

Secretary of State
NORTH DAKOTA



SB 2002 TESTIMONY

HOUSE APPROPRIATIONS

MICHAEL HOWE, SECRETARY OF STATE

MARCH 7, 2023



THE DESK

FONDLY REMEMBERING THE LEGACY OF SECT. JAEGER

DIVISIONS & SERVICES



BUSINESS SERVICES

- Review and file documents registering and creating businesses, trade names, and trademarks, as well as documents relating to their continued existence and termination.
- Provide certificates and copies.
- Accept service of process when named as Registered Agent.



CENTRAL INDEXING

- File secured liens, as well as documents related to their continued existence and termination.



LICENSING

- License, commission, and register a variety of individuals and businesses.



ELECTIONS

- Serve as North Dakota's chief election officer, maintaining the integrity of the election process as provided in the constitution and laws of the state.
- Manage form and content of ballots.
- Review and certify measures for the ballot.
- Certify statewide and district candidates.
- File campaign finance statements; receive and file petitions; approve candidate filings; and maintain Central Voter File.



OTHER DUTIES

- Act as custodian of the Great Seal and other original state documents.
- Attest signature of Governor on official acts.
- File oaths of office.
- Serve as member and officer on various boards.
- Distribute state law and rule publications.
- Publish and distribute *North Dakota Blue Book*.
- File original legislative bills and resolutions.



INFORMATION MANAGEMENT

- Assists in maintaining and managing multiple digital systems.



WHO WE SERVE



BUSINESSES

- Individuals and entities transacting business in the state
- Business professionals such as attorneys, accountants, and registered agents
- The general public and private entities verifying the existence, standing, and status of businesses



ALL CITIZENS

- Through protection of records:
- Certain Legal Documents
 - Public Records
 - Notices



LENDING COMMUNITY

Through the Central Indexing System:

- Lenders
- Debtors



VOTERS & CANDIDATES

- Voters in North Dakota
- North Dakota military and overseas voters
- Candidates
- Political parties and political committees



LOCAL GOVERNMENTS

Through election guidance and administration:

- County auditors and election staff
- Jurisdictions (legislative, judicial, cities, counties, and school districts)



LICENSEES

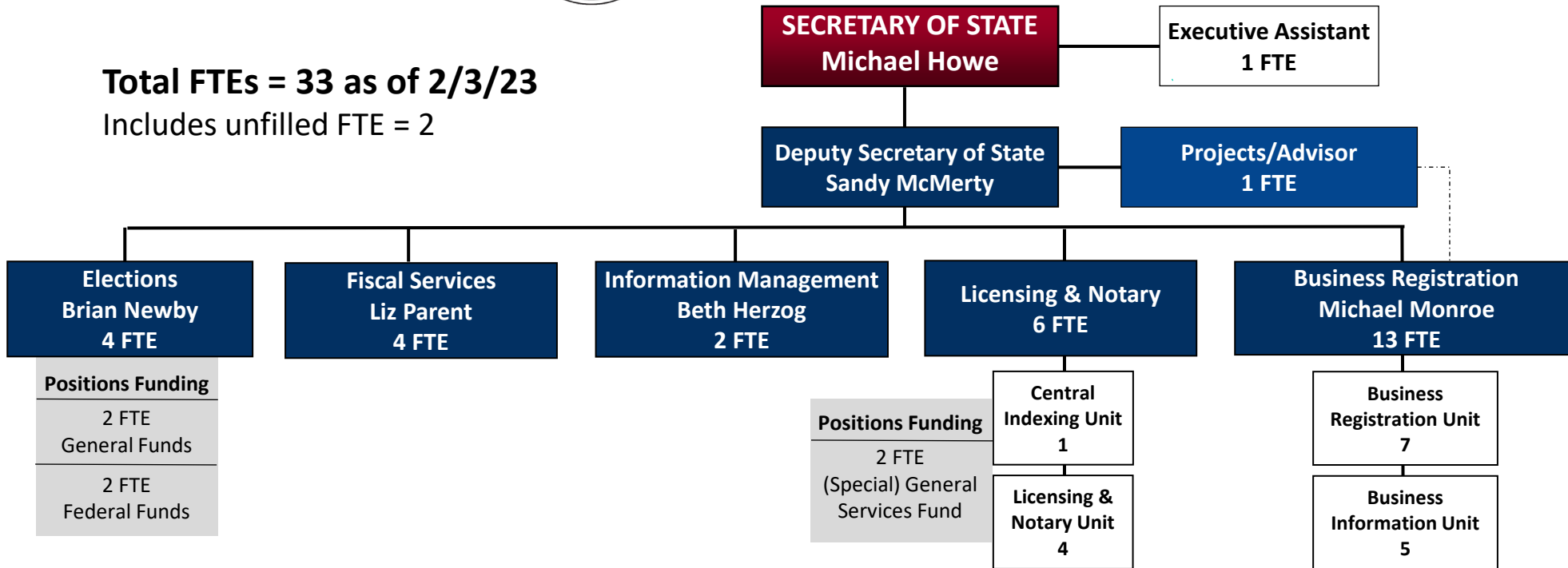
- Athlete Agents (registrations)
- Combative Sports fighters, trainers, managers, referees, judges, matchmakers, ring announcers, knockdown counters, physicians, and timekeepers (licenses)
- Charitable Organizations (registrations)
- Contractors (licenses)
- Home Inspectors (registrations)
- Lobbyists (registrations)
- Notaries Public (commissions)
- Professional Employer Organizations (licenses)



