

Office of the Secretary of State

Expenditures By Program	FY2021	FY2022	FY2022	Change from		FY2023	Change from	
	Actual	Enacted	Governor	Enacted		Governor	Enacted	
Administration	\$3.7	\$3.6	\$4.0	\$0.3	8.8%	\$3.9	\$0.3	7.4%
Corporations	2.5	2.5	2.5	0.0	0.0%	2.7	0.1	5.6%
State Archives	0.7	0.7	0.8	0.1	15.2%	0.7	(0.0)	-0.1%
Elections and Civics	7.5	3.9	4.2	0.3	8.3%	5.2	1.3	34.1%
State Library	0.9	0.8	0.8	0.1	6.8%	0.8	0.1	6.8%
Office of Public Information	0.4	0.5	0.6	0.0	8.1%	0.7	0.2	30.0%
Total	\$15.7	\$12.1	\$12.9	\$0.8	0.1%	\$14.0	\$1.9	16.2%

Expenditures By Source								
General Revenue	\$12.3	\$9.8	\$10.3	\$0.5	5.1%	\$11.7	\$1.9	19.4%
Federal Funds	2.3	1.8	2.0	0.2	11.1%	1.6	(0.2)	-11.1%
Restricted Receipts	1.1	0.5	0.6	0.1	27.1%	0.5	0.0	5.9%
Operating Transfers from Other Funds	-	-	-	-	-	0.2	0.2	100.0%
Grand Total	\$15.7	\$12.1	\$12.9	\$0.8	6.9%	\$14.0	\$1.9	16.2%

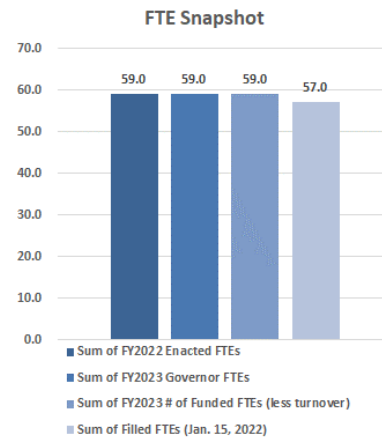
Authorized FTE Levels 59.0 59.0 59.0 - - 59.0 - -
\$ in millions. Totals may vary due to rounding.

The Secretary of State is one of five general officers subject to voter election under the Constitution of Rhode Island. The Office of the Secretary of State prepares for state and local elections, manages the State’s records, and provides public information about state government. The Office’s budget consists of six divisions including Administration, Corporations, State Archives, State Library, Elections and Civics, the Office of Public Information, and one internal service funded section (Record Center).

MAJOR ISSUES AND TRENDS

The FY2022 Revised Budget increases by \$489,639 in general revenue (\$860,198 all funds) from the FY2022 Budget as Enacted, primarily as a result of the statewide cost of living adjustment and retention bonus for state employees.

For FY2023, all fund expenditures increase by \$1.9 million, reflecting increases of \$1.9 million in general revenue for general election expenses that will occur in 2022. These expenses increase in odd-numbered fiscal years when there is a general election. In addition, personnel costs increase as a result of the statewide cost of living adjustment and retention bonus for state employees.



The Budget includes 59.0 FTE positions in FY2022 and in FY2023, consistent with the enacted level.

ADMINISTRATION

The Administration program provides operational support for the Office, including personnel management; fiscal management and budget preparation; information technology support; constituent affairs response; communications and media relations; and, policy development and legislative affairs.

Administration	General Revenue
FY2022 Enacted	\$3,633,858
<i>Target and Other Adjustments</i>	
Statewide COLA and Bonus	46,108
Secretary of State's Salary Adjustment	205,199
Centralized Services	15,605
FY2023 Governor	8,613
	\$3,909,383

Statewide COLA \$205,199

Based on recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments (COLAs): 2.5 percent retroactive to June 2020, 2.5 percent retroactive to June 2021, 2.5 percent in July 2022, and 2.5 percent in July 2023. The current agreement is projected to increase general revenue expenditures by \$205,199 in FY2023 and \$206,765 in FY2022 within the Administration program.

