersecretary of Management and Finance	(225) 922-2880