



SOS

Office of the Secretary of State

Kim Wyman

2015 SUPPLEMENTAL OPERATING BUDGET





Secretary of State

Kim Wyman

Legislative Building
PO Box 40220
Olympia, WA 98504-0220
Tel: 360.902.4151
sos.wa.gov

October 21, 2014

The Honorable Jay Inslee
Governor of Washington
P.O. Box 40002
Olympia, WA 98504-0002

Dear Governor Inslee:

Enclosed, please find the Secretary of State's 2015 Supplemental Operating Budget request.

Our office has only one maintenance level request, which is for Voters' Pamphlet costs for the 2014 General Election. This is a typical request from our office, dependent upon the number of pages in the Voters' Pamphlet. This is the third year in a row that Advisory Votes have been on Washington's General Election ballot. The Advisory Votes are No. 8 and No. 9. Advisory Vote No. 8 addresses the elimination of agricultural tax preferences for various aspects of the marijuana industry and is a result of Senate Bill 6505. Advisory Vote No. 9 is a result of Engrossed Substitute House Bill 1287, which imposes the leasehold excise tax on certain leasehold interests on tribal property.

As always, our office will continue to look for ways to be as efficient as possible. Fulfillment of these costs are essential to our goal to improve the trust and confidence in the elections process.

Thank you for giving this proposal your careful and positive consideration.

Sincerely,

(Signature omitted for electronic version)

Kim Wyman
Secretary of State



2015 SUPPLEMENTAL OPERATING BUDGET

October 22, 2014

❖ **TAB A**

- **Recommendation Summary at Agency Level**

❖ **TAB B**

- **Maintenance Decision Packages**
 - M1 BA 2014 Voters' Pamphlet Costs
- **Electronic Decision Package Confirmation**

Recommendation Summary

Agency: 085 Office of the Secretary of State

2:14:44PM

10/22/2014

Dollars in Thousands

| | FY2 FTEs | General Fund State | Other Funds | Total Funds |
|---|-----------------|---------------------------|--------------------|--------------------|
| 2013-15 Current Biennium Total | 316.5 | 21,253 | 61,342 | 82,595 |
| Total Carry Forward Level | 316.5 | 21,253 | 61,342 | 82,595 |
| Percent Change from Current Biennium | | | | |
| M1 BA 2014 Voters' Pamphlet Costs | | 231 | | 231 |
| Carry Forward plus Workload Changes | 316.5 | 21,484 | 61,342 | 82,826 |
| Percent Change from Current Biennium | | 1.1% | | .3% |
| Total Maintenance Level | 316.5 | 21,484 | 61,342 | 82,826 |
| Percent Change from Current Biennium | | 1.1% | | .3% |
| Subtotal - Performance Level Changes | 0.0 | | | |
| 2013-15 Total Proposed Budget | 316.5 | 21,484 | 61,342 | 82,826 |
| Percent Change from Current Biennium | | 1.1% | | .3% |

M1 BA 2014 Voters' Pamphlet Costs

The 2014 General Election Voters' Pamphlet will cost more than anticipated . The increased costs cannot be accommodated with savings or efficiencies within the existing budget. This package requests \$230,653 in one-time funds to pay for the 2014 pamphlet.

**Office of the Secretary of State
2015 Supplemental Decision Package**

Agency: 085 Office of the Secretary of State
Decision Package Code/Title: BA 2014 Voters' Pamphlet Costs
Budget Period: 2013-2015
Budget Level: M1 – Mandatory Caseload and Enrollment Changes

Recommendation Summary Text:

The 2014 General Election Voters' Pamphlet will cost more than anticipated. The increased costs cannot be accommodated with savings or efficiencies within the existing budget. This package requests \$230,653 in one-time funds to pay for the 2014 pamphlet.