Secretary of State's Salary Adjustment \$15,605

The Budget adds \$15,605 in general revenue reflecting an increase of \$10,755 for salary and \$4,850 for benefits for the Secretary. The compensation increase is set by RIGL 36-6-2 for the statutorily set salary adjustment for General Officers. The statutes pertaining to the Secretary of State require, "after December 31, 1998, the salary of the Secretary of State was \$80,000 and shall thereafter be adjusted at the beginning of each succeeding term by the total percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) published by the United States Department of Labor Bureau of Labor Statistics for the Northeast Region for the four (4) previous fiscal years, but in any event not to exceed twelve percent (12%)." The Budget Office used an assumed increase of 10.36 percent, a placeholder as the FY2022 CPI-U figure was not yet known, to calculate the salary of the Secretary of State in the succeeding term. Currently, the salary of the Secretary Of State is \$122,740 and the benefit cost is \$57,934.

Centralized Services \$8,613

The Budget increases general revenue expenditures to reflect billed amounts for information technology services. The FY2018 Budget as Enacted authorized the Governor to establish centralized accounts for information technology, capital asset management and maintenance, and human resources. In FY2019 these expenditures are reflected in each agency based on actual use, thereby showing the true costs associated with a particular program or agency. The FY2022 Budget as Enacted appropriated \$28,455 for this expense, which is increased by \$8,613 to \$37,068 in the FY2023 budget.

CORPORATIONS

The Corporations Division is the official State repository for business and commercial records, and maintains a searchable database that includes articles of incorporation and entity annual reports. The Division also houses the First Stop Information Center, a referral service for existing and potential small business owners; the Uniform Commercial Code Unit for tangible property lien tracking; and, a Notary and Trademark application program.

Corporations	General Revenue
FY2022 Enacted	\$2,539,285
<i>Target and Other Adjustments</i>	<i>(103,726)</i>
Statewide COLA and Bonus	168,125
Operating Adjustments	100,100
Records Scanning Project	(36,000)
Legal Services	20,000
FY2023 Governor	\$2,687,784

Statewide COLA **\$168,125**

Based on recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments (COLAs): 2.5 percent retroactive to June 2020, 2.5 percent retroactive to June 2021, 2.5 percent in July 2022, and 2.5 percent in July 2023. The current agreement is projected to increase general revenue expenditures by \$168,125 in FY2023 and \$167,874 in FY2022 within the Corporations program.

Operating Adjustments **\$100,100**

The Budget increases general revenue by \$100,100 for operating adjustments within the Corporations program, mainly for computer supplies and equipment, of which \$67,500 to rebuild the Corporation Program's notary website. The notary public program currently operates as an all paper-based system and the Office of the Secretary of State wants to update to electronic. The remaining \$32,600 in this category is made up of smaller expenses. The biggest increases are of \$14,500 in postage and \$6,300 for office supplies and equipment to update equipment (such as tablets) used to process credit cards over the phone.

Operating Adjustments	FY2022 Enacted	FY2023 Governor	Change
Computer Supplies/Software and Equipment	\$2,500	\$70,000	\$67,500
Postage and Postal Services	55,500	70,000	14,500
Office Supplies and Equipment	11,200	17,500	6,300
Printing - Outside Vendors	10,000	15,000	5,000
All Other Adjustments	272,912	279,712	6,800
Total	\$352,112	\$452,212	\$100,100

Records Scanning Project **(\$36,000)**

The Budget decreases general revenue by \$36,000 reflecting reduced expenses for the business records scanning project, including the temporary contract staff. The proposed reduction eliminates an appropriation in FY2023, the amount requested by the Office of the Secretary of State.

Pursuant to Chapters 7-1 through 7-6 of the Rhode Island General Laws, the Office of the Secretary of State stores records that document the existence of various business entities, including some that date back to 1741. The imaging and matching of approximately 38,000 active files, each containing up to 1,000 pages, will enable the viewing of those files online and provide for greater transparency of businesses in Rhode Island. The Office projected that it would take more than twenty years to complete the project utilizing only existing staff and scanning hardware; an unacceptable timeline to gain efficiencies and expand services to the public. To expedite the project, the FY2019 Budget as Enacted included \$30,940 to lease two scanners and hire two temporary staff. Funding for the project continued with \$58,000 in FY2020, \$70,000 in FY2021, and \$36,000 in FY2022.

