

Final
STAFF SUMMARY OF MEETING

COMMITTEE ON JOINT STATE VETERANS & MILITARY AFFAIRS COMMITTEE

Date: 12/19/2013	ATTENDANCE
Time: 10:34 AM to 11:50 AM	Aguilar E
Place: HCR 0107	Conti E
	Dore X
	Foote E
This Meeting was called to order by	Harvey E
<u>Representative Ryden</u>	Herpin X
	Humphrey X
This Report was prepared by	Jones X
<u>Bo Pogue</u>	Labuda X
	Melton X
	Moreno *
	Nordberg E
	Salazar X
	Williams E
	Ryden X
	Ulibarri X

X = Present, E = Excused, A = Absent, * = Present after roll call

Bills Addressed:	Action Taken:
Secretary of State SMART Act Presentation	Witness Testimony and/or Committee Discussion Only
Public Testimony	Witness Testimony and/or Committee Discussion Only

10:35 AM -- Secretary of State SMART Act Presentation

The committee was called to order. Mr. Scott Gessler, Secretary of State, presented to the committee the Department of State's briefing under the "State Measurement for Accountable, Responsive, and Transparent Government Act" (SMART Act). Secretary Gessler was joined by his department's Chief of Staff, Mr. Gary Zimmerman, and Deputy Secretary of State Suzanne Staiert. Committee members received the department's 2014 regulatory agenda (Attachment A), the FY 2014-15 Joint Budget Committee (JBC) Staff Budget Briefing for the Department (Attachment B), and the JBC hearing document for the department (Attachment C). Secretary Gessler read a prepared statement providing an overview of the Department of State's activities over the past year, issues facing the department, and the department's budget.

10:45 AM

Secretary Gessler continued to brief the committee on the Department of State's activities, including undertakings and initiatives by the department's various divisions during 2013, and goals for the coming year. Secretary Gessler also discussed the impact of House Bill 13-1303, which made numerous changes to Colorado's election code, and potential election-related legislative initiatives for the upcoming legislative session.

10:56 AM

Secretary Gessler continued to brief the committee on the Department of State's activities, including efforts to clean voter rolls overseen by the department. Discussion ensued regarding Secretary Gessler's presentation and its pertinence to the department's performance goals. Secretary Gessler resumed his presentation, continuing to discuss efforts to ensure voter rolls are accurate, as well as to update voting machinery in the counties. Secretary Gessler then discussed his department's budget, focusing in particular on how elections are funded. Discussion ensued regarding oversight of the Department of State by the committee, and the department's efforts in meeting performance measures as outlined by the SMART Act. Discussion followed regarding the recent briefing conducted for the JBC by its staff concerning the Department of State; the briefing indicated a potential budget deficit for the department associated with funding elections (see Attachment B).

11:12 AM

Discussion continued regarding the Department of State's budget, a potential departmental budget shortfall, and the impact of HB 13-1303 on the department's budget. Discussion followed regarding the impact of HB 13-1303 on the conduct of the 2013 election, and recent legal costs incurred by the department. Senator Ulibarri requested a copy of the department's strategic plan. Secretary Gessler responded to questions regarding certain expenditures made by the department to track potentially improper voter registrations.

11:24 AM

Secretary Gessler responded to questions regarding the Department of State's staffing levels, and the type of work performed by the department's customer service center. Secretary Gessler responded to further questions regarding a recent case of potential fraudulent voter registration. Ms. Staiert briefed the committee on the department's regulatory agenda and rulemaking activities in general. Discussion ensued regarding the potential for the committee to conduct a future hearing to discuss the Department of State's strategic plan. Committee members received copies of the department's strategic plan and FY 2014-15 budget request (Attachment D).

11:32 AM -- Public Testimony

The following persons testified regarding the Department of State and its activities:

11:33 AM -- Mr. Harvie Branscomb, representing himself, testified before the committee regarding Colorado's election process. Committee members received a document containing a number questions pertaining to elections in Colorado, prepared by Mr. Branscomb (Attachment E). Mr. Branscomb mentioned a potential legislative initiative concerning approval voting. Mr. Branscomb discussed the Department of State's leadership among states in the area of the conduct of elections, and related his experiences as a canvass board member. Mr. Branscomb discussed certain impacts of the passage of HB 13-1303 on the 2013 general election, and potential improvements that may be made to election law. He also discussed the benefits of voting in person.

11:45 AM

Mr. Branscomb continued to discuss the benefits of in-person voting and to catalog a number of potential improvements to the voting process. Mr. Branscomb also referenced the questions he poses in Attachment E.

11:50 AM

The committee adjourned.

STATE OF
COLORADO
Department of State
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Scott Gessler
Secretary of State

Suzanne Staiert
Deputy Secretary of State

2014 Departmental Regulatory Agenda
Office of the Secretary of State
November 1, 2013

To: The Staff of Legislative Council

Re: Colorado Department of State – 2014 Departmental Regulatory Agenda

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2014 Departmental Regulatory Agenda

INTRODUCTION

The Colorado Secretary of State submits the following 2014 Departmental Regulatory Agenda for the Department of State to the General Assembly in accordance with state laws concerning legislative oversight of principal departments.¹

DEPARTMENT REGULATORY AGENDA

8 CCR 1505-1: Elections

A) New or revised rules that the department expects to propose in the next calendar year and the purpose for the rules

The Secretary of State may commence rulemaking to consider amendments to the Election Rules in order to improve the administration and enforcement of and to answer questions arising under Colorado elections law.²

Specifically, this office may propose and consider new and amended rules concerning the following:

- Uniform Voting System
- Voter Service and Polling Center security
- Certification and training
- Voter Registration Drive oversight
- National Change of Address processes
- Local election issues

Additionally, the Secretary of State may commence rulemaking as necessary to:

- Implement amendments to Colorado election laws made during the 2014 second regular session of the 69th General Assembly
- Address litigation concerns and pending cases
- Answer questions or to implement recommendations from county clerk and recorders, the public, and other interested parties/organizations
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

¹ Section 2-7-203(4), C.R.S.

² Article VII of the Colorado Constitution, Title 1 of the Colorado Revised Statutes, and the Help America Vote Act of 2002 (“HAVA”), P.L. No. 107-252.

B) Statutory or other basis for adopting those rules

1. Section 1-1-107(2)(a), C.R.S., (2013), which authorizes the Secretary of State “[t]o promulgate, publish and distribute...such rules as the secretary of state finds necessary for the proper administration and enforcement of the election laws.”
2. Section 1-1-301, C.R.S., (2013), which states that “(1) The secretary of state shall establish and operate or provide by contract a certification program for local election officials on the conduct of elections, the federal ““Help America Vote Act of 2002”, Pub.L. 107-252, codified at 42 U.S.C. sec. 15301 et seq., and other topics related to elections. (2) The secretary of state shall establish by rule a curriculum for the certification program, including core requirements and electives, the required number of hours, and methods for continuing education. (3) The secretary of state shall provide staffing and support services for the certification program. (4) The secretary of state shall appoint an advisory board to oversee the certification process and the development of the curriculum.”
3. Section 1-1.5-104(1)(e), C.R.S., (2013), which authorizes the Secretary of State to “[p]romulgate rules in accordance with article 4 of title 24, C.R.S., as the secretary finds necessary for proper administration and implementation of [the “Help America Vote Act of 2002”, 42 U.S.C. 15301-15545] and of this article.”

Depending on the subject matter of unanticipated rulemaking, additional statutory and constitutional authority may apply.

C) Contemplated schedule for adopting the rules

This office estimates commencement of rulemaking during the third quarter of 2014. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.³

D) Identification of persons or parties that may be positively or negatively affected by the rules

The anticipated rulemaking is intended to positively affect the following persons/parties:

- All Colorado residents and potential residents
- All County clerk and recorders
- Political subdivisions
- Voting system manufacturers
- Officeholders, candidates, and committees
- Voter Registration Drives
- Poll watchers and election judges
- Other interested parties and organizations

³ Section 24-4-103(3)(a), C.R.S. (2013).

E) Current rulemaking information

The Secretary of State is currently considering permanent adoption of amendments and recodification of the Election Rules. The amendments and recodification were temporarily adopted on October 19, 2013 (for more information see the [summary of election rules adopted since November 1, 2012](#)).

For current permanent rulemaking regarding the Election Rules, please visit the Secretary of State website at http://www.sos.state.co.us/pubs/rule_making/rules.html#PROPOSED.

8 CCR 1505-2: Bingo and Raffles Games

The Secretary of State does not anticipate rulemaking regarding the Rules Concerning Bingo and Raffles Games, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado bingo and raffles law⁴
- Implement amendments to Colorado bingo and raffles law made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-3: Rules Governing General Policies and Administration

The Secretary of State does not anticipate rulemaking regarding the Rules Governing General Policies and Administration, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado laws
- Implement amendments to Colorado laws made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

⁴ Article XVIII, Section 2 of the Colorado Constitution and Article 9, Title 12 of the Colorado Revised Statutes.

8 CCR 1505-6: Rules Concerning Campaign and Political Finance

A) New or revised rules that the department expects to propose in the next calendar year and the purpose for the rules

The Secretary of State may commence rulemaking regarding the Rules Concerning Campaign and Political Finance, as necessary to improve the administration and enforcement of and to answer questions arising under Colorado campaign finance law⁵. Specifically, this office may propose and consider new and amended rules concerning the procedures to be followed for campaign and political finance filings during recall elections.

Additionally, the Secretary of State may commence rulemaking as necessary to:

- Implement amendments to Colorado campaign finance law made during 2014 second regular session of the 69th General Assembly
- Address litigation concerns and pending cases
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

B) Statutory or other basis for adopting those rules

1. Article XXVIII, Section 8 of the Colorado Constitution, which requires the Secretary of State to “promulgate rules relating to filing in accordance with article 4 of title 24, C.R.S., or any successor section.”
2. Article XXVIII, Section 9 of the Colorado Constitution, which requires the Secretary of State to “[p]romulgate such rules, in accordance with Article 4 of title 24, C.R.S., or any successor section, as may be necessary to administer and enforce any provision of this [Article XXVIII] Article;”.
3. Section 1-45-111.5, C.R.S., (2013), which states that “the secretary of state shall promulgate such rules, in accordance with article 4 of title 24, C.R.S., as may be necessary to enforce and administer any provision” of Title 1, Article 45.

Depending on the subject matter of unanticipated rulemaking, additional statutory and constitutional authority may apply.

C) Contemplated schedule for adopting the rules

The office will commence the recall filing rules after all recall petitions have been turned into the Secretary of State’s office and recall elections are no longer in progress. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

D) Identification of persons or parties that may be positively or negatively affected by the rules

The anticipated rulemaking is intended to positively affect the following persons/parties:

⁵ Article 45 of Title 1, C.R.S., and Article XXVIII of the Colorado Constitution.

- Issue committees supporting or opposing a recall election
- Potential successor candidates in a recall election

8 CCR 1505-7: UCC Filing Office Rules

The Secretary of State does not anticipate rulemaking concerning the UCC Filing Office Rules, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado's Uniform Commercial Code⁶
- Implement amendments to Colorado's Uniform Commercial Code made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-8: Rules Concerning Lobbyist Regulation

The Secretary of State does not anticipate rulemaking regarding the Rules Concerning Lobbyist Regulation, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado laws regarding lobbyist regulation⁷
- Implement amendments to Colorado laws regarding lobbyist regulation made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-9: Rules for the Administration of the Colorado Charitable Solicitations Act

The Secretary of State does not anticipate rulemaking regarding the Rules for the Administration of the Colorado Charitable Solicitations Act, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado charitable solicitations laws⁸

⁶ Article 9 of Title 4, C.R.S.

⁷ Part 3 of Article 6 of Title 24, C.R.S.

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- Implement amendments to Colorado charitable solicitations laws made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-10: Rules Concerning the Electronic Recording Technology Grant Program

The Secretary of State does not anticipate, however, may commence rulemaking as necessary to:

- Implement amendments to Colorado laws regarding the clerk and recorder technology fund⁹ made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-11: Notary Program Rules

A) New or revised rules that the department expects to propose in the next calendar year and the purpose of the rules

The Secretary of State may commence rulemaking to consider amendments to the Notary Program Rules in order to improve the administration and enforcement of and to answer questions arising under Colorado Notaries Public Act.¹⁰

Specifically, this office deferred the following 2013 anticipated rulemaking items to 2014:

- House Bill 12-1274 removed language concerning a journal from section 12-55-104(2), C.R.S. Therefore, the following rule revisions are necessary:
 - Amendments to Rule 2(4)(a)(1) will remove the statutory reference and language concerning a journal.
 - Amendments to Rule 2(4)(d) will remove references to a journal.
 - Amendments to Rule 5 will remove language concerning a journal and will clarify that the Secretary of State provides authentication numbers to notaries.

⁸ Article 16 of Title 6, C.R.S.

⁹ Section 30-10-422, C.R.S.

¹⁰ Article 55 of Title 12, C.R.S.

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- Amendments to Rule 7.2.4(I), concerning vendor reporting of persons who attend notary instruction. Currently, the rule requires an approved vendor to provide our office with a list of persons who attend each session of an approved course of instruction within ten days after completion of the course. This Secretary of State may propose rule amendments to establish monthly reporting on a set date.
- Non-substantive revisions to simplify or clarify words and phrases, recodification to reorganization and renumbering rules, and other technical revisions as is necessary for consistency with Department rulemaking format and style

Additionally, the Secretary of State may commence rulemaking as necessary to:

- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.
- Implement amendments to the Colorado Notaries Public Act made during 2014 second regular session of the 69th General Assembly

B) The statutory or other basis for adopting those rules;

1. Section 12-55-103.5(2), C.R.S. (2013), which authorizes the Secretary of State to “promulgate rules to require notaries public to complete a training program.”
2. Section 12-55-104(5), C.R.S. (2013), which authorizes the Secretary of State to “promulgate rules for use of the electronic filing system in accordance with article 4 of title 24, C.R.S.”
3. Section 12-55-106.5(1), C.R.S. (2013), which requires that “[a] notary’s electronic signature shall conform to any standards promulgated by the secretary of state.”
4. Section 12-55-106.5(2), C.R.S. (2013), which requires the Secretary of State to “promulgate rules necessary to establish standards, procedures, practices, forms, and records relating to a notary’s electronic signature.”

Depending on the subject matter of unanticipated rulemaking, additional statutory and constitutional authority may apply.

C) Contemplated schedule for adopting the rules;

Regarding anticipated rulemaking, this office estimates commencement of rulemaking by the second quarter of 2014. The Secretary of State will commence additional rulemaking as necessary in a timely manner and in accordance with the State Administrative Act.

D) Identification of persons or parties that may be positively or negatively affected by the rules

Possible changes to Rules 2 and 5, clarifying a statutory reference, would neutrally affect individuals currently registered as or who intend to register as electronic notaries.

Proposed amendments to Rule 7.2.4(I), establishing a monthly deadline for reporting training attendee lists, is intended to positively affect approved vendors.

8 CCR 1505-12: Public Records Pursuant to the Colorado Open Records Act (CORA)

The Secretary of State does not anticipate, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under the Colorado Open Records Act¹¹
- Implement amendments to the Colorado Open Records Act made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

8 CCR 1505-14: Rules Concerning Conflict of Interest Disclosures

The Secretary of State does not anticipate, however, may commence rulemaking as necessary to:

- Improve the administration and enforcement of and to answer questions arising under Colorado standards of conduct law¹²
- Implement amendments to Colorado laws regarding standards of conduct made during 2014 second regular session of the 69th General Assembly
- Issue, amend, or repeal a rule in accordance with a petition for rulemaking submitted under section 24-4-103(7), C.R.S.

Statutory and constitutional authority may depend on the subject matter of rulemaking. The Secretary of State will commence rulemaking as necessary in a timely manner and in accordance with the State Administrative Procedure Act.

¹¹ Article 72 of Title 24, C.R.S.

¹² Article 18 of Title 24, C.R.S.

SUMMARY OF RULES ADOPTED SINCE NOVEMBER 1, 2012

8 CCR 1505-1: Elections

A) Permanent rules adopted on April 25, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00212</u>	Permanent	4/25/2013	6/14/2013

The Secretary of State permanently adopted New Rule 10.8 concerning the use of unique numbers on ballots to ensure uniform and proper administration, implementation, and enforcement of Federal and Colorado election laws.¹³ The rules are also intended to improve elections administration in Colorado and to increase the transparency and security of the election process.

The Secretary received credible evidence that a unique number or bar code containing a unique number, printed on the face of a ballot can be used to trace the ballot to the voter who cast it. The purpose of this rule is to ensure that no ballot is printed with a number that can be used for this purpose. It is essential that all Colorado voters have confidence in the processes and procedures for the upcoming Presidential election.

After voted ballots have been separated from return envelopes and the ballot stubs are removed, unique numbers may be used for accounting and auditing purposes, including risk limited auditing and duplication of damaged ballots. The rule also requires that counties redact unique numbers or barcodes containing unique numbers from any ballots printed before the adoption of the rule that are provided in response to a request under the Colorado Open Records Act.

During the rulemaking hearing proceedings, Secretary of State considered alternative language concerning tracking ballot batches. Because the final certification of the abstract of votes cast includes a recount, the Secretary determined that the adopted language of Rule 10.9 was more straightforward and has less potential for confusion.

B) Permanent rules adopted on July 2, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00469</u>	Permanent	7/2/2013	8/30/2013

The Secretary of State permanently adopted amendments to the concerning certification and education of designated election officials. The amendments improve and allow greater accessibility to the education and certification process.

C) Temporary rules adopted on May 13, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00465</u>	Emergency	5/13/2013	5/13/2013

¹³ Article VII of the Colorado Constitution, Title 1 of the Colorado Revised Statutes, and the Help America Vote Act of 2002 (“HAVA”), P.L. No. 107-252.

The Secretary of State temporarily repealed Rules 49.4 and 50 to ensure uniform and proper administration, implementation, and enforcement of Federal and Colorado election laws.¹⁴ The repeals are in response to the passage of House Bill 13-1303.

The Secretary of State's Office currently chairs, staffs, and facilitates the SCORE Advisory Board and the Elections Best Practices and Vision Commission. House Bill 13-1303, however, creates the Colorado Voter Access and Modernized Elections Commission (CVAMEC) for the purpose of evaluating implementation of House Bill 13-1303 and assessing the state's voting and registration systems. CVAMEC's charge encompasses the tasks currently addressed by the SCORE Advisory Board and the Elections Best Practices and Vision Commission. As such, these existing bodies are duplicative and no longer necessary.

These temporary rules are necessary because, given the aggressive implementation schedule mandated by House Bill 13-1303, the Secretary of State's office lacks the resources to chair, staff, and facilitate both the existing committees and CVAMEC. As such, these temporary rules repeal the SCORE Advisory Board and the Elections Best Practices and Vision Commission so that the Secretary of State's office generally, and the Elections Division specifically, may focus efforts on implementing the myriad changes contained in House Bill 13-1303.

D) Temporary rules adopted on July 22, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00783</u>	Emergency	7/22/2013	7/22/2013

The Secretary of State temporarily adopted New Rule 32.6 to ensure uniform and proper administration, implementation, and enforcement of Colorado election laws. The revisions improve elections administration in Colorado.

Section 3 of article XXI of the Colorado constitution states that a successor candidate to a recalled officer must file his or her nominating petition with the Secretary of State "not less than fifteen days before such recall election." Section 1-12-117 (1), C.R.S., however, states that a successor candidate must file the nominating petition no later than 10 days after the Governor sets a date for the recall election. The temporary rule harmonizes these provisions by stating that nominating petitions are due no later than 10 days after the governor sets the election, which is before the 15th day before the recall election. Under section 1-12-115, C.R.S., individuals may still run as a successor candidate by filing an affidavit of intent to run as a write-in candidate.

The statutory deadline for successor candidate petitions is necessary to ensure the county clerk and recorder conducting the election is able to meet other statutory deadlines for conducting the election, such as printing ballots and depositing ballots in the mail no later than 18 days before the election. The rule will also afford more time to the county clerks and recorders to deliver ballots to military and overseas voters.

The temporary rule is necessary given that the Governor has set the date for two recall elections: one for senate district 11 in El Paso County and one fore Senate District 3 in Pueblo County. The date for both recall elections is September 10, 2013. The governor set this date on July 18, 2013. Under the temporary

¹⁴ Article VII of the Colorado Constitution, Title 1 of the Colorado Revised Statutes, and the Help America Vote Act of 2002 ("HAVA"), P.L. No. 107-252.

rule, nominating petitions for successor candidates must be filed with the Secretary of State by close of business Monday, July 29, 2013.¹⁵

This new temporary rule provides clear filing guidance to potential candidates and to affected county clerks.

E) Temporary rules adopted on August 16, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00903</u>	Emergency	8/16/2013	8/16/2013

The Secretary of State temporarily adopted New Rule 32.7 to ensure uniform and proper administration, implementation, and enforcement of Colorado election laws. The revision is also intended to improve elections administration in Colorado.

Temporary adoption is necessary both to comply with law and to preserve the public welfare given that two recall elections: one for senate district 11 in El Paso County and one for senate district 3 in Pueblo County, are set for September 10, 2013. In accordance with the Denver District Court ruling in Case No. 2013 CV 433491 on August 12, 2013, the Secretary of State must adopt rules to provide election administration procedures to the affected county clerks and electors. The new temporary rule provides clear guidance to county clerks and electors.

F) Temporary rules adopted on August 23, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00920</u>	Emergency	8/23/2013	8/23/2013

The Secretary of State temporarily adopted New Rule 32.7.4(f) and repealed temporary Rules 32.7.4(d)(2) and (3) to ensure uniform and proper administration, implementation, and enforcement of Federal and Colorado election laws.¹⁶ The revisions provide clear and uniform guidance on conducting the September 10, 2013, recall elections in Senate Districts 3 and 11.

On August 16, 2013, the Secretary of State issued a notice of temporary adoption of Rule 37.2. It requires the September 10, 2013, recall election in Senate Districts 3 and 11 to be conducted as polling place rather than mail ballot elections. Among other things:

- Rule 32.7.4(d)(2) authorizes electors who cannot vote in person because they are absent from their county of residence to apply for emergency mail ballots under section 1-7.5-115, C.R.S., and Rule 42;
- Existing Rule 42 authorizes emergency mail ballot applicants to receive and return their ballots by electronic transfer;
- Rule 32.7.4(d)(3) states that the reason an elector requests an emergency mail ballot is not subject to challenge.

¹⁵ The 10th calendar day after July 18th is a Sunday, so the filing deadline is extended until the next business day.

¹⁶ Article VII of the Colorado Constitution, Title 1 of the Colorado Revised Statutes, and the Help America Vote Act of 2002 (“HAVA”), P.L. No. 107-252.

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Upon consideration of input by members of the public during and after the public hearing on August 16, 2013, the Secretary of State has determined that Rule 32.7.4 should be amended in the following respects:

- The emergency mail ballot procedures of existing law will be applied according to the provisions of section 1-7.5-115, C.R.S., and Rule 42;
- Rule 32.7.4(d)(2) is repealed. Electors who cannot vote in person because they are absent from their county of residence during the period of time in which Voter Service and Polling Centers are open cannot apply for an emergency mail ballot unless they otherwise satisfy the qualifications under existing law;
- New subsection 32.7.4(f) is added, authorizing electors who cannot vote in person because they are absent from their county of residence during the period of time in which Voter Service and Polling Centers are open to apply for an excuse absentee ballot, subject to the following requirements:
 - An application for an excuse absentee ballot must be on a form approved by the Secretary of State, and may be submitted to the county clerk in person, by U.S. mail, or by email or fax;
 - Absentee ballots must be returned by U.S. mail;
 - To be counted, the ballot must be postmarked on or before 7:00pm on Election Day, and received by county clerk and recorder by close of business on the eighth day after Election Day.
- Rule 32.7.4(d)(3) is repealed. Challenges to all ballots cast by mail, including emergency mail ballots and excuse absentee ballots, must be asserted and resolved as provided by existing law under part 2 of article 9 of Title 1.

G) Temporary rules adopted on August 29, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00933</u>	Emergency	8/29/2013	8/29/2013

The Secretary of State repealed temporary Rules 32.7.3(d), 32.7.4(a), and 32.7.4(d) through (f) to ensure uniform and proper administration, implementation, and enforcement of Colorado election laws. The revision is also intended to improve elections administration in Colorado.

Temporary adoption is necessary both to comply with law and to preserve the public welfare given that two recall elections: one for senate district 11 in El Paso County and one for senate district 3 in Pueblo County, are set for September 10, 2013. The amendments to Rule 32.7 are necessary to comply with the Denver District Court ruling in Case No. 2013 CV 433491 on August 29, 2013. As a result of these amendments, election officials in the affected counties must resolve the subject matters of the repealed rules by reference to existing provisions of Title 1, C.R.S., as amended, and the Election Rules, to the extent applicable.

H) Temporary rules adopted on October 4, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-01073</u>	Emergency	10/4/2013	10/4/2013

The Secretary of State temporarily adopted New Rule 12.15 to ensure uniform and proper administration, implementation, and enforcement of Colorado election laws. The revision is also intended to improve elections administration in Colorado.

The temporary rule is necessary given the close proximity of the 2013 Coordinated Election that will be conducted by mail ballot¹⁷ and the risk that electors may be disenfranchised as a result of the historic flooding in September, 2013. Numerous eligible electors were, and continue to be, displaced from their homes or isolated in areas with no reliable or timely mail delivery. The Secretary of State must adopt rules to provide clear guidance to affected electors and county clerks regarding the procedures for ballot delivery and return.

I) Temporary rules adopted on October 9, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-01079</u>	Emergency	10/9/2013	10/9/2013

The Secretary of State temporarily adopted amendments and the recodification of the Election Rules to ensure uniform and proper administration, implementation, and enforcement of Federal and Colorado election laws¹⁸ and to implement amendments to the election laws made during the 2013 first regular session of the 69th General Assembly. The revisions are also intended to improve elections administration in Colorado and to increase the transparency and security of the election process.

This past legislative session, the General Assembly enacted House Bill 13-1303, which substantially changed how we administer elections in Colorado. Though Secretary of State staff pointed out several technical problems with the bill during the legislative process, our attempts to amend the bill were unsuccessful. In response to the recent and substantial legislation affecting elections, Secretary of State's office is recodifying the Election Rules. The rulemaking is intended to fill in several gaps and harmonize several conflicting provisions that now exist in the Election Code as a result of HB 13-1303. In addition, the Secretary of State adopted amendments to implement House Bills 13-1038 and 13-1135.

Temporary adoption is necessary both to comply with law and to preserve the public welfare given the close proximity of the 2013 Coordinated Election. A public rulemaking hearing was conducted in accordance with the State Administrative Procedure Act¹⁹ on October 1, 2013, to receive comment and testimony on the proposed rules and recodification. Adoption of the rules on a temporary basis is necessary to provide clear guidance to interested parties, including: county clerks, political parties, election judges, watchers, and electors.

¹⁷ Article 7.5 of Title 1, C.R.S., as amended by HB 13-1303.

¹⁸ Article VII of the Colorado Constitution, Title 1 of the Colorado Revised Statutes, and the Help America Vote Act of 2002 ("HAVA"), P.L. No. 107-252.

¹⁹ Section 24-4-103(3)(a), C.R.S. (2013).

8 CCR 1505-2: Bingo and Raffles Games

A) Permanent rules adopted on February 6, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2012-01062</u>	Permanent	2/6/2013	3/30/2013

The Secretary permanently adopted amendments to aid in the uniform and proper administration, implementation, and enforcement of Colorado bingo and raffles laws.²⁰ The Secretary considered rule revisions proposed by members of the Colorado Bingo-Raffle Advisory Board and bingo-affle stakeholders. The Secretary of State proposed additional amendments and revisions to the rules. The amendments improve the administration of bingo and raffles games in Colorado and to answer questions arising under State bingo-affle laws.

B) Permanent rules adopted on October 17, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00935</u>	Permanent	10/17/2013	1/1/2014

The Secretary permanently adopted amendments to implement House Bill 13-1101, which authorizes the adoption of rules to regulate the conduct of progressive raffles in Colorado. Additionally, the Secretary finds that the amendments aid in the uniform and proper administration, implementation, and enforcement of Colorado bingo and raffles laws.²¹ They are also necessary to improve the administration of bingo and raffles games in Colorado and to answer questions arising under State bingo-affle laws.

8 CCR 1505-7: UCC Filing Office Rules

Permanent rules adopted on June 17, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00439</u>	Permanent	6/17/2013	7/30/2013

The Secretary permanently adopted amendments to ensure uniform and proper administration, implementation, and enforcement of Colorado's Uniform Commercial Code²² and the secured transactions program. The rule revisions implement amendments to the Colorado Uniform Commercial Code made during the 2012 second regular session of the 68th General Assembly. Additional amendments clarify the rules, remove redundant or incorrect citations, and to reformat/renumber the rules as necessary for consistency with Department rulemaking standards. The rules also answer questions arising under Colorado's Uniform Commercial Code and the secured transaction program.

²⁰ Article XVIII, Section 2 of the Colorado Constitution and Article 9, Title 12 of the Colorado Revised Statutes.

²¹ Article XVIII, Section 2 of the Colorado Constitution and Article 9, Title 12 of the Colorado Revised Statutes.

²² Article 9 of Title 4, C.R.S. (2012).

8 CCR 1505-8: Rules Concerning Lobbyist Regulation

Permanent rules adopted on October 11, 2013:

CCR Tracking Number	Type	Adopted	Effective
<u>2013-00936</u>	Permanent	10/11/2013	The rules will become permanently effective twenty days after publication in the Colorado Register. ²³

The Secretary permanently adopted amendments and recodification of the rules concerning lobbyist regulation to ensure uniform and proper administration, implementation, and enforcement of Colorado lobbyist regulation law²⁴. Specifically, the recodification is intended to: (a) improve organization and readability; (b) clarify existing laws and regulations; and (c) address questions arising under State lobbyist laws.