Fiscal Detail

| Operating Expenditures | <u>FY 2014</u> | <u>FY 2015</u> | <u>Total</u> |
|--|-----------------------|-----------------------|---------------------|
| 001-1 General Fund - Basic Account-State | | 230,653 | 230,653 |
| Total Cost | | 230,653 | 230,653 |

Narrative Justification and Impact Statement

Voters' Pamphlets are required

RCW 29A.32.010 requires the Secretary to produce a pamphlet for each general election whenever at least one statewide measure or office is scheduled to appear on the ballot. Article II, Section 1(e) of the Washington State Constitution requires the Secretary to distribute information on laws and amendments to the state Constitution "to each individual place of residence" prior to elections.

Language requirements

Section 203 of the federal Voting Rights Act requires translation of all voter materials into Spanish for Adams, Franklin, and Yakima counties, and Chinese and Vietnamese for King County. The Secretary's budget does not include funding to address the increased costs of translations or producing and distributing pamphlets in these languages.

Printing requirements

The 2014 General Election Voters' Pamphlet is broken into 27 editions to accommodate the legislative and congressional races in the various regions of the state. Separate editions are created to include local election information from county elections departments that publish jointly with the state and to address language requirements in four counties as previously stated.

**Office of the Secretary of State
2015 Supplemental Decision Package**

Agency: 085 Office of the Secretary of State
Decision Package Code/Title: BA 2014 Voters' Pamphlet Costs
Budget Period: 2013-2015
Budget Level: M1 – Mandatory Caseload and Enrollment Changes

All print vendors capable of printing the pamphlet require the pamphlet to be printed in 8-page increments. This is an industry standard for the layout style used to accommodate pamphlet requirements.

Current ballot measure assumptions

The Secretary's budget assumes that an even-numbered year pamphlet will include all required content for three statewide ballot measures, such as two initiatives and one constitutional amendment. Required content varies based on the type of ballot measure (Chapter 29A.32 RCW). Given the page increment and content requirements, the Secretary assumes each ballot measure will use eight pages. The Secretary's budget does not include funding for advisory votes.

Current funding is inadequate

The minimum number of pages for a 2014 pamphlet edition is 48, however the average number of pages per pamphlet is 72.

The pamphlet was published in Spanish for three counties and as a stand-alone statewide pamphlet. The pamphlet was also translated and published in Chinese and Vietnamese for one county. The Secretary's budget does not include funding to publish the pamphlet in languages other than English.

The 2014 pamphlet is estimated to cost \$1,091,373. The costs of printing additional pages, and providing materials in federally required languages, cannot be absorbed through savings or efficiencies within the existing budget. This packages requests \$230,653 in one-time funds to address the shortfall in current funding.

What specific performance outcomes does the agency expect?

The outcome of this request will be the printing and distribution of over three million 2014 Voters' Pamphlets, at a cost of less than \$0.34 per pamphlet.

It is important to provide accurate and timely information to the public about any election. In addition to educating and outreaching to the public, voter turnout tends to be higher in states where voters' pamphlets are distributed to every household prior to an election. This indicates that voters who are given information to study before casting a ballot tend to vote in higher numbers. This supports a better informed electorate.

Performance Measure Detail

No performance measure is associated with this package.

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This request is essential to implementing a strategic priority in the Office of the Secretary of State's strategic plan because OSOS's Elections Division goals for maximizing citizen access to comprehensive, timely, and accurate election related information are fulfilled:

Goal 2: Maximize the informed participation of all eligible voters in elections.

**Office of the Secretary of State
2015 Supplemental Decision Package**

Agency: 085 Office of the Secretary of State
Decision Package Code/Title: BA 2014 Voters' Pamphlet Costs
Budget Period: 2013-2015
Budget Level: M1 – Mandatory Caseload and Enrollment Changes

Goal 4: Increase accessibility of elections to all who are eligible.

Producing the 2014 Voters' Pamphlet is a simple and cost effective step to achieve these goals. The desire for a more informed electorate should be met by providing information to voters before they cast ballots.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

This request provides essential support to the Governor's Results Washington Goal 5: Efficient, Effective, and Accountable Government by ensuring voters of the State of Washington have access to the state's democratic processes and government accountability to elections-related information.