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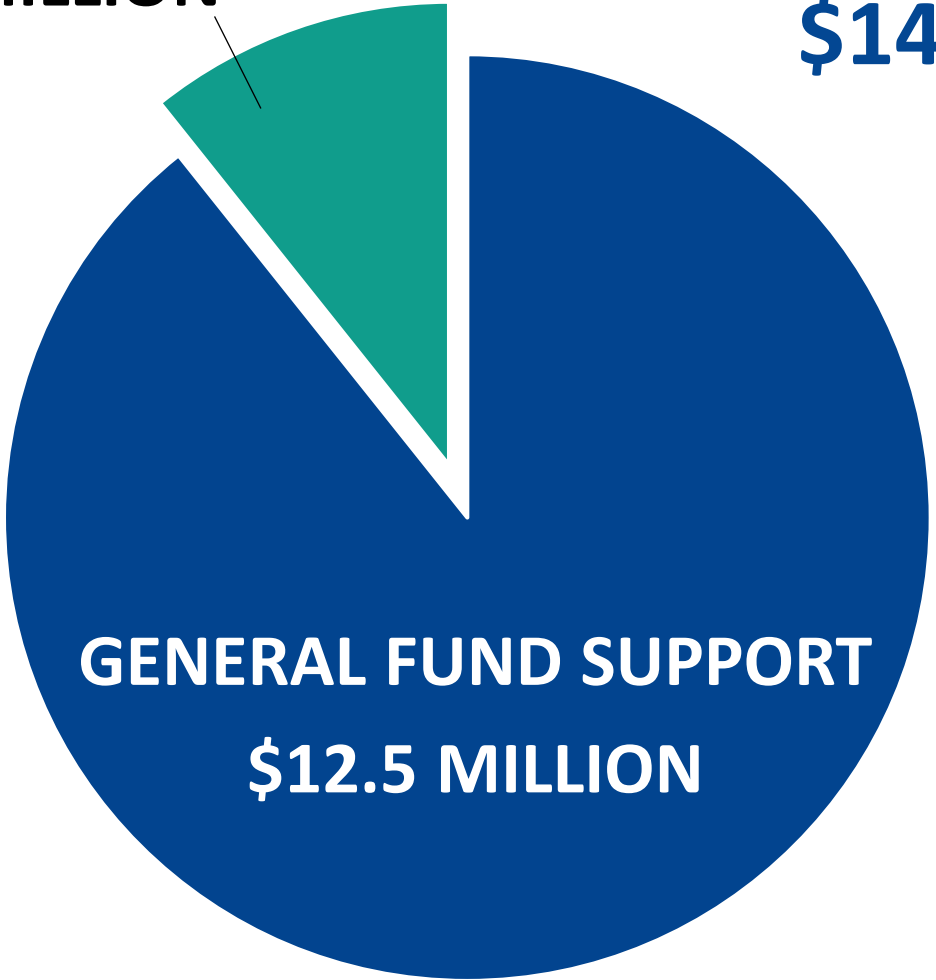
Total FTEs = 33 as of 2/3/23
Includes unfilled FTE = 2