Legal Services**\$20,000**

The Budget adds \$20,000 in general revenue for contracted legal services in the Corporations program. The increase in legal services for FY2023 is for reenactment legislation aimed at modernizing Rhode Island general laws with regards to partnerships, limited partnerships, and the Rhode Island Limited Liability Company Act. Updating the laws will improve the existing business climate, but requires the updating of guidance, forms, and legal procedures, which requires legal review.

STATE ARCHIVES

The State Archives Division is the official repository for preserving and maintaining the permanent records of State government. The Division sets regulations for state document retention, and assists state agencies with records management. Since 1992, the Division has also operated the Local Government Records Program, which is now largely funded with the Historical Records Trust restricted receipt account.

State Archives	General Revenue
FY2022 Enacted	\$243,954
<i>Target and Other Adjustments</i>	<i>200</i>
Staffing Base Adjustment	(85,549)
Operating Adjustments	20,046
FY2023 Governor	\$178,651

State Archives	Other Fund Changes
Historical Records Trust (restricted receipts)	<i>Informational</i>

Staffing Base Adjustment **(\$85,549)**

The Budget decreases general revenue by \$85,549. The FY2022 Budget as Enacted included \$85,549 in general revenue pursuant to the Governor's Budget Amendment dated May 21, 2021, to fund a projected deficit in general revenue and over-projection of restricted receipts for the Historical Records Trust. These general revenue are not required in FY2023. There is a corresponding increase of \$125,371 in restricted receipts for personnel expenses, including an increase of \$28,783 for the recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments and bonus.

The Budget uses the Historical Records Trust to fund certain personnel and operating costs in the State Archives program. The Historical Records Trust account restricted receipt portion is funded by collecting a \$4 fee per instrument for recording (for example, contracts for sale of land or letters of attorney) from municipalities to assist local governments with preservation of public records in their custody or care. Revenue generated from the Trust helps to fund operating costs in the State Archives program.

Operating Adjustments **\$20,046**

The Budget includes \$174,951 in general revenue (\$317,941 in all funds) in FY2023 for operating expenses, reflecting a net increase of \$20,046 in general revenue from the FY2022 Budget as Enacted. The largest adjustment is the increase of \$11,096 in general revenue for software maintenance agreements. The budget also decreases restricted receipts funded operating expenses by \$52,322, including \$15,240 for reduced centralized service expenses.

Operating Adjustments	FY2022 Enacted	FY2023 Governor	Change
Software Maintenance Agreements	\$33,700	\$44,796	\$11,096
CUF : Electricity	-	6,700	6,700
Printing - Outside Vendors	3,500	5,500	2,000
All Other Operating Adjustments	117,705	117,955	250
Total	\$154,905	\$174,951	\$20,046

Historical Records Trust (restricted receipts)

Informational

The Budget uses the Historical Records Trust to fund certain personnel and operating costs in the State Archives program. The FY2023 Budget increases restricted receipt expenditures for personnel costs in the State Archive program thereby reducing the amount of general revenue needed to cover those costs.

The Historical Records Trust account is funded by collecting a \$4 fee per instrument for recording (for example, contracts for sale of land or letters of attorney) from municipalities to assist local governments with preservation of public records in their custody or care. Revenue generated from the Trust funds the personnel and operating costs in the State Archives program. At present, collections for FY2022 are \$388,000 for the first 8 months. The Office of the Secretary of State projected collections to reach \$570,000 in FY2022 based on real estate trends during the pandemic. The Office decreased the estimate to \$520,000 for FY2023, projecting a decrease in real estate transactions.

	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Historic Records Trust	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Enacted	Governor
Collections	\$466,886	\$379,423	\$415,273	\$476,078	\$471,342	\$482,704	\$454,299	\$570,000	\$520,000
Expenditures	470,308	378,549	409,008	413,839	429,350	468,041	471,082	447,148	520,197

Source: Office of the Secretary of State, Budget Database, and RIFANS

ELECTIONS AND CIVICS

The Elections Division promotes voter registration and turnout; maintains the State's central voter registration system; publishes guides and handbooks; explains how to run for office and how to register and vote; and provides descriptions of state referenda questions. The Division is charged with developing, printing, and distributing ballots, including candidate certification. Increases in operating supplies and expenses, primarily printing, postage and postal services, are expected during a general election year.

