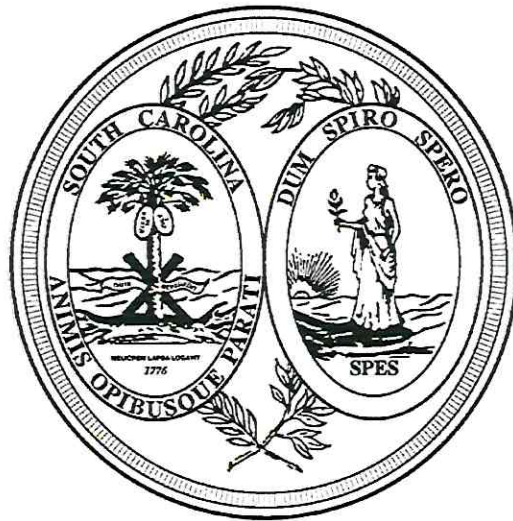


SECRETARY OF STATE'S OFFICE  
HOUSE BUDGET REQUEST  
2026 - 2027



## **Secretary of State's Office Key Officials Fiscal Year 2026-2027**

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# **Agency Overview**

## **Statutory Duties**

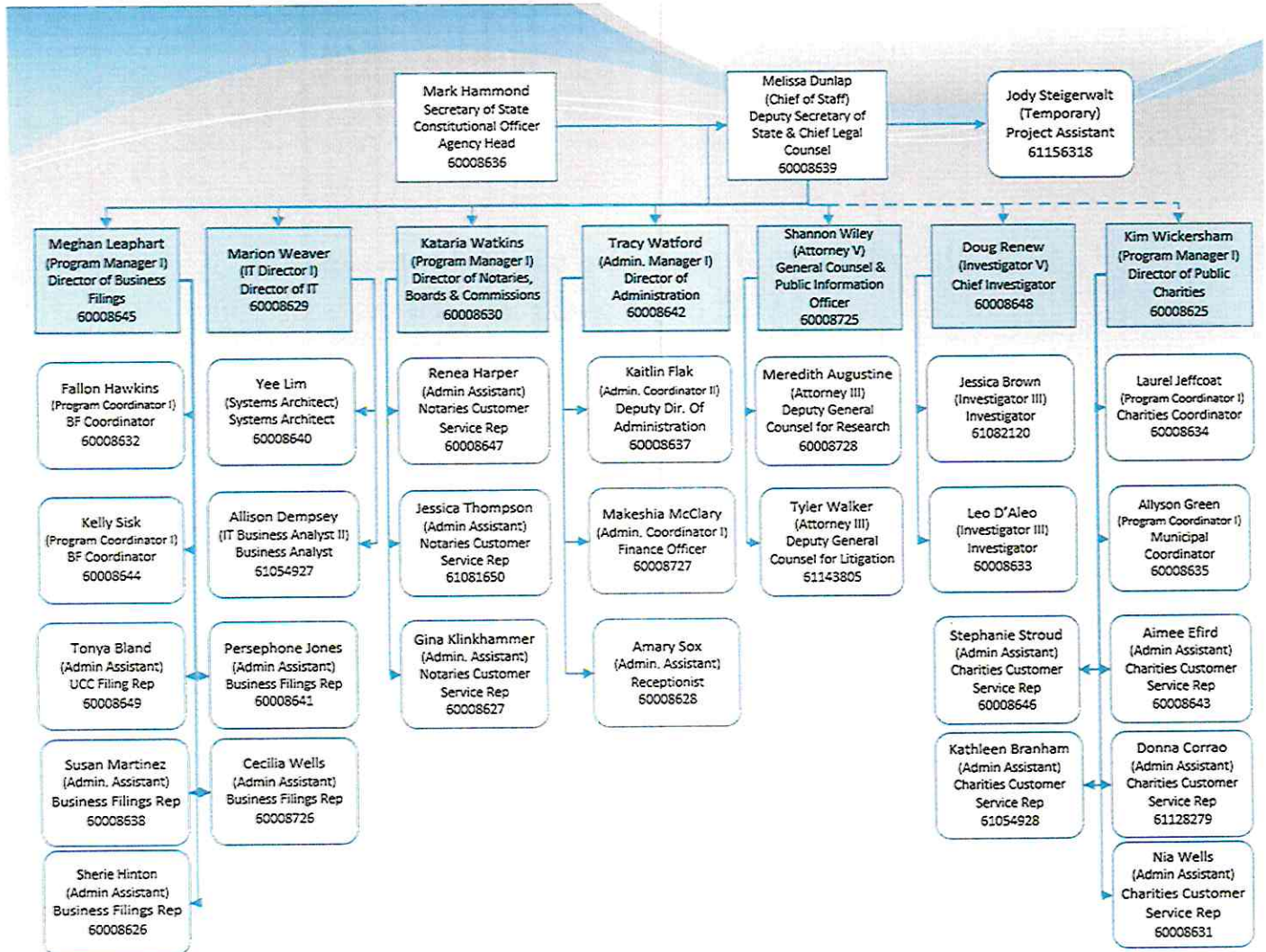
The Office of the Secretary of State is mandated by the South Carolina Code of Laws to serve as the state filing office for business corporations, nonprofit corporations, limited partnerships, limited liability partnerships, and limited liability companies, as well as for all Uniform Commercial Code Article 9 secured transaction filings. The Secretary of State also serves as the agent for service of process for corporations that do not have authority to transact business in South Carolina and serves as registered agent as otherwise provided by statute. In addition, the Secretary of State's Office examines, and files state trademarks, registers structured settlement purchase companies, maintains the state notary public database, and issues commissions for elected officials and those appointed by the Governor. The Secretary of State's Office is also responsible for issuing all statewide cable franchises and serves as the repository for several types of municipal filings. The office handles the incorporation of municipalities and special purpose districts, the annexations of land, and the escheatment of real property in South Carolina. Finally, the Secretary of State's Office regulates charitable organizations, professional fundraisers, nonprofit raffles, business opportunities and employment agencies.