8 CCR 1505-9: Rules for the Administration of the Colorado Charitable Solicitations Act

Permanent rules adopted on November 13, 2012:

CCR Tracking Number	Type	Adopted	Effective
<u>2012-00821</u>	Permanent	11/13/2012	12/30/2012

The Secretary permanently adopted amendments to ensure uniform and proper administration, implementation, and enforcement of Colorado Charitable Solicitations laws.²⁵ The rules implement amendments to the Charitable Solicitations laws made during the 2012 second regular session of the 68th General Assembly, which allows an automatic three-month extension for all charitable organizations that file for an extension with the IRS. Additional amendments clarify definitions, provide timelines for filing registration and reporting documents, and allow the Secretary of State more flexibility to assist and manage delinquent organizations. The revisions are also intended to improve the administration of charities and fundraisers in Colorado and to answer questions arising under State Colorado Charitable Solicitations laws.

²³ Section 24-4-103(5), C.R.S. (2013).

²⁴ Part 3 of Article 6 of Title 24, C.R.S. (2013).

²⁵ Article 16, Title 6 of the Colorado Revised Statutes.

2014 Departmental Regulatory Agenda

PUBLICATION AND AVAILABILITY TO THE PUBLIC

On November 1, 2013, the Secretary of State will post this document on the Department's website at: <http://www.sos.state.co.us/pubs/CCR/annualAgendas/Agenda2014/State.pdf>.

Additionally, the Secretary of State filed this agenda for publication in the November 10, 2013 Colorado Register.

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



FY 2014-15 STAFF BUDGET BRIEFING

DEPARTMENT OF STATE

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:
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December 3, 2013**

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DEPARTMENT OF STATE

Department Overview

The Department of State broadly oversees two areas: elections and business registration. Additionally, the Department publishes the Code of Colorado Regulations (CCR), licenses entities and enforces laws related to charitable gaming, regulates notaries public, and registers lobbyists. The Department consists of four divisions as follow:

Administration

- Provides personnel, finance, and general administrative support for all divisions.

Information Technology Services

- Provides technical and project management services, systems development, and support to Department programs.

Elections Division

- Administers statewide statutory and constitutional provisions that relate to elections, including the preparation and conduct of elections and the initiative and referendum process.
- Certifies voting equipment.
- Implements the provisions of the federal Help America Vote Act (HAVA), including the improvement of the administration of federal elections.
- Manages the State of Colorado Registration and Elections (SCORE) system, the State's computerized statewide voter registration system.
- Oversees campaign finance reporting by political candidates and committees.

Business and Licensing Division

- Collects, maintains, and provides public access to business filings such as annual reports, articles of incorporation, liens, and other documents filed by businesses.
- Registers business names, trade names, and trademarks.
- Registers charitable organizations.
- Publishes the Code of Colorado Regulations (CCR).
- Licenses entities that engage in charitable gaming and enforces related laws.
- Regulates notaries public and administers related laws.
- Registers lobbyists and monitors the filing of required disclosure reports.

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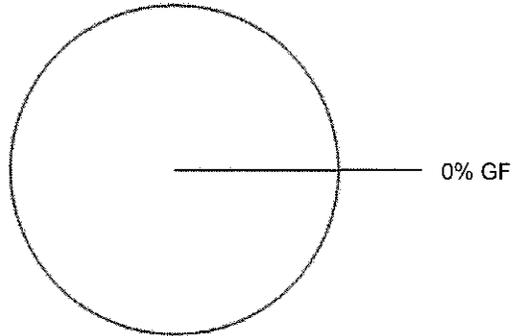
Department Budget: Recent Appropriations

Funding Source	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15 *
General Fund	0	0	0	0
Cash Funds	20,514,081	20,458,878	22,908,217	21,993,272
Federal Funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Funds	\$20,514,081	\$20,458,878	\$22,908,217	\$21,993,272
Full Time Equiv. Staff	127.9	133.0	139.0	137.2

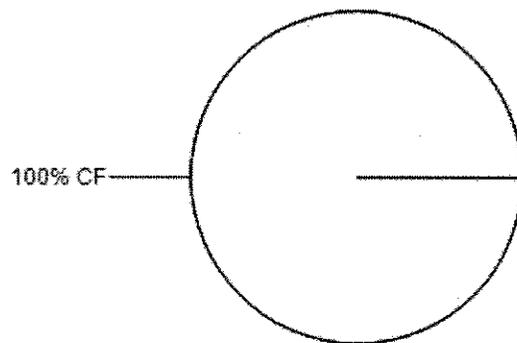
*Requested appropriation.

Department Budget: Graphic Overview

**Department's Share of Statewide
General Fund**



Department Funding Sources



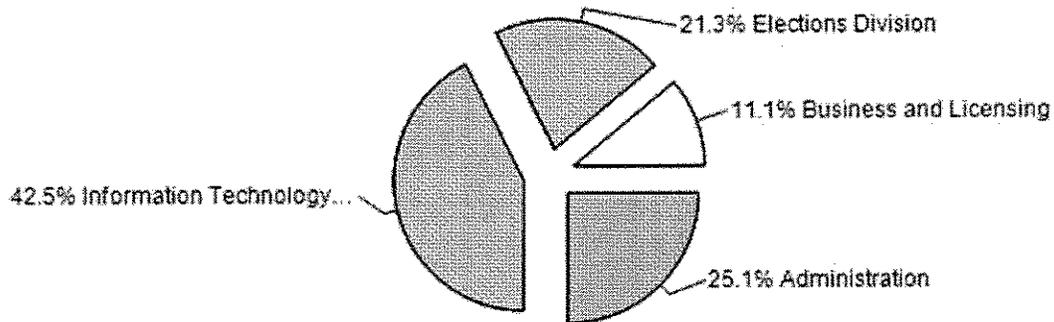
All charts are based on the FY 2013-14 appropriation

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Distribution of General Fund by Division

The Department of State does not receive General Fund appropriations

Distribution of Total Funds by Division



All charts are based on the FY 2013-14 appropriation

General Factors Driving the Budget

The major factors driving the budget for the Department of State are:

1. Elections-related expenses, which are driven by:
 - The growth in the state’s population of eligible voters;
 - Changes in election laws; and
 - Changes in elections-related practices by citizens of the State.

2. The volume of business filings driven by the number of organizations (businesses, non-profits, charitable, and other groups) registered in the State due to population and economic growth.

3. Information technology services projects to support elections and business filings.

The Administration division supports these functions. The FY 2013-14 Long Bill restructured the Department's budget, splitting the Administration Division appropriations into Administration, Elections, and Business and Licensing Divisions for increased budget transparency. The Department’s FY 2012-13 through FY 2014-15 FTE by division are shown in the table below.

Department of State - Distribution of FTE					
FY 2012-13 through FY 2014-15					
	<u>Administration</u>	<u>Information Technology Services</u>	<u>Elections Division</u>	<u>Business and Licensing Division</u>	<u>Total</u>
FY 2012-13 Actual	79.6	32.1	0.0	0.0	111.7
FY 2013-14 Appropriation	20.0	36.0	35.0	48.0	139.0
FY 2014-15 Request	19.0	36.0	34.2	48.0	137.2

The Department is entirely cash-funded. Although since 2003, additional cash funding from the Federal Elections Assistance Fund consisted of federal funds that the State received to help administer the Help America Vote Act. Those continuously appropriated funds have been expended and no additional federal funding is expected.

The primary cash fund is the Department of State (DOS) Cash Fund, which earns revenue almost exclusively from fees charged from the Business and Licensing Division's registration, filing, and licensing fees. Business entity filing fees contribute more than 96.0 percent of the Department's revenue. The remainder of the DOS Cash Fund revenues are from bingo-affle, campaign finance, lobbyist, and notary administration filings.

Elections-related Expenditures

Prior to the FY 2013-14 Long Bill, the Department’s elections-related expenditures were not expressly identified in the Long Bill. Program expenses such as personal services, operating expenses, and legal services were contained in line items in the Administration Division of the Department. Only three line items in the Long Bill, Help America Vote Act (HAVA), Initiative

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and Referendum, and Local Election Reimbursement, were expressly identified in the Special Purpose Division.

Elections-related expenditures are best considered in three distinct categories as they drive the budget in distinct and identifiable ways:

- Internal Expenditures
- External Expenditures
- HAVA

The following table outlines internal expenditures from FY 2004-05 through FY 2012-13.

Department of State Elections Program Internal Expenditures									
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Personal Services	\$760,275	\$804,717	\$921,945	\$1,069,434	\$1,359,082	\$1,409,092	\$1,828,723	\$1,725,146	\$2,277,610
Operating Expenses	94,314	100,275	140,546	171,564	266,903	164,008	160,379	235,173	378,427
Legal Services	0	0	3,839	273,769	228,103	354,388	350,570	472,876	281,845
Leased Space	104,215	136,078	61,168	91,233	142,321	108,286	132,554	113,005	169,608
Total Internal Expenditures	\$958,804	\$1,041,070	\$1,127,498	\$1,606,000	\$1,996,409	\$2,035,774	\$2,472,225	\$2,546,201	\$3,107,490
Percentage Change		8.6%	8.3%	42.4%	24.3%	2.0%	21.4%	3.0%	22.0%

Operating Expenses includes Discretionary Fund expenditures of \$828 in FY 08-09 and \$1,052 in FY 09-10.

Substantial annual variations in internal expenditures are predominantly the result of changes in legal services expenditures. Legal services expenditures were first fully recognized by program in FY 2007-08, and have averaged \$326,925 over six years. The FY 2011-12 and FY 2012-13 increases in operating expenses were related to participation in the Electronic Registration Information System (ERIC) project, and included appropriations of \$245,000 and \$170,000, respectively, and a supplemental that rolled forward the 2011-12 appropriation into FY 2012-13.

The following table outlines external expenditures from FY 2004-05 through FY 2012-13.

Department of State Elections Program External Expenditures									
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Initiative and Referendum	\$33,063	\$83,417	\$138,332	\$50,000	\$301,007	\$149,420	\$40,493	\$184,253	\$208,143
Local Election Reimbursement	867,393	847,146	1,681,178	914	2,042,250	0	1,666,033	1,541,360	2,226,707
Total External Expenditures	\$900,456	\$930,563	\$1,819,510	\$50,914	\$2,343,257	\$149,420	\$1,706,526	\$1,725,613	\$2,434,849
Percentage Change		3.3%	95.5%	(97.2%)	4,502.4%	(93.6%)	1042.1%	1.1%	41.1%

The Initiative and Referendum line item funds the verification of signatures on candidate and initiative petitions. During odd years, initiatives are limited to TABOR-related matters, but during even years there are no restrictions on the type of initiatives on the ballot.

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The Local Election Reimbursement program reimburses counties for their costs related to statewide ballot issues and questions. These expenditures are driven by the number of eligible registered voters in each county, and this number typically increases during even years due to the voter registration drives that precede general elections. Increases in Local Election Reimbursements are driven by statutory changes that increase reimbursement rates or increase the number of eligible registered voters.

The federal Help America Vote Act of 2002 (HAVA) required the state to replace outdated voting technology, to ensure accessibility for disabled voters, and to institute a statewide voter registration system. The following table outlines HAVA expenditures from FY 2004-05 through FY 2012-13.

Department of State Elections Program Federal HAVA Expenditures									
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Personal Services	\$3,017,731	\$1,339,095	\$2,568,175	\$4,675,330	\$5,438,777	\$905,690	\$367,559	\$723,860	\$50,155
Contractors	0	0	0	0	0	1,723,503	1,428,817	424,166	56,593
Operating Expenses	338,439	156,538	715,722	1,427,311	242,325	341,520	459,185	351,183	874,637
Grants	2,427,846	1,526,875	12,243,989	1,566,498	247,788	119,283	135,073	96,081	172,333
Capitalized Property Purchases	53,142	0	2,927,481	1,687,334	644,949	0	367,843	0	0
Transfers	0	736	162,304	49,042	63,716	5,000	5,000	5,000	5,000
Total HAVA Expenditures	\$5,837,159	\$3,023,244	\$18,617,671	\$9,405,515	\$6,637,555	\$3,094,996	\$2,763,477	\$1,600,290	\$1,158,718
Percentage Change		-48.2%	515.8%	-49.5%	-29.4%	-53.4%	-10.7%	-42.1%	-27.6%

The Federal Elections Assistance Fund was created in Section 1-1.5-106 (1) (a), C.R.S., to receive HAVA funds. Pursuant to Section 1-1.5-106 (2) (b), C.R.S., HAVA funds are continuously appropriated to the Department of State. To date, the Department of State has received \$44.8 million in federal funds and \$1.98 million has been appropriated from the Department of State Cash Fund as the State's matching contribution. The State does not anticipate additional federal funding and HAVA funds are expected to be exhausted in the next several years.

Business and Licensing Expenditures

Prior to the FY 2013-14 Long Bill, the Department's business and licensing-related expenditures were not expressly identified in the Long Bill. Program expenses were contained in line items in the Administration Division of the Department.

The Business and Licensing Division's primary responsibility is to receive reports that businesses and other entities are required to file with the State and provide public access to those records. Today, most records are filed and accessed electronically. The reports that are required to be filed include business entity filings, voter registration, campaign finance disclosure, administrative rules, lobbyist reports, and charitable organization reports. Business and Licensing is also responsible for the licensing and regulation of bingo/raffle organizations,

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registering lobbyists, fund raisers, and charitable organizations, and the commissioning of notaries public.

Information Technology Services

The Information Technology Services Division provides most of the technology support for the Department. The Department provides many search and filing services via the internet and it processes over 2,500 web-based transactions daily.

The division also provides project direction and support for the federally mandated computerized statewide voter registration system, known as the State of Colorado Registration and Elections (SCORE) system. SCORE is required by the Help America Vote Act, and its creation has been primarily funded by the Federal Elections Assistance Fund. The federal funding, which was considered "seed" money, has largely been exhausted and the funding for SCORE, and other HAVA requirements is being transferred to the Department of State Cash Fund. The remainder of this division is funded by the Department of State Cash Fund.

Until July 1, 2010, the Information Technology Services Division was also responsible for operation of the State's Disaster Recovery Center (E-Fort). Pursuant to S.B. 10-148, responsibility for E-Fort has been transferred to the Governor's Office of Information Technology (OIT). Over a three-year period, starting with FY 2011-12, funding has been transferred, in increments of approximately one-third per year, to the Computer Services Revolving Fund. Effective with the FY 2013-14 budget, the Department of State no longer has any funding responsibility for this function.

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Summary: FY 2013-14 Appropriation & FY 2014-15 Request

Department of State				
	Total Funds	General Fund	Cash Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$21,372,884	\$0	\$21,372,884	135.0
Other Legislation	1,535,333	0	1,535,333	4.0
TOTAL	\$22,908,217	\$0	\$22,908,217	139.0
FY 2014-15 Requested Appropriation				
FY 2013-14 Appropriation	\$22,908,217	0	\$22,908,217	139.0
Centrally appropriated line items	364,733	0	364,733	0.0
Indirect cost assessment	21,971	0	21,971	0.0
Annualize prior year funding	(1,232,961)	0	(1,232,961)	(1.8)
Statewide IT common policy adjustments	(68,688)	0	(68,688)	0.0
TOTAL	\$21,993,272	\$0	\$21,993,272	137.2
Increase/(Decrease)	(\$914,945)	\$0	(\$914,945)	(1.8)
Percentage Change	(4.0%)	0.0%	(4.0%)	(1.3%)

Description of Requested Changes

Centrally appropriated line items: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; administrative law judges; payment to risk management and property funds; vehicle lease payments; and leased space.

Indirect Cost Assessment Adjustments: The request includes a \$21,971 increase in cash funds that reflects adjustments to indirect cost assessment lines as a result of the Statewide Indirect Cost Plan.

Annualize prior year funding: The request includes adjustments related to prior year legislation and budget actions.

Statewide IT common policy adjustments: The request includes adjustments to line items appropriated for: purchase of services from the computer center; Colorado state network; management and administration of the Governor's Office of Information Technology (OIT); and information technology security.

Issue: Fund Balance Concerns and Funding for Elections-related External Expenditures I: General Funding Local Election Reimbursement

Statute permits the use of General Fund for reimbursements to county clerks for statewide ballot issues, although General Fund has never been appropriated for this purpose. Increasing elections-related expenses and a diminished Department of State Cash Fund balance suggest it may be time to fund local election reimbursements with General Fund.

SUMMARY:

- Historically, the elections function in Colorado has been funded through business and organizational entity registration, filing, and penalty fees in the Department of State.
- Historically, the expenditure pattern for elections expenses has been relatively stable. In recent years, however, elections program expenses have increased due to statutory changes in elections processes as well as from changes in elections-related practices by citizens of the State.
- Section 24-21-104.5, C.R.S., permits the use of General Fund for reimbursements to county clerks for statewide ballot issues, only after exhausting all moneys in the Department of State Cash Fund.
- While historically the Department of State Cash Fund has carried excess reserve balances, the Department of State Cash Fund balance may be in deficit by the end of FY 2014-15.

RECOMMENDATION:

Staff recommends that the Committee pursue legislation to repeal the provision that requires the exhausting of the Department of State Cash Fund before General Fund may be appropriated for reimbursements to county clerks for statewide ballot issues.

Staff recommends that the Committee, *at the time of figure setting for the Department of State*, fund the Elections Division, Local Election Reimbursement line item from General Fund.

DISCUSSION:

Funding Elections With Business Registration Fees

While business and organizational entity registration, filing, and penalty fees fund the Department, the Department is also responsible for elections-related functions but receives no

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fee revenue related to administering its elections responsibilities. And so historically, the elections function in Colorado has been funded through business registration fees.

Generally, functions that are General Funded consist of:

- functions that are provided statewide;
- functions provided as fundamental services to the citizens of the State; and
- functions provided for in the constitution for the general welfare of citizens and governing processes of the State.

Generally, state services that are cash funded are functions that are considered additional services provided for a fee to a particular subset of consumers of those state services.

In some states, business registration fees are set in statute and credited to the General Fund. In Colorado, business registration fees are administratively set by the Department and credited to the Department of State Cash Fund. Arguably, the elections function provided by the Department has historically functioned within the spirit of or understanding in context of business registration fees as General Fund; although clearly that spirit, understanding, or context is not specified in law. Additionally, if one considers business registration fees as some additional category that is characteristically like General Fund, then similarly the increase of those fees might need to be considered within the context of requiring a Tabor-required, revenue-raising ballot issue.

Historically, the expenditure pattern for elections expenses has been relatively stable. In recent years, however, elections program expenses have increased due to statutory changes in elections processes as well as from changes in elections-related practices by citizens of the State.

While the argument for General Funding might be extended to cover all elections-related expenses, given the institutional history of funding elections through this cash-funded budget mechanism, this issue will be limited to proposing General Fund for the one elections-related external expense that statute expressly identifies as authorized for General Funding.

History of Legislative Intent for the Use of General Fund

The Department of State is funded from the Department of State Cash Fund created in Section 24-21-104 (3) (b), C.R.S. Revenues are generated from fees, pursuant to Section 24-21-104, C.R.S., that predominantly consist of business and organizational entity registration, filing, and penalty fees. Additionally, Section 24-21-104 (3) (b), C.R.S., states (emphasis added):

The department of state shall adjust its fees so that the revenue generated from the fees approximates its direct and indirect costs, including the cost of maintenance and improvements necessary for the distribution of electronic records; except that the department may reduce its fees to generate revenue in an amount less than costs if necessary pursuant to section 24-75-402 (3). Such costs shall not include the costs paid by the amounts appropriated by the general assembly from the general fund to the department of state for elections pursuant to section 24-21-104.5.

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Section 24-21-104.5, C.R.S., addresses the option of appropriating General Fund for reimbursements to county clerks for the conduct of elections related to statewide ballot issues due to TABOR and the increased use of the initiative process. This provision has been amended four times since it was added in 1996 in S.B. 96-181 (Concerning General Fund Appropriations to the Department of State for Elections) originally appearing as follows (emphasis added):

24-21-104.5. General fund appropriation - elections. The general assembly is authorized to appropriate general funds to the department of state to cover the costs of the duties performed by local county clerk and recorders relating to the conduct of elections. Any such appropriation shall not be used in calculating the fees provided for in section 24-21-104 (3) (b). The intent of the general assembly is to authorize the appropriation of general fund moneys to the department of state to offset some of the costs of local county clerk and recorders associated with the additional election duties and requirements resulting from the passage of section 20 of article X of the state constitution, from the preparation and conduct of the presidential primary election pursuant to section 1-4-1202, C.R.S., and from the increased number of initiatives that are being filed.

Current statute provides the following (emphasis added):

24-21-104.5. General fund appropriation - cash fund appropriation - elections. The general assembly is authorized to appropriate moneys from the department of state cash fund to the department of state to cover the costs of the local county clerk and recorders relating to the conduct of general elections and November odd-year elections. If the amount of moneys in the department of state cash fund is insufficient to cover such costs, the general assembly may appropriate additional general fund moneys to cover such costs after exhausting all moneys in the department of state cash fund. The intent of the general assembly is to authorize the appropriation of department of state cash fund moneys and general fund moneys to the department of state to offset some of the costs of local county clerk and recorders associated with the additional election duties and requirements resulting from the passage of section 20 of article X of the state constitution and from the increased number of initiatives that are being filed.

The original intent was to authorize General Fund appropriations for the purpose of reimbursements to county clerks for statewide ballot issues. In practice, General Fund appropriations were never made for this purpose. Senate Bill 99-001 (Western Presidential Primary Election) amended the legislative intent statement to authorize Department of State Cash Fund appropriations as well as General Fund for this purpose and added the language providing for General Fund only after exhausting moneys in the Department of State Cash Fund.

The 1999 amendment of legislative intent appears to have been made for the purpose of aligning the legislative intent language with actual practice. However, given that this is an intent statement, and funding from the Department of State Cash Fund was already occurring, it was legally unnecessary. The amendment did, however, reverse the intent of the original provision to

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restrict the use of General Fund. The original intent statement added in 1996, could similarly be argued was simply an intent statement. However, while also legally unnecessary, the provision granted express authority for General Fund appropriations which was different from how reimbursements had been funded to that point.

Local Election Reimbursement Line Item

The following table outlines the recent expenditures, appropriations and request amount for the local election reimbursement line item as well as the statutory, per-voter reimbursement amount.

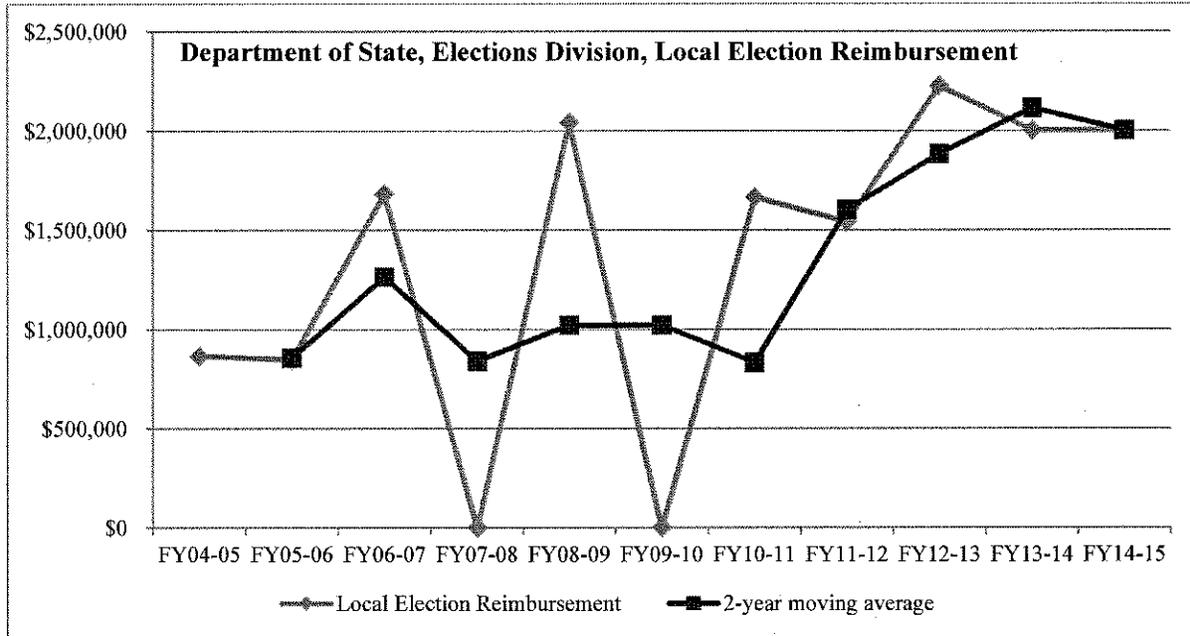
Department of State, Elections Division, Local Election Reimbursement						
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	
	Actual	Actual	Actual	Actual	Actual	
Local Election Reimbursement	\$867,393	\$847,146	\$1,681,178	\$914	\$2,042,250	
Reimbursement Amount	\$0.35/\$0.40	\$0.35/\$0.40	\$0.70/\$0.80	\$0.70/\$0.80	\$0.70/\$0.80	
	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15
	Actual	Actual	Actual	Actual	Approp.	Request
Local Election Reimbursement	\$0	\$1,666,033	\$1,541,360	\$2,226,707	\$2,004,036	\$2,004,036
Reimbursement Amount	\$0.70/\$0.80	\$0.70/\$0.80	\$0.70/\$0.80	\$0.80/\$0.90	\$0.80/\$0.90	\$0.80/\$0.90

Reimbursement amount is per registered voter. Lower reimbursement amount to counties with more than 10,000 voters; higher reimbursement amount to counties with 10,000 or fewer voters.

The current per-voter reimbursement provision, Section 1-5-505.5, C.R.S., was added in H.B. 00-1100, and established a reimbursement rate of \$0.35 and \$0.45 per registered voter for counties with more than 10,000 registered voters and for counties with 10,000 or fewer registered voters, respectively. Senate Bill 06-170 increased the reimbursement rate to \$0.70 and \$0.80, and H.B. 12-1143 increased the reimbursement rate to \$0.80 and \$0.90. Additionally, although H.B. 13-1303 did not increase the reimbursement rate, it increased the number of eligible voters by eliminating the *inactive – failed to vote* (I-FTV) status and shifted those voters to *active* status. As of October 1, there are 3,049,655 active voters and 507,347 inactive records in SCORE for voters with undeliverable addresses. At the lower reimbursement rate of \$0.80 per voter, the current total of active voters generates a reimbursement expense of \$2.4 million.

The following graph illustrates the Local Election Reimbursement expenditures, appropriation, and request amounts from FY 2004-05 through the FY 2014-15 request, as well as illustrates the two-year moving average for those amounts to adjust the trend line for an approximated two-year election cycle. Additionally, the FY 2013-14 and FY 2014-15 data points show the appropriation and budget request amounts for those fiscal years respectively and not the anticipated higher estimate of at least \$2.4 million based on staff's projections.

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Department of State Cash Fund Balance

The following table outlines the fund balance history for the Department of State Cash Fund from FY 2007-08 through FY 2012-13 and projected fund balance activity for FY 2013-14 and FY 2014-15.

Department of State Cash Fund - Fund Balance History and Projected								
	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13	FY13-14	FY14-15
	Actual	Actual	Actual	Actual	Actual	Actual	Approp.	Request
Beginning Balance	\$3,273,840	\$4,640,120	\$2,379,945	\$4,852,298	\$6,230,101	\$7,009,733	\$1,895,211	\$592,102
Revenue	14,903,899	17,009,919	17,189,223	18,111,700	17,298,268	14,838,261	18,440,159	18,983,962
Expenses	(13,673,025)	(17,098,095)	(14,716,869)	(16,733,898)	(16,518,636)	(19,952,783)	(20,231,718)	(19,564,051)
Transfers	0	(2,175,000)	0	0	0	0	488,451	0
Other Variance*	135,406	3,001	(1)	1	0	(1)	(1)	0
Net Cash Flow	1,366,280	(2,260,175)	2,472,353	1,377,803	779,632	(5,114,523)	(1,303,109)	(580,089)
End Balance	\$4,640,120	\$2,379,945	\$4,852,298	\$6,230,101	\$7,009,733	\$1,895,210	\$592,102	\$12,013
Allowable Excess Reserve (16.5%)	2,256,049	2,821,186	2,428,283	2,761,093	2,725,575	3,292,209	3,338,233	3,228,068
Over/(Under) Allowable Reserve	\$2,384,071	(\$441,241)	\$2,424,015	\$3,469,008	\$4,284,158	(\$1,396,999)	(\$2,746,131)	(\$3,216,055)

*Other variance are rounding errors and amounts unexplained or unaccounted for in historical budget request schedule 9's.

While the cash fund has not been entirely exhausted through FY 2012-13, its recent history of excess reserve balances have not only been eliminated, it appears that the fund balance is projected to be \$592,000 at the end of the current fiscal year (that included a transfer of \$488,000

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from the repealed Notary Administration Cash Fund pursuant to H.B. 12-1274), and is projected to be \$12,000 at the end of FY 2014-15.

Additionally, the Department's appropriation in FY 2013-14 totals \$22,908,217, not including the interim supplemental approved in September for an additional \$448,644 cash funds. This will bring the FY 2013-14 total appropriation to \$23.4 million, or \$3.1 million more than shown in the Department's schedule 9 estimated expenses line. Similarly, the FY 2014-15 budget request amount totals \$21,993,272, or \$2.4 million more than shown in the Department's schedule 9 projected expenses line.

Penalty Fee Increase

As a result of the depleted fund balance, the Department did increase penalty fees on November 1, 2014, that is projected to increase revenue by \$175,000 in FY 2014-15. The Department reports that the Secretary of State does not plan to increase any other fees.

Conclusion

Statute does not expressly provide for General Funding any other elections-related or other function in the Department of State. While not having met the letter of the law regarding the exhaustion of the Department of State Cash Fund through FY 2012-13, it appears that the fund balance may be exhausted in FY 2014-15. The possibility of an additional \$3.1 million in FY 2013-14 and an additional \$2.4 million in FY 2014-15, suggests that the Department may be in deficit by as much as \$5.5 million by the end of FY 2014-15.