Elections and Civics	General Revenue
FY2022 Enacted	\$2,067,371
<i>Target and Other Adjustments</i>	<i>41,684</i>
Election Costs	1,238,163
Mail Ballot Equipment	50,000
Statewide COLA and Bonus	42,244
FY2023 Governor	\$3,439,462

Elections and Civics	Other Fund Changes
Federal HAVA Grant (federal funds)	(\$188,435)

Election Costs

\$1.2 million

The Budget includes \$2.5 million in general revenue for election expenses, an increase of \$1.2 million as compared to the FY2022 Budget as Enacted, reflecting that FY2023 is in the general election cycle, when printing, mailing of ballots and referenda materials, and advertising expenses increase in odd-numbered

fiscal years when there is a statewide election or on the general election cycle which will occur again in FY2023.

Election Costs	FY2019 Actual	FY2020 Actual	FY2021 Actual	FY2022 Enacted	FY2022 Governor	FY2023 Governor	Change
Ballot Printing	\$646,191	\$21,602	\$987,195	\$0	\$0	\$885,000	\$885,000
Election Mailing	54,212	22,174	717,260	-	-	200,000	200,000
Computer Supplies and Equipment	(13)	27	182,951	2,000	2,000	3,000	1,000
Clerical Services	16,496	-	14,588	-	-	20,000	20,000
Legal/Advertising	104,789	89,656	154,686	50,000	50,000	125,000	75,000
Software Maintenance Agreements	585,029	621,036	603,490	1,233,648	1,272,440	1,290,811	57,163
Total	\$1,406,704	\$754,495	\$2,660,170	\$1,285,648	\$1,324,440	\$2,523,811	\$1,238,163

Mail Ballot Equipment

\$50,000

The Budget includes \$50,000 in general revenue for improvements to the mail ballot process needed for the upcoming general election in 2022. Previously, the Office of the Secretary of State used federal funds in the FY2022 Budget as Enacted to obtain the necessary mail ballot equipment. However, these federal funds are no longer available; therefore, the Office of the Secretary of State, requests general revenue funding for the scanner and equipment needed to process mail ballots.

Statewide COLA

\$42,244

Based on recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments (COLAs): 2.5 percent retroactive to June 2020, 2.5 percent retroactive to June 2021, 2.5 percent in July 2022, and 2.5 percent in July 2023. The current agreement is projected to increase general revenue expenditures by \$42,244 in FY2023 and \$51,458 (\$52,293 all funds) in FY2022 within the Elections program.

Federal HAVA Grant (federal funds)

(\$188,435)

The Office of the Secretary of State received two federal Help America Vote Act (HAVA) awards to assist the state with the federal 2020 elections. The first award predated the COVID-19 pandemic in 2018 and was intended to modernize the election systems, the second award was authorized for the same purposes, to modernize and secure the 2020 federal election cycle. Total federal HAVA awards received was \$6.2 million.

A total of \$2.7 million has been expended with another \$1.8 million appropriated in the FY2022 Budget as Enacted. The Budget includes \$1.6 million for FY2023, a reduction of \$188,435 from the FY2022 Budget as Enacted. This leaves an award balance of \$104,760 that must be expended on state election assistance items prior to September 2024.

HAVA Award Revenue	
2018 HAVA Award	\$3,000,000
2020 HAVA Award	3,216,181
Total HAVA Award	\$6,216,181

Expenditures	
FY2019 Actual	\$907,311
FY2020 Actual	1,358,787
FY2021 Actual	413,758
FY2022 Enacted	1,810,000
FY2023 Governor	1,621,565
Total	\$6,111,421

HAVA Award Balance \$104,760

STATE LIBRARY

The State Library provides reference and research services about law, legislation, rules and regulations, government reports, and state history. The Library is an official Federal Government Publications Depository and State Publications Clearinghouse.

State Library	General Revenue
FY2022 Enacted	\$768,685
<i>Target and Other Adjustments</i>	<i>10,615</i>
Statewide COLA and Bonus	46,175
FY2023 Governor	\$825,475

Statewide COLA

\$46,175

Based on recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments (COLAs): 2.5 percent retroactive to June 2020, 2.5 percent retroactive to June 2021, 2.5 percent in July 2022, and 2.5 percent in July 2023. The current agreement is projected to increase general revenue expenditures by \$46,175 in FY2023 and \$49,345 in FY2022 within the State Library program.