## **Secretary of State's Office Mission Statement**

The mission of the Secretary of State's Office is to provide innovative technology to enhance the transaction of business in the state, to serve the business community and members of the public with prompt and efficient customer service, to protect the charitable donors of South Carolina, and to fulfill all other statutory duties of the office.

# Secretary of State's Office Organizational Chart

Fiscal Year 2024 - 2025





# **Secretary of State's Office Budget Request Summary**

## **Fiscal Year 2026-2027**

### **Budget Request Summary**

#### **I. Other Funds Authorization Increase of UCC Proviso 96.1 Amendment- \$70,000**

- The Secretary of State's Office is requesting an increase of spending authority for the proposed amendment to Proviso 96.1 to increase UCC revenue that is collected.
- The agency requests an additional \$70,000, which would help address the rising operational costs of the division and enable the agency to retain \$250,000.
- The last spending increase, which raised the amount to \$180,000, was requested in fiscal year 2013.
- Last fiscal year, over 122,000 UCC filings were processed. This number represents an 8.4% increase from fiscal year 2024-2025.

#### **II. Other Funds Authorization Increase**

- An increase of \$150,000 in authorization will be allocated throughout the agency to accommodate rising operational requirements and for information technology projects.
- Last fiscal year the Secretary of State's Office incurred more than \$185,000 in postage expenses; certified mail alone accounted for upwards of \$114,000. These costs reflect higher volumes of statutory notifications and secure correspondence that cannot be handled through standard postage methods. The remaining funding requested will be spent on information technology projects.
- The agency continues to expand its IT services for customers to provide up-to-date, secure and convenient online applications.

#### **III. Other Funds Retirement, Health, and Pay Allocation – \$70,950**

- This funding request of \$70,950 will support all divisions of the agency staffed by employees whose compensation is funded by other funds. Therefore, fulfilling this request will impact all the goals and strategies the office aims to achieve.
- The Secretary of State's Office has 16 FTEs supported by other funds. Due to rising costs, the Secretary of State's Office requests an increase in its other funds authorization for health benefits to cover the employer portion.