The Department of State Cash Fund balance reached a point of depletion that led to the increase of penalty fees. Based on the potential projected fund balance deficit, based on the history of the legislative intent for providing General Fund for reimbursements to county clerks, and given the reasonable basis for funding a statewide function through General Fund rather than through fees on unrelated services, staff recommends that the Committee consider sponsoring legislation to repeal the requirement that requires the exhaustion of the cash fund prior to allowing the use of General Fund for reimbursement to county clerks for statewide ballot issues, and at the time of figure setting, fund this line item with General Fund.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S PERFORMANCE PLAN:

This issue does not address the Department's performance plan. This issue addresses the Department's funding and recommends funding an external, elections expenditure through General Fund as historically provided in statute.

Issue: Fund Balance Concerns and Funding for Elections-related External Expenditures II: Narrowing the Window for the Line-by-line Verification of Signatures

The Initiative and Referendum line item provides funding for the costs of verifying signatures on initiative and other ballot petitions. Statute specifies a sampling process for verifying signatures for initiatives that requires a line-by-line verification if the sampling process establishes a projected percentage between 90 and 110 percent of the number required. A narrower window can still ensure accuracy and integrity while reducing expenditures for this line item.

SUMMARY:

- The Department states that the sampling process for an initiative petition costs about \$30,000, while a line-by-line signature verification costs an additional \$75-85,000, for a total of over \$100,000 for an initiative petition requiring the secondary, line-by-line verification.
- Four of the last five initiative petitions submitted to the Department have required the line-by-line verification.
- Recent data and Department experience suggest that the sampling method varies at most by 4 percent from the line-by-line determined percentage of signatures.

RECOMMENDATION:

Staff recommends that the Committee pursue legislation to amend the line-by-line signature verification process within the ballot petition signature verification process and replace the 90 to 110 percent thresholds with a 95 to 105 percent threshold.

Additionally, based on the projected cash flow and fund balance issues presented in the previous issue, staff recommends that the Committee, *at the time of figure setting for the Department of State*, consider funding the Elections Division, Initiative and Referendum line item, as the other elections-related external expenditure, with General Fund.

DISCUSSION:

Initiative and Referendum Line Item

The initiative and referendum line item provides funding for the costs of verifying signatures on ballot and initiative petitions. When verifying signatures on petitions, Section 1-40-116, C.R.S. requires the Secretary of State to use a random sampling method of verification, which includes an examination of no less than five percent and at least 4,000 of the signatures.

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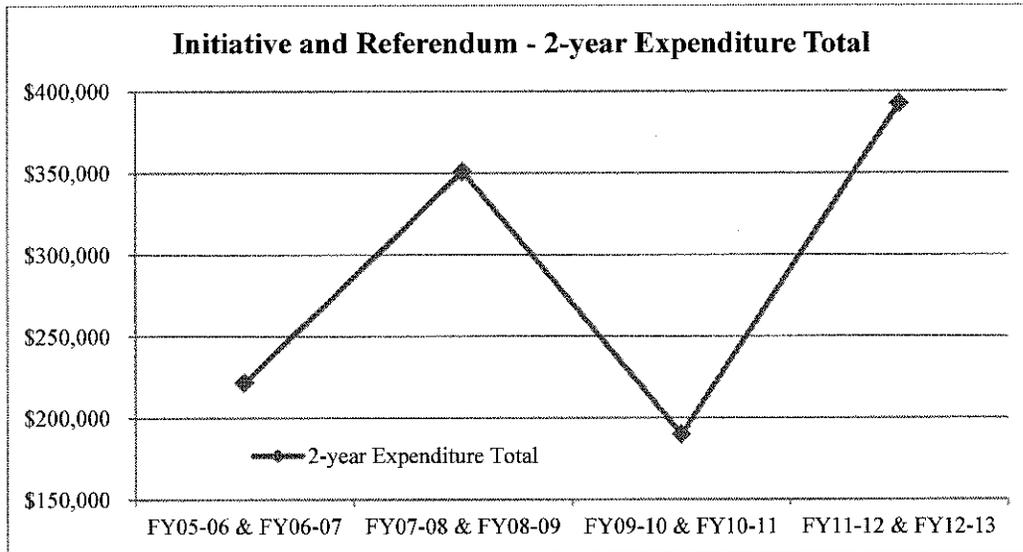
If the random sampling of signatures establishes that the number of valid signatures is 90 percent or less of the required number of registered eligible electors, the petition is deemed to be not sufficient. If the sample process establishes that the number of valid signatures is 110 percent or more of the required number, the petition is deemed sufficient. If the sample process determines that the number of valid signatures is between 90 and 110 percent, the Secretary of State is required to verify each signature through a line-by-line verification process.

Odd-year, statewide elections are allowed exclusively for TABOR-related ballot measures pursuant to Article 41 of Title 1, C.R.S. Therefore, the appropriation for the initiative and referendum line item is normally set at \$150,000 for fiscal years ending in even numbers and \$250,000 for fiscal years ending in odd numbers, due to the nature of the two-year cycle of elections for non-TABOR initiative petitions and their requisite verifications. The following table outlines the expenditures, appropriation, and request amounts for this line item since FY 2004-05.

Department of State, Elections Division, Initiative and Referendum						
	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	
	Actual	Actual	Actual	Actual	Actual	
Long Bill Appropriation/Request	\$500,000	\$50,000	\$200,000	\$50,000	\$200,000	
Final Appropriation	500,000	50,000	200,000	50,000	345,000	
Actual Expenditure	\$33,063	\$83,417	\$138,332	\$50,000	\$301,007	
	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY13-14	FY14-15
	Actual	Actual	Actual	Actual	Approp.	Request
Long Bill Appropriation/Request	\$50,000	\$250,000	\$150,000	\$250,000	\$150,000	\$250,000
Final Appropriation	150,000	250,000	234,000	250,000	n/a	n/a
Actual Expenditure	\$149,420	\$40,493	\$184,253	\$208,143	n/a	n/a

The following graph illustrates expenditures totaled over the two-year election cycle for the last eight years of actual expenditures data.

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The Department's budget request for FY 2014-15 includes the annualized increase to \$250,000. Additionally, two-year expenditure totals are showing an increase over the last two years of actual expenditures. The FY 2011-12 and FY 2012-13 period may be indicative of an increasing number of initiative petitions requiring line-by-line signature verifications.

The Department states that the sample process for an initiative petition costs about \$30,000. The line-by-line signature verification costs an additional \$75-85,000, for a total of over \$100,000 for an initiative petition requiring the secondary, line-by-line verification. The Department further states that four of the last five initiative petitions processed have required the line-by-line verification. The following table provides sample process projection percentage compared to the line-by-line verification percentage for the last four initiatives requiring the line-by-line process.

Department of State, Elections Division, Initiative Petition Signature Verification Analysis				
Proposed Initiative	Review Completed	Sample Projection	Line-by-line Actual	Sample Over/(Under)
2011-2012 #30	February 27, 2012	103.04%	105.06%	(2.02%)
2011-2012 #46	August 28, 2012	99.58%	95.52%	4.06%
2011-2012 #82	September 5, 2012	105.61%	101.20%	4.41%
2013-2014 #22	September 4, 2013	107.90%	104.30%	3.60%

The Department states that data from line-by-line verification shows that approximately four percent is the maximum variation experience relative to the sampling process experienced over the last several years.

A Reconsideration of the Statutory Initiative Petition Signature Verification Process

Senate Bill 93-135, *Concerning Ballot Issues Proposed Pursuant to the Initiative and Referendum Process*, relocated and amended existing provisions in Article 40 of Title 1, C.R.S., regarding Initiative and Referendum. The current sampling process for petition signature

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verification, located in Section 1-40-116, C.R.S., was added in that bill. Section 1-40-116 (4), C.R.S., reads as follows (emphasis added):

(4) The secretary of state shall verify the signatures on the petition by use of random sampling. The random sample of signatures to be verified shall be drawn so that every signature filed with the secretary of state shall be given an equal opportunity to be included in the sample. The secretary of state is authorized to engage in rule-making to establish the appropriate methodology for conducting such random sample. The random sampling shall include an examination of no less than five percent of the signatures, but in no event less than four thousand signatures. If the random sample verification establishes that the number of valid signatures is ninety percent or less of the number of registered eligible electors needed to find the petition sufficient, the petition shall be deemed to be not sufficient. If the random sample verification establishes that the number of valid signatures totals one hundred ten percent or more of the number of required signatures of registered eligible electors, the petition shall be deemed sufficient. If the random sampling shows the number of valid signatures to be more than ninety percent but less than one hundred ten percent of the number of signatures of registered eligible electors needed to declare the petition sufficient, the secretary of state shall order the examination and verification of each signature filed.

The first sentence of the provision defines random sampling as the method for verifying signatures. Current provisions located in Article 40 of Title 1, C.R.S., have so far been considered in case law to be reasonable and applicable statutory guidelines for carrying out the principles in the constitution regarding initiatives. On this basis, staff suggests a reconsideration of the verification process specified in statute to more efficiently provide a verification process that reasonably provides a statistically valid review and still ensures integrity for the initiative process.

Staff recommends that the line-by-line verification process be amended to a reduced threshold of 95 to 105 percent, which provides a margin of approximately one percent over the Department's recent experience when comparing sample process projections with line-by-line verifications.

The line-by-line verification process is at least two-and-a-half times more expensive than the sampling process, and is required after having incurred the cost for the initial sampling process. This is a substantial budget impact related to the provision of a more intensive level of scrutiny built into the statutory requirements for the initiative process that is currently paid for by business registration fees, and that might otherwise be borne by all taxpayers through the General Fund. However, the sampling process should be trusted to deliver a statistically valid assessment within a narrower range.

The Signature Verification Process for Recall Petitions

It appears likely that citizens of the State may begin using the recall process more often based on the success of recent recall efforts. The recall process is governed by Article XXI of the Colorado Constitution and Article 12 of Title 1, C.R.S. Specifically, Section 1-12-108 (8), C.R.S., requires a review period of no more than 15 days and specifies that the election official

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shall review all petition information and verify the information against the registration records, which is interpreted as a line-by-line review. Due to the lesser number of signatures required for many recall reviews, the Department believes that the smaller sample size precludes the use of a sample process as is provided for initiatives.

Anecdotally, but perhaps significantly, in the case of the recent recall election petitions, one recall proponent group used the Department's online voter registration site to confirm signatures in real time as signatures were being collected through the use of smartphones. Statistics for this recall effort included the submission of 13,466 signatures that required 11,285 for sufficiency. The Department deemed invalid six percent of the signatures collected or a determination that the petition included 112 percent of the number of signatures required. The additional 2,181 signatures submitted represented only 19.3 percent more than necessary, but far less than what is typically experienced and recommended by groups with experience collecting signatures, that includes the recommendation for collection of up to double the targeted number of signatures.

Based on the anecdotal evidence in this case, the online tools made available to the public – in this case accessible through the smartphone medium – from the Department, suggest that current and future ballot petition proponents will continue to have the same ability to determine the validity of signatures being collected in real time. It is reasonable that initiative proponents will continue to submit a number of signatures that more readily meet the number requirement at a slimmer margin. Proponents will of course continue to submit a number that they believe is over 100 percent. But given the access to voter registration information online there would appear to be less reason to submit a number of signatures that would need to exceed 110 percent.

Conclusion

The basic signature review process guarantees access to the initiative process for all Colorado citizens while providing citizens of the State assurance that such initiatives have met the requirements for appearing on the ballot. Statute has provided additional guidance regarding the legitimacy of the petition and signature-gathering process that includes the escalation to a more intensive and more costly review process if the initial or primary process fails to meet the threshold set by those statutory requirements. But the wide 90 to 110 percent threshold, as it was added to statute more than 20 years ago, includes either an excessive mistrust of the accuracy available within the sampling method or was intended to absolutely ensure that initiatives deemed sufficient were over 100 percent. Empirical data from the experience of comparisons between the sampling process and the line-by-line verification suggest that the sampling process can achieve accuracy and integrity within a smaller range. Additionally, current information technology tools provide real time access to initiative proponents that allow them to better judge the validity of signatures and more closely determine the number of signatures necessary to be deemed sufficient. The combination of sampling and information technology tools allow for a precision that was not a part of the process when the 90 to 110 percent thresholds were set in statute.

Staff's recommendation does not diminish the right of citizens to access the initiative process. In fact, staff recommends lowering the sufficiency threshold to five percent over and five percent under 100 percent for the sampling process in recognition that the sampling process is a statistically valid process that more efficiently provides integrity required of the signature

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verification process. Staff's recommendation is intended as a budget and cost-saving recommendation that maintains integrity within this constitutionally-established process.

Based on the four initiatives requiring a line-by-line verification, this recommendation would have eliminated two, or 50.0 percent, at a cost savings of approximately \$150,000. Actual expenditures for this line over the two-year period of FY 2011-12 and FY 2012-13, totaled \$392,396. A savings of \$150,000 represents a savings of 38.2 percent.

Additionally, based on the projected cash flow and fund balance issues presented in the previous issue, staff recommends that the Committee consider funding the Initiative and Referendum line item, as the other elections-related external expenditure, with General Fund at figure setting.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S PERFORMANCE PLAN:

While this issue does not directly address the Department's performance plan, it proposes a more efficient process for initiative petition signature verifications, which may contribute to a faster determination process for more submissions at a lower cost for the Department and the State.

Issue: Funding CCR-related Expenses Through the Statewide Indirect Cost Plan

The Department of State is responsible for publishing the Code of Colorado Regulations (CCR), the State's administrative law. This function is provided for the State and state agencies and is currently funded by the Department of State Cash Fund. This centrally-provided service might more appropriately be funded through the Statewide Indirect Cost Plan prepared by the State Controller's Office.

SUMMARY:

- Section 24-4-103 (11), C.R.S., establishes the responsibility for publishing the CCR with the Department of State.
- The Department of State activities, including CCR-related services, are entirely funded by the Department of State Cash Fund which receives revenues from business and organizational entity registration, filing, and penalty fees.
- While some centrally-provided services are billed directly, the purpose of the Statewide Indirect Cost Plan is to allocate the unbilled costs of statewide central service agencies to state agencies that benefit from these services.
- For FY 2014-15, the Department of State will pay \$128,983 as its statewide indirect cost assessment; an amount which may have been reduced had CCR-related expenses been included in the Statewide Indirect Cost Assessment.

RECOMMENDATION:

Staff recommends that the Committee formally request that the State Controller's Office consider including the CCR-related functions of the Department within the Statewide Indirect Cost Plan beginning in FY 2015-16. If the State Controller's Office determines that this function should not be included in the plan, it should provide a statement to the Committee explaining its reasons for exclusion at the time the FY 2015-16 Statewide Indirect Cost Plan is released.

DISCUSSION:

The Code of Colorado Regulations (CCR)

The Department has historically been responsible for publishing the Code of Colorado Regulations (CCR), the State's administrative law. Section 24-4-103 (11), C.R.S., establishes this responsibility in the Department (emphasis added):

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(11) (a) There is hereby established the code of Colorado regulations for the publication of rules of agencies of the executive branch and the Colorado register for the publication of notices of rule-making, proposed rules, attorney general's opinions relating to such rules, and adopted rules. The code and the register shall be the sole official publications for such rules, notices of rule-making, proposed rules, and attorney general's opinions. The code and the register shall contain, where applicable, references to court opinions and recommendations of the legal services committee of the general assembly that relate to or affect such rules and references to any action of the general assembly relating to the extension, expiration, deletion, or rescission of such rules and may contain other items that, in the opinion of the editor, are relevant to such rules. The register may also include other public notices, including annual departmental regulatory agendas submitted by principal departments to the secretary of state pursuant to section 2-7-203, C.R.S.; however, except as specifically permitted by law, the inclusion of such notices in the register shall be in addition to and not in substitution for existing public notice requirements.

(b) The secretary of state shall cause to be published in electronic form, and may cause to be published in printed form, at the least cost possible to the state, the code of Colorado regulations and the Colorado register no less often than once each calendar month. In the event of any discrepancy between the electronic and printed form of the code or the register, the electronic form shall prevail unless it is conclusively shown, by reference to the rule-making filings made with the secretary of state pursuant to this section, that the electronic form contains an error in publication.

The Department handles CCR-related services and publishing in the Business and Licensing Division. Additionally, the IT Services Division manages and maintains the online publication. As with the elections functions for which the Department is responsible, the CCR-related functions are likewise funded from the Department of State Cash Fund that derives its revenue from business entity registration fees.

Statewide Indirect Cost Plan

While some centrally-provided services are billed directly, the purpose of the Statewide Indirect Cost Plan (formally labeled the 2015 Statewide Indirect Cost Appropriation/Cash Fees Plan by the Office of the State Controller and the Office of State Planning and Budgeting) is to allocate the unbilled costs of statewide central service agencies to user departments and institutions of higher education that benefit from these services.

Such centrally-provided services benefit all state agencies but are otherwise impractical to bill for discretely or directly, and the indirect cost recoveries ensure that the General Fund does not support the provision of these services for cash- and federal-funded programs.

Typically, statewide indirect costs are associated with the functions of three departments: (1) the Governor's Office, including the Office of State Planning and Budgeting (OSPB); (2) the Department of Personnel; and (3) the Department of Treasury. Certain departments, including

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State, Labor, and Transportation, do not have General Fund, in which case their statewide indirect cost recoveries are transferred to offset General Fund in other departments, typically the Department of Personnel and the Office of the Governor.

Statewide indirect cost assessments are identified by department, from which expected recoveries are budgeted to offset a corresponding amount of General Fund in the respective department during the figure-setting process. For FY 2014-15, the Department of State will pay \$128,983 as its statewide indirect cost assessment. To fulfill this obligation, the Department, lacking General Fund to offset, will make a payment from the Department of State Cash Fund to the Department of Personnel or the Governor's Office.

Conclusion

Staff was unable to secure cost data for CCR-related expenditures from the Department by the time of publication for inclusion in this analysis. However, conceptually it appears reasonable that this centrally-provided service might be funded through the Statewide Indirect Cost Plan prepared by the State Controller's Office each year. In practice, although the Department does not receive General Fund, the provision of a centrally-provided service included in the Statewide Indirect Cost Plan would have the effect of reducing the statewide indirect cost assessment charged to and paid for by the Department, reducing the Department's expenses and cash outflow from the Department of State Cash Fund.

Staff's discussion with the State Controller's Office regarding this issue suggested that although this service has not previously been included in the Statewide Indirect Cost Plan, this element might be considered for inclusion in the plan. Further, it was suggested that the Committee might choose to express its interest formally, to have the State Controller's Office consider including the publication of the CCR and the Department's CCR-related functions in the Statewide Indirect Cost Plan.

Staff recommends that the Committee formally request that the State Controller's Office consider including the CCR-related functions of the Department within the Statewide Indirect Cost Plan beginning in FY 2015-16. If the State Controller's Office determines that this function should not be included in the plan, it should provide a statement to the Committee explaining its reasons for exclusion at the time the FY 2015-16 Statewide Indirect Cost Plan is released.

RELEVANCE OF BRIEFING ISSUE TO THE DEPARTMENT'S PERFORMANCE PLAN:

This issue does not address the Department's performance plan. This issue addresses the Department's funding and recommends funding the CCR, a statewide, centrally-provided service, through the Statewide Indirect Cost Plan prepared by the State Controller's Office.

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Appendix A: Number Pages

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
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DEPARTMENT OF STATE

Scott Gessler, Secretary of State

(1) ADMINISTRATION

The Administration Division provides general management and supervision for the entire Department, including budgeting, accounting, and human resources services. Most of the Department's functions are carried out by three sections within this Division: (1) business filings, (2) elections, and (3) licensing and enforcement. Starting in FY 2013-14, these sections are funded by the Department of State Cash Fund.

Personal Services	5,409,712	5,518,992	1,644,439	1,707,139	
FTE	82.0	79.6	20.0	19.0	
Cash Funds	5,409,712	5,518,992	1,644,439	1,707,139	
Health, Life, and Dental	707,454	836,469	873,433	924,392	
Cash Funds	707,454	836,469	873,433	924,392	
Short-term Disability	10,415	13,800	15,351	17,284	
Cash Funds	10,415	13,800	15,351	17,284	
S.B. 04-257 Amortization Equalization Disbursement	171,969	244,953	298,569	320,154	
Cash Funds	171,969	244,953	298,569	320,154	
S.B. 06-235 Supplemental Amortization Equalization	129,979	210,507	269,542	300,144	
Disbursement	129,979	210,507	269,542	300,144	
Cash Funds	129,979	210,507	269,542	300,144	
Salary Survey	0	0	183,057	131,154	
Cash Funds	0	0	183,057	131,154	

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
Merit Pay Cash Funds	0 0	0 0	114,631 114,631	<u>125,831</u> 125,831	
Workers' Compensation Cash Funds	5,210 5,210	6,926 6,926	14,078 14,078	<u>13,256</u> 13,256	
Operating Expenses Cash Funds	874,804 874,804	826,247 826,247	550,816 550,816	<u>550,816</u> 550,816	
Legal Services Cash Funds	538,296 538,296	481,421 481,421	648,307 648,307	<u>648,307</u> 648,307	
Administrative Law Judge Services Cash Funds	31,441 31,441	114,624 114,624	31,136 31,136	<u>31,216</u> 31,216	
Purchase of Services from Computer Center Cash Funds	1,640 1,640	102,789 102,789	165,228 165,228	<u>95,106</u> 95,106	
Colorado State Network Cash Funds	66,234 66,234	0 0	105,595 105,595	<u>105,595</u> 105,595	
Payment to Risk Management and Property Funds Cash Funds	22,264 22,264	37,672 37,672	40,676 40,676	<u>52,559</u> 52,559	
Vehicle Lease Payments Cash Funds	2,861 2,861	2,963 2,963	3,345 3,345	<u>528</u> 528	
Leased Space Cash Funds	529,826 529,826	631,682 631,682	641,271 641,271	<u>658,026</u> 658,026	

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
COFRS Modernization Cash Funds	0 0	40,140 40,140	40,140 40,140	40,140 40,140	
Information Technology Security Cash Funds	0 0	0 0	2,787 2,787	4,221 4,221	
Indirect Cost Assessment Cash Funds	136,752 136,752	105,838 105,838	107,012 107,012	128,983 128,983	
Discretionary Fund Cash Funds	5,000 5,000	4,740 4,740	5,000 5,000	5,000 5,000	
TOTAL - (I) Administration	8,643,857	9,179,763	5,754,413	5,859,851	1.8%
<i>FTE</i>	82.0	79.6	20.0	19.0	(5.0%)
Cash Funds	8,643,857	9,179,763	5,754,413	5,859,851	1.8%

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
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(2) INFORMATION TECHNOLOGY

The Information Technology Services division provides most of the technology support for the Department and is responsible for the Department's compliance with the Colorado Information Security Act. The Department provides search and filing services via the internet and it processes over 1,200 web-based transactions daily. The division also provides project direction and support for the statewide voter registration and election management system. Funding is provided by the Department of State Cash Fund. In prior fiscal years, the Statewide Disaster Recovery Center was at least partially funded and administered in this Division. That responsibility has been transferred to the Governor's Office of Information Technology.

(A) Information Technology

Provides IT support to the Department and manages the statewide voter registration database.

Personal Services	<u>2,972,174</u>	<u>4,259,246</u>	<u>6,956,730</u>	<u>5,616,601</u>	
FTE	27.6	32.1	36.0	36.0	
Cash Funds	2,972,174	4,259,246	6,956,730	5,616,601	
Operating Expenses	<u>470,780</u>	<u>468,747</u>	<u>610,815</u>	<u>806,112</u>	
Cash Funds	470,780	468,747	610,815	806,112	
Hardware/Software Maintenance	<u>949,735</u>	<u>1,433,895</u>	<u>1,569,370</u>	<u>1,738,242</u>	
Cash Funds	949,735	1,433,895	1,569,370	1,738,242	
Information Technology Asset Management	<u>441,750</u>	<u>372,460</u>	<u>605,683</u>	<u>445,418</u>	
Cash Funds	441,750	372,460	605,683	445,418	
SUBTOTAL - (A) Information Technology	4,834,439	6,534,348	9,742,598	8,606,373	(11.7%)
FTE	27.6	32.1	36.0	36.0	0.0%
Cash Funds	4,834,439	6,534,348	9,742,598	8,606,373	(11.7%)

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
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(B) Statewide Disaster Recovery Center

Responsibility for the Statewide Disaster Recovery Center was transferred to the Office of Information Technology in FY 2011-12, though funding was transferred in one-third increments starting in FY 2011-12. For FY 2013-14, the Department of State no longer provides funding for this function.

Personal Services	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Operating Expenses	0	0	0	0	0
Cash Funds	0	0	0	0	0
Hardware/Software Maintenance	0	0	0	0	0
Cash Funds	0	0	0	0	0
Leased Space	1,576,523	776,497	0	0	0
Cash Funds	1,576,523	776,497	0	0	0

SUBTOTAL - (B) Statewide Disaster Recovery

Center	1,576,523	776,497	0	0	0.0%
FTE	0.0	0.0	0.0	0.0	0.0%
Cash Funds	1,576,523	776,497	0	0	0.0%

TOTAL - (2) Information Technology

	6,410,962	7,310,845	9,742,598	8,606,373	(11.7%)
FTE	27.6	32.1	36.0	36.0	0.0%
Cash Funds	6,410,962	7,310,845	9,742,598	8,606,373	(11.7%)

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
(3) ELECTIONS DIVISION					
Personal Services	0	0	2,104,744	2,118,433	
FTE	0.0	0.0	35.0	34.2	
Cash Funds	0	0	2,104,744	2,118,433	
Operating Expenses	0	0	263,258	200,389	
Cash Funds	0	0	263,258	200,389	
Help America Vote Act Program	695,840	852,371	349,222	349,222	
FTE	0.0	0.0	0.0	0.0	
Cash Funds	695,840	852,371	349,222	349,222	
Local Election Reimbursement	1,541,360	2,226,707	2,004,036	2,004,036	
Cash Funds	1,541,360	2,226,707	2,004,036	2,004,036	
Initiative and Referendum	184,253	208,156	150,000	250,000	
Cash Funds	184,253	208,156	150,000	250,000	
TOTAL - (3) Elections Division	2,421,453	3,287,234	4,871,260	4,922,080	1.0%
FTE	0.0	0.0	35.0	34.2	(2.3%)
Cash Funds	2,421,453	3,287,234	4,871,260	4,922,080	1.0%

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	Request vs. Appropriation
(4) BUSINESS AND LICENSING DIVISION					
Personal Services	0	0	2,376,946	2,441,968	
FTE	0.0	0.0	48.0	48.0	
Cash Funds	0	0	2,376,946	2,441,968	
Operating Expenses	0	0	163,000	163,000	
Cash Funds	0	0	163,000	163,000	
TOTAL - (4) Business and Licensing Division	0	0	2,539,946	2,604,968	2.6%
FTE	0.0	0.0	48.0	48.0	0.0%
Cash Funds	0	0	2,539,946	2,604,968	2.6%
TOTAL - Department of State	17,476,272	19,777,842	22,908,217	21,993,272	(4.0%)
FTE	109.6	111.7	139.0	137.2	(1.3%)
Cash Funds	17,476,272	19,777,842	22,908,217	21,993,272	(4.0%)

Appendix B: Recent Legislation Affecting Department

2012 Session Bills

S.B. 12-123 (Brown/Renfroe): Electronic Filing System. Requires the Secretary of State to implement enhancements to the on-line business filing system; authorizes a registered agent to become a "commercial registered agent", allowing that agent to file documents relating to multiple entities; allows the Secretary of State to charge a fee for the licensing or sale of business and licensing software developed by the Secretary of State; and appropriates \$525,788 cash funds for FY 2012-13 from the DOS Cash Fund to implement the bill.

H.B. 12-1143 (Ferrandino/Steadman): State reimbursement to Counties for Ballot Measure Elections. Adjusts the rate at which the state is required to reimburse a county for the cost of duties performed by the county clerk and recorder in conducting an election in which a state ballot issue or state ballot questing is on the ballot of the county. For counties with 10,000 or fewer active registered electors, the rate is increased from 80 cents to 90 cents for each active register elector at the time of the election. For counties with more than 10,000 active registered electors, the rate is increased from 70 cents to 80 cents for each active register elector at the time of the election. Appropriates \$233,128 cash funds for FY 2012-13 from the DOS Cash Fund for the purpose of reimbursing the counties.

H.B. 12-1209 (Gardner/Carroll): Uniform Electronic Legal Material Act. The bill was drafted by the National Conference of Commissioners on Uniform State Laws. Requires the official publisher of legal material to, if the material is only published electronically, designate the material as official. If the material is published in another format, the publisher may make that designation. Electronic legal material in an electronic record by the official publisher is presumed to be an accurate copy of legal material.

H.B. 12-1236 (Summers/Jahn): Regulation of Charitable Solicitations. Excludes grant writers from the definition of "paid solicitor" unless the grant writer's compensation is computed on the basis of funds raised from the grant; specifies that fundraising on behalf of a named individual is not a charitable appeal and such fundraisers do not have to register with the Secretary of State. Appropriates \$41,440 cash funds for FY 2012-13 from the DOS Cash Fund for the implementation of the Act.

H.B. 12-1274 (Swerdfeger/Jahn): Regulation of Notaries Public. Modifies the Secretary of State's regulation of notaries public by allowing, at the discretion of the Secretary, electronic filing of applications and renewals; clarifies disciplinary and non-disciplinary actions that the Secretary may take against a notary public; disallows the use of a seal embosser; and updates the information a notary public includes on his or her official seal, which is required to be rectangular. In addition, the Act repeals the Notary Administration Cash Fund (NACF) and transfers fees collected in connection to the regulation of notary publics to the DOS Cash Fund. Appropriates \$22,400 cash funds in FY 2012-13 from the DOS Cash Fund to implement electronic filing, and adjust appropriations from the DOS Cash Fund and the NACF to account for the repeal of the NACF.

H.B. 12-1292 (Murray/Heath): Technical Modifications Laws Relating to the Administration of Elections. Makes various technical and non-substantive changes to elections laws; alters or clarifies elections-related deadlines; updates procedures in light of modern elections practices or technology; corrects, streamlines, or harmonizes laws; and recognizes the existence of more than two major political parties.