What are the other important connections or impacts related to this proposal?

The Secretary requests funding for costs already incurred. Voters will have already received a pamphlet; the impact of not funding this package will fall on the Office of the Secretary of State (OSOS) and other units of government.

The Department of Enterprise Services (DES) manages the procurement process, takes a lead role in resolving issues that arise with vendors and participates in press checks (approving the print quality during the initial printing of each edition). For their services, DES receives 5 percent of the total cost of the pamphlet. This package ensures the OSOS has the funding necessary to pay DES their fees.

Dynamic Language Center LTD translates and provides the formatting of the Spanish, Chinese, and Vietnamese editions of the pamphlet. This package ensures the OSOS has the funding necessary to pay Dynamic for its work.

Under another intergovernmental agreement, Franklin County reviews Spanish translations for the pamphlet. This package ensures the OSOS has the funding necessary to pay Franklin County for its work.

The Washington Talking Book and Braille Library (WTBBL), another division of the OSOS, transcribes pamphlet content into accessible formats. This package ensures the Secretary has funding necessary to pay WTBBL for its work.

What alternatives were explored by the agency, and why was this alternative chosen?

If the Secretary does not publish the pamphlet, or only provides the content online, the state will be in violation of the state constitution and state law. If elections and voting information is provided in English, but not in the three minority languages, the state will be in violation of federal law. If elections and voting information is not provided in an accessible format, such as audio or Braille, the state will be in violation of federal and state law. There is no alternative to printing the pamphlet, or providing a pamphlet in accessible formats and three other languages without changes in state and federal law.

**Office of the Secretary of State
2015 Supplemental Decision Package**

Agency: 085 Office of the Secretary of State
Decision Package Code/Title: BA 2014 Voters' Pamphlet Costs
Budget Period: 2013-2015
Budget Level: M1 – Mandatory Caseload and Enrollment Changes

What are the consequences of adopting or not adopting this package?

DES will begin billing the Secretary in late October and November. The Secretary is legally obligated to pay invoices from the contracted vendors and DES. The additional costs noted above were not awarded in the original budget, and the remaining portion of the Elections Division budget is not sufficient to cover the additional \$230,653. This amount is a significant portion of the Elections Division FY15 general fund budget. The Division cannot offset these costs through other efficiencies or reductions

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

No RCWs, WACs, or contract changes are required.

Expenditure and revenue calculations and assumptions

The following table summarizes objects of expenditure, the estimated actual expenses as a result of increased content, and the estimated differences, resulting in the FY15 supplemental request.

| <u>Object Detail</u> | <u>FY 2014</u> | <u>FY 2015</u> | <u>Total</u> |
|------------------------|----------------|----------------|--------------|
| E Goods\Other Services | | 230,653 | 230,653 |

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

This package requests one time funding for FY15.

Based on ballot measure trends over the past ten years, and federal language requirements, the Office of the Secretary of State will renew recent efforts to adjust maintenance-level funding to support the publication of an average of five ballot measures in the pamphlet, and translation into three minority languages. The current base budget only includes funding for three measures.

ELECTRONIC SUBMITTAL CONFIRMATION FORM

Agency Number: 085

Agency Name: Office of the Secretary of State

Agencies are required to provide electronic access to each decision package in their budget request as part of the submittal process. Confirm Option 1 or 2 below:

Option 1:

This agency posts all decision packages for our 2015-17 budget request to our public facing website at the following URL:

URL: <http://www.sos.wa.gov/office/budget-links.aspx>

Option 2:

This agency does not post decision packages and has forwarded copies via e-mail to OFM.Budget@ofm.wa.gov.

These decision packages conform to our agency's ADA accessibility compliance policy.

Agency Contact: Temple Allen, Budget Manager

Contact: 360-704-5215

Contact Phone: Temple.allen@sos.wa.gov

Contact E-mail: October 22, 2014

Date: