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Title.

Fiscal No. 2

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
April 5, 2023

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2002

Page 1, line 3, remove "to provide an exemption;"

Page 1, line 4, remove "and to provide for a transfer"

Page 1, replace lines 16 through 24 with:

"Salaries and wages	$5,528,082	$726,643	$6,254,725
Operating expenses	3,308,424	4,175,907	7,484,331
Grants	25,000	0	25,000
Petition review	8,000	0	8,000
Election reform	4,699,689	6,131,119	10,830,808
Total all funds	$13,569,195	$11,033,669	$24,602,864
Less estimated income	8,305,574	9,526,501	17,832,075
Total general fund	$5,263,621	$1,507,168	$6,770,789
Full-time equivalent positions	33.00	2.00	35.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	$5,521,552	$1,520,572	$7,042,124
Grand total special funds	8,305,574	9,526,501	17,832,075
Grand total all funds	$13,827,126	$11,047,073	$24,874,199"

Page 2, replace lines 19 through 22 with:

"New campaign system and contracted website redesign	$0	$1,000,000
Election management system	0	5,000,000
FirstStop	0	1,000,000
Information technology system enhancements	0	500,000
Help America Vote Act	0	1,000,000
Total other funds	$0	$8,500,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The secretary of state shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 3. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes the sum of $6,000,000 from the federal state fiscal recovery fund for an election management system and to upgrade FirstStop."

Page 3, remove lines 6 through 9

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2002 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Secretary of State				
Total all funds	$13,569,195	$18,869,717	$5,733,147	$24,602,864
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075
General fund	$5,263,621	$6,836,642	($65,853)	$6,770,789
FTE	33.00	34.00	1.00	35.00
Public Printing				
Total all funds	$257,931	$271,335	$0	$271,335
Less estimated income	0	0	0	0
General fund	$257,931	$271,335	$0	$271,335
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	$13,827,126	$19,141,052	$5,733,147	$24,874,199
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075
General fund	$5,521,552	$7,107,977	($65,853)	$7,042,124
FTE	33.00	34.00	1.00	35.00

Senate Bill No. 2002 - Secretary of State - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	$5,528,082	$6,328,326	($73,601)	$6,254,725
Operating expenses	3,308,424	6,484,331	1,000,000	7,484,331
Grants	25,000	25,000		25,000
Petition review	8,000	8,000		8,000
Election reform	4,699,689	6,024,060	4,806,748	10,830,808
Total all funds	$13,569,195	$18,869,717	$5,733,147	$24,602,864
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075
General fund	$5,263,621	$6,836,642	($65,853)	$6,770,789
FTE	33.00	34.00	1.00	35.00

Department 108 - Secretary of State - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Reduces Funding for Elected Official Equity[2]	Adds Funding for Technology Support Position[3]	Removes Salary Funding for Funding Pool[4]	Adds One-Time Funding[5]	Total House Changes
Salaries and wages	$85,862	($5,600)	$180,000	($333,863)		($73,601)
Operating expenses					$1,000,000	1,000,000
Grants						
Petition review						
Election reform	3,180			(196,432)	5,000,000	4,806,748
Total all funds	$89,042	($5,600)	$180,000	($530,295)	$6,000,000	$5,733,147
Less estimated income	12,726	0	0	(213,726)	6,000,000	5,799,000
General fund	$76,316	($5,600)	$180,000	($316,569)	$0	($65,853)
FTE	0.00	0.00	1.00	0.00	0.00	1.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	$79,156	$13,200	$92,356
Health insurance adjustment	(2,840)	(474)	(3,314)
Total	$76,316	$12,726	$89,042

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding of $5,600 from the general fund is removed to provide a total of $21,148 from the general fund to increase the salary of the Secretary of State to $130,000 on July 1, 2023. The Senate provided $26,748 from the general fund to increase the salary of the Secretary of State to $130,000 on July 1, 2023. The reduction in necessary equity to provide a salary of $130,000 is due to the House providing a general salary increase of 6 percent on July 1, 2023, rather than 4 percent.

[3] Funding of $180,000 from the general fund is added for 1 new FTE technology support position. The Senate did not include this position.

[4] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($180,000)	($190,950)	($370,950)
Vacant FTE positions	(136,569)	(22,776)	(159,345)
Total	($316,569)	($213,726)	($530,295)

[5] One-time funding of $6 million from the federal State Fiscal Recovery Fund is added for an election management system ($5 million) and to upgrade FirstStop ($1 million). The Senate did not provide funding for these projects.