In addition, the act:

- Adds tribal identification to the list of acceptable elector identification.
- Requires the county clerk and recorder to use the deliverable mailing address when the elector has provided both an address of record and a deliverable mailing address.
- Makes gender an optional response for a person registering to vote.
- Allows an elector to mail a change of address request and aligns the time within which such request must be executed with the deadlines for submitting a mail-in ballot request.
- Allows county clerk and recorders to cancel deficient applications to register to vote after two years.
- Repeals the criminal offense of intentional failure to properly deliver voter registration applications.
- Raises the filing fee to \$1,000 for an unaffiliated candidate for President or Vice President of the United State or Congress.
- Allows a candidate to use a nickname on the ballot in all elections, provided that the candidate regularly uses that nickname and it does not contain any words of the name of a major political party.
- Authorizes any designated election official, rather than solely county clerks and recorders, to use student election judges.
- Confirms state law to federal law by allowing any person to assist voters who need assistance.
- Allows an eligible elector to request his or her ballot in-person after the ballot has been printed but prior to it being mailed and to obtain a mail ballot by making an in-person request after it has been printed but before it is mailed.

2013 Session Bills

S.B. 13-104: Supplemental appropriations act to modify FY 2012-13 appropriations.

S.B. 13-230: General appropriations act for FY 2013-14.

H.B. 13-1101: Authorizes bingo-raffle licensees to offer progressive raffles where the jackpot is carried over and increased from one drawing to the next until the jackpot is awarded and to offer consolation prizes where the jackpot is not won. The Secretary of State is authorized to establish rules specifying the conduct of progressive raffles, including limiting the maximum jackpot and the maximum number of simultaneous progressive raffles that may be conducted. Appropriates \$25,160 cash funds to the Department of State for FY 2013-14 for contract programming services to make the necessary changes to the bingo-raffles licensing system.

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H.B. 13-1135: Allows a person who has turned 16 years of age, who will not be 18 years of age by the date of the next election, to preregister to vote. The registrant will be registered automatically upon turning 18 years of age. Appropriates \$26,640 cash funds to the Department of State for FY 2013-14 for necessary computer programming modifications.

H.B. 13-1138: Establishes the requirements for a corporation to be created as or convert to a "benefit corporation", including that the corporation is intended to produce one or more public benefits and to operate in a responsible and sustainable manner. Requires the corporation to provide information in its annual report on the benefits that the corporation has promoted specific benefits. Appropriates \$91,760 cash funds to the Department of State for FY 2013-14 for contract computer programming services to implement the required changes to the Department's computer systems.

H.B. 13-1167: Requires the Secretary of State (SOS) to *request* information from business owners filing documents with the SOS regarding the business owners' gender, race, veteran status, disability, and the National American Industry Classification code. The submission of the requested information is voluntary on the part of the owner. The SOS is required to make this information available to the public in a searchable manner. Appropriates \$74,592 cash funds to the Department of State for FY 2013-14 for contract computer programming services to implement the required changes to the Department's computer systems.

H.B. 13-1303: Requires that all general, primary, odd-year, coordinated, presidential, special legislative, recall, and congressional vacancy elections are to be conducted as mail ballot elections and the county clerks are required to mail a ballot to all active registered voters. Voters have the option of returning the ballot by mail, dropping the ballot off at a voter service and polling center (center), or casting a ballot at a center.

Requires clerks to operate the center in all covered elections and eliminates polling places. Centers are required to be open for at least 15 days prior to and including election day (Sundays excluded). The center must have the ability to:

- Register a person to vote;
- Allow a voter to cast a ballot, including a provisional ballot;
- Accept mail ballots deposited by electors;
- Allow a registered voter to update his or her name, if legally changed, and his or her address;
- Allow an unaffiliated voter to affiliate with a political party and cast a ballot in a primary election;
- Access the statewide voter registration database (SCORE) through a secure computer connection, except that counties with fewer than 25,000 registered voters may, upon demonstrating hardship, seek approval from the Secretary to State to access SCORE and conduct real-time verification of voter eligibility by telephone or other means;
- Provide mail ballots to requesting voters;
- Provide original and replacement ballots; and
- Creates the Voter Access and Modernized Elections Commission.

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Centers serve all voters in the county and the number of centers and the number and type of ballot drop-off locations that counties must provide are specified. Voters may register to vote by mail or through a voter registration agency or voter registration drive up to 22 days before an election, register online through the Secretary of State (SOS) website up to 8 days before an election, register in person at a county clerk's office, when registrations are permitted, and register at a voter service center up to and including election day. Requires the voter to reside in a precinct to vote and reduces the time required for state residency to 22 days. Eliminates the state of "Inactive – Failed to Vote" and shifts all voters to active status. Allows county clerks, with voter permission, to send certain election-related communications to voters electronically, except for ballots and confirmation cards.

Requires the SOS to conduct a National Change of Address database search on all registered voters in the SOCRE database, and to transmit the results monthly to county clerks. Specifies the procedures for county clerks to confirm that the voters identified in the search have moved. Requires the SOS to enter into data sharing agreements with the Department of Public Health and Environment and the Department of Corrections to cross-check person registering to vote with death records and felon lists, respectively.

Appropriates \$1,317,181 cash funds and 4.0 FTE to the Department of State for FY 2013-14 for contract computer programming services, personal services, the costs related to the Voter Access and Modernized Elections Commission, program testing, and other costs to implement the bill.

Appendix C: Update on Long Bill Footnotes & Requests for Information

Long Bill Footnotes

The Long Bill did not include any footnotes for the Department of State.

Requests for Information

The Long Bill did not include any requests for information for the Department of State.

Appendix D: Indirect Cost Assessment Methodology

Description of Indirect Cost Assessment Methodology

The Department of State does not receive appropriations from the General Fund. The Department is funded entirely by the Department of State Cash Fund, therefore, the Department does not have an indirect cost recovery plan for departmental indirect costs. It is part of the Statewide Indirect Cost Plan as determined by the State Controller and the Department has a line item in the Administration Division that accounts for that appropriation.

Recent appropriations and the FY 2014-15 request are detailed in the table below.

Department of State				
Recent Statewide Indirect Cost Actuals, Appropriation, and Request				
	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
	Actual	Actual	Appropriation	Request
Statewide Indirects	\$136,752	\$105,838	\$107,012	\$128,983

Appendix E: Change Requests' Relationship to Measures

This appendix will show how the Department of State indicates each change request ranks in relation to the Department's priorities and what measures the Department is using to gauge success of the request.

Change Requests' Relationship to Measures			
R	Change Request Description	Goals / Objectives	Measures
N/A	N/A	N/A	N/A

**DEPARTMENT OF STATE
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 10, 2013
1:30 pm – 3:00 pm**

1:30-1:40 INTRODUCTIONS AND OPENING COMMENTS

1:40-1:45 QUESTIONS COMMON TO ALL DEPARTMENTS

- 1. Please describe how the Department responds to inquiries that are made to the Department. How does the Department ensure that all inquiries receive a timely and accurate response?**

Response:

The Department of State responds to inquiries in several capacities.

We operate an 11-person service center that takes incoming customer phone calls and responds to general inquiry emails. The service center takes over 100,000 calls and responds to over 30,000 emails annually. We also serve approximately 13,000 customers in-person at our physical office annually.

The service center continually tracks call volume and additional staff resources are dedicated if necessary. Over the last year, we have cross-trained additional staff to answer first-line customer inquiries spanning the entire Department. This allows for a greater pool of staff who can answer calls and, in many cases, sufficiently respond to a customer inquiry. We also escalate calls to subject matter experts on an as-needed basis. For the month of November, the average hold time for customers calling the service center was ten seconds. The average call time for the service center, including time spent talking to a member of Department staff, is four minutes. 97 percent of people who call the service center speak with someone immediately or leave a voicemail and get a return call within one working day.

In addition, our customer support team assists county clerk and recorders and their staff who use the statewide voter registration system (SCORE). This five-person team answered 18,000 phone calls during 2012, a major election year, and is on pace to answer 15,000 calls this year. The team also receives and sends nearly 8,000 emails in support of county users each year.

In addition to the above, the Department is currently implementing customer relationship management software for customer interactions. We piloted the software last year and are rolling it out to more programs this year. This customer management software will provide greater insight into customer contacts.

Finally, the Department employs a legislative liaison and public information officer who respond to requests for information from the legislature and media.

1:45-2:40 DEPARTMENT OVERVIEW AND GENERAL QUESTIONS

2. Please provide fines data for 2-3 years, including fine types, amount per fine, number of fines assessed, number of fines collected, and total fine revenue collected. Are fines being waived? How vigorously are fines enforced?

Response:

The Department of State has two divisions that assess fines, the Business and Licensing Division and the Elections Division.

Business and Licensing Division

The Business and Licensing Division has three programs that assess fines: the Lobbying program, the Charities program, and the Bingo and Raffle program.

- The Lobbying Program assesses fines, as required by statute, for failure to file disclosure statements. An entity that fails to file is fined \$20 per business day for the first ten business days and \$50 per business day after that. The Secretary may waive or reduce a fine for “bona fide personal emergencies,” which include medical and practical emergencies such as loss of records due to fire, Secretary of State website error, or other compelling reasons beyond the lobbyist’s control.
- The Charities Program assesses fines for four specific reasons:

Party	Reason	Fine
Charity	Failure to file renewal	\$60
Charity	Soliciting while unregistered	\$300
Paid Solicitors and Paid Fundraising Consultants (PFC)	Failure to file renewal or solicitation campaign financial report	Graduated, based upon date of filing: 15 days after deadline: \$50 30 days after deadline: \$100 45 days after deadline: \$150 60 days after deadline: \$200
Paid Solicitors and PFCs	Soliciting while unregistered	\$1,000

The Secretary of State may waive a fine if:

- There was a bona fide personal emergency;
- Website or administrative errors made it impossible to file in a timely manner; or
- The organization was not subject to the requirement to register at any time during the period for which it was assessed a fine, and the organization requests to withdraw its

registration.

- The Bingo and Raffle Program assesses fines for late quarterly reporting and for Rule 15 violations as noted in the chart below:

Party	Reason	Fine
Bingo/Raffle Licensee	Late quarterly report filing (30 days after end of each quarter; included as Class 3 Violation)	\$50
Any licensee	Class 1 Violation: willful act prohibited by statute or rule that results in profit or enrichment of the violator	\$100
Any licensee	Class 2 Violation: willful act prohibited by statute or rule that does not result in profit or enrichment of the violator	\$75
Any licensee	Class 3 Violation: failure to comply with statutory or rules-based requirement; negligent, not willful	\$50

The Secretary of State may waive a fine if:

- There was a bona fide personal emergency, including medical emergencies;
- There was a natural disaster;
- The licensee is new to the regulatory process; or
- The licensee has a positive compliance track record.

Elections Division

The Elections Division has two programs that assess fines: the Campaign Finance Program and the Voter Registration Drive Program.

- The Campaign Finance Program assesses fines for failure to file disclosure reports as noted below:

Party	Reason	Fine
Candidates/Committees	Failure to timely file contribution/expenditure disclosure reports	\$50 (per day)
Candidates	Failure to timely file Personal Financial Disclosure statement	\$50 (per day)
Any individual, candidate, or committee	Any person who violates campaign finance laws is subject to a civil penalty as determined by an Administrative Law Judge	Up to 2 to 5 times the amount contributed, received, or spent in violation of the law.

- Voter registration drive organizations are fined if they fail to comply with state law. Most fines are associated with a failure to timely deliver voter registration forms to the county clerk and recorder. Our office generally waives fines for first time offenders and on occasion works with organizations to partially waive fines for a second offense. Voter registration drives have the option to appeal a fine. We have not fined any organizations

for voter registration drive violations in 2013. Fine information for previous years appear below.

VRD Fines

Violation	Penalty
Failure to timely deliver forms	We charged \$50 per form, per day until June of 2012, when we switched to the current fine of \$25 per late form.
Failure to register as a VRD	\$2000

2012

Total amount of Fines Issued	\$13,125
Total amount of fines after wavier process	\$4,787
Total amount of fines collected	\$4,137

2011

Total amount of Fines Issued	\$2700
Total amount of fines after wavier process	\$2700
Total amount of fines collected	\$2700

See Appendix A for additional detail on fines paid and fines waived.

See Appendix B for information regarding assessment and waiver of fines based on Department rules.

- 3. Is the Department currently using any fee holidays? Are filing fees lower or higher than they have been historically? Please provide a list of fee holidays in the last 2-3 years. Please provide a list of filing fees and changes in the last 2-3 years.**

Response:

No, the Department is not currently offering a fee holiday.

The Department provided a fee holiday for nonprofits from October 1, 2012, to June 30, 2013. During that time, all nonprofit fees were \$1. Nonprofit programs include Bingo-Raffle and Charities.

The Department provided a fee holiday for notaries public from November 1, 2012, to February 28, 2013. During that time, the fee for notary public registration and renewal was \$1.

The Department provided a fee holiday for business registrations and annual reports from December 1, 2012, to February 28, 2013. During that time, the fee for business registrations and annual reports was \$1.

The Department also offered a fee holiday when launching the online system for filing statement of foreign entity authority (SOFEA) records. From September 1, 2011, to November 30, 2011, the

fee was lowered from \$125 to \$1. At the conclusion of the fee holiday, the fee was set at \$100 to account for efficiency savings from reduced processing of paper records.

Aside from these fee holidays there have been some fee changes during in recent years. See Appendix C for a full listing of fee changes.

4. Please provide an update on the Business Intelligence Suite and other request items that were funded last year.

Response:

- *Business Intelligence Center:* The Department hired a program manager on July 1, 2013. Since this time, substantial activity has taken place to build the data platform and execute the first application challenge, scheduled for spring 2014. The Department hired vendors for IT consulting services, marketing and branding, and legal support. These vendors are working together to ensure a successful challenge. The application challenge is now branded as Go Code Colorado. The program has received strong support from the Governor's Office as well as state agencies such as OIT, OEDIT, SIPA, DOLA, CCHE, CDOR and DORA. The advisory board has been meeting monthly since July. This program is gaining traction within the technology and business community and remains within budget.
- *Secure File Transfer:* The Department conducted an evaluation of five products in early FY2014. We selected Accellion based on features, functionality, and price. We purposely delayed implementation until after the November 2013 Coordinated Election because the transition will impact file transmissions to and from county offices. The Department has purchased the product and will replace our current secure file transfer technology with Accellion during the first quarter of calendar year 2014.
- *Microsoft SharePoint Implementation:* The Department has delayed implementation of this program as we work with the Department of Personnel to gain approval for the FTE position. We currently expect approval to post the position within the next four weeks. Once we have filled the position, we will proceed with the first phase of the project: project planning and design. We will purchase the infrastructure and licenses for the implementation during FY2014. Since the position has not been filled, we will spend six months of the FTE appropriation at most during this fiscal year. It is very likely that we will request approval to roll-forward at least a portion of the dollars appropriated for consulting and training, since prepping for and posting the FTE position has delayed the start of this project.

5. Please provide data on expenditures related to finding ineligible voters over the last two years. How much staff time has been spent on these efforts? Delineate Department procedures for identifying ineligible voters. How many ineligible voters have been identified through these efforts? How many ineligible voters identified through Department efforts have been confirmed ineligible by county clerks or identified for prosecution by local law enforcement authorities?

Response:

The Department helps county clerk and recorders maintain the integrity of voter registration lists. Removing ineligible voters from the rolls is a vital to good list maintenance. Under both state—C.R.S. 1-2-302(1.5)(b)—and federal—42 U.S.C §1973gg-6(4)—law, the Department has a duty to maintain accurate voter rolls made up only of people who are eligible to vote. Each month the Department receives a list of felons from the Department of Corrections and a list of deceased people from the Department of Public Health and the Environment. These lists are loaded into SCORE and county clerk and recorders use the information to remove ineligible electors from the rolls.

The Department has spent over \$4,000 in the last two years to obtain death record data from the Department of Public Health and Environment.

In addition to removing felons and deceased electors, the Department also helps county clerk and recorders to remove noncitizens who registered to vote in error. The Department receives information from the Department of Revenue indicating people who obtained a driver's license with a noncitizen document. This information is matched against SCORE and any matches are then run through a federal noncitizen database called SAVE. If the SAVE search indicates that a person is not a citizen the Department sends that person a letter indicating that the federal government believes that person is not a citizen. Under a memorandum of agreement to use the SAVE system, we contact anyone who is registered to vote and whose status is noncitizen in the SAVE system to give them the opportunity to clarify their citizenship status. If a person responds that they are in fact not a citizen we forward that information to the appropriate county clerk and recorder.

The tables below identify the number of ineligible people cancelled from the rolls. In addition to the numbers below many ineligible electors voluntarily withdrew their record, but withdrawals do not contain a reason in the voter registration system. We do know that 28 of the registered voters that showed as non-citizens in the SAVE database asked to have their registration withdrawn. There are most certainly additional withdrawals due to ineligibility that are in addition to the data presented below.

Canceled Reason	2012	2013
Convicted Felon	2,055	3,144
Deceased	22,203	27,441

Canceled/Withdrawn	Prior to 2012	2012	2013
Noncitizen	436	126	56

In February, the Department sent a letter to Rep. Duran and copied the rest of the Joint Budget Committee membership. The letter was in response to a similar question regarding time spent finding ineligible voters. That letter noted that under the Secretary of State's normal course of duties, the office is obligated to remove ineligible voters from the rolls. Under C.R.S. 1-2-302(1.5)(b), "Only the names of voters who are not registered or who are not eligible to vote are removed from the computerized statewide voter registration list."

That letter included a spreadsheet with costs related to identifying non-citizen voters, included with these responses as Appendix D.

Since the February letter, the Department spent an additional \$250 in printing and mailing costs plus the research costs detailed in the table below.

Description	# of hours	cost (average loaded cost \$38.50/hr)
SAVE Query Fees		\$1,500
SAVE	30	\$1,155
Data Analysis	10	\$385
Total Research	40	\$3,040

The Department has been working on creating a tool to better track the interaction with voter registration data and the SAVE database. Because SAVE requires a human element to initiate inquiries, the database is a tool that will track records and avoid errors going forward. As with many Department initiatives as much of this process as possible has been automated by the creation of a database. Department IT developers have spent approximately 720 hours over the last several months for technical resources to ensure this project is a success.

- 6. Please provide legal services expenditure data for 2-3 years. What legal issues have been addressed and what have they cost? Please provide legal services expenditure data related to the Secretary of State's legal defense before the Independent Ethics Commission (IEC). Please provide legal services expenditure data related to the Secretary of State's appeal in Denver District Court. How much Department staff time has been spent at IEC hearings and in meetings related to these legal issues?**

As the state's chief election official, the Secretary of State is often involved in legal challenges regarding elections and the statutes that govern them. Often the Secretary is named in suits even when others' actions are challenged.

The single largest source of legal fees over the last three years was the *Independence Institute v. Gessler* case. As with many cases detailed below, the Department fulfilled its legal duty to defend a challenge to legislation passed by the General Assembly. Other cases involve his defense of provisions of the state constitution.

Overall, legal fees have been decreasing over the last three years as the Independence Institute case has wound down.

Department has not tracked staff time spent on matters related to the IEC, but staff has spent substantial time preparing records and responding to requests from the IEC.

Appendix E provides more detail on legal fees over the last three years. Below is a brief description of cases.

Hanlen v. Gessler (Ineligible person on ballot for school board candidate)

The Secretary of State's office, upon learning that the name of an individual who was ineligible to be a candidate nevertheless appeared on the ballot, promulgated a rule prohibiting the clerks of Broomfield and Adams counties from counting the votes cast for the ineligible individual. The Secretary was sued by eligible electors in the district who wanted their votes counted despite the fact that the individual was ineligible. This case is ongoing and currently pending review by the Colorado Supreme Court.

Busse v. Gessler (Secrecy and security of ballots)

Plaintiffs sued the Douglas County Clerk and Recorder alleging a violation of the constitutional right to secret ballots. The Secretary of State was named as a defendant because he is the state's chief election official.

Coalition for Secular Government v. Gessler (Campaign finance rulemaking)

Plaintiffs challenged the constitutionality of state campaign finance laws and rules promulgated by the Secretary of State in accordance with those laws. The Secretary of State was named as a defendant because he is charged with enforcing Colorado's campaign finance laws.

Paladino v. Gessler (Campaign finance rulemaking)

Plaintiffs challenged the Secretary of State's authority to promulgate certain campaign finance rules. Again, the Secretary was named as the defendant because he has general supervisory authority over the state's campaign finance laws and rules.

Citizen Center v. Gessler (Ballot secrecy)

Plaintiffs sued several county clerks alleging that unique marks on ballots processed and mailed by those clerks allow a person to track a ballot back to the person who voted the ballot. The Secretary was named as a defendant because he is the state's chief election official charged with enforcing Colorado's election code.

Marks v. Gessler (HAVA complaint)

Plaintiffs challenged provisions in the Colorado Election Code and the Secretary of State's election rules that implement the federal Help America Vote Act. The Secretary of State was named as a defendant because HAVA charges him with the duty to coordinate HAVA activities at the state level and because he is the state's chief election official charged with enforcing Colorado's election code.

Colorado Common Cause and Colorado Ethics Watch v. Gessler (Campaign finance rulemaking)

Plaintiffs challenged the Secretary's authority to amend campaign finance rules in response to a decision handed down by the United States Tenth Circuit Court of Appeals. The Secretary of State was named as a defendant because he promulgated the rules in accordance with his constitutional supervisory authority over the state's campaign finance laws.

Riddle, Curry v. Gessler, Hickenlooper (Campaign finance limits per election)

Plaintiffs challenged the constitutionality of Colorado's campaign finance laws limiting contributions per election. The Secretary was named as a defendant because he has general supervisory authority over the state's campaign finance laws and rules.

Independence Institute v. Gessler (Initiative petition circulators)

Plaintiffs challenged a law passed by the General Assembly regulating the payment of initiative-petition circulators. The Secretary of State was named as the defendant because he is the state's chief election official charged with enforcing Colorado's election code.

Recall cases (petition challenges, rule challenges)

The Secretary of State was named as a defendant in two recall petition cases that challenged the language on the face of the petition. The Secretary was named as a defendant because he has the duty to enforce Colorado's election code.

The Secretary was also named as a defendant in a case challenging rules promulgated by the Secretary governing recall elections. The General Assembly, in HB 13-1303, required clerks to conduct recall elections as mail-ballot elections. But recall deadlines contained in the constitution made this impossible. As the state's chief election official, the Secretary of State

promulgated rules to give effect to the constitution and all statutes that did not directly contradict the constitution. The Secretary's authority to do so was challenged by plaintiffs.

7. Please provide an update on the Colorado Voter Access and Modernized Elections Commission reporting process required by H.B. 13-1303. Please include appropriations and expenditures data and, if necessary, explain the need for adjustments to the appropriations identified in the fiscal note. If no adjustments are necessary, why is the Department suggesting that it does not have the funds for the reports?

Response:

HB 13-1303 created the Colorado Voter Access and Modernized Elections Commission and required that the commission submit four reports to the General Assembly. Two of the reports have been produced already. The next two are due in January 2015 and February 2015.

- A "Needs Assessment of the Current State of Voting and Registration System Technology" was due on July 15, 2013. The commission submitted the report on July 15. A copy of the report can be found at:
<http://www.sos.state.co.us/pubs/elections/CVAMEC/files/2013/20130715NeedsAssessmentReport.pdf>.
- An "Assessment of Voting System Technology Report" was due by September 2. The commission submitted the report on August 30, 2013. A copy of the report can be found at:
<http://www.sos.state.co.us/pubs/elections/CVAMEC/files/2013/20130830SLIAssessmentReportFinal.pdf>.
- By January 15, 2014, the commission must submit "recommendations based on the two needs assessment reports" (above). This report must also set forth a process by which the commission will review the use of technology in the 2014 General election.
- By February 16, 2015, CVAMEC must submit an evaluation of the use of technology during the 2014 general election and technical recommendations for the 2016 general election.

Section 1-1-115(3)(b)(IV), C.R.S. requires the Department to "provide technical assistance and support, to the extent practicable within existing resources, to assist the commission in completing" the reports. During a previous meeting, commissioners indicated their desire to hire an outside vendor to assist in completing the next report. The Department explained that there was not additional funding available for such an expenditure and assured the commissioners that Department staff would assist in the creation of the next report.

Though the General Assembly made an appropriation to accompany HB 13-1303, it did not provide any General Fund dollars. Therefore, the Department was left to use current funding—the vast majority of which comes from business filing fees—to pay for the substantial costs in implementing the new election law.

Further, the Department told the General Assembly that the fiscal note for HB 13-1303 was not adequate. That was based on the analysis the Department was able to conduct in the very short timeframe required. Subsequent analysis of the legislation has confirmed that the fiscal note appropriation was not adequate.

Appropriations for the commission's activities include per diem, staff support, and reports drafted at the direction of the commission itself. The Department has spent \$4,900 on travel and meals and \$48,000 for preparation of the two reports already approved by the commission and submitted to the General Assembly. The Department spends significant additional resources in support of the commission. The Deputy Secretary of State co-chairs the commission. The Department's Chief Information Officer, Elections Director, and other staff regularly brief the commission and its subgroup meetings.

HB13-1303 has imposed substantial financial strain on the Department's budget. Most significantly, the bill substantially increased the election reimbursement that will be paid out to counties. Voters previously designated as "Inactive" for failure to vote were changed to "Active" by HB13-1303. These voters, approximately 330,000 in total, are thus considered when calculations of local election reimbursements are made. This increase in expenses, nearly \$300,000, was not included in the fiscal note for HB13-1303. As mentioned in the staff briefing, this expenditure comes from the Department's cash fund and the Department will submit a supplemental for approval to make these payments from other Department Long Bill lines.

Further, the Department has invested approximately 1,050 hours to date working on the SCORE system to bring it into compliance with the requirements of HB13-1303. This work falls in three major areas: short-term project work to modify the SCORE early voting module for use in 2013 elections; changes to the online voter registration system to bring it into compliance with HB13-1303; and, long-term project work to develop HB13-1303-required Voter Service and Polling Center (VSPC) functionality for SCORE.

The Department is also working with the commission and the state's Office of Cyber Security to determine approaches to addressing security and operational concerns with use of electronic pollbooks at VSPCs. The operational impact and ultimate costs associated with providing secure, real-time access to SCORE at VSPCs are unknown, but are expected to be significant. The impact and costs associated with this aspect of VSPCs will affect both the state and county offices.

2:40-3:00 ISSUES

Fund Balance Concerns and Funding for Election-related External Expenditures I: General Funding Local Election Reimbursement:

- 8. Is the Department of State Cash Fund subject to the 16.5 percent excess reserve limit? Have there been any sweeps to the General Fund over the last two economic downturns? Were those sweeps repaid?**

Response:

Yes, the Department is subject to the statutory 16.5 percent target reserve. The Department historically has not complied with the limit laid out in statute. In order to bring itself in compliance, the Department initiated a three-tiered fee holiday beginning October 2012 and ending February 2013 (described in more detail above).

The chart below details sweeps from the Department’s cash fund since fiscal year 2002. The swept funds have not been repaid.

Fiscal Year	Transfer Amount
FY 08-09	\$2,175,000
FY 02-03	\$2,700,000
FY 01-02	\$1,200,000
Total	\$6,075,000

9. What is the timing on reimbursements to counties for statewide elections? How long does it take to reimburse counties? Please provide a cash flow table showing reimbursement amounts made to counties for the last 2-3 years, identifying the election being reimbursed, dates of request by counties, and dates of payments made to counties.

Response:

Under Election Rule 7.12, counties must submit their request form no later than 90 days after the election to receive their county election reimbursement. Immediately prior to the 2013 election, the reimbursement form was posted on the County Clerk section of the Secretary of State’s website. The form was then made into a fillable web-based form and released to the counties November 24, 2013. Historically, reimbursements are processed following a submission of the county invoice by January or February following the election.

Department Outlays for County Reimbursement by Election

2011	2012	2013 (Est.)
\$ 1,541,360	\$2,226,707	\$2,455,000

Appendix F provides more detail for reimbursement data from the past three years. Counties have begun submitting reimbursement requests for the November 2103 election, but payments have not yet been made.

10. Did the fiscal note for H.B. 13-1303 include an increased appropriation for the reimbursement line item for the increased number of active status voters generated by the bill?

Response:

The fiscal note did not anticipate the additional funding required to reimburse counties based on reinstating inactive voters. The fiscal note response was required in a very short timeframe and

the legislation was immensely complex—impacting the majority of the elections code. The Department will be submitting a supplemental to request the spending authority required to pay for the higher reimbursement.

11. What does the Department think about reimbursing the Department of State Cash Fund for past General Fund sweeps rather than funding with General Fund?

See response to question 12.

12. As an alternative to staff's recommendation, what does the Department think about phasing in General Fund over a number of years rather than funding all in the first?

Response:

While the Department would welcome the cash fund replenishment that the repayment of past sweeps would provide, it doesn't address the long-term structural deficit that currently exists with county election reimbursements. Shifting county reimbursement to the general fund is the preferred approach.

Fund Balance Concerns and Funding for Elections-related External Expenditures II: Narrowing the Window for the Line-by-line Verification of Signatures:

13. What does the Department think about staff's recommendation to narrow the window for line-by-line verification of signatures? Please provide more historical data, over several two-year election cycles, that compares the accuracy of the sampling process to the line-by-line verification.

The Secretary of State supports the JBC staff recommendation to narrow the window for line-by-line verification of signatures from 90-110 percent to 95-105 percent.

The Secretary of State is responsible for reviewing petitions for citizen-initiated ballot questions. State questions must meet a substantial threshold to get a question onto the statewide ballot. During the current election cycle, the requirement is 86,105 signatures from registered voters—as calculated by five percent of the total votes cast in the Secretary of State race from 2010. As not all signatures on a petition are valid, proponents often turn in many more signatures than the required amount.

