



**Budget Presentation
FY2020-21**

**House Ways and Means
Constitutional Subcommittee**

January 22, 2020

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State Election Commission

The mission of the State Election Commission (SEC) is to ensure every eligible citizen in South Carolina has the opportunity to register to vote, to participate in fair and impartial elections, and have the assurance that their vote will count.

The SEC is charged by law with:

- Maintaining the statewide voter registration system
- Supporting the statewide voting system
- Supervising 46 county boards of voter registration and elections
- Performing audits and post-election analyses of county boards of registration and elections
- Assisting with county operations if a county election office fails to comply with state and federal law or SEC policies and procedures; or if a county is unable to certify election results in a timely manner
- Conducting a training and certification program for local election officials
- Conducting candidate filing and providing a candidate tracking system

The SEC is requesting \$600,000 in recurring funds in the FY2020-21 budget request to provide support for the new paper based voting system.

- Ballot cards for 110/% of registered voters - \$430,000
- Delivery/pickup of ballot marking devices, precinct tabulators and other items required for polling places - \$150,000
- Miscellaneous supplies such as privacy sleeves, envelopes for in-person absentee voting and spoiled ballots - \$20,000

The SEC is also requesting the following non-recurring funds in the FY2020-21 budget request:

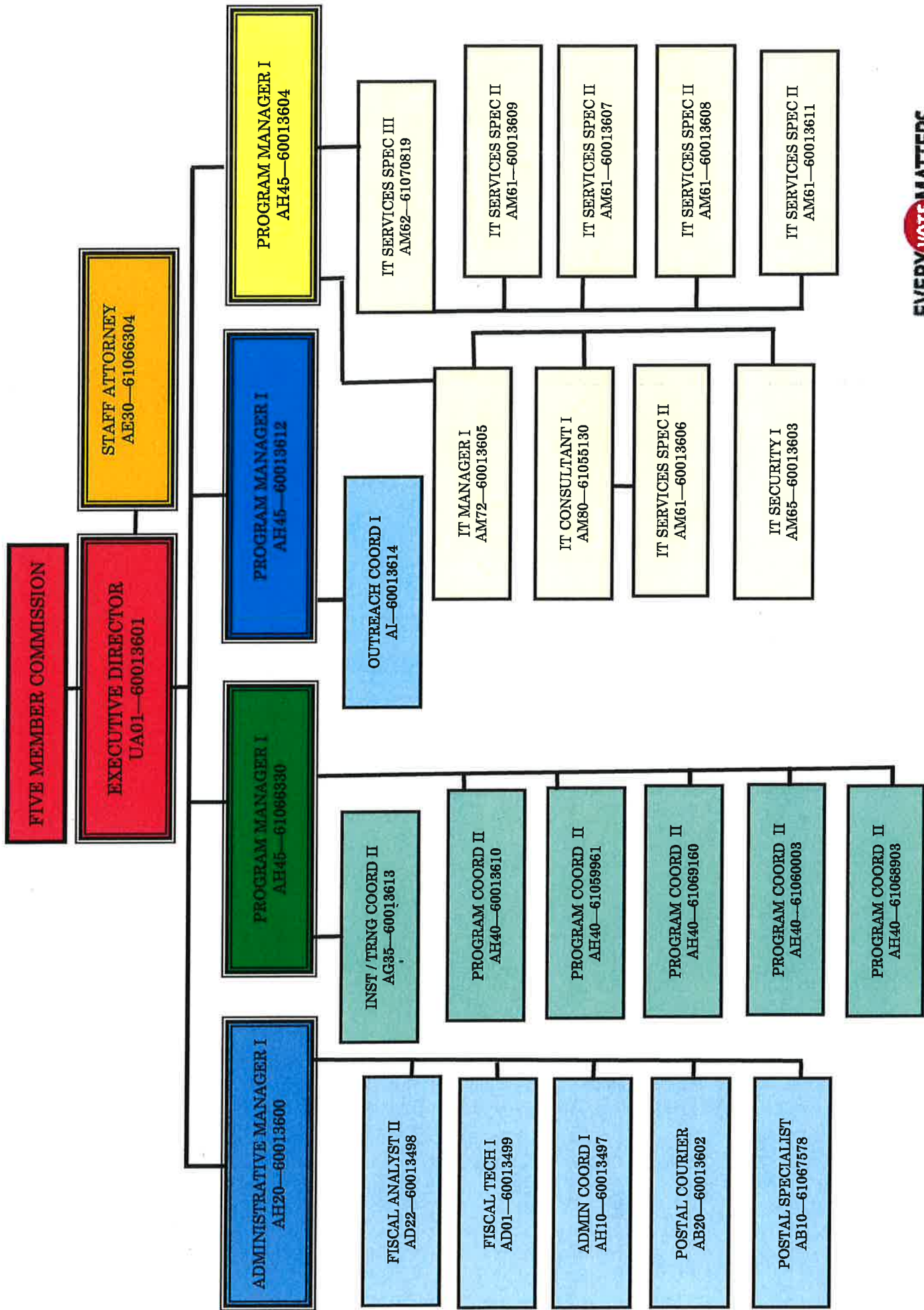
- \$9.3M to complete the new voting system solution
 - Security and auditing of new voting system - \$1M
 - Electronic poll books - \$5M
 - Voter Education and Outreach Program for new system - \$1M
 - Voting System Equipment - \$2.3M
- \$1,353,494 Matching funds for 2019 HAVA federal grant
 - Improve the administration of elections for federal office, by enhancing election technology and making election security improvements
- \$500,000 for a third-party consultant for Richland County
 - Contract for a third-party consultant to advise Richland County Voter Registration and Elections on the conduct of elections

The SEC is requesting to amend Proviso 101.12 (Match for Additional HAVA Funds) to delete the language pertaining to voting system refurbishment funds being provided as a match for HAVA funds as those funds have been depleted.