## Secretary of State's Proviso Requests

Constitutional Subcommittee Proviso Request Summary FY 2026-27				
Proviso # in FY 25-26 Act	Renumbered FY 26-27 Proviso #	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
96.1	96.1	UCC Filing Fees	Revenues from the fees raised pursuant to SC Code Section 36-9-525(a), not to exceed <del>\$400,000</del> , <del>\$250,000</del> may be retained by the Secretary of State for purposes of UCC administration	Change
96.2	96.2	Charitable Funds Act Disclosure Violations	The Secretary of State shall refer to the Attorney General for investigation under SC Code Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the mandatory disclosure requirements of Section 33-56-90 of the Act, and who has been fined \$10,000 or more for those violations	Keep
96.3	96.3	Charitable Funds Act Misrepresentation Violations	The Secretary of State shall refer to the Attorney General for investigation under SC Code Section 33-56-145 of the Solicitation of Charitable Funds Act any person who is alleged to have violated the mandatory disclosure requirements of Section 33-56-90 of the Act, and who has been fined \$10,000 or more for those violations.	Keep
96.4	96.4	Cable Video Service Certificates	The Secretary of State cannot automatically deny a cable or video service certificate application under Section 58-12-310, relating to an application for certificate, if a community fails to provide unconditional consent within 65 days of the Secretary's request, as outlined in Section 58-12-310(C). Approved applications remain subject to the conditions in Section 58-12-310(D).	Keep
96.5	96.5	Charitable Funds Administration	Fine revenue collected, not to exceed \$150,000, may be retained by the Secretary of State for the administration and enforcement of the Solicitation of Charitable Funds Act pursuant to Section 33-56-160, in addition to the first two hundred thousand dollars in administrative fines currently retained by the office to administer the enforcement of the Act.	Keep

## Carryforward Fiscal Year 2024-2025

Period	Debit	Credit	Balance	Cumulative balance
Bal. Carryforward	0.00	0.00	0.00	4,470,376.38
001	11,813,118.10	9,101,664.75	2,711,453.35	7,181,829.73
002	4,092,362.68	3,324,590.51	767,772.17	7,949,601.90
003	4,076,817.03	3,019,267.15	1,057,549.88	9,007,151.78
004	4,096,016.21	3,228,221.28	867,794.93	9,874,946.71
005	3,906,129.05	3,303,715.76	602,413.29	10,477,360.00
006	4,273,706.13	3,302,080.12	971,626.01	11,448,986.01
007	4,644,205.49	3,682,764.78	961,440.71	12,410,426.72
008	4,422,810.82	3,465,345.96	957,464.86	13,367,891.58
009	4,654,814.21	3,418,628.99	1,236,185.22	14,604,076.80
010	5,274,060.14	4,065,735.57	1,208,324.57	15,812,401.37
011	4,962,208.69	3,860,640.41	1,101,568.28	16,913,969.65
012	5,197,983.42	4,111,485.60	1,086,497.82	18,000,467.47
013	13,527,077.62	26,984,802.74	-13,457,725.12	4,542,742.35
014	0.00	0.00	0.00	4,542,742.35
015	0.00	0.00	0.00	4,542,742.35
016	0.00	0.00	0.00	4,542,742.35
Total	74,941,309.59	74,868,943.62	72,365.97	4,542,742.35

Maintaining carryforward funds is crucial for the agency to manage unforeseen expenses, revenue declines, or potential future budget cuts. This approach guarantees that vital programs within the Secretary of State's Office operate smoothly without interruptions.

The agency leverages carryforward funding to collaborate with the Department of Administration on various projects. For years, the Secretary of State's Office has depended on these funds to enhance the working environment for both staff and customers. We have implemented necessary security and safety measures, including controlled access to the office and secure workspaces for employees.

Thanks to these carryforward funds, we have updated the office by replacing old ceiling tiles, air registers, and outdated lighting with energy-efficient LED fixtures throughout the agency. Additionally, we expanded the charity division by constructing three walls, creating essential workspace needed for operations.