Under current law, a five percent random sample is first analyzed to determine the validity of the signatures. If the results of that random sample project the petition will fall below 90 percent of the required signatures, the petition is deemed insufficient—though proponents are allowed a 15-day period to provide additional signatures. If the random sample projects the initiative has more than 110 percent of the required number of valid signatures, the petition is deemed sufficient. If the random sample falls in between the 90-110 percent range, the petition proceeds to a full line-by-line review of each signature on the petition. A line-by-line review is costly and time-consuming for the Department.

The change proposed by JBC staff would require amendment to Section 1-40-116(4), C.R.S. so that only projections falling within the 95-105 percent range proceed to a line-by-line review. Those that fall below 95 percent would be deemed insufficient. Those that project above 105 percent would be deemed sufficient.

For all but one proposed initiative that required line-by-line verification since 2001, the projected determination of sufficiency or insufficiency in the 5 percent random sample matched the actual determination in the line-by-line. Proposed initiative #82, which was reviewed for the 2008 ballot, was projected to pass based on a 5 percent random sample at 100.66 percent of the signatures required, but failed the line-by-line review at 89.7 percent of the signatures required. Under the proposed change to a 95-105 percent range for line-by-line review, #82 would have received a line-by-line review. Since 2008, no random sample review has deviated more than 4.5 percent from the line-by-line determination.

Appendix G includes additional historical detail of the petition review process.

The proposed change would not impact the ability of proponents to cure insufficiencies. So if a petition was declared insufficient based on the random sample, proponents would be allowed 15 days to submit additional signatures and cure the deficiency.

Funding CCR-related Expenses Through the Statewide Indirect Cost Plan:

14. What is the Department's opinion on staff's recommendation? What does the Department think about establishing fees for state agency CCR filings as an alternative?

Response:

The Department agrees with the recommendation that the funding would be allocated through the DPA Indirect Cost model. The Department does not wish to establish fees for each state agency to file their CCR filings. The infrastructure required to assess such fees would be very costly.

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implemented or has partially implemented the legislation on this list.

Response:

As noted below, all projects are on schedule, and all projects are within budget.

SB 12-123 Enhance Secretary of State Online Filing System: The Act authorized several projects over a multi-year period improve various programs in the Department. Several projects have been implemented, others are in active development, and some have yet to be initiated. The

Department expects to complete all these projects within the timelines specified in the Act.

HB 12-1209 Uniform Electronic Legal Material Act: The Act requires authentication of electronic legal materials. For the Department, this Act affects publication of rulemaking materials under the Administrative Procedures Act, which must be authenticated no later than March 31, 2014. The Department will implement this on time.

HB 12-1274 Regulation Notaries Public: The Act allows the Department to require electronic filing by applicants for commissioning as notaries public. The Department will complete implementation of the Act on time by December 16, 2013.

HB 13-1138 Authorize Benefit Corporations: The effective date of this Act is March 31, 2014. The Department will implement this on time.

HB 13-1167 Secretary of State Collect Business Information: The effective date of this Act is January 1, 2014. The Department will implement this on time.

HB 13-1303 Create the Voter Access & Modernized Elections Act: The Act was effective upon signature of the Governor. The Department implemented temporary changes to the state voter registration and election management system in time for the September 2013 recall elections and the November 2013 coordinated election. The Department is working with the Colorado Voter Access and Modernized Elections Commission to identify, prioritize, and implement other changes required by the Act in time for the primary and general elections in 2014.

HB 13-1101 Progressive Raffles: The effective date of this Act is January 1, 2014. The Department will implement this on time.

HB13-1135 16 year-old Pre-Registration: The Act requires the Secretary of State to update hard forms and the online voter registration system to allow 16-year-olds to pre-register to vote. It became effective August 8, 2013. Implementation required changes to the SCORE database. Those changes have been implemented. The Act prescribes that the Department of Revenue component of the change, updating the driver's license form to include pre-registration be fully implemented by January 1, 2014. The Department has been in constant communication with the Department of Revenue concerning these changes.

2. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the Department doing to resolve the outstanding high priority recommendations?

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/\\$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf)

Response:

The Department had one recommendation related to the compliance with state regulations

regarding the cash fund balances. The Department of State cash fund as of June 30, 2013, is currently in compliance with the state regulations regarding cash fund balances.

- 3. Does the Department pay annual licensing fees for its state professional employees? If so, what professional employees does the Department have and from what funding source(s) does the Department pay the licensing fees? If the Department has professions that are required to pay licensing fees and the Department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?**

Response:

Generally, we do not have positions that require licenses. The Department has a Security position in the IT division that requires a certain type of license. For some positions, the Department prefers candidates that are licensed attorneys as they have shown to add additional value. Overall the Department has more than a dozen licensed attorneys. The Department's policy currently reflects that license renewals will be paid on annual basis. These expenses are paid directly from the cash fund.

- 4. Does the Department provide continuing education, or funds for continuing education, for professionals within the Department? If so, which professions does the Department provide continuing education for and how much does the Department spend on that? If the Department has professions that require continuing education and the Department does not pay for continuing education, does the employee have to pay the associated costs?**

Response:

The Department pays for continuing education for IT, Project Management, Legal, and Business Analyst certifications courses. The Department recently implemented a Skillsoft program to make business and IT courses available to all employees for professional growth and continuing education. The Skillsoft program cost \$26,203.

- 5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the Department because the starting salary that is offered is not high enough?**

Response:

During the last fiscal year, 24 positions were filled and two top candidates turned down the offer of employment due to the starting salary. In other cases, candidates turned down the starting salary and negotiated for a higher amount.

- 6. What is the turnover rate for staff in the Department?**

Response:

The Department's turnover rate is approximately ten percent.

Appendix A

FY12

	Assessed	Paid	Waived
Charitable	\$ 103,900.00	\$ 67,525.00	\$ 150.00
Campaign Finance	\$ 1,288,650.00	\$ 91,035.00	\$ 819,850.00
Lobbyist	\$ 67,970.00	\$ 8,660.00	\$ 13,680.00
Bingo/Raffle	\$ 28,550.00	\$ 16,000.00	\$ 13,900.00

FY12

	Number Assessed	Number Paid
Charitable	3,691	2,439
Campaign Finance	744	432
Lobbyist	147	169
Bingo/Raffle	568	318

FY13

	Assessed	Paid	Waived
Charitable	\$ 88,970.00	\$ 67,730.00	\$ 96,115.00
Campaign Finance	\$ 1,153,415.00	\$ 83,506.79	\$ 424,200.00
Lobbyist	\$ 56,430.00	\$ 12,480.00	\$ 33,270.00
Bingo/Raffle	\$ 30,960.00	\$ 19,610.00	\$ 9,200.00

FY13

	Number Assessed	Number Paid
Charitable	2,872	2,332
Campaign Finance	826	464
Lobbyist	261	153
Bingo/Raffle	473	246

* Paid + Waived does not equal assessed because fines paid and fines waived cross fiscal years.

Appendix B

DEPARTMENT OF STATE

Secretary of State

RULES FOR THE ADMINISTRATION OF THE COLORADO CHARITABLE SOLICITATIONS ACT

8 CCR 1505-9

Rule 6. Fines

- 6.4 A charitable organization, professional fundraising consultant, or paid solicitor registered with the Secretary of State or subject to registration under Article 16 of Title 6, C.R.S., may ask the Secretary to reduce or excuse an imposed fine by letter, email, fax. The Secretary of State may consider excusing or waiving a fine only in the case of a bona fide personal emergency as defined below, or if a timely filing was not possible due to website or administrator errors, or if the organization was not subject to the requirement to register at any time during the period for which it was assessed a fine, and the organization requests to withdraw its registration. The request must include:
- 6.4.1 The name of the charitable organization, professional fundraising consultant, or paid solicitor;
 - 6.4.2 The request date;
 - 6.4.3 The due date of the delinquently filed registration document(s);
 - 6.4.4 The actual filing date of the delinquently filed registration document(s);
 - 6.4.5 A brief summary of the reason, circumstance, or other justification for the bona fide personal emergency;
 - 6.4.6 Measures that the charitable organization, professional fundraising consultant, or paid solicitor instituted or plan to institute to avoid future delinquencies, if applicable;
 - 6.4.7 The basis for claiming an exemption, if applicable; and
 - 6.4.8 Other relevant information, such as a detailed description of the website error that prevented filing the registration document on time.
- 6.5 If the charitable organization, professional fundraising consultant, or paid solicitor asks the Secretary to reduce or excuse a fine, the Secretary's staff will conduct an investigation and notify the charitable organization, professional fundraising consultant, or paid solicitor registrant of the decision.
- 6.5.1 The Secretary of State must receive waiver requests no later than 30 days after the date the penalty notification was mailed.
- 6.6 The Secretary of State will issue decisions depending on individual facts and circumstances. The criteria considered are the establishment of a bona fide personal emergency or the demonstration of a website error that made it impossible to file a required registration document. If uncertain, the Secretary may also consider the frequency of requests to excuse or reduce fines within a two-year period, and the registrant's demonstration of commitment to fulfill the requirements of Colorado's laws concerning charitable solicitations.

DEPARTMENT OF STATE

Secretary of State

BINGO AND RAFFLE GAMES

8 CCR 1505-2

Rule 15. Fines

- 15.1 general. The schedule of fines provided in this rule applies to any violation of the Bingo and Raffles Law or Rules for which the Secretary of State elects to impose an administrative fine in lieu of seeking a license suspension or revocation.
- 15.2 Class 1 Violations. A Class 1 violation is a willful act that is specifically prohibited by statute or rule and does, may, or is intended to result directly in the profit or enrichment of the violator or any person associated with the violator.
- 15.2.1 The fine for a Class 1 violation is \$100.
- 15.2.2 Class 1 violations include, but are not limited to:
- (a) Employing a device, scheme, or artifice to defraud or deceive in connection with any charitable gaming activity;
 - (b) Engaging in an act, practice, or conduct that constitutes fraud or deceit, including any intentional misstatement of fact, in charitable gaming operations;
 - (c) Transferring any license issued in accordance with the Colorado Bingo and Raffles Law;
 - (d) Authorizing or permitting any person other than active member of a licensee to assist in the management or operation of games of chance;
 - (e) Conducting more than 220 bingo occasions in one calendar year under color of a single bingo-raffle license;
 - (f) Possessing, using, selling, offering for sale or putting into play any computerized or electro-mechanical facsimile of a pull tab game, any pull tab game not purchased from a licensed supplier and accompanied by a complete supplier's invoice; any pull tab game that is marked, altered, tampered with, commingled or known to be defective; any pull tab game in any unlicensed premises, other than the licensee's own premises; or any pull tab game that does not conform to the definitions and requirements of the Bingo and Raffles Law.
 - (g) Permitting any person under the age of eighteen to purchase the opportunity to participate in a game of chance.
 - (h) Allowing any person other than a licensee's owner, officer, director, member, shareholder of more than 10% of the licensee's ownership interests, or licensed agent to represent a supplier, manufacturer or landlord licensee with regard to any Colorado transaction.

- (i) Buying, selling, receiving, furnishing, or distributing games of chance equipment to any person in Colorado other than a licensee, a supplier licensee and its licensed agents, or a manufacturer licensee.
- (j) Filing any falsified and/or materially misleading renewal application or quarterly financial statement.
- (k) Authorizing, permitting, or receiving any remuneration or inurement for participating in the management or operation of a licensed game of chance.
- (l) Requiring, inducing or coercing a licensee to enter into any agreement contrary to the Bingo and Raffles Law, or to purchase supplies or equipment from a particular supplier as a condition of conducting games of chance at a commercial bingo facility.

15.3 Class 2 Violations. A Class 2 violation is a willful act that is specifically prohibited by statute or rule and is not intended to and does not directly result in the profit or enrichment of the violator.

15.3.1 The fine for a Class 2 violation is \$75.

15.3.2 Class 2 violations include, but are not limited to:

- (a) Using bingo-raffle equipment that is not owned or leased by a landlord licensee or owned or leased by a licensee.
- (b) Paying other than reasonable, bona fide, lawful expenses in connection with the conduct of licensed games of chance, purchasing games of chance prizes or equipment at prices exceeding reasonable and usual amounts, or other use of games of chance proceeds for other than the lawful purposes of the licensee.
- (c) Converting into or redeeming for cash any bingo merchandise prizes.
- (d) Offering or giving any alcoholic beverage as a prize in a licensed game of chance.
- (e) Giving, receiving, authorizing, or permitting the assistance in the conduct of games of chance of any person disqualified or prohibited by statute or rule from rendering such assistance.
- (f) Offering or giving any bingo door prizes or jackpot prizes exceeding the statutory maximum amounts set for prizes.
- (g) Reserving or setting aside bingo cards or pull tabs for use by players, except as authorized in section 12-9-107(27), C.R.S., or, except as authorized by these rules, reserving or allowing to be reserved any seat or playing space for use by players.
- (h) Drawing a check on a bingo-raffle account payable to "cash" or to a fictitious payee.
- (i) Authorizing or allowing the play of bingo by a person not present on the premises where the game is conducted, or the play of any game of chance on credit, or without collecting the consideration required in full and in advance.

- (j) Engaging in any act, practice or conduct described as a Class 1 violation in Rule 15.2, or that would otherwise be a Class 1 violation, when the act or conduct is not intended to and does not directly result in the profit, inurement or remuneration of the violator.

15.4 Class 3 Violations. A Class 3 violation is one that occurs when a licensee omits, fails or neglects to comply with a requirement set forth in the statutes or rules, but that does not involve the affirmative performance of an act specifically prohibited by statute or rule. Class 3 violations are deemed negligent rather than willful, unless a specific violation is repeated within a two-year period or the facts of the violation show that the violator knowingly and deliberately failed or refused to comply with a requirement or standard set by statute or rule.

15.4.1 The fine for a Class 3 violation is \$20 unless the violation is repeated or knowing and deliberate, in which case the fine is \$50.

15.4.2 Class 3 violations include, but are not limited to:

- (a) Neglecting to display a license or other document at a time and place where display is required.
- (b) Failing to file with the Secretary of State any quarterly report, administrative fee, or rental or other document at the time required for the filing, or omitting required information on such a filing.
- (c) Failing to keep or furnish required records in connection with any licensed activity.
- (d) Omitting any required procedure in the conduct of bingo-raffle activities.
- (e) Failing to designate an officer responsible for the use of games of chance proceeds.
- (f) Neglecting to have a certified games manager present continuously during the conduct of any raffle or bingo occasion and for thirty minutes after the last game in an occasion.
- (g) Failing to have games of chance premises or equipment open or available for inspection by the Secretary of State or police officers.
- (h) Failing to deposit or maintain all games of chance receipts in a special segregated checking or savings account of the licensee, or to withdraw any funds expended from such account by means of consecutively numbered checks or withdrawal slips signed by an officer or officers of the licensee and showing the payee and a description of reason for the payment for which the check or withdrawal slip is made, or by electronic funds transfer.
- (i) Failing to submit the required administrative fee, or a portion thereof, at the time of filing a required quarterly financial report.
- (j) Neglecting to give required notice of the termination of a rental agreement or the cancellation of a bingo occasion.
- (k) Omitting required information from a raffle ticket, if the ticket has been offered for sale or sold without the approval of the Secretary of State.

15.5 Citations.

- 15.5.1 Issuance. The Secretary of State shall issue all citations in writing, signed and dated by the authorized agent of the Secretary of State and shall identify the licensee cited; the facts and/or conduct constituting the violation, the specific rule or statutory provision violated, the fine assessed in accordance with this rule and the Bingo and Raffles Law.
- 15.5.2 Delivery. Citations may be delivered to the cited licensee, to the attention of its games manager, games managers, officer or officers on record in the files of the Secretary of State, either personally or by first class mail.
- 15.5.3 Suspension or reduction of fine. The Secretary of State, for good cause shown, may suspend or reduce any fine imposed in accordance with this rule. Requests for fine suspensions or reductions must be in writing, must be received by the Secretary of State within 20 days of the date of the citation, and must state and document with particularity the facts, circumstances and arguments supporting the request.
- 15.5.4 Referral to law enforcement. Irrespective of whether a citation was issued, the Secretary of State reserves the right to refer any violation to a law enforcement agency.

15.6 Hearings and payment of fines.

- 15.6.1 Request for hearing. In accordance with section 12 9 103(1)(a)(II), C.R.S., a licensee may request a hearing before an administrative law judge to appeal the imposition of a fine. The Secretary of State must receive a written request for a hearing within 20 days of the date that the Secretary of State denied a fine suspension or reduction request.
- 15.6.2 Payment of fines.
 - (a) If a licensee does not request a fine suspension, fine reduction, or hearing before an administrative law judge, then the licensee must pay within 20 days of the date of the citation imposing the fine.
 - (b) If the Secretary of State denies a suspension request or grants a reduction request, then the licensee must pay the fine or reduced fine within 20 days of the date of the notice of denial or reduction.
 - (c) If an administrative law judge denies an appeal of a fine, then the licensee must pay the appealed fine within 20 days of the date of the issuance of the administrative law judge's order.
 - (d) A licensee must pay fines by check or money order, payable to the Colorado Secretary of State.

DEPARTMENT OF STATE

Secretary of State

RULES CONCERNING CAMPAIGN AND POLITICAL FINANCE

8 CCR 1505-6

Rule 18. Penalties, Violations, and Complaints

18.1 Requests for waiver or reduction of campaign finance penalties

18.1.1 A request for waiver or reduction of campaign finance penalties imposed under Article XXVIII, Section 10(2) must state the reason for the delinquency. The filer should provide an explanation that includes all relevant factors relating to the delinquency and any mitigating circumstances, including measures taken to avoid future delinquencies. Before the Secretary of State will consider a request, the report must be filed, and a request including the information required by this paragraph must be submitted.

18.1.2 Requests for waiver or reduction of campaign finance penalties imposed under Article XXVIII, Sections 9(2) or 10(2) must be considered by the Secretary of State and Administrative Law Judges according to the following rules:

Scenario - applied in numerical order (i.e. if #1 doesn't apply, move to #2)		Result
#1	A waiver is requested and establishes good cause that made timely filing impracticable (For example, was in the hospital, got in a car accident, was stranded by a blizzard, etc.). The event or events that made timely filing impracticable must occur within a reasonable time of the date on which the report was filed.	Waive penalty in full. A waiver will be granted without consideration of previous delinquencies.
#2	A waiver is requested but does not present circumstances that made timely filing impracticable (For example, forgot, was out of town, electronic calendar crashed), and:	

	<p>(a) Filer had contributions and/or expenditures during the reporting period. The penalty imposed is \$100 or more.</p>	<p>First delinquency in 24 months: The penalty will be reduced to \$50.</p> <p>Second delinquency in 24 months: The penalty will be reduced by 50%.</p> <p>Third (or subsequent) delinquency in 24 months: A reduction in penalty will not be granted.</p> <p>Penalties imposed under this Section are capped at the higher of the contributions or expenditures made during the reporting period. If a delinquency is found to be willful, the penalty cap may be increased to two to five times the higher of the contributions or expenditures made during the reporting period.</p> <p>For purposes of this analysis, previous delinquencies exclude those for which a waiver under scenario #1 was granted.</p>
	<p>(b) Filer has no activity (contributions OR expenditures) during the reporting period and the committee balance is zero. The penalty imposed is \$100 or more.</p>	<p>The penalty will be reduced to \$50.</p>
	<p>(c) Filer has a fund balance greater than zero and filer has no activity (contributions OR expenditures) during the reporting period. The penalty imposed is \$100 or more.</p>	<p>First delinquency in 24 months: The penalty will be reduced to \$50.</p> <p>Second delinquency in 24 months: The penalty will be reduced by 50%, subject to a cap of 10% of the fund balance (but not less than \$100).</p> <p>Third (or subsequent) delinquency in 24 months: The penalty is capped at 10% of the fund balance, and a minimum penalty of \$100 will be imposed.</p> <p>If a delinquency is found to be willful, the penalty cap may be increased to 20% to 50% of the fund balance.</p> <p>For purposes of this analysis, previous delinquencies exclude those for which a waiver under scenario #1 was granted.</p>
	<p>(d) Filer seeks to terminate active status, has a fund balance of \$1,000 or less, and has no activity (contributions OR expenditures) during the reporting period(s) in question.</p>	<p>Penalties are subject to a cap equal to the total amount of the filer's fund balance as of the date on which the delinquent report was filed, if the committee is promptly terminated.</p>
#3	<p>A waiver is requested, but submitted more than 30 days after the date of penalty imposition. For purposes of this analysis, a filer has 30 days after the date on which the final notice of penalty</p>	<p>A request will not be considered unless good cause has been shown for failure to meet the 30-day waiver filing requirement.</p>

	<p>imposition is issued following the filing of the delinquent report. Until an outstanding report is filed, penalties shall continue to accrue at a rate of \$50 per day and no request for waiver will be considered.</p>	
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18.1.3 The Secretary of State or Administrative Law Judge may consider any additional factors that establish good cause or may otherwise be relevant to the request for waiver or reduction of campaign finance penalties. In considering a request, The Secretary of State or Administrative Law Judge may request additional information, including but not limited to financial or other records maintained by the filer.

18.1.4 For waiver requests that apply to more than one penalty, the guidelines will be applied separately to each penalty in chronological order using the single request as the basis for each.

18.1.5 Filers may request that the Secretary of State reconsider a request for waiver or reduction of campaign finance penalties. Any request for reconsideration must present additional material facts that are significantly different than those alleged in the original request for reduction or waiver, and must be submitted to the Secretary of State, in writing, within 30 days of the date on which the waiver decision was mailed.

18.1.6 The Secretary of State will respond to requests for waiver or reduction of campaign finance penalties within 60 days. Failure to respond within 60 days, however, will not constitute an approval of the request.

18.1.7 When reduced, penalties are rounded to the highest \$25. No penalty will be reduced to an amount less than \$25, unless a full waiver has been granted.

18.1.8 Major Contributor Reports

(a) Penalties assessed for failure to timely file a Major Contributor Report under section 1-45-108(2.5), C.R.S., stop accruing on the date that the contribution is first disclosed, either on the Major Contributor Report or the regularly-scheduled Report of Contributions and Expenditures. Penalties will not accrue beyond the date of the general election. [Section 1-45-108(2.5) C.R.S.]

(b) The date of deposit is considered the "received" date for contributions that require a major contributor report. [Section 1-45-108(2.5), C.R.S.]

(c) For purposes of determining contributions and expenditures received during the reporting period, the contribution that was required to be disclosed on the major contributor report shall be the amount considered.

18.2 Cure period for violations discovered by the appropriate officer

18.2.1 If the appropriate officer, as defined in Article XXVIII, Section 2(1), discovers in the ordinary course of his or her duties in maintaining a campaign finance filing system a possible violation of Article XXVIII or Article 45 of Title 1, C.R.S., and no complaint alleging such violation has been filed with the Secretary of State under Article XXVIII, Section 9(2)(a), then the appropriate officer shall:

(a) Provide the person believed to have committed the violation with written notice of the facts or conduct that constitute the possible violation, and

- (b) Allow 15 business days to correct the violation or to submit written statements explaining the reasons that support a conclusion that a violation was not committed.
- 18.2.2 No cure period under this rule applies to late filings of campaign finance reports subject to penalties under Article XXVIII, Section 10(2)(a).
- 18.3 If, within the time allotted under Rule 18.2, the person fails to correct the violation or to offer a satisfactory explanation, then the appropriate officer may file a complaint under Article XXVIII, Section 9(2)(a).
- 18.4 Written complaints.
 - 18.4.1 A written complaint filed with the Secretary of State under Article XXVIII, Section 9(2)(a) shall include the Secretary of State's complaint cover sheet, which must include the following information:
 - (a) The name, address, and signature of the complainant (if the complainant is represented by counsel, include the counsel's name, address, and signature along with the name, address, and signature of the complainant);
 - (b) The name and address of each person alleged to have committed a violation; and
 - (c) The particulars of the violation.
 - 18.4.2 If an incomplete complaint is received, the date on which the originally filed complaint was received is considered the filed date for purposes of Article XXVIII, Section 9(2)(a), if a complete copy is received within ten days of notification from the Secretary of State that the complaint was incomplete.
 - 18.4.3 A complaint may be submitted by fax or electronic mail if a signed original is received by the Secretary of State no later than five calendar days thereafter. If the complaint is complete, the Secretary of State will promptly transmit the complaint to the Office of Administrative Courts in the Department of Personnel and Administration for consideration by an administrative law judge, which will notify the respondents of the filing of the complaint and which will issue all other appropriate notices to the parties. [Article XXVIII, Section 9(2)(a)]
- 18.5 No report shall be subject to penalties of more than \$50 per day for any late filing or incomplete report violation(s).
- 18.6 Payments for penalties imposed by an Administrative Law Judge shall be remitted to the Secretary of State's office, to the attention of Campaign Finance.

Appendix C

Date of Change	Form / service	Type	From	To
8/2/2010	Report - Late Fee	paper	\$40.00	\$0.00
	Report - Late Fee	online	\$40.00	\$0.00
8/7/2010	Report - Late Fee	paper	\$0.00	\$40.00
	Report - Late Fee	online	\$0.00	\$40.00
12/1/2010	Lobbyist Fine - Phase I Penalty (10 Business Days)	paper	\$10.00	\$0.00 (became a variable price)
	Lobbyist Fine - Phase I Penalty (10 Business Days)	online	\$10.00	\$0.00 (became a variable price)
12/2/2010	Elections Facsimile Signature, Certification, and Expedite	paper	N/A	\$30.00
	Certified Copy	paper	\$0.00	\$10.00
1/1/2011	Notary Application (paper)	paper	\$20.00	\$50.00
	Certifications - Notary	paper	\$0.00	\$5.00
	Certified Copy	paper	\$10.00	\$5.00
	Notary Certifications - Expedited	paper	\$10.00	\$15.00
	Elections Facsimile Signature and Certification	paper	\$20.00	\$15.00
	Elections Facsimile Signature, Certification, and Expedite	paper	\$30.00	\$25.00
	Elections Certifications - Expedited	paper	\$10.00	\$15.00
	Duplicate Notary Certificate	online	\$5.00	\$10.00
	Notary App (paper) Expedited	paper	\$30.00	\$60.00
	Charitable System Information (CD)	paper	N/A	\$50.00
4/7/2011	Lobbyist Fine - Phase I Penalty (10 Business Days)	paper	\$0.00	\$20.00 (changed from variable to fixed)
	Lobbyist Fine - Phase I Penalty (10 Business Days)	online	\$0.00	\$20.00 (changed from variable to fixed)
	Lobbyist Fine - Phase 2 Penalty (11+ days)	paper	N/A	\$50.00
	Lobbyist Fine - Phase 2 Penalty (11+ days)	online	N/A	\$50.00
6/28/2011	Foreign App for Authority	online	N/A	\$125.00
	Withdraw Foreign Authority	online	N/A	\$125.00
9/1/2011	Foreign App for Authority	online	\$125.00	\$1.00

	Foreign App for Authority	paper	\$125.00	\$1.00
	Foreign App. for Auth. - Expedited	paper	\$275.00	\$151.00
11/1/2011	CFD-Art of Inc-Domestic NP	paper	\$50.00	\$20.00
	CFD-Art of Inc-Domestic NP	online	\$50.00	\$20.00
	All Restatements	paper	\$25.00	\$20.00
	All Restatements	online	\$25.00	\$20.00
	Establish/Register Trademark	paper	\$50.00	\$30.00
	Establish/Register Trademark	online	\$50.00	\$30.00
	Renewal Of Trade Name	paper	\$1.00	\$5.00
	Renewal Of Trade Name	online	\$1.00	\$5.00
12/1/2011	Foreign App for Authority	paper	\$1.00	\$100.00
	Foreign App for Authority	online	\$1.00	\$100.00
	Foreign App. for Auth. - Expedited	paper	\$151.00	\$250.00
3/28/2012	CFD - Articles of Organization (LCA)	paper	N/A	\$50.00
	CFD - Articles of Organization (LCA)	online	N/A	\$50.00
7/23/2012	VRD Penalty	paper	N/A	\$0.00
8/8/2012	Statement Curing Delinquency	paper	\$100.00	\$60.00
	Statement Curing Delinquency	online	\$100.00	\$60.00
10/1/2012	Bingo Mfg, License	paper	\$700.00	\$1.00
	Bingo Mfg. Agent License	paper	\$200.00	\$1.00
	Bingo Supplier License	paper	\$700.00	\$1.00
	Bingo Supplier Agent License	paper	\$200.00	\$1.00
	Bingo Hall Owners	paper	\$1,000.00	\$1.00
	Games Manager Certificate	paper	\$20.00	\$1.00
	Charitable Organization Registration	online	\$10.00	\$1.00
	Charitable Organization Amendment	online	\$10.00	\$1.00
	Charitable Organization Renewal	online	\$10.00	\$1.00
	Fundraising Consultant Registration	online	\$175.00	\$1.00

	Fundraising Consultant Amendment	online	\$25.00	\$1.00
	Fundraising Consultant Renewal	online	\$175.00	\$1.00
	Paid Solicitor Registration	online	\$175.00	\$1.00
	Paid Solicitor Amendment	online	\$25.00	\$1.00
	Paid Solicitor Renewal	online	\$175.00	\$1.00
	Paid Solicitor Solicitation Notice	online	\$75.00	\$1.00
11/1/2012	Duplicate Notary Certificate	online	\$10.00	\$1.00
12/1/2012	Original (UCC-1)	online	\$5.00	\$1.00
	Misc Amendments (UCC-3)	online	\$5.00	\$1.00
	Reservation of Name	online	\$25.00	\$1.00
	Transfer/Renew/Other Reservation of	online	\$25.00	\$1.00
	Old Age Pension Fee	online	\$5.00	\$0.10
	CFD-Art of Inc-Domestic Profit Corp	online	\$45.00	\$0.90
	CFD-Art of Inc-Domestic NP	online	\$20.00	\$1.00
	CFD-Art of Org-Domestic	online	\$50.00	\$1.00
	CFD-Cooperative-Domestic	online	\$50.00	\$1.00
	CFD-Reg as Domestic LPA	online	\$50.00	\$1.00
	CFD-Certificate of LP	online	\$50.00	\$1.00
	CFD-Reg as Domestic LLP	online	\$50.00	\$1.00
	CFD-Reg as Domestic LLLP	online	\$50.00	\$1.00
	CFD-Cert of LP and Reg as LLLP	online	\$50.00	\$1.00
	Statement of Correction	online	\$10.00	\$1.00
	Statement of Change	online	\$10.00	\$1.00
	Amend Profit/NP/LLC	online	\$25.00	\$1.00
	Amend LP/LLP/LLLP/LPA/Cooperative	online	\$25.00	\$1.00
	All Restatements	online	\$20.00	\$1.00
	All Amend and Restates	online	\$25.00	\$1.00
	Dissolve Entity	online	\$25.00	\$1.00
	Withdraw Entity	online	\$25.00	\$1.00
	Statement of Trade Name	online	\$20.00	\$1.00
	Withdraw/Other Trade Name	online	\$10.00	\$1.00
	Registration of True Name	online	\$25.00	\$1.00

	Renew/Transfer/Withdraw/Other True Name								
	Foreign App for Authority	online	\$25.00	\$1.00					
	Withdraw Foreign Authority	online	\$100.00	\$1.00					
	CFD - Articles of Organization (LCA)	online	\$125.00	\$1.00					
	Establish/Register Trademark	online	\$50.00	\$1.00					
	Renew Trademark	online	\$30.00	\$1.00					
	Assign/Transfer Trademark	online	\$10.00	\$1.00					
	Cancel/Withdraw Trademark	online	\$10.00	\$1.00					
	Report	online	\$10.00	\$1.00					
	All Reinstatements	online	\$100.00	\$1.00					
	Dissolution of Delinquent Entity	online	\$25.00	\$1.00					
	Renewal Of Trade Name	online	\$5.00	\$1.00					
	Trade Name Statement of Correction	online	\$10.00	\$1.00					
	Trade Name Statement of Change	online	\$10.00	\$1.00					
	Trademark Statement of Change	online	\$10.00	\$1.00					
	Trademark Statement of Correction	online	\$10.00	\$1.00					
	Statement of Conversion	online	\$50.00	\$1.00					
	Combined Conversion and CFD	online	\$100.00	\$1.00					
	CFD - Art of Inc. - Domestic Profit Corp. - online	online	\$50.00	\$1.00					
	UCC - Statement - online	online	\$8.00	\$4.00					
	UCC - Amd. Cont. Term. - online	online	\$8.00	\$4.00					
	Bingo Mfg, License	paper	\$1.00	\$0.00 (became variable price)					
	Bingo Mfg. Agent License	paper	\$1.00	\$0.00 (became variable price)					
	Bingo Supplier License	paper	\$1.00	\$0.00 (became variable price)					
	Bingo Supplier Agent License	paper	\$1.00	\$0.00 (became variable price)					
	Bingo Hall Owners	paper	\$1.00	\$0.00 (became variable price)					
1/1/2013	Charitable Organization Late Fee	online	\$25.00	\$60.00					
	Paid Solicitor Late Fee	online	\$50.00	\$200.00					
	Fundraising Consultant Late Fee	online	\$50.00	\$200.00					
1/22/2013	Prepaid Account	online	N/A	\$0.00					
3/1/2013	Original (UCC-1)	online	\$1.00	\$5.00					

Misc Amendments (UCC-3)	online	\$1.00	\$5.00
Reservation of Name	online	\$1.00	\$25.00
Transfer/Renew/Other Reservation of	online	\$1.00	\$25.00
Old Age Pension Fee	online	\$0.10	\$5.00
CFD-Art of Inc-Domestic Profit Corp	online	\$0.90	\$45.00
CFD-Art of Inc-Domestic NP	online	\$1.00	\$50.00
CFD-Art of Org-Domestic	online	\$1.00	\$50.00
CFD-Cooperative-Domestic	online	\$1.00	\$50.00
CFD-Reg as Domestic LPA	online	\$1.00	\$50.00
CFD-Certificate of LP	online	\$1.00	\$50.00
CFD-Reg as Domestic LLP	online	\$1.00	\$50.00
CFD-Reg as Domestic LLLP	online	\$1.00	\$50.00
CFD-Cert of LP and Reg as LLLP	online	\$1.00	\$10.00
Statement of Correction	online	\$1.00	\$10.00
Statement of Change	online	\$1.00	\$25.00
Amend Profit/NP/LLC	online	\$1.00	\$25.00
Amend LP/LLP/LLLP/LPA/Cooperative	online	\$1.00	\$25.00
All Restatements	online	\$1.00	\$25.00
All Amend and Restates	online	\$1.00	\$25.00
Dissolve Entity	online	\$1.00	\$25.00
Withdraw Entity	online	\$1.00	\$25.00
Statement of Trade Name	online	\$1.00	\$20.00
Withdraw/Other Trade Name	online	\$1.00	\$10.00
Registration of True Name	online	\$1.00	\$25.00
Renew/Transfer/Withdraw/Other True Name	online	\$1.00	\$25.00
Foreign App for Authority	online	\$1.00	\$100.00
Withdraw Foreign Authority	online	\$1.00	\$125.00
CFD - Articles of Organization (LCA)	online	\$1.00	\$50.00
Establish/Register Trademark	online	\$1.00	\$30.00
Renew Trademark	online	\$1.00	\$10.00
Assign/Transfer Trademark	online	\$1.00	\$10.00
Cancel/Withdraw Trademark	online	\$1.00	\$10.00
Report	online	\$1.00	\$10.00
All Restatements	online	\$1.00	\$100.00

	Dissolution of Delinquent Entity	online	\$1.00	\$25.00
	Renewal Of Trade Name	online	\$1.00	\$5.00
	Trade Name Statement of Correction	online	\$1.00	\$10.00
	Trade Name Statement of Change	online	\$1.00	\$10.00
	Trademark Statement of Change	online	\$1.00	\$10.00
	Trademark Statement of Correction	online	\$1.00	\$10.00
	Statement of Conversion	online	\$1.00	\$50.00
	Combined Conversion and CFD	online	\$1.00	\$100.00
	CFD - Art of Inc. - Domestic Profit Corp. - online	online	\$1.00	\$50.00
	UCC - Statement - online	online	\$4.00	\$8.00
	UCC - Amd. Cont. Term. - online	online	\$4.00	\$8.00
	Duplicate Notary Certificate	online	\$1.00	\$10.00
4/5/2013	Charitable System Information (CD)	paper	\$50.00	\$1.00
7/1/2013	Charitable Organization Registration	online	\$1.00	\$10.00
	Charitable Organization Amendment	online	\$1.00	\$10.00
	Charitable Organization Renewal	online	\$1.00	\$10.00
	Fundraising Consultant Registration	online	\$1.00	\$175.00
	Fundraising Consultant Amendment	online	\$1.00	\$25.00
	Fundraising Consultant Renewal	online	\$1.00	\$175.00
	Paid Solicitor Registration	online	\$1.00	\$175.00
	Paid Solicitor Amendment	online	\$1.00	\$25.00
	Paid Solicitor Renewal	online	\$1.00	\$175.00
	Paid Solicitor Solicitation Notice	online	\$1.00	\$75.00
	Charitable Organization Registration	online	\$1.00	\$10.00
	Charitable Organization Amendment	online	\$1.00	\$10.00
	Charitable Organization Renewal	online	\$1.00	\$10.00
	Fundraising Consultant Registration	online	\$1.00	\$175.00
	Fundraising Consultant Amendment	online	\$1.00	\$25.00
	Fundraising Consultant Renewal	online	\$1.00	\$175.00
	Paid Solicitor Registration	online	\$1.00	\$175.00
	Paid Solicitor Amendment	online	\$1.00	\$25.00
	Paid Solicitor Renewal	online	\$1.00	\$175.00

Paid Solicitor Solicitation Notice	online	\$1.00	\$75.00
Charitable System Information (CD)	paper	\$1.00	\$50.00
Games Manager Certificate	paper	\$1.00	\$0.00
Report - Late Fee	paper	\$40.00	\$50.00
Report - Late Fee	online	\$40.00	\$50.00
Statement Curing Delinquency	paper	\$60.00	\$100.00
Statement Curing Delinquency	online	\$60.00	\$100.00

11/1/2013

STATE OF COLORADO
Department of State
1700 Broadway
Suite 200
Denver, CO 80290



Scott Gessler
Secretary of State

Suzanne Staiert
Deputy Secretary of State

February 26, 2013

Appendix D

The Honorable Crisanta Duran
200 Colfax
Denver, CO 80203

Re: Department of State budget request

Dear Representative Duran,

I apologize if I was not clear in my description of my office's costs of maintaining clean and accurate voter rolls. Under the Secretary of State's normal course of duties, I am obligated to remove ineligible voters from the rolls. Under C.R.S. 1-2-302(1.5)(b), "Only the names of voters who are not registered or who are not eligible to vote are removed from the computerized statewide voter registration list."

As background, the Colorado Secretary State's office transitioned to a real-time, statewide voter registration system in 2008 as mandated by the Help America Vote Act. The system checks the Department of Corrections to identify voters convicted of a felony, the Department of Public Health and Environment to identify deceased voters and the Department of Revenue to verify driver's license numbers and social security numbers. Unfortunately, the system is incapable of identifying and removing non-citizen voters.

Until a real-time link is available to a federal immigration database, we're forced to compare data just like we do for federal court felony convictions. Once we identify voters convicted of a federal offense, the counties cancel the voter record and mail letters notifying the voters their record was cancelled.

In order to address your question about costs related to identifying non-citizen voters, I've attached a spreadsheet outlining those costs. Since Colorado began requiring proof of lawful presence in 2006, our first comparison looked at hundreds of thousands of motor vehicle records where applicants showed proof of non-citizenship. Our costs going forward will be significantly less as we compare data over the course of months versus years.

If you have any additional questions, please don't hesitate to contact me directly.

Sincerely,
Scott Gessler

CC: Colorado Joint Budget Committee
David Meng

Non-Citizen Voter Project

Description	# of hours	cost (average loaded cost \$38.50/hr)
Research		
SAVE Query Fees		\$ 2,212.00
SAVE - mhagihara	8	\$ 308.00
SAVE - bmcentire	6	\$ 231.00
SAVE - dchacon	6	\$ 231.00
Data Analysis - mhagihara	8	\$ 308.00
SAVE- dj	4	\$ 154.00
IT research- tparker	6	\$ 231.00
Policy-tbratton	5	\$ 192.50
SAVE-tgriesmer	5	\$ 192.50
Data Analysis-tgriesmer	3	\$ 115.50
Total Research	51	\$ 4,175.50
Mailing		
Printing/Supplies		\$ 3,200.00
Postage		\$ 1,800.00
Preparation - mhagihara	4	\$ 154.00
Preparation - dj	6	\$ 231.00
Preparation - tbratton	4	\$ 154.00
Preparation-tgriesmer	4	\$ 154.00
Total Mailing	18	\$ 5,693.00
Legal		
Rule/Statutory Analysis - tbratton	15	\$ 577.50
Total Legal	15	\$ 577.50
Grand Total		\$ 10,446.00

Appendix E



Department of State

Legal Services Paid FY 12

Issue/Case	Amount
Citizen Center v. Gessler, <i>et al.</i>	\$ 9,515
Colorado Common Cause v. Gessler	\$ 37,584
Colorado Ethics Watch v. Gessler	\$ 5,853
Division of Elections -- General Matters	\$ 25,748
Gessler v. Johnson	\$ 22,282
Independence Institute v. Gessler (Buescher)	\$315,293
Marks - HAVA Complaint	\$ 8,572
Paladino V. Gessler	\$ 3,739
Riddle <i>et al.</i> , v. Gessler, <i>et al.</i>	\$ 11,137
Other legal matters	\$ 62,871
Outside Counsel Services	\$ 18,071
Total	<u>\$520,665</u>

Legal Services Paid FY 13

Busse v. Gessler <i>et al.</i>	\$ 15,689
Citizen Center V. Gessler <i>et al.</i>	\$ 35,722
Coalition for Secular Government v. Gessler	\$ 43,614
Colorado Common Cause v. Gessler	\$ 7,189
Colorado Ethics Watch v. Gessler	\$ 39
Division of Elections -- General Matters	\$ 29,986
Gessler, Scott v. Johnson, Debra	\$ 71,221
Independence Institute v. Gessler (Buescher)	\$ 11,495
Marks - HAVA Complaint	\$ 8,368
Paladino v. Gessler	\$ 14,727
Riddle, <i>et al.</i> v. Gessler, <i>et al.</i>	\$ 8,712
Other Legal Matters	\$ 43,501
Outside Counsel Services*	<u>\$ 171,901</u>
Total	<u>\$ 462,164</u>

*The Majority of Outside Counsel Services for 2013 are related to the IEC matter and related appeal.

Legal Services YTD FY 14

Busse v. Gessler <i>et al.</i>	\$ 574
Citizen Center v. Gessler, <i>et al.</i>	\$ 4,583
Coalition for Secular Government v. Gessler	\$ 14
Colorado Common Cause v. Gessler	\$ 5,680
Colorado Ethics Watch v. Gessler	\$ 43
Colorado Libertarian Party v. Gessler	\$ 29,908
Division of Elections -- General Matters	\$ 21,389
Independence Institute v. Gessler (Buescher)	\$ 8,286
Marks - HAVA Complaint	\$ 4,070
Morse & Giron Recall Petition Matters	\$ 12,527
Paladino v. Gessler	\$ 3,646
Riddle <i>et al.</i> v. Gessler, Hickenlooper <i>et al.</i>	\$ 2,167
Other legal matters	\$ 16,575
Outside Counsel Services	<u>\$ 67,022*</u>
 Total	 <u>\$ 176,484</u>

*The Outside Counsel Services for 2014 are related to the IEC matter and related appeal.

Appendix F



Department of State

Election Reimbursement Payments to Counties for November 2012 Election

Date	County	Amount
2/8/2013	Adams County	\$ 149,422
2/8/2013	Alamosa County	\$ 6,434
2/8/2013	Arapahoe County	\$ 248,421
2/8/2013	Archuleta County	\$ 6,154
2/8/2013	Baca County	\$ 1,929
2/8/2013	Bent County	\$ 1,800
2/8/2013	Boulder County	\$ 150,370
2/8/2013	Broomfield, City & County of	\$ 27,342
2/8/2013	Chaffee County	\$ 8,940
2/8/2013	Cheyenne County	\$ 1,050
2/8/2013	Clear Creek County	\$ 5,438
2/8/2013	Conejos County	\$ 3,793
2/8/2013	Costilla County	\$ 1,716
2/8/2013	Crowley County	\$ 1,385
2/8/2013	Custer County	\$ 2,488
2/8/2013	Delta County	\$ 13,373
2/8/2013	Denver, City & County of	\$ 269,464
2/8/2013	Dolores County	\$ 1,136
2/8/2013	Douglas County	\$ 141,680
2/8/2013	Eagle County	\$ 18,751
2/8/2013	El Paso County	\$ 255,473
2/8/2013	Elbert County	\$ 11,474
2/8/2013	Fremont County	\$ 17,529
2/8/2013	Garfield County	\$ 20,834
2/8/2013	Gilpin County	\$ 4,563
2/8/2013	Grand County	\$ 7,463
2/8/2013	Gunnison County	\$ 8,107
2/8/2013	Hinsdale County	\$ 599
2/8/2013	Huerfano County	\$ 4,548
2/8/2013	Jackson County	\$ 776
5/9/2013	Jefferson County	\$ 261,627
2/8/2013	Kiowa County	\$ 758
2/8/2013	Kit Carson County	\$ 3,503
2/8/2013	La Plata County	\$ 24,778
2/8/2013	Lake County	\$ 2,800
2/8/2013	Larimer County	\$ 156,775

2/8/2013	Las Animas County	\$ 6,313
2/8/2013	Lincoln County	\$ 2,174
2/8/2013	Logan County	\$ 8,752
2/8/2013	Mesa County	\$ 63,038
2/8/2013	Mineral County	\$ 608
2/8/2013	County Of Moffat	\$ 5,673
2/8/2013	Montezuma County	\$ 10,188
2/8/2013	Montrose County	\$ 17,078
2/8/2013	Morgan County	\$ 8,798
2/8/2013	Otero County	\$ 7,880
2/8/2013	Ouray County	\$ 2,992
2/8/2013	Park County	\$ 8,713
2/8/2013	Phillips County	\$ 2,067
2/8/2013	Pitkin County	\$ 8,330
2/8/2013	Prowers County	\$ 4,454
2/8/2013	Pueblo County	\$ 67,366
2/8/2013	Rio Blanco County	\$ 3,198
2/8/2013	Rio Grande County	\$ 5,112
2/8/2013	Routt County	\$ 10,816
2/8/2013	Saguache County	\$ 2,885
2/8/2013	San Juan County	\$ 519
2/8/2013	San Miguel County	\$ 4,081
2/8/2013	Sedgwick County	\$ 1,485
2/8/2013	Summit County	\$ 13,228
2/8/2013	Teller County	\$ 11,362
2/8/2013	Washington County	\$ 2,367
2/8/2013	Weld County	\$ 100,145
2/8/2013	Yuma County	\$ <u>4,397</u>
	Total	\$ <u>2,226,707</u>

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Election Reimbursement Payments to Counties for November 2011 Election

Date Paid	County	Amount
1/30/2012	Adams County	\$ 94,369
1/30/2012	Alamosa County	\$ 4,568
1/30/2012	Arapahoe County	\$ 164,529
1/30/2012	Archuleta County	\$ 4,887
1/30/2012	Baca County	\$ 1,717
1/30/2012	Bent County	\$ 1,486
1/30/2012	Boulder County	\$ 103,069
1/30/2012	Broomfield, City & County of	\$ 19,110
1/30/2012	Chaffee County	\$ 7,514
1/30/2012	Cheyenne County	\$ 874
1/30/2012	Clear Creek County	\$ 4,162
1/30/2012	Conejos County	\$ 2,874
1/30/2012	Costilla County	\$ 1,385
1/30/2012	Crowley County	\$ 1,176
1/30/2012	Custer County	\$ 2,058
1/30/2012	Delta County	\$ 10,303
1/30/2012	Denver, City & County of	\$ 167,223
1/30/2012	Dolores County	\$ 933
1/30/2012	Douglas County	\$ 99,506
1/30/2012	Eagle County	\$ 13,096
1/30/2012	El Paso County	\$ 166,881
1/30/2012	Elbert County	\$ 8,900
1/30/2012	Fremont County	\$ 13,185
1/30/2012	Garfield County	\$ 14,757
1/30/2012	Gilpin County	\$ 2,445
1/30/2012	Grand County	\$ 6,212
1/30/2012	Gunnison County	\$ 5,757
1/30/2012	Hinsdale County	\$ 526
1/30/2012	Huerfano County	\$ 3,251
1/30/2012	Jackson County	\$ 667
1/30/2012	Jefferson County	\$ 183,583
1/30/2012	Kiowa County	\$ 676
1/30/2012	Kit Carson County	\$ 2,834
1/30/2012	La Plata County	\$ 16,463
1/30/2012	Lake County	\$ 2,031
1/30/2012	Larimer County	\$ 109,418
1/30/2012	Las Animas County	\$ 5,017
1/30/2012	Lincoln County	\$ 1,700
1/30/2012	Logan County	\$ 6,930
1/30/2012	Mesa County	\$ 45,173
1/30/2012	Mineral County	\$ 506
1/30/2012	County Of Moffat	\$ 4,308

1/30/2012	Montezuma County	\$	8,126
1/30/2012	Montrose County	\$	12,706
1/30/2012	Morgan County	\$	7,602
1/30/2012	Otero County	\$	5,902
1/30/2012	Ouray County	\$	2,346
1/30/2012	Park County	\$	6,740
1/30/2012	Phillips County	\$	1,714
1/30/2012	Pitkin County	\$	6,550
1/30/2012	Prowers County	\$	3,491
1/30/2012	Pueblo County	\$	44,387
1/30/2012	Rio Blanco County	\$	2,373
1/30/2012	Rio Grande County	\$	3,898
1/30/2012	Routt County	\$	8,214
1/30/2012	Saguache County	\$	2,234
1/30/2012	San Juan County	\$	414
1/30/2012	San Miguel County	\$	2,838
1/30/2012	Sedgwick County	\$	1,038
1/30/2012	Summit County	\$	9,038
1/30/2012	Teller County	\$	8,149
1/30/2012	Washington County	\$	2,117
1/30/2012	Weld County	\$	70,759
1/30/2012	Yuma County	\$	3,576
3/06/2012	Dolores County	\$	5,548
3/06/2012	Park County	\$	<u>15,540</u>
	Total	\$	<u>1,541,360</u>

Appendix G

Initiative Title	Verification Dates	Number of signatures SOS reviewed based on the 5% random sample	Number of valid signatures after random-sample review	Number of signatures SOS reviewed during the line-by-line verification	Number of valid signatures after line-by-line review	Difference between projected valid signatures and actual valid signatures (as a percentage of the total number of valid signatures required for placement on the ballot)	End Result
"Fixed Guideway (Monorail) System" (Proposed Initiative 2001-2002 #8)	August 15, 2001	5,752	4,141 (72%)	115,046	82,283 (72%)	Projected valid: 103% Actual valid: 102%	Deemed Sufficient (placed on ballot as Amendment 26).
"School District Expenditures for Education" (Proposed Initiative 2005-2006 #46)	February 24, 2006 - March 24, 2006	5,229	3,627 (69%)	104,568	69,320 (66%)	Projected valid: 106.9% Actual valid: 102.2%	Deemed Sufficient (placed on ballot as Amendment 39).
"Discrimination/Pref-erential Treatment by Colorado Governments" (Proposed Initiative 2007-2008 #82)	August 4, 2008 - September 3, 2008	5,889	3,828 (65%)	117,871	68,195 (58%)	Projected valid: 100.66% Actual valid: 89.67%	Deemed Insufficient (76,047 valid signatures required).
"Use and Regulation of Marijuana" (Proposed Initiative 2011-2012 #30)	January 4, 2012- February 27, 2012	8,180	4,436 (54%)	177,783	90,466 (51%)	Projected valid: 103.04% Actual valid: 105.06%	Deemed Sufficient (placed on ballot as Amendment 64).
"Application of the Term Person" (Proposed Initiative 2011-2012 #46)	August 6, 2012- August 28, 2012	5,306	4,287 (81%)	106,119	82,246 (78%)	Projected valid: 99.58% Actual valid: 95.52%	Deemed Insufficient (86,105 valid signatures needed)
"Colorado Congressional Delegation to Support Campaign Finance Limits" (Proposed Initiative 2011-2012 #82)	August 6, 2012- September 5, 2012	9,105	4,547 (50%)	182,113	87,170 (48%)	Projected valid: 105.61% Actual valid: 101.20%	Deemed Sufficient (placed on ballot as Amendment 65).
"Funding for Public Schools" (Proposed Initiative 2013-2014 #22)	August 5, 2013- September 4, 2013	8,286	4,646 (56%)	165,710	89,820 (54%)	Projected valid: 107.90% Actual valid: 104.30%	Deemed Sufficient (placed on ballot as Amendment 66).

"Definition of a Person and Child" (Proposed Initiative 2013-2014 #5)	September 30, 2013-October 14, 2013	7,003	5,481 (78%)	N/A	N/A	Deemed Sufficient (will be placed on 2014 ballot as Amendment 67)
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Since 2001, only two signature addendums have been filed to cure an insufficiency. They are:

-In 2010, proponents of Amendment 62 submitted 47,114 signatures to cure the original insufficiency. A line-by-line was not required.

-In 2012, proponents of Amendment 64 submitted 14,151 signatures to cure the original insufficiency. A line-by-line was required.

**DEPARTMENT OF STATE
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 10, 2013
1:30 pm – 3:00 pm**

1:30-1:40 INTRODUCTIONS AND OPENING COMMENTS

1:40-1:45 QUESTIONS COMMON TO ALL DEPARTMENTS

1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response?

1:45-2:40 DEPARTMENT OVERVIEW AND GENERAL QUESTIONS

2. Please provide fines data for 2-3 years, including fine types, amount per fine, number of fines assessed, number of fines collected, and total fine revenue collected. Are fines being waived? How vigorously are fines enforced?
3. Is the Department currently using any fee holidays? Are filing fees lower or higher than they have been historically? Please provide a list of fee holidays in the last 2-3 years. Please provide a list of filing fees and changes in the last 2-3 years.
4. Please provide an update on the Business Intelligence Suite and other request items that were funded last year.
5. Please provide data on expenditures related to finding ineligible voters over the last two years. How much staff time has been spent on these efforts? Delineate Department procedures for identifying ineligible voters. How many ineligible voters have been identified through these efforts? How many ineligible voters identified through Department efforts have been confirmed ineligible by county clerks or identified for prosecution by local law enforcement authorities?
6. Please provide legal services expenditure data for 2-3 years. What legal issues have been addressed and what have they cost? Please provide legal services expenditure data related to the Secretary of State's legal defense before the Independent Ethics Commission (IEC). Please provide legal services expenditure data related to the Secretary of State's appeal in Denver District Court. How much Department staff time has been spent at IEC hearings and in meetings related to these legal issues?

7. Please provide an update on the Colorado Voter Access and Modernized Elections Commission reporting process required by H.B. 13-1303. Please include appropriations and expenditures data and, if necessary, explain the need for adjustments to the appropriations identified in the fiscal note. If no adjustments are necessary, why is the Department suggesting that it does not have the funds for the reports?

2:40-3:00 ISSUES

Fund Balance Concerns and Funding for Election-related External Expenditures I: General Funding Local Election Reimbursement:

8. Is the Department of State Cash Fund subject to the 16.5 percent excess reserve limit? Have there been any sweeps to the General Fund over the last two economic downturns? Were those sweeps repaid?
9. What is the timing on reimbursements to counties for statewide elections? How long does it take to reimburse counties? Please provide a cash flow table showing reimbursement amounts made to counties for the last 2-3 years, identifying the election being reimbursed, dates of request by counties, and dates of payments made to counties.
10. Did the fiscal note for H.B. 13-1303 include an increased appropriation for the reimbursement line item for the increased number of active status voters generated by the bill?
11. What does the Department think about reimbursing the Department of State Cash Fund for past General Fund sweeps rather than funding with General Fund?
12. As an alternative to staff's recommendation, what does the Department think about phasing in General Fund over a number of years rather than funding all in the first?

Fund Balance Concerns and Funding for Elections-related External Expenditures II: Narrowing the Window for the Line-by-line Verification of Signatures:

13. What does the Department think about staff's recommendation to narrow the window for line-by-line verification of signatures? Please provide more historical data, over several two-year election cycles, that compares the accuracy of the sampling process to the line-by-line verification.

Funding CCR-related Expenses Through the Statewide Indirect Cost Plan:

14. What is the Department's opinion on staff's recommendation? What does the Department think about establishing fees for state agency CCR filings as an alternative?

ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implement or has partially implemented the legislation on this list.
2. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations?
[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/\\$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf)
3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?
4. Does the department provide continuing education, or funds for continuing education, for professionals within the department? If so, which professions does the department provide continuing education for and how much does the department spend on that? If the department has professions that require continuing education and the department does not pay for continuing education, does the employee have to pay the associated costs?
5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the department because the starting salary that is offered is not high enough?
6. What is the turnover rate for staff in the department?

COLORADO DEPARTMENT OF STATE
STRATEGIC PLAN AND BUDGET REQUEST

FY 2014-15

Submitted November 1, 2013

Scott E. Gessler
Secretary of State



We serve the American Dream



STATE OF COLORADO
Department of State

1700 Broadway
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Denver, CO 80290

Scott Gessler
Secretary of State

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November 1, 2013

Dear Coloradans,

This is our second year presenting our Strategic Plan in an updated and easy to read format. Last year I noted the new format, which was meant to comply with requirements set forth by the legislature, while also providing a plan that is understandable for lawmakers, constituent groups, the public, and our employees. Our mission, vision, values, strategies, goals, objectives, and metrics must be transparent, so that you don't need special knowledge or experience with my office to understand our actions.

Going forward, we will continue our work to live up to the tagline "We serve the American Dream."

People interact with our office for many reasons: starting or expanding a business, raising money to support charities, adopting a child, creating an issue committee, or running for office. But whatever your dream is, we are here to help you along your way. We believe government should assist people in their efforts toward success, not act as a hindrance.

This plan continues our course for a bold vision for the future while serving the people of Colorado. The Business & Licensing Division continues to roll out new and enhanced web-based systems that allow for a better, faster, and less-costly customer experience. And the Business Intelligence Center will be a giant leap forward for openness and transparency in public data while assisting our business community in their decision making. Our e-Learning Platform is saving our customers and staff time and resources with on-demand training anywhere you can access the Internet. Taking advantage of process-improvement and operational efficiencies, we saved businesses and nonprofits \$3.5 million through reduced fees in the last year. We continue to improve the integrity of our voter rolls through sophisticated data comparison projects, while making registering to vote more convenient.

Whatever your dream may be, we are here to help.