**SOS FEES RETAINED UNDER
STATUTE**

\$1.5 MILLION

**AGENCY SPECIAL FUND
– GENERAL SERVICES FUND
\$14 MILLION**



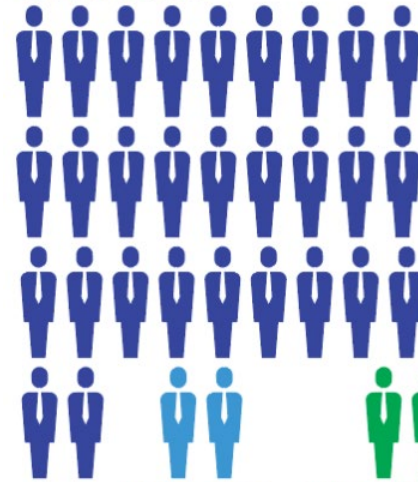
SENATE SALARY/FTE RECOMMENDATIONS

- Shifted \$479,143 from special to general fund salary support for 2 FTEs currently funded through special funds
- 1 FTE supported by authority of \$200,950 in Federal Funding for salary and related operating expenses for election support
- Supported \$100,000 in salary for repurposing and reclassification of positions for increased skillsets

FTE COMPARISON CURRENT V. SENATE

CURRENT = 33 FTE

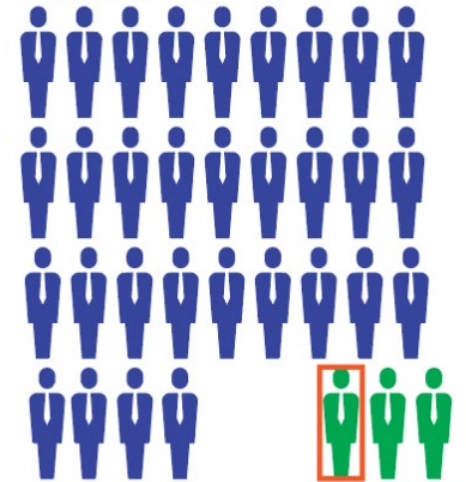
GENERAL



SPECIAL FEDERAL

SENATE = 34 FTE

GENERAL



FEDERAL

SENATE OPERATION RECOMMENDATIONS

- **\$1.5 million - SIIF one-time funding for technology projects**
 - **\$330,000 – support for on-going IT maintenance and procurement of text messaging system**
 - **\$13,404 – increase in public printing**
 - **\$201,331 – OMB rent model for capitol space**
- **\$1 million – Federal authority to receive 2023 HAVA election related funding**
 - **\$200,000 – state match for Federal funding**
 - **\$389,342 – restoration of authority for federal funds already received (error in Gov. Rec.)**

FEDERAL HELP AMERICA VOTE ACTS - \$ 4 MILLION

	Federal Advance	Fed Exp to 9/30/2022	State Match	State Exp to 9/30/2022
2020 HAVA	\$ 3,000,000		\$ 600,000	\$ 600,000
2022 HAVA	\$ 100,000		\$ 200,000	\$ 59,700
Total Remaining	\$ 4,000,000		\$ 800,000	\$ 659,700
	Dollars available with 20% match in March 2023.			
2023 HAVA	\$ 1,000,000		\$ 200,000	

2023-25 BIENNIUM COSTS

\$2 million (estimated)