OFFICE OF PUBLIC INFORMATION

The Office of Public Information is designed to make government more open and accessible. State law requires many documents to be filed with the Office, including lobbying disclosures, public meeting notices and minutes, disclosure of state government consultants, and appointments to boards and commissions.

Office of Public Information	General Revenue
FY2022 Enacted	\$521,918
<i>Target and Other Adjustments</i>	<i>22,715</i>
Operating Adjustments	92,025
Statewide COLA and Bonus	26,602
Contract Services	18,000
State House Tours	5,000
FY2023 Governor	\$686,260

Operating Adjustments

\$92,025

The Budget increases general revenue by \$92,025, including \$65,000 for the continuation of the Open Meetings computer application and \$21,000 for printing services related to the Rhode Island Government Owner's Manual. The 300-page directory is published every two years to reflect the results of the November election. It includes contact information for hundreds of officials, including Congressional delegates, general officers, members of the General Assembly, as well as city and town councils. The printing of the manual was not required in FY2022.

Operating Adjustments	FY2022 Enacted	FY2023 Governor	Change
Software Maintenance Agreements	\$0	\$65,000	\$65,000
RI Government Owner's Manual	4,000	25,000	21,000
All Other Operating Adjustments	126,955	132,980	6,025
Total	\$130,955	\$222,980	\$92,025

Statewide COLA**\$26,602**

Based on recently negotiated contract bargaining agreements between the State and the state employee bargaining units for a proposed 4-year contract, the Budget includes the following cost-of-living adjustments (COLAs): 2.5 percent retroactive to June 2020, 2.5 percent retroactive to June 2021, 2.5 percent in July 2022, and 2.5 percent in July 2023. The current agreement is projected to increase general revenue expenditures by \$26,602 in FY2023 and \$25,590 in FY2022 within the Office of Public Information program.

Contract Services**\$18,000**

The Budget increases general revenue by \$18,000, reflecting an increase of \$10,000 for legal costs and \$8,000 for IT Systems Support within this program. The increase for legal costs is due to the reliance on outside legal counsel, particularly for State Archive and Administrative Records legal needs. The slight increase for IT Support reflects work on the Lobby Registration Desk application.

State House Tours**\$5,000**

The Budget includes \$45,000 in general revenue for State House tours. This is an increase of \$5,000 from the previous fiscal year. The increase funding will allow for additional unspecified exhibitions in the State House library.

RECORDS CENTER

The Records Center is an internal service program funded with internal service funds (Records Center Fund or RCF); no general revenues fund program activities. The RCF funds approximately 60.0 percent of the personnel costs of the State Archives program.

The inactive records of state agencies are stored at the State Records Center, administered by the Public Records Administration. Inactive records are records that departments and agencies no longer require immediate access to, but that are not yet eligible for disposal because of administrative, fiscal or legal requirements. Access to these records is provided only through the expressed permission of the originating state agency.

	FY2020	FY2021	FY2022	FY2022		FY2023	
Records Center Fund - ISF	Actual	Actual	Enacted	Governor	Change	Governor	Change
Personnel	\$311,532	\$272,019	\$506,084	\$562,318	\$56,234	\$565,807	\$59,723
Contract Services	(12)	2,714	17,500	76,793	59,293	56,293	38,793
Operations	483,232	533,571	536,475	536,675	200	521,630	(14,845)
Capital Equipment	-	-	-	-	-	-	-
Total	\$794,752	\$808,304	\$1,060,059	\$1,175,786	\$115,727	\$1,143,730	\$83,671

CAPITAL PROJECTS

The Capital Budget includes an expenditure of \$170,000 in Rhode Island Capital Plan (RICAP) funds in FY2023 to purchase 200 Automark voting tables and 500 privacy booths with 200 booth leg extenders. The Office of the Secretary of State is statutorily responsible to purchase the State's voting equipment. The Budget includes the expense of this item under RICAP because, according to the Budget Office, it is a one-time purchase of durable equipment.