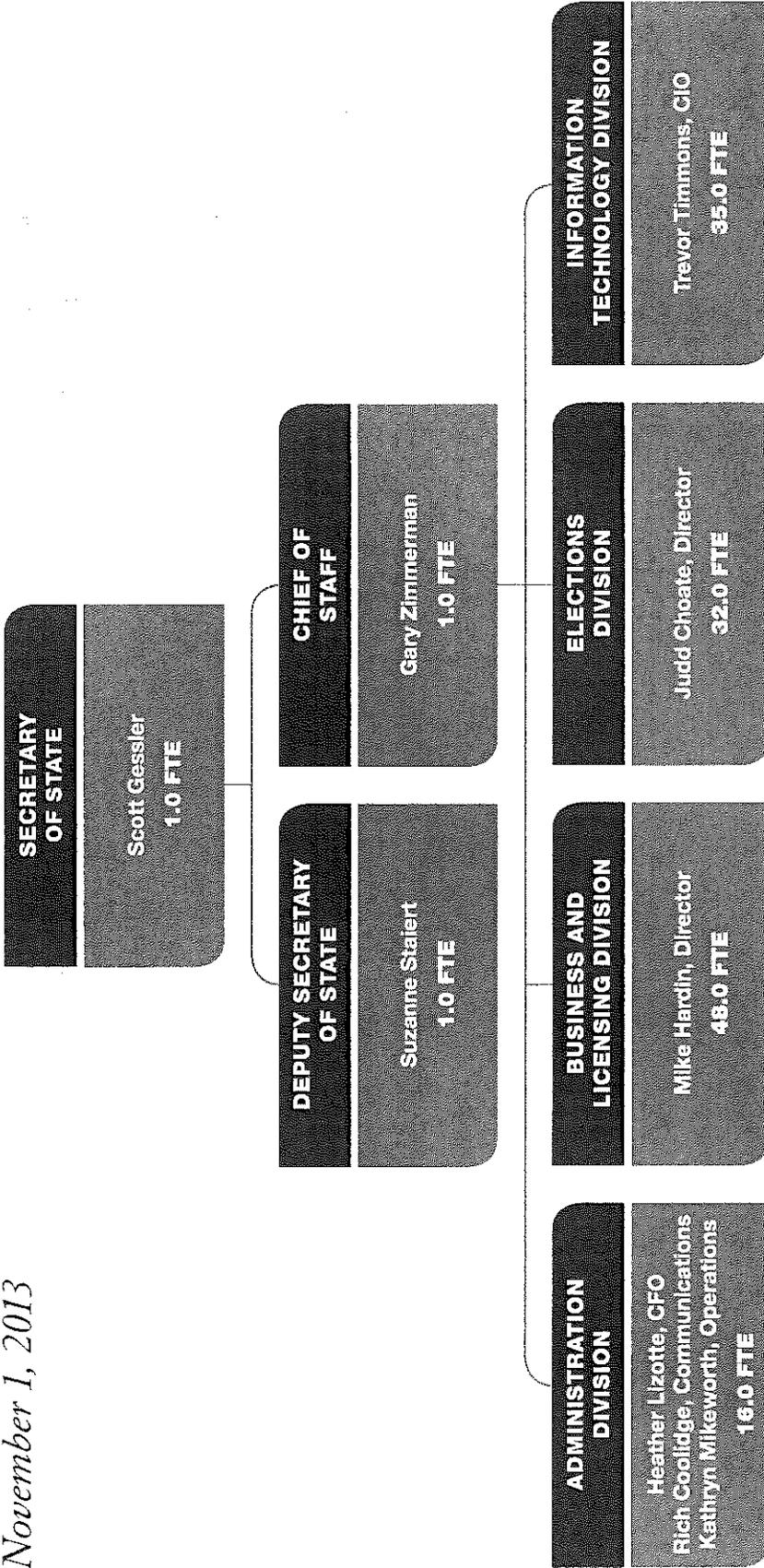
Sincerely,

Scott E. Gessler
Colorado Secretary of State

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November 1, 2013

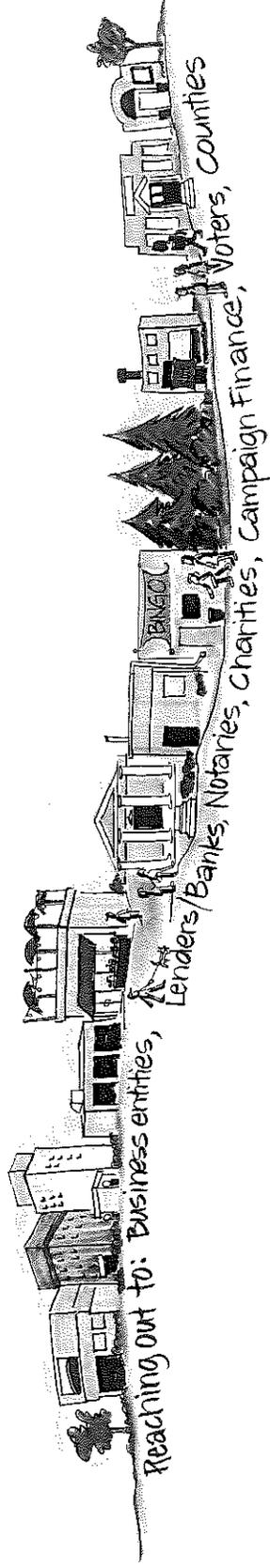


Funds Appropriation Overview

	FY 12-13	FY 13-14	FY 14-15
Administration	\$ 9,206,763	\$ 5,822,113	\$ 5,859,851
Information Technology Services	\$ 6,534,348	\$ 10,288,027	\$ 8,606,373
Elections	\$ 0	\$ 4,922,031	\$ 4,922,080
Special Purpose	\$ 3,287,234	\$ 0	\$ 0
Business Licensing	\$ 0	\$ 2,604,968	\$ 2,604,968
TOTAL	\$ 19,028,345	\$ 23,637,139	\$ 21,993,272

Background Information

The Department of State performs several functions, ranging from registering businesses to overseeing elections. The *Business and Licensing Division* receives filings such as business registrations, trade names, secured liens, lobbyist registrations, notary public applications, and bingo and raffle reports. Most filings are submitted electronically, and the office disseminates this information to the public through its web site. The *Elections Division* oversees state elections and has primary responsibility for campaign finance disclosure and statewide ballot initiative certification. Two other divisions in the Department, *Administration* and *Information Technology*, support the office's programs. Cash funds generated by business and other filings support nearly all of the Department's activities. Federal grants provide the remainder of funding. The Department of States Long Bill appropriations are under each section "Administration, Information Technology, Elections, and Business Licensing." These appropriations are allocated based on historical utilization in each division.



Prior Year Legislation

The following 2013 legislation impacts the functions of the Department of State.

HB 13-1101 (Singer, Tochtrop) Progressive Raffles: Authorizes bingo-raffle licensees to offer progressive raffles in which a jackpot is carried over and increased from one drawing to another until the jackpot is awarded.

HB 13-1135 (Kerr, Singer) Preregister to vote: Allows someone to preregister to vote if the person has reached sixteen years of age but will not be eighteen years of age by the date of the next Election.

HB 13-1138 (Lee, Kefalas) Public Benefit Corporation: Allows a corporation to be created as, or elect to become, a public benefit corporation.

HB 13-1167 (Crowder, Duran, Pettersen) Business Data Collection: Requires the Secretary of State to request information from business owners filing documents including gender, race, veteran status, whether he or she is a person with a disability and their National American Industry Classification System (NAICS) code.

HB 13-1303 (Giron, Hullinghorst, Pabon) Strengthen the participation on individuals in the Electoral process: Changes in election and voter registration processes include Mail Ballot Election, Voter service and polling centers, Voter Registration, Residency, Inactive Voter Status for failure to vote, Voter communication, Voter verification and data sharing, Election Commission.

Hot Issues

THE SECRETARY OF STATE LAUNCHED THE BUSINESS-INTELLIGENCE CENTER on July 1, 2013. This first-of-its-kind program is designed to consolidate public data relevant to businesses on a single platform and provide tools to make the data more useful. Instrumental to its success will be the Business Innovation Challenge where the technology community will build web and mobile applications that address key business challenges facing Colorado businesses.

THE BUSINESS DIVISIONS BINGO RAFFLE GAMES MANAGER E-LEARNING CLASS reached an impressive milestone of over 800 trained licensees throughout the state of Colorado. By taking the Games Manager's course through the Secretary of States website, volunteers are able to avoid significant travel costs and time.

IN JANUARY 2013, THE DEPARTMENT LAUNCHED OUR NEW PRE-PAID ACCOUNT PORTAL. This service provides businesses who conduct frequent transactions the opportunity to manage their payment account online. Businesses can fund their account and track transactions and balances in real time.

IN MAY 2013 THE DEPARTMENT CREATED A COMBINED SERVICE CENTER WITHIN THE BUSINESS AND LICENSING DIVISION where phone calls, emails, and other inquiries are handled for seven independent programs including business, notary, uniform commercial code, certified documents, elections, campaign finance, and charities. The center has created new efficiencies and deployed advanced training tools to increase customer satisfaction.

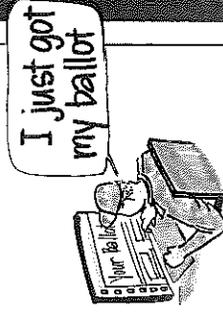
IN FEBRUARY 2013 THE DEPARTMENT RELEASED AN ENHANCED CHARITIES ANNUAL REPORT to protect the public's interests. This report provides detailed analysis of charitable solicitations and charitable giving in Colorado for the entire calendar year. The goal of this report is to help potential donors make informed decisions when making donations.

IN MAY 2013 THE DEPARTMENT RELEASED NEW BUSINESS FILING ENHANCEMENTS. This project introduced many usability improvements to include streamlining the process of adding multiple addresses, adding context to links, and enabling dynamic forms.

IN DECEMBER 2013, THE DEPARTMENT RELEASED NOTARY SYSTEM ENHANCEMENTS providing over 80,000 Colorado notaries the ability to renew and apply entirely online. This new functionality will reduce application cycle time and greatly improve customer satisfaction and office efficiency.

THE DEPARTMENT'S ONLINE VOTER REGISTRATION (OLVR) IS BEING IMPROVED TO ALLOW VOTERS TO UPDATE THEIR REGISTRATIONS BY LOGGING IN WITH THEIR SOCIAL SECURITY NUMBER. Since OLVR

became operational in 2010, over 700,000 voters have updated their records by logging onto govotecolorado.com with their driver's license number. By adding SSN, the Department will make it that much easier and straightforward for voters to easily update their records.



Hot Issues *Continued*

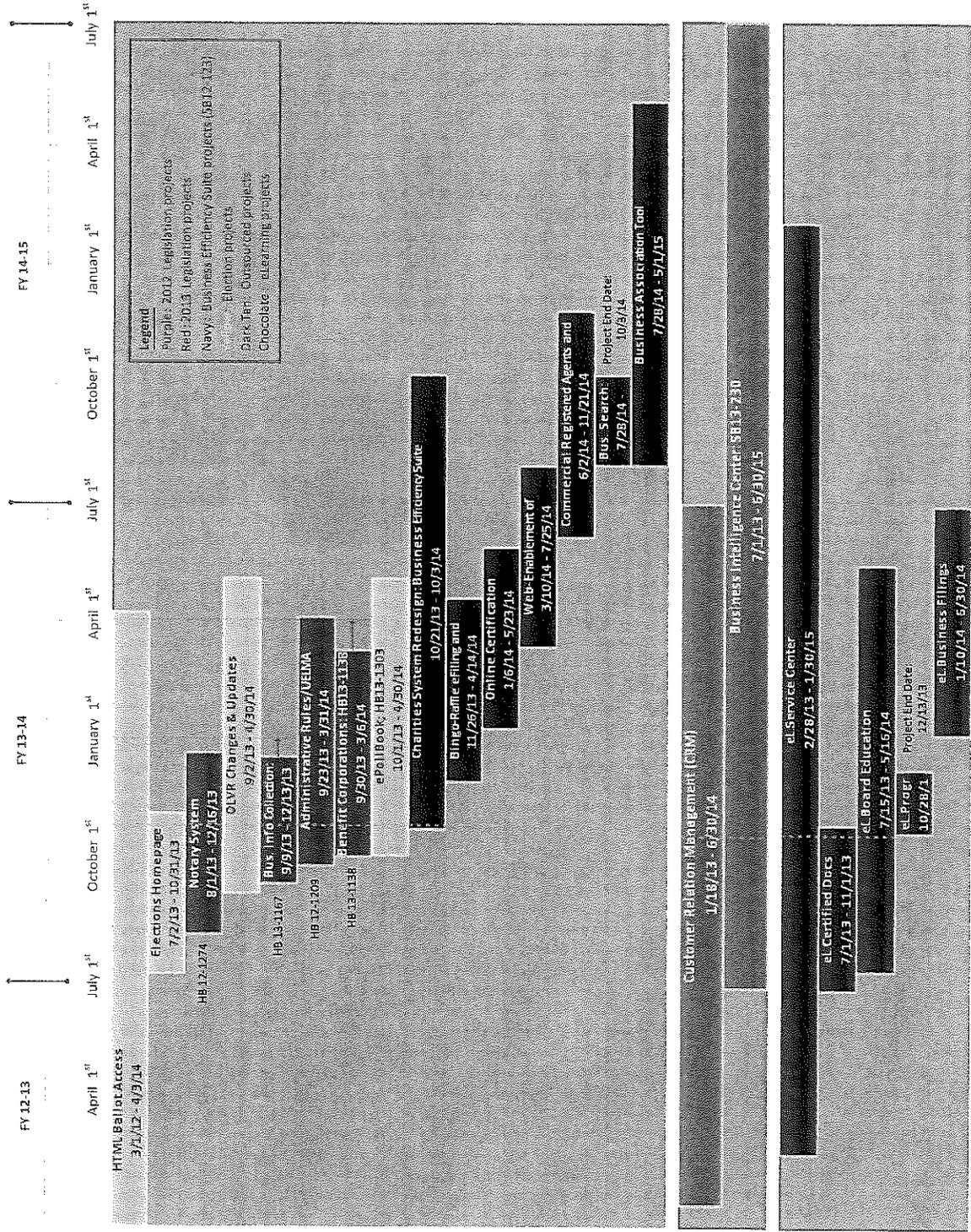
THE DEPARTMENT JOINED THE ELECTRONIC REGISTRATION INFORMATION CENTER (ERIC) TO HELP CLEAN THE SCORE VOTER REGISTRATION DATABASE by comparing our list to the databases of other states to identify people who are registered in multiple states. The first exchange netted over 100,000 errant registrations that the Department is in the process of clearing from the SCORE system by voter notifications, as required by the National Voter Registration Act (NVRA).

THE DEPARTMENT CREATED THE UNIFORM VOTING SYSTEM (UVS) COMMITTEE WHICH OFFERS ADVICE ON THE IMPLEMENTATION OF A COMMON ELECTIONS SYSTEM ACROSS COLORADO COUNTIES. When fully implemented, this program will reduce the cost of election equipment and accessories, as well as improve the service provided by vendors and the Department.

WORKLOAD INDICATORS

	ACTUAL FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of business documents filed in paper format	1,855	1,841	1,700	800
Number of Colorado Open Records Act requests	60	60	55	60
Number of telephone calls to Business/Licensing call center	117,682	107,582	110,000	112,000
Number of rulemakings undertaken	17	13	15	15
Number of active committees in the TRACER campaign finance filing system	1,420	1,439	1,500	1,500

A Projected Timeline of Department Projects For the Period of January 2013 to July 2015 (Subject to Change)



FY2014-15 Strategic Plan

INTRODUCTION

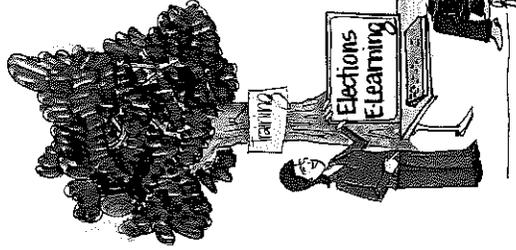
The Department of State primarily receives and makes information publicly available. Internet-based electronic filing and retrieval of information with the Department is favored by the general public, and in many cases, mandatory. The Department is continually web-enabling documents and information for its customers.

Even though each division within the Department has its own unique functions, some functions are consistent across programs, with the common thread being electronic information. For example:

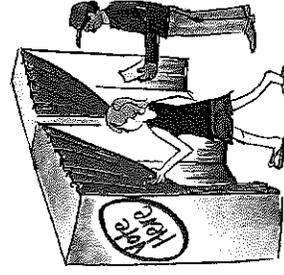
Licensing/Registering. Businesses, charitable organizations, fund raisers, voter registration drives, and lobbyists register with the Department, bingo-raffle organizations are licensed, and notaries public receive commissions from the State through the Department.

Communicating/Educating. Each division devotes significant time to communicating with and assisting its constituents, the public, the private sector, governmental bodies, media, and others who require information regarding the departmental programs.

Records Disclosure. Through its website, the department's divisions make available information about businesses in Colorado, disclosure information of political candidates and committees, and the disclosure reports filed by registered charitable organizations.



Electronic Filings. Most of the records filed with the department are filed electronically, including business filings, voter registrations, campaign finance disclosure, administrative rules, lobbyist reports, and charitable organization reports.

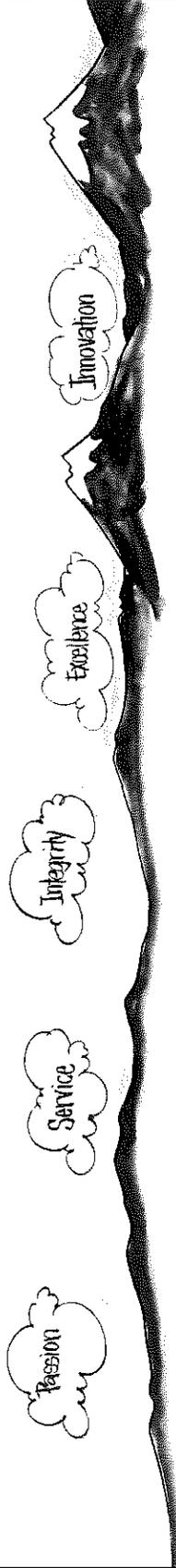


In addition to serving as the “keeper of records”, the Secretary of State is the chief election official of the state, charged with administering extensive statutes that relate directly or indirectly to the conduct of elections for the State of Colorado.

Statutory Authority

The statutory authority for the Department of State is found in Title 24, Article 21, Colorado Revised Statutes (2013).

We serve the American Dream



Mission Statement

*We believe in... growing commerce
and fostering political freedom by being
value driven, ethical and efficient.*

Vision Statement

*We serve you... by building trust,
instilling confidence and offering
creative solutions.*

ADMINISTRATION DIVISION

The Administration Division supports the Secretary of State and the Business and Licensing, Elections, and Information Technology divisions in the department by providing personnel, finance, and general administrative support. The division also provides communication and education to the public about the department's functions.



Office of the
Secretary of State

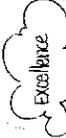
GOALS

- Finance:** Improve customer service by implementing more efficient payment processing system
- Finance:** Improve financial reporting
- Public Affairs: Improve Communications and Public Outreach**
- Legislative:** Develop agenda driving Department mission, vision and goals
- Operations:** Attract, retain, & develop a high-performing workforce
- Enhance eLearning Output**
- Policy:** Create/coordinate policy development that supports all divisions & furthers Department agenda



Alchamy WORKING TOGETHER

Administration



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OBJECTIVES 2014

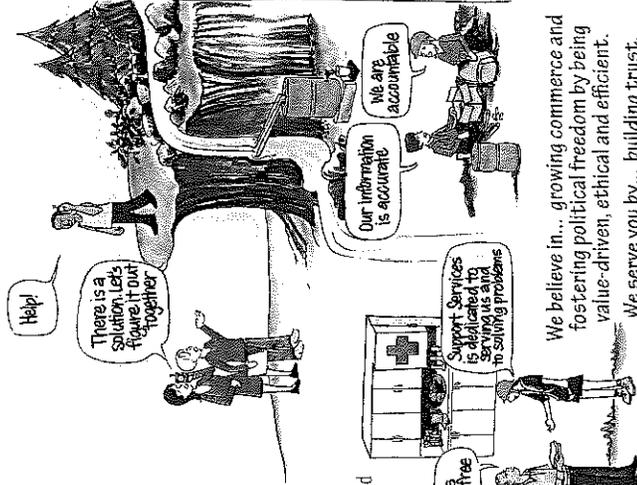
- Gather and develop requirements for system
- Simplify revenue compilation for reporting purposes
- Work with advisors and constituents to improve target key messages
- Define legislative goals for current and subsequent year
- Actively recruit talented candidates
- Improve the eLearning development cycle
- Identify and develop department policy priorities

OBJECTIVES 2015

- Execute payment improvement project
- Gather filing fee information to simplify structure
- Measure effectiveness and revise as necessary
- Measure impact versus program objectives
- Reduce recruiting cycle times
- Increase the number of internal and external courses available
- Conduct research and establish effective working relationships with stakeholders, SME, local gov'ts, business community and electorates to ID potential policy-related concerns/solutions

OBJECTIVES 2016

- Evaluate and refine payment project
- Reinforce, institutionalize
- Achieve targeted growth in GovDelivery subscriptions
- Refine and adjust
- Improve employee satisfaction and provide new opportunities
- Evaluate course offerings and maintain an updated and effective eLearning library
- Measure to ensure effective coordinated development of agency policy across divisions



BUSINESS AND LICENSING DIVISION

The Business and Licensing Division provides document filings, records management, information retrieval, and educational services. It registers business names and organizations, trade names and trademarks, and files secured transactions records and notary applications, making them, as well as other document filings, accessible to the public. This Division also administers the lobbyist program, licenses entities involved in charitable bingo/raffle, registers charitable organizations, and publishes the Code of Colorado Regulations (CCR). The Division's Business Intelligence Center harnesses the State's public data and knowledge resources and in concert with Colorado's technology community delivers value added software tools for business decision-making.



Office of the
Secretary of State

Business and Licensing

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GOALS

- Build outreach opportunities and relationships with stakeholders
- Increase customer satisfaction through improved system usability and efficiency
- Enhance Division performance through employee development and process improvement
- Build credibility and public trust through accurate and transparent program administration
- Broaden the number of training, consulting & education outreach opportunities
- Develop and improve eLearning and online educational products
- Increase stakeholder partnerships and collaborative processes
- Increase responsiveness to internal and external customers
- Decrease rejection rates through system improvements and data analysis
- Reduce turn-around time for filing and reporting
- Increase program capacity and throughput by maximizing cross-training
- Utilize web-based training to foster personal and professional development
- Complete process mapping of Service Center operations for CRM integration
- Increase program transparency through customer education and marketing efforts
- Reduce non-compliant filing and reporting by implementing industry best practices
- Increase accuracy of records

OBJECTIVES 2014

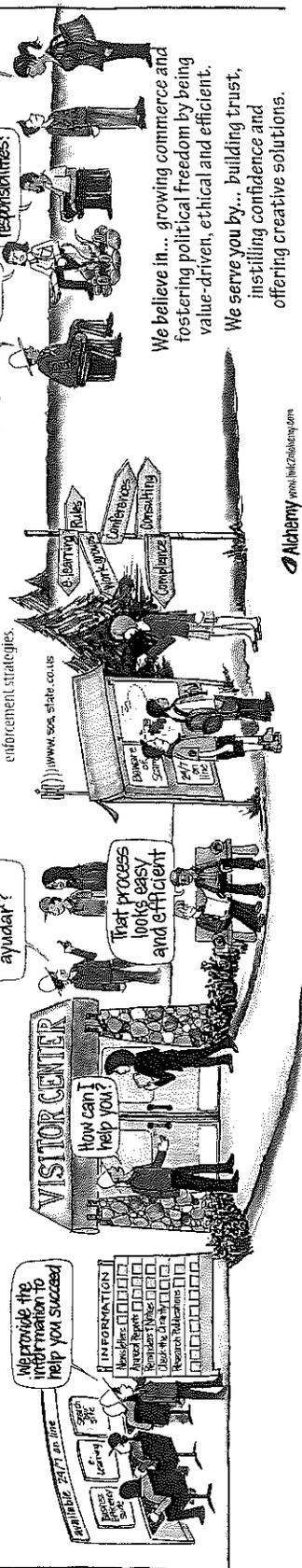
- Refine eLearning and online productivity
- Improve professional connections through associations and business organizations
- Enhance on-line customer experience through improved tools and products
- Execute a comprehensive review of website and forms
- Increase employee training and professional development
- Identify and reduce single points of failure to improve organizational stability and continuity
- Fully implement on-line training program
- Develop robust CRM reporting tools
- Revamp program policies to drive a more proactive customer interaction
- Develop business tools that maximize the new open data platform.
- Increase use of innovation compliance and enforcement strategies.

OBJECTIVES 2015

- Refine eLearning and online productivity
- Improve professional connections through associations and business organizations
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- Develop business tools that maximize the new open data platform.
- Increase use of innovation compliance and enforcement strategies.

OBJECTIVES 2016

- Create targeted educational materials for specific needs.
- Increase the number of local government data partnerships data platform
- Promote and market use of web-based tools in all programs
- Use CRM/data analysis to increase operational efficiency beyond division
- Continue expansion of cross-training opportunities
- Publish annual report on Business Intelligence Center
- Increase number of internal investigations and compliance actions within the nonprofit programs



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We serve you by... building trust, instilling confidence and offering creative solutions.

Alchery www.alchery.com

ELECTIONS DIVISION

The Elections Division supports the Secretary of State as the state's chief election official by administering and supervising statutory and constitutional provisions that relate directly or indirectly to the conduct of Colorado elections. These include certifying content to the ballot, publishing the abstract of vote totals, as well as overseeing the verification of petitions for ballot issues, campaign finance filings, voting equipment certifications, requirements of the National Voter Registration Act and the Help America Vote Act, and maintaining the statewide voter registration system.



Office of the
Secretary of State

Elections

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Precision

Service

Integrity

Excellence

Innovation

OBJECTIVES 2014

- Implement Statutory OLVR (On-Line Voter Registration) Changes, e.g. 16 year old pre-registration, SSN login
- Review County Equipment for HAVA (Help America Vote Act) Compliance
- Expand Military/Overseas (DUCAVA) Ballot Delivery System to all 64 counties
- Maintain Current and Accurate Voter Rolls with ERIC/NCDA Databases
- Review and Prioritize Uniform Voting RFP Responses
- Expand NVRA Baseline & Improvement Effort
- Overhaul County Clerk Training Requirements
- Design Circulator eLearning Training
- Implement Petition Verification eLearning
- Create VRD Training Video
- Deploy County Metrics Data Analysis and Election Costs Collection
- Track Percentage of CPF Fines Collected & Turned Over to Central Collections
- Improve Campaign Finance Fine Collection

GOALS

Leverage Technology

Process Uniformity

Education

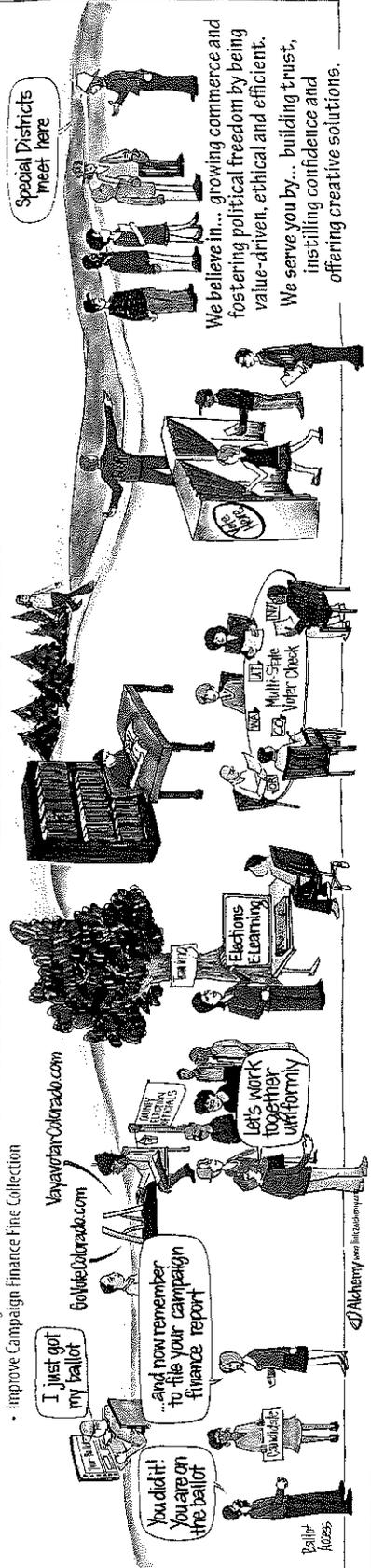
Transparency/Compliance

OBJECTIVES 2015

- Implement Agency/DWV Registration Data Coordination
- Expand HAVA Review of County Equipment
- Integrate NCDA into ERIC Report to Clean Rolls
- Create ePayment Options for Campaign Finance (CPF), VRDs, and Data Requests
- Publish a Coordinated County Data Report
- Rollout Uniform Voting System
- Implement Statewide ePollbook Module for SCORE
- Expand County Clerk Training Opportunities
- Create New County Clerk Training Boot Camp
- Design a SCORE eLearning Certification Process
- Initiate Voter Outreach Ad Campaign
- Manage Special District Elections Under Title 1
- Reassess Petition Verification Costs and Procedures

OBJECTIVES 2016

- Implement Online Ballot Delivery for Voter Access & Emergency Voters
- Improve Voter Rolls w/ERIC. Include Social Security and Other State Agency Data in Analysis
- Publish Elections Costs Best Practices Guide for Counties
- Full Implementation of Uniform Voting System
- Improve Training Documents for County Performance During Random UVS audits
- Design TRACER eLearning Modules
- Implement Full County Oversight Plan
- Implement Content Management Solution for OLVR
- Bring Special Districts & Municipalities into TRACER



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Alchemy.com Inc. 2014

INFORMATION TECHNOLOGY (IT) DIVISION

The Information Technology (IT) Division provides technical and project management services, system development, and support to programs administered by IT and the other divisions of the Department. Our division has developed our own mission statement to express our purpose: *"To provide continuous commitment in delivering innovative, cost effective, and secure Information Technology Solutions that supports the unique and individual goals of all divisions within the Department."*

Information Technology

We serve the American Dream



Office of the
Secretary of State

Passion

Service

Integrity

Excellence

Innovation

GOALS

- Implement IT Service Level Agreement (SLA)
- Enhance our Technology Advantage
- Enhanced Security Reporting and Tracking
- Improve Resource Management
- Training
- Support integration of information security into CDO's line of business

OBJECTIVES 2014

- Define Services in and for each IT Unit
- Meet or exceed 85% of SLA expectations
- Design and pilot office collaboration environment
- Phased consolidation and upgrades of enterprise storage and virtualization solutions
- Utilize virtual environments for web development and testing
- Release additional Business Efficiency Suite Applications
- Provide data classification reports to business units
- Launch agile project management tools
- Securing the Human - meet or exceed 95% within first month of employment
- SkillSoft - meet or exceed 80% customer service and/or technology training
- Involve security in the infancy of all new technologies

OBJECTIVES 2015

- Update Services in and for each IT Unit
- Meet or exceed 90% of SLA expectations
- Internal implementation of collaboration environment
- Continue phased consolidation and upgrades of enterprise storage and virtualization solutions
- Migrate off of vendor-specific solutions
- Complete Business Efficiency Suite Applications
- Audit and report on CIS hardening standards
- Procedural de-duplication
- Establish processes for repeatable, predictable IT operations
- Securing the Human - meet or exceed 98% within first month of employment
- SkillSoft - meet or exceed 90% customer service and/or technology training
- Documented plans for addressing security

OBJECTIVES 2016

- Update Services in and for each IT Unit
- Meet or exceed 90% of SLA expectations
- Implementation of collaboration environment to include external stakeholders
- Complete phased consolidation and upgrades of enterprise storage and virtualization solutions
- Produce fully platform-agnostic software
- Submit agency Cyber Security reports to OIT
- Establish policies to protect resources
- Secure repeatable, predictable IT operations
- Securing the Human - 100% within first month of employment
- SkillSoft - meet or exceed 95% customer service and/or technology training
- Documented plans for addressing security

I'm building tools that are accessible, secure and understandable

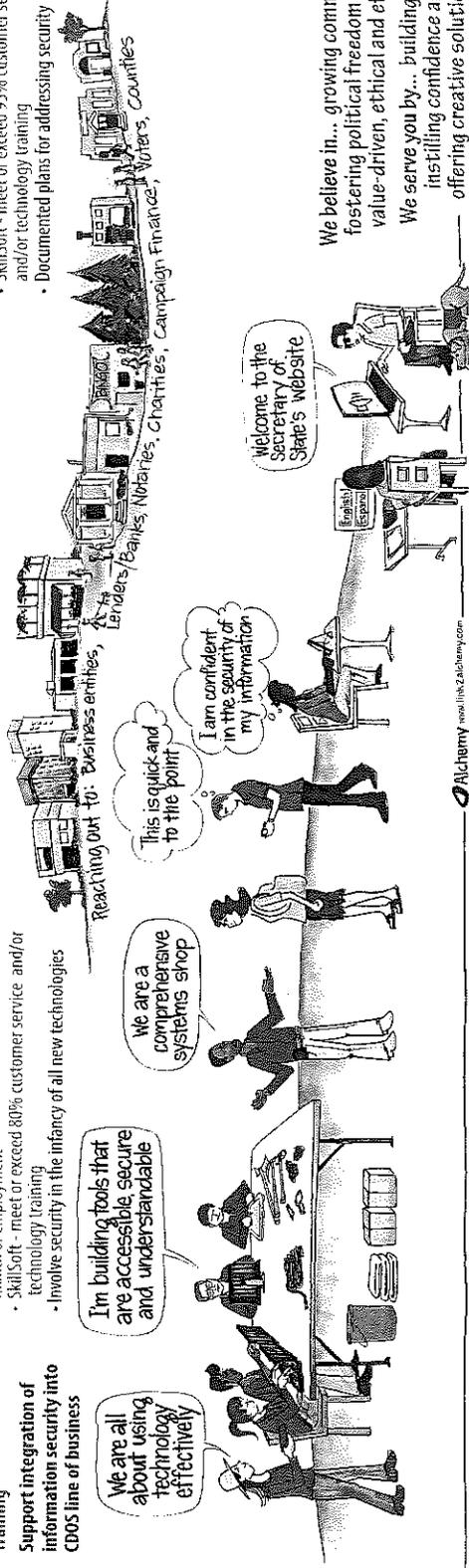
We are all about using technology effectively

We are a comprehensive systems shop

This is quick and to the point

I am confident in the security of my information

Welcome to the Secretary of State's website



We believe in... growing commerce and fostering political freedom by being value-driven, ethical and efficient.
We serve you by... building trust, instilling confidence and offering creative solutions.