## Budget vs Actual Fiscal Year 2025

Table										
Funded Program - Bud	Budget Act CI		Fund (High Level)	Original Budget	Budget Adjustments	Current Budget	YTD Actual Expense	Balance Before Commitments	Commitments and Other Transactions	Remaining Balance
ADMINISTRATION	501005	SEC OF STATE	GENERAL FUND	\$ 135,000.00		\$ 135,000.00	\$ 135,000.00	\$ 0.00		\$ 0.00
	501058	CLASSIFIED POS	GENERAL FUND	\$ 996,323.00	-\$ 11,977.36	\$ 984,345.64	\$ 984,345.64	\$ 0.00	\$ 0.00	\$ 0.00
			EARMARKED FUNDS		\$ 1,204,399.31	\$ 1,204,399.31	\$ 1,204,399.31	\$ 0.00	\$ 0.00	\$ 0.00
	501060	UNCLASS POSITIONS	GENERAL FUND		\$ 39,302.45	\$ 39,302.45	\$ 39,302.45	\$ 0.00		\$ 0.00
			EARMARKED FUNDS		\$ 159,278.35	\$ 159,278.35	\$ 159,278.35	\$ 0.00		\$ 0.00
	501070	OTH PERS SVC	GENERAL FUND		\$ 6,898.50	\$ 6,898.50	\$ 6,898.50	\$ 0.00		\$ 0.00
			EARMARKED FUNDS		\$ 48,132.60	\$ 48,132.60	\$ 48,132.60	\$ 0.00		\$ 0.00
	512001	OTHER OPERATING	GENERAL FUND	\$ 16,600.00	-\$ 8,711.59	\$ 7,888.41	\$ 7,888.41	\$ 0.00	\$ 0.00	\$ 0.00
			EARMARKED FUNDS		\$ 1,163,648.16	\$ 1,163,648.16	\$ 1,162,935.51	\$ 712.65	\$ 4,274.11	-\$ 3,561.46
	513000	EMPLOYER CONTRIB	GENERAL FUND		\$ 0.00	\$ 0.00		\$ 0.00		\$ 0.00
STATEWIDE PAY PLAN	581000	MISC OPS	GENERAL FUND		\$ 0.00	\$ 0.00		\$ 0.00		\$ 0.00
STATE EMPLOYER CONTR	513000	EMPLOYER CONTRIB	GENERAL FUND	\$ 420,279.00	\$ 24,805.00	\$ 445,084.00	\$ 445,084.00	\$ 0.00	\$ 0.00	\$ 0.00
			EARMARKED FUNDS		\$ 661,013.58	\$ 661,013.58	\$ 661,013.58	\$ 0.00	\$ 0.00	\$ 0.00

## Budget vs Actual Fiscal Year 2026 Period 7

Table											
Funded Program - Bud	Budget Act		Fund (High Level)	Original Budget	Budget Adjustments	Current Budget	MTD Actual Expense	YTD Actual Expense	Balance Before Commitments	Commitments and Other	Remaining Balance
ADMINISTRATION	501005	SEC OF STATE	GENERAL FUND	\$ 135,000.00		\$ 135,000.00	\$ 5,625.00	\$ 73,125.00	\$ 61,875.00		\$ 61,875.00
	501058	CLASSIFIED POS	GENERAL FUND	\$ 1,030,366.00	-\$ 10,000.00	\$ 1,020,366.00	\$ 39,049.23	\$ 576,425.62	\$ 443,940.38		\$ 443,940.38
			EARMARKED FUNDS		\$ 846,578.00	\$ 846,578.00	\$ 52,897.38	\$ 670,295.98	\$ 176,262.02		\$ 176,262.02
	501060	UNCLASS POSITIONS	GENERAL FUND		\$ 10,000.00	\$ 10,000.00	\$ 448.92	\$ 4,911.18	\$ 5,088.82		\$ 5,088.82
			EARMARKED FUNDS		\$ 198,421.98	\$ 198,421.98	\$ 8,529.41	\$ 110,191.10	\$ 88,230.88		\$ 88,230.88
	501070	OTH PERS SVC	GENERAL FUND		\$ 5,121.47	\$ 5,121.47		\$ 5,121.47	\$ 0.00		\$ 0.00
			EARMARKED FUNDS		\$ 17,739.21	\$ 17,739.21	\$ 920.00	\$ 15,330.18	\$ 2,409.03		\$ 2,409.03
	512001	OTHER OPERATING	GENERAL FUND	\$ 16,600.00	-\$ 5,121.47	\$ 11,478.53		\$ 10,090.51	\$ 1,388.02	\$ 345.00	\$ 1,043.02
			EARMARKED FUNDS		\$ 620,000.00	\$ 620,000.00		\$ 702,187.62	\$ 117,812.38	\$ 59,536.53	\$ 58,275.85
STATEWIDE PAY PLAN	581000	MISC OPS	GENERAL FUND		\$ 27,765.00	\$ 27,765.00			\$ 27,765.00		\$ 27,765.00
STATE EMPLOYER CONTR	513000	EMPLOYER CONTRIB	GENERAL FUND	\$ 436,553.00	\$ 17,322.00	\$ 453,875.00	\$ 19,408.04	\$ 281,392.72	\$ 172,482.28		\$ 172,482.28
			EARMARKED FUNDS		\$ 470,000.00	\$ 470,000.00	\$ 26,442.69	\$ 335,664.03	\$ 134,335.97	\$ 0.00	\$ 134,335.97



## **Secretary of State's Office Summary of Efficiencies & Successes Fiscal Year 2025**

The Secretary of State's Office remitted to the State General Fund over \$13.4 million dollars in FY25. In FY25, the office received general fund appropriations of \$1,618,519 and other funds authorization of \$3,236,472 for a total budget of \$4,854,991.