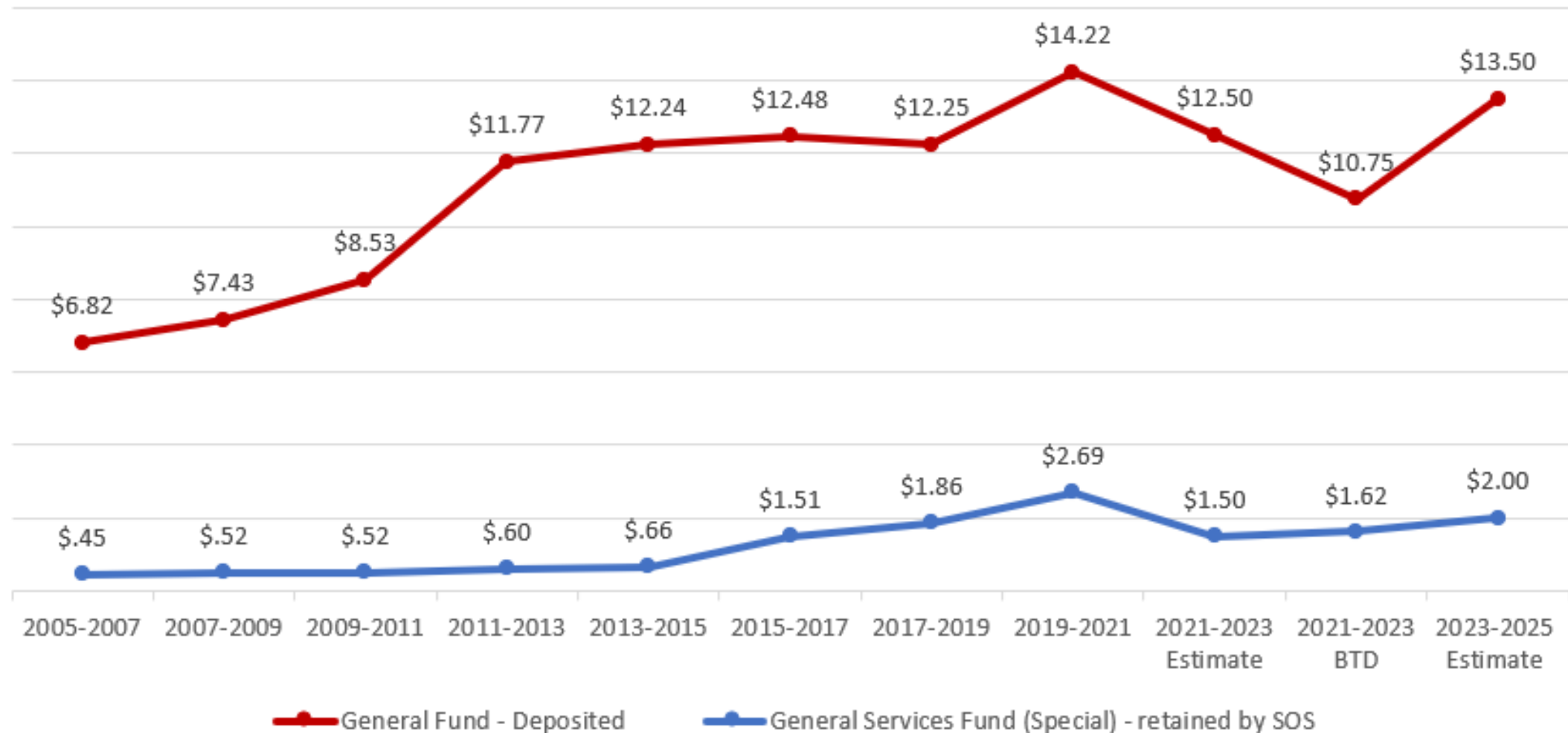
- Elections Software/Equipment - \$1.65 M
- Staffing - \$330,000
- Supplies/Support - \$50,000

2025-27 BIENNIUM COSTS

\$2 million (estimated)

- Elections Software/Equipment - \$1.65 M
- Staffing - \$330,000
- Supplies/Support - \$50,000

REVENUE TRENDS FROM FEES COLLECTED BY SECRETARY OF STATE GENERAL FUND & GENERAL SERVICES FUND (SPECIAL) IN MILLIONS

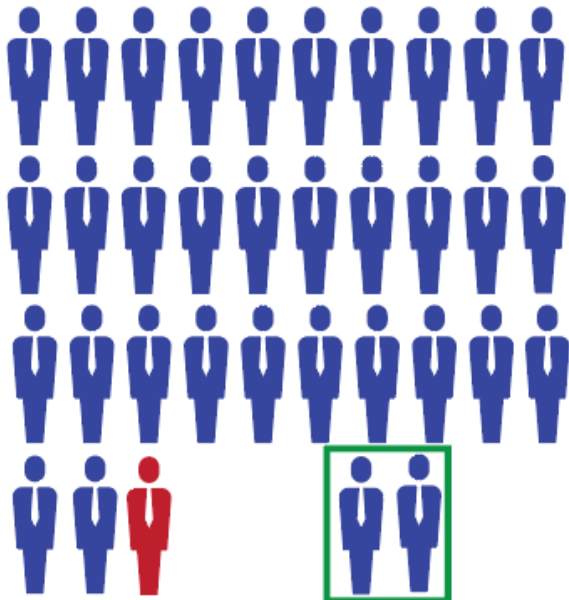


SOS – ADDITIONAL REQUEST

AGENCY FTE ASK

NEW - 1 ADDITIONAL FTE

GENERAL



NEW

SHIFT FEDERAL
TO GENERAL

- Shift \$362,111 in salaries to general fund from federal funds
 - \$362,111 (2 current FTEs – paid federal)
- 1 New FTE – Technology Support - \$180,000

SOS – ADDITIONAL REQUEST

- \$5 Million – One-Time Funding
 - End-of-Life – ND Voices – Election Management
- \$1 Million - FirstStop – Needed Upgrade 2.0 → 4.0



State Representative District 1		Partially	
Vote For 2			
David Richter ✓ Republican	2,394	50.06%	
Patrick Hatlestad ✓ Republican	2,321	48.54%	
⊕ write-in	67	1.40%	
TOTAL VOTES		4,782	

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