Alchemy www.inkzalchemy.com

Goals and Objectives

Using the following strategies, the Department will focus on activities to improve its use of technology and utilization of other resources to better serve its customers, and to ensure the integrity of elections.

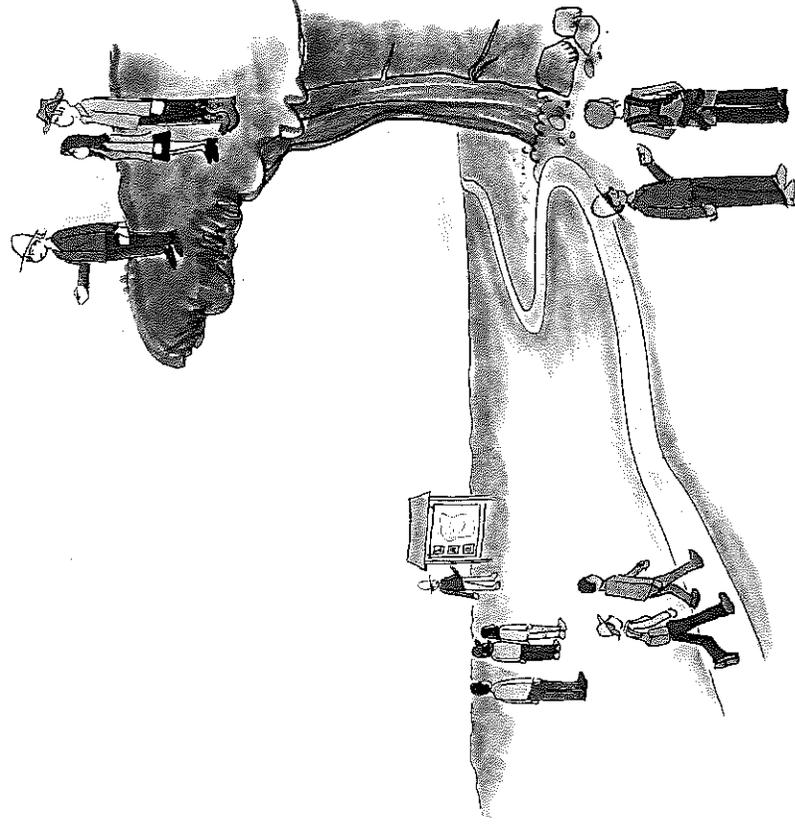
STRATEGIES

The Department will accelerate its LEAN-based Process-Improvement and Mapping Initiative by leveraging multi-layer process analysis for the purpose of ongoing customer service and productivity improvement.

The Department will strive to increase the percentage of registered Colorado voters and improve the accuracy of Colorado voter rolls through leadership and growth of the ERIC Project and refinement and use of other available data matching tools.

The Department will lead the improvement of election administration and minimize county capital expenditure and maintenance costs via planning and implementation of a statewide Uniform Voting System.

The Department will provide expanded eLearning, data and analysis tools, and consultative services in order to reduce the cost and to simplify regulatory compliance for its elections, business, and charitable program customers. And the department will continue to introduce innovative online products and services for the purpose of reducing customer costs when interacting with the Department.



Goals, Objectives and Performance Measures

GOAL: Improve financial reporting and payment processing systems.

OBJECTIVE: Complete and upgrade credit card processing and financial systems by July 1, 2014—Enhance effectiveness via financial education of customer-facing employees—Educate internal employees on financial rules and policies.

EVALUATION: Reduce the number of credit card settlement days from 2 to 5 days down to 1 day or same day processing—Achieve and maintain 90% financial literacy of customer facing employees by June 2014—Reduce the number of person hours required to complete the monthly /quarterly financial close by 80%.

ACTIVITY: Develop payment processing and financial system upgrade requirements document by October 1, 2013, and execute by July 1, 2014.

ACTIVITY: Develop a financial training module and present to customer facing staff and all department employees by December 31, 2013.

ACTIVITY: Identify and implement processes within finance to reduce closing entries completed for monthly and quarterly close.

PERFORMANCE MEASURE:	ACTUAL FY11-12 BENCHMARK	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Average number of days to settle Credit Card transactions	6	2	2	0
Number of financial reporting meetings held	36	40	36	15
Number of hours to process financial close	70	98	40	24
Educating internal employees on Accounting Policies	0	20	45	65

Goals, Objectives and Performance Measures

GOAL: Attract, retain, and develop a high-performing workforce.

OBJECTIVE: Streamline the hiring process and reduce recruiting cycle times by December 1, 2014—Provide new opportunities for professional development—Actively recruit talented candidates.

EVALUATION: Reduce the number of days required for employee selection (total calendar days between the vacancy advertisement and employees first day)—Maintain a record of training opportunities provided and track employee attendance. Ensure that attendance exceeds 80% per fiscal year and continues to grow.

ACTIVITY: Identify improvement opportunities through process mapping. Collaborate with staff to improve cycle time for position development.

ACTIVITY: Develop training program requirements by July 1, 2014. Survey staff to identify training needs.

ACTIVITY: Develop recruitment strategies by December 1, 2013.

PERFORMANCE MEASURE:	ACTUAL FY11-12 BENCHMARK	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Average number of calendar days in selection process	87.25	67.8	64	60
Percentage of employees that have attended training	69%	88%	90%	90%
Percentage of managers that have attended training	No data available	100%	95%	95%
Percentage of individual contributors that have attended training	No data available	83%	85%	87%

Goals, Objectives and Performance Measures

GOAL: Develop eLearning training program that adequately addresses and anticipates the needs of our customers.

OBJECTIVE: Increase the availability of eLearning courses and standardize information provided in training.

EVALUATION: Offer five additional courses to the public each fiscal year. Maintain a library of at least 10 pre-existing courses.

ACTIVITY: Consult with program managers and subject matter experts to identify need for courses. Survey and evaluate users to ensure satisfaction, benefit, and enhanced performance. Review and update courses on a regular basis to maintain pre-existing courses.

PERFORMANCE MEASURE:

	ACTUAL FY11-12 BENCHMARK	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Total courses offered to the public using eLearning platform	4	18	25	30
eLearning courses that support SOS programs	4	13	16	19
eLearning courses for internal staff development	0	2	5	6
eLearning courses for public outreach	0	3	4	5

Goals, Objectives and Performance Measures

GOAL: To improve services provided to Department of State customers.

OBJECTIVE: By FY14-15, reduce the number of rejected notary commission applications to 10%.

EVALUATION: The Department will evaluate its success through daily performance dashboards and periodic ad hoc reporting tools. Continuous rejection rate monitoring will drive midstream adjustments while periodic comparisons between current rates, historical trends and initial estimated benchmarks will provide valuable feedback on progress toward our overall goal.

ACTIVITY: Improve the current online application system to allow acceptance of required documents for a notary public commission.

ACTIVITY: Pursue legislation that will eliminate dated requirements associated with signatures and usability.

PERFORMANCE MEASURE:	ACTUAL FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of notary applications filed	24,441	25,008	24,500	24,500
Number of notary applications rejected	4,063	3,392	3,000	2,500
Percent of notary applications rejected	17%	14%	12%	10%

Goals, Objectives and Performance Measures

GOAL: To improve services provided to Department of State customers.

By FY14-15, reduce the rate of rejected UCC documents to less than 1%.

EVALUATION: The Department will evaluate its success through daily performance dashboards and periodic ad hoc reporting tools. Continuous rejection rate monitoring will drive midstream adjustments while periodic comparisons between current rates, historical trends and initial estimated benchmarks will provide valuable feedback on progress toward our overall goal

ACTIVITY: Web-enable the filing of all UCC documents, except federal tax liens.

ACTIVITY: Improve website measuring to better inform customers.

PERFORMANCE MEASURE:

	ACTUAL FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of paper UCC documents filed	29,338	21,658	20,500	20,000
Number of paper UCC filings rejected	823	166	75	35
% of paper UCC filings rejected	2.8%	.77%	.37%	.18%

Note: The Department web-enabled UCC filings at the end of May 2012. Estimates are based on IRS Federal Tax Lien filings. Currently, the Department receives approximately 1000 IRS filings a month.

Goals, Objectives and Performance Measures

GOAL: To improve services provided to Department of State customers.

OBJECTIVE:

By FY 14-15, reduce the number of rejected bingo-raffle license applications to 9%.

EVALUATION:

The Department will evaluate its success through daily performance dashboards and periodic ad hoc reporting tools. Continuous rejection rate monitoring will drive midstream adjustments while periodic comparisons between current rates, historical trends and initial estimated benchmarks will provide valuable feedback on progress toward our overall goal.

ACTIVITY:

Through training, outreach, and other communication efforts, educate potential applicants on the requirements for operating charitable gaming, prerequisites for licenses, and the application process.

ACTIVITY:

Develop and implement an online filing system that will assist applicants in determining if they meet prerequisites for a license, as well as guide them step-by-step through the application-filing process.

DISCUSSION:

During FY12-13 the office implemented a significant registration fee reduction which resulted in a number of entities renewing after having not registered in a number of years; and a number of entities submitting incorrect fees. Both are reasons for rejecting the application. Renewal rejects increased 187% from FY11-12 to FY12-13 (from 68 to 127) and fee rejections rose from 1 in FY11-12 to 45 in FY12-13. The reduction in fees in FY12-13 was well received by customers and allowed them to dedicate more funds to their charitable purposes, but did result in more rejected applications. The Secretary of State's office minimized this negative side effect by communicating fee changes through a new quarterly newsletter and by publicizing the changes on the Department's website.

The estimate for FY13-14 brings the total reject values more in line with previous years and also accounts for the increasing trend in new and renewal applications. FY14-15 estimates a large drop in rejections due to the release of an online filing system which will decrease filings with incorrect or incomplete data.

PERFORMANCE MEASURE:

	ACTUAL FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of licensed bingo entities	1,244	1,275	1,290	1,310
Number of bingo-raffle licenses rejected	129	214	190	116
% of bingo-raffle licenses rejected	10%	17%	14%	9%

Goals, Objectives and Performance Measures

GOAL: To improve services provided to Department of State customers.

OBJECTIVE:

By FY14-15, reduce the rejection rate for charitable registration filings from 14.2% to 11%.

EVALUATION:

The Department will evaluate its success through daily performance dashboards and periodic ad hoc reporting tools. Continuous rejection rate monitoring will drive midstream adjustments while periodic comparisons between current rates, historical trends and initial estimated benchmarks will provide valuable feedback on progress toward our overall goal.

ACTIVITY:

Through training, outreach and other communication efforts, educate potential registrants who are involved with charitable organizations, charitable solicitations and professional non-profit fundraising regarding the registration requirements with the State.

ACTIVITY:

Refine the online filing system so that registrants are aware of information required to be filed.

ACTIVITY:

Conduct root cause analysis on high volume rejects to guide process improvement effort.

DISCUSSION:

In July 2013 rejection calculations were refined. Instead of comparing rejected documents to approved documents we now compare rejected documents to all documents processed.

PERFORMANCE MEASURE:

	ACTUAL FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Total charity program filings submitted	15,513	14,142	19,200	21,500
Number of filings rejected	1,589	1,831	2,200	2,400
% of total charity program filings rejected	10%	13%	12%	11%

Goals, Objectives and Performance Measures

GOAL: Provide vendor (IDS) who verifies initiative petitions with eLearning Training for petition verification.

OBJECTIVE: Educate IDS on a standardized procedure for petition verification by way of an E-Learning training. Mandatory annual training for all petition verifiers – will replace in-person training.

EVALUATION: Determine success by evaluating performance and whether verification performance improves as verifiers take training.

ACTIVITY: Develop and continuously monitor the E-Learning course, by training verifiers and updating the course to achieve a high level result.

	ESTIMATED FY13-14	PROJECTED FY14-15
Number of IDS verifiers taking eLearning petition verification training	80	100

Goals, Objectives and Performance Measures

GOAL: Campaign Finance (CPF) fine collection improvement.

OBJECTIVE: Improve CPF fine collections by assuring timely remittance to central collections and adherence to collection rules.

EVALUATION: Recodification of rules, to prevent fines increasing to uncontrollable amounts; follow Fair Debt Reduction Act.

ACTIVITY: Track percent of fines collected and those turned over to central collections.

PERFORMANCE MEASURE:

	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Percent of fines paid (includes reduced amounts)	54%	60%	63%
Percent of fines fully waived	24%	24%	24%
Percent of open fines	12%	10%	8%
Percent of fines sent to collections	10%	6%	5%

Goals, Objectives and Performance Measures

GOAL: Develop/Implement a statewide voter registration ePollbook module that combines the ability to register voters, update voter records, and issue ballots for use at Voter Service and Polling Centers (VSPC) during elections.

OBJECTIVE: View voter registration records statewide for ballot issuance and register new voters as well as update registration.

EVALUATION: Track usage and effectiveness of new combined module.

ACTIVITY: User interface with real time access to voting records with the ability to update name, residence, affiliation and status, and issuance of correct ballot in one module.

PERFORMANCE MEASURE:

	ESTIMATED FY13-14	PROJECTED FY14-15
Register voters	1,000	15,000
Update status (name, residential address, affiliation)	7,000	50,000
Issue ballot	7,500	75,000

Goals, Objectives and Performance Measures

GOAL: Maintain high-level functional support for county and state election officials.

OBJECTIVE: Provide high level of technical and functional support to all election officials and staff required to use the Statewide Colorado Registration and Election (SCORE) system to maintain voter registration records and manage elections.

EVALUATION: The Department will use the information to determine priority for trainings.

ACTIVITY: Tracking of every call and email received by the support team for technical and functional support.

PERFORMANCE MEASURE:

	BENCHMARK FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of county support calls and emails fielded by SCORE team	10,576	22,757	12,000	17,000

Goals, Objectives and Performance Measures

GOAL: Employ a SCORE eLearning certification course to ensure all users receive the instruction necessary to utilize the statewide voter registration and election management system.

OBJECTIVE: Develop SCORE eLearning training and include it as a required course for elections certification.

EVALUATION: List schedule and task completion, functional development updates.

ACTIVITY: Provide training and support to the counties that have not fully implemented the program to assist them for 2014.

ACTIVITY: Track every class taken by county election staff for certification.

PERFORMANCE MEASURE:	ESTIMATED FY13-14	PROJECTED FY14-15
Number of county election officials taking SCORE training course(s)	30	80

Goals, Objectives and Performance Measures

GOAL: Improve Online Voter Registration module (OLVR) to include email notification, voter registration wording changes for new registrants, updates, and withdrawals.

OBJECTIVE: Improve the voter registration experience for first-time users of electronic application and provide more information to current registered voters who update or withdraw their voter information.

EVALUATION: The Department will use the number of registration transactions to determine bandwidth and hardware necessary to accommodate tens of thousands of users. Success is if all Colorado citizens have access; correct and accurate information gets to county.

ACTIVITY: Monitor the number of transactions monthly to establish usage parameters.

PERFORMANCE MEASURE:

	BENCHMARK FY11-12	ACTUAL FY12-13	PROJECTED FY13-14	PROJECTED FY14-15
OLVR new registrants and updates	232,734	418,517	67,992	175,000
OLVR updates by last four digits of SSN			5,000	100,000

Goals, Objectives and Performance Measures

GOAL: Set National Voter Registration Act, section 7 (NVRA) site specific performance standards.

OBJECTIVE: Ensure NVRA performance compliance by setting site specific performance standards using monthly number of clients served at each site provided by NVRA site coordinators, liaisons, or department leads.

EVALUATION: The Department will use the information to determine performance compliance. Provide voter registration forms to all Coloradans assisted.

ACTIVITY: Monitor the count of NVRA responses to registration option (Yes or No) and compare against the set performance standard with a maximum deviation of twenty percent for further analysis.

	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Percentage of NVRA Agencies That Meet Performance Standard	50%	80%	95%

Goals, Objectives and Performance Measures

GOAL: Increase opportunities for military and overseas voters (UOCAVA) to receive an unvoted ballot early enough to vote and return the ballot in time to be counted.

OBJECTIVE # 1: Increase the number of counties using the online ballot transmission program to 100% of counties with military and overseas voters by 2014.

OBJECTIVE # 2: Increase the number of military and overseas voters using the electronic transmission system.

EVALUATION: Based on 2012 program implementation surveys, the department will make system and process enhancements that make the program more voter-friendly, efficient, and independent from any vendor. Rollout of additional system functionality is scheduled for the coming fiscal year.

ACTIVITY: Provide training and support to the counties that have not fully implemented the program to assist them in coming onboard by 2014.

ACTIVITY: Partner with expert county users and the vendor to identify and develop system functionality to continue to make it more voter-friendly and administratively efficient.

ACTIVITY: Identify and implement system enhancements and cosmetic changes to the system to increase usability.

PERFORMANCE MEASURE:

	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of counties providing UOCAVA online ballot transmission	59	63	64
Number of UOCAVA ballots delivered online	10,309	8,500	12,500
Number of total UOCAVA voters issued a ballot	19,418	20,500	22,000

Goals, Objectives and Performance Measures

GOAL: Increase the number of certified county staff under the new certification rules adopted in 2013.

OBJECTIVE:

Provide learning opportunities on topics relevant to county election officials.

EVALUATION:

Where practical, utilize surveys, examine ballots, audit procedures, etc., to ensure counties implement procedures and comply with laws and rules.

ACTIVITY:

Provide a combination of online and regional classroom training opportunities.

ACTIVITY:

Encourage county clerks to have all staff who work with elections (full- or part-time) to take elections courses.

PERFORMANCE MEASURE:

	ESTIMATED FY13-14	PROJECTED FY14-15
County officials newly certified by SOS	30	70
County officials currently certified by SOS under new certification rules	2	45

Goals, Objectives and Performance Measures

GOAL: Provide online training opportunities accessible to all clerks and county staff to reduce travel expenses.

OBJECTIVE:

To provide training on a wide range of topics that county elections staff can access on demand to complete the elections certification process required by rule.

EVALUATION:

The Department will conduct periodic surveys to evaluate the effectiveness of the courses. Evaluations will cover participant satisfaction questions, as well as questions about counties changing or updating their procedures based on information learned in the courses.

ACTIVITY:

With the guidance of the Certification Advisory Board, create and maintain a catalog of basic elections topics.

PERFORMANCE MEASURE:

	BENCHMARK FY11-12	ACTUAL FY12-13	ESTIMATED FY13-14	PROJECTED FY14-15
Number of online classes offered for certification training	4	10	15	22

Goals, Objectives and Performance Measures

GOAL: To Maintain a Strong Security Posture.

OBJECTIVE: By FY 2013-14, identify and close potential vulnerabilities and achieve and maintain a workforce that is trained in information security practices and principles.

EVALUATION: The department will evaluate its success by collecting and tracking detailed metrics in these two areas. Results of weekly vulnerability scans will be reviewed by senior information technology staff and prioritized for action based on risk profiles.

ACTIVITY: Department supervisors will receive periodic reports of the training status of staff in their program areas.

ACTIVITY: Security training of new employees is incorporated into the onboarding process.

ACTIVITY: Critical vulnerabilities will be addressed by technical staff as they are discovered.

PERFORMANCE MEASURE:

	ACTUAL FY11-12	ACTUAL FY12-13	PROJECTED FY13-14
% of employees undergoing information security training during the year	100%	100%	100%
Percent of new employees (full-time, contract and interns) completing information security training within 10 business days of work start	92%	95%	100%
Percent of critical vulnerabilities closed within 15 days	85+%	95+%	100%

Goals, Objectives and Performance Measures

GOAL: To Improve Agility, Speed, & Quality of the I.T. Division.

OBJECTIVE: To improve our success in project delivery by modernizing our infrastructure, implementing a more agile development methodology, and instituting formal project and portfolio management processes in the department.

EVALUATION: The department will evaluate these areas by tracking our infrastructure modernization projects and holding formal collaborative reviews with program stakeholders in the agency. Success will be achieved when we can provide historical reviews of actual versus estimated project achievements and predictively plan and deliver projects in line with stakeholder expectations.

ACTIVITY: Regular project readouts on infrastructure modernization projects will be created and reviewed at quarterly meetings.

ACTIVITY: Formal project and portfolio reviews will be created and presented to senior management and program managers in the agency. Executive management of the agency will set project priorities for the coming quarter and our delivery will be monitored on an ongoing basis.

PERFORMANCE MEASURE:

	ACTUAL FY11-12	ACTUAL FY12-13	PROJECTED FY13-14
Percent completion for modernization of production office systems, Windows and Unix (see note)	33%	66%	100%
Implement Agile-based methodologies across all software development projects	75%	100%	100%
Develop and institute formal process for quarterly project and portfolio management of agency projects	N/A	50%	100%

Note: Includes Windows-based office productivity systems and Unix-based official filings systems.

Goals, Objectives and Performance Measures

GOAL: To Improve Customer-facing Web Applications.

- OBJECTIVE:** To continue to expand the focus on usability of the department's website and targeting of mobile devices for high-value areas.
- EVALUATION:** The department will evaluate the usability of the agency's web presence by continuing regular surveys of website users and tracking the impact of improvements using statistical analysis. We will also continue to create mobile-optimized versions of website functionality in high-impact areas.
- ACTIVITY:** Integration of survey tools into high-use areas of the website to gather customer feedback and influence future design decisions.
- ACTIVITY:** Analysis and implementation of best practices for website design.
- ACTIVITY:** Identification of high-usage, high-impact capabilities of our website and creation of specific versions optimized for mobile devices.

	BENCHMARK FY11-12	ACTUAL FY12-13	PROJECTED FY13-14
Number of formal usability sessions in critical areas	1	3	6
Create new mobile-optimized website applications as determined by agency programs areas	0	1	3

*Colorado Department of State
FY 2014-15 Budget Request*

- *Schedule 2 – Department Summary*
- *Schedule 3 – Line Item Detail*
- *Position Object Code Detail Reports*
- *Schedule 5 – Line Items to Statute*
- *Schedule 6 – Special Bills Summary*
- *Schedule 7 – Supplemental Bills Summary*
- *Schedule 8 – Common Policy Summary*
- *Schedule 9 – Cash Fund Reports*

Here are 9 queries to the SCORE system that will help provide a snapshot of the 64 Colorado elections in November, 2013. Please ask the Department of State to run these queries on the SCORE system for each county and provide the answers in electronic form so that interested parties can make suitable human readable reports.

- 1) turnout subdivided by in-person voting method used and return of ballot envelope mail or dropoff also subdivided by day of return.
- 2) counts of in-person VSPC transactions by type such as new registrations, changes of address, in-person delivery of replacement ballots and casting of ballots subdivided by day and subdivided by polling center.
- 3) number of replacement ballots delivered by mail reported by day issued
- 4) counts of OLVR (online voter registration) and separately CDOR (motor voter) transactions subdivided by type, e.g. new registration or change of address subdivided by day the transaction is entered
- 5) counts of mailed in or faxed in new registrations and separately address changes by day and registration method.
- 6) count of ballots delivered and separately returned by team access of health care or assisted living facilities subdivided by day
- 7) number of instances of missing signature and separately signature discrepancy and separately missing ID in mail ballot packet reported by day the cure letter is sent to the voter and number of cures of each category.
- 8) counts of the use of web based UOCAVA voting method (Everyone Counts) by day of return and by method of return and by origin location
- 9) Use of provisional ballots reported by day and by reason and also the number counted subdivided by reason code.

Please also pass these simple questions on to the clerks of the 64 counties in Colorado concerning the November 2013 election. This is a long list but these questions are all very easy to answer:

How many permanent staff work on the election?
How many of these are not normally assigned to election roles?

How many election judges worked at central count operations?
How many of these election judges were also staff?

How many election judges worked at VSPCs?
How many of these election judges were also staff?
How many staff (not election judges) worked at VSPCs?

How many staff (not election judges) worked at central count?

How many election judges worked other roles not counted above?

How many different election judges handle, process or observe an average accepted mail ballot envelope from the time of arrival until after tabulation?

How many separate staff (not election judges) handle, process or observe an average accepted mail ballot envelope from the time of arrival until after tabulation?

How many election judges handle, process or observe an average flat paper ballot from casting through tabulation?
How many staff?

How many election judges handle, process or observe an average UOCAVA ballot from casting through tabulation?
How many staff?

How many election judges handle, process or observe an average provisional ballot from casting through tabulation?
How many staff?

Does the clerk handle or process any returned mail ballot envelopes?
Does the clerk handle or process any flat paper ballots?
Does the clerk and recorder handle or process any UOCAVA ballots?
Does the clerk and recorder handle or process any provisional ballots?
Does the clerk design ballots?
Does other staff design ballots?
Does an outside contractor design ballots?
Does the clerk operate the EMS?
Does other staff operate the EMS?
Do election judges operate the EMS?

What is the typical distance that separates the removal of the secrecy sleeve from the removal of the ballot from the secrecy sleeve?

What is the typical time that separates the removal of the secrecy sleeve from the removal of the ballot from the secrecy sleeve?

How many envelopes are handled together as one typical batch (approx)?

How many secrecy sleeves are handled together as one typical batch (approx)?

How many unfolded ballots are handled together as one typical batch (approx)?

After "binking" into SCORE when is a ballot envelope first flagged as "accepted" in SCORE: before signature check? after signature check? by staff? by judges?

How many envelopes from other county election offices arrived after 7PM election night?

How many were counted?

Were they subject to signature cure through an affidavit?

Please explain how exceptional ballot envelopes are handled either prior to election night, on election night or in post election processing.

How are envelopes that have no label handled?

Are ballots inside any unlabeled ballot envelopes counted?

Are stubs used to identify voters in order to allow counting of ballots?

How many people usually attend central count voter intent resolution:
staff? election judges? watchers? observers?

How many people usually attend central count duplication?
staff? election judges? watchers? observers?

How many people usually attend signature discrepancy resolution?
staff? election judges? watchers? observers?

How many ballots are duplicated: up until election night? post election?

How are ballots duplicated?

by machine (e.g. EIC plus Runbeck)?

by hand by a team of judges 1? 2? 3?

using a cross check by a second or swapped team?

At VSPCs are flat ballots made available with in person eligibility check?

Are secrecy sleeves used to carry voted ballot to ballot box or scanner?

Optical scanner available at VSPC?

Are privacy booths available for voting mail ballots in VSPCa (without eligibility check)?

How many persons on the canvass board?

Clerk and recorder on the canvass board?

What are the affiliations?

When did the canvass board first meet?

How many hours did the canvass board meet?

On how many days?

When was the certification of the election?