### **General Fund Appropriations 2024 – 2025**

- \$1,618,519

#### Expenditures By Division:

Administration including Legal Division: \$579,208

IT Division: \$94,630

Notaries, Boards & Commissions, and Authentications: \$334,474

Business Filings: \$465,531

Investigations: \$152,579

IT Expenditures: \$7,884

### **Other Funds Authorization Fiscal Year 2024 – 2025**

- Authorized \$3,236,472
- Expended \$3,235,759
- Carry-Forward \$713

#### Expenditures By Division:

Administration including Legal Division: \$1,023,109

Business Filings: \$304,053

Charities Division: \$638,612

IT Division: \$400,546

Notaries Division: \$47,965

Investigations: \$168,435

IT Expenditures: \$653,039

# Highlights of FY25

## **Charities Division**

### Give Smart App:

- Free App for Apple and Google phones
- Search charities and the percentage of revenue going toward program services
- View annual financial reports
- Submit complaints on your phone now in addition to on our website

### Online Tutorials:

- Seven online tutorials for customers filing with our online Charities, Professional Fundraisers and Solicitors, and Raffles system

### Launched new Charitable Giving Public Service Announcement:

- Educates the public about wise charitable giving
- Informs public of information available about charities at the Secretary of State
- Informs the public of the Give Smart App for mobile phones

### Compliance with the Solicitation of Charitable Funds Act

- Record amount of fines: \$1,274,733
- \$1,074,733 sent to the State General Fund

### Division Filings & Customer Service

- Registrations: 18,610
- Extensions Filed: 10,576
- Annual Financial Reports: 28,043
- Professional Fundraiser Registrations: 1,221
- Professional Fundraiser Contracts and Annual Financial Reports: 2,198
- Raffle Registrations and Financial Reports: 2,117
- Over 19,000 customers assisted via telephone calls
- Over 490 walk-in customers served

## **Notaries Division**

- Over 21,000 notary filings were processed
- Over 14,000 apostilles and authentications were processed; an increase of 6.7% from FY 2023-2024
- Online notary status change features were launched to increase efficiency and provide increased customer service options

- Over 1,800 of the 2,296 notary name and/or address changes submitted online
- 585 requests for a duplicate notary
- 110 notaries public registered as electronic notaries
- Three Notary Public Seminars conducted statewide
- Over 10,700 calls and over 3,500 walk-in customers assisted

### **Business Filings Division**

- This division filed over 269,000 documents and processed an additional 239,423 document requests.
- Over 61,000 customers were assisted via telephone and over 3,600 were assisted in person
- Excellent customer service continued with the online filing capabilities

#### Corporations:

- Corporate Filings: over 146,000
- Online filings adoption rate at 90%
- 24/7 turn-around-time

#### Uniform Commercial Code:

- UCC Filings: over 122,000 filed; filings increased 9.3% from FY25
- Online adoption rate at 92%
- 24/7 turn-around-time

### **Investigations Division**

- Investigated 897 charity-related complaints
- Investigated 30 trademark violation cases
- Seizure of over \$1,682,287 in counterfeit goods
- 37 cease and desist letters sent
- Worked with the Department of Homeland Security
- Conducted a statewide training in conjunction with the International Anti-Counterfeiting Coalition (IACC).
- Assisted in interception in over \$607,942 in counterfeit goods before they reached the public in SC
- Investigated over 501 charitable organizations for violations of the SC Solicitation of Charitable Funds Act



### **Legal Division & Administration**

Legal staff supports each division of the agency and works directly with the Secretary of State, Administration, Division Directors, and all staff. Legal staff also work closely with the IT Division in the development of new online filing capabilities and is an integral component of the success of the agency. Legal and Administrative staff work to ensure excellent customer service for the agency along with each of the divisions in the office.

### **Information Technology Division**

The IT Division also supports the entire office 24/7. Our IT staff provides internal and external customer service. Our online projects, filing options, day-to-day operations and security would not be possible without our IT staff. The IT Division worked with the Legal Division and an external vendor to develop an online filing application for trademarks, service marks, and livestock brands. This new application was launched on November 11, 2025. The IT Division implemented an in-house credit card payment application and point of sale (POS) system for walk-in apostille and authentication customers.

Total Agency Filings in FY25 were over 607,500.

## **Secretary of State's Office FTEs FY25**

Authorized FTEs – 35

- State Funds – 19
- Other Funds – 16

Filled FTE – 35

- State Funds – 19
- Other Funds – 16

Vacant FTE – 0