SOUTH CAROLINA
ELECTION COMMISSION

SEC Officials Attending Hearing:

Name	Title	Email	Telephone
Marci Andino	Executive Director	marci@elections.sc.gov	(803) 734-9060
Viola Robinson Faust	Director of Administration	vfaust@elections.sc.gov	(803) 734-9069
Chris Whitmire	Director of Public Information	cwhitmire@elections.sc.gov	(803) 734-9070
Howard Knapp	Director of Voter Services	hknapp@elections.sc.gov	(803) 734-9004
Harrison Brant	Legal Counsel	hbrant@elections.sc.gov	(803) 734-9063



State Election Commission FY2018-19 Accountability Report Summary

Major Achievements:

- Continued to enhance the security and resilience of the state election infrastructure through network based security, risk and vulnerability assessments, and training and education
- Implemented a new paper-based statewide voting system
- Successfully conducted the 2018 Statewide General Election
- Continued to educate voters on all aspects of voter registration and elections through the Agency's SC Votes voter education initiative

Goals:

- Provide for a system of voter registration that is free of barriers
- Certify and support a statewide voting system that meets state law, federal voting system standards and is accessible for all voters
- Support counties in conducting voter registration and fair, open and impartial elections
- Effectively oversee all agency programs and operations

Key Opportunities and Challenges:

- Ensuring all reasonable measures have been taken to improve and protect the security and resilience of the state's election infrastructure
- Continued implementation of the new statewide voting system
- Funding to complete the new voting system solution
- Legislation needed to improve the efficiency and effectiveness of voter registration and elections

FY 20-21 Budget Priorities Summary
State Election Commission

Budget Priorities		Funding					FTEs					
Priority No.	Priority Type (recurring/ non-recurring/ other funds adjustment/ federal funds adjustment)	Priority Title	Priority Description	Recurring	Non - Recurring	Other	Federal	Total	State	Other	Federal	Total
1	B1 - Recurring	Funding to Support New Paper Based Voting System	Funds would ensure an adequate number of ballots and other miscellaneous supplies are available for voters to use when voting at the polls and be ensuring that the security and secrecy of the ballot is provided at all times.	600,000	0	0	0	600,000	0	0	0	0
2	B2-Non-Recurring	Completion of New voting System Solution	Funds would be used to provide security and auditing of the new voting system, electronic poll books, and a voter education and outreach program.	0	9,300,000	0	0	9,300,000	0	0	0	0
3	B3-Non-Recurring	HAVA Match Funds	Funds would be used to meet the match requirement of federal funds received by the agency	0	1,353,494	0	0	1,353,494	0	0	0	0
4	B3-Non-Recurring	Third Party Consultant for Richland County	Funds would be used to contract for a third party consultant to advise the Richland County Board of Voter Registrations and Elections on the conduct of elections.	0	500,000	0	0	500,000	0	0	0	0

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102



Fiscal Year 2020-21 Agency Budget Plan

FORM A - BUDGET PLAN SUMMARY

**OPERATING
REQUESTS
(FORM B1)**

For FY 2020-21, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting General Fund Appropriations.
<input type="checkbox"/>	Requesting Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**NON-RECURRING
REQUESTS
(FORM B2)**

For FY 2020-21, my agency is (mark "X"):	
<input checked="" type="checkbox"/>	Requesting Non-Recurring Appropriations.
<input type="checkbox"/>	Requesting Non-Recurring Federal/Other Authorization.
<input type="checkbox"/>	Not requesting any changes.

**CAPITAL
REQUESTS
(FORM C)**

For FY 2020-21, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting funding for Capital Projects.
<input checked="" type="checkbox"/>	Not requesting any changes.

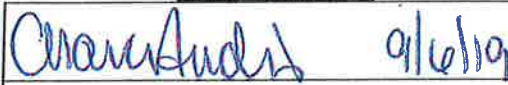

**PROVISOS
(FORM D)**

For FY 2020-21, my agency is (mark "X"):	
<input type="checkbox"/>	Requesting a new proviso and/or substantive changes to existing provisos.
<input checked="" type="checkbox"/>	Only requesting technical proviso changes (such as date references).
<input type="checkbox"/>	Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Janet Reynolds	(803) 734-9069	jreynolds@elections.sc.gov
SECONDARY CONTACT:	Marci Andino	(803) 734-9001	marci@elections.sc.gov

I have reviewed and approved the enclosed FY 2020-21 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

	<u>Agency Director</u>	<u>Board or Commission Chair</u>
SIGN/DATE:	 9/6/19	 9/18/19
TYPE/PRINT NAME:	Marci Andino	John Wells

This form must be signed by the agency head – not a delegate.

Fiscal Year 2020-21 Budget Request Executive Summary

Agency Code: E280
 Election Commission
 Agency Name:
 Section: 102

Priority	Request Type	Request Title	BUDGET REQUESTS			FUNDING			FTES		
			State	Federal	Total	State	Federal	Total	State	Federal	Total
1	B1 - Recurring	Funding to Support New Paper Based Voting System	600,000	0	600,000	0	0	0	0.00	0.00	0.00
2	B2 - Non-Recurring	Completion of New Voting System Solution	9,300,000	0	9,300,000	0	0	0	0.00	0.00	0.00
3	B2 - Non-Recurring	HAVA Match Funds	1,353,494	0	1,353,494	0	0	0	0.00	0.00	0.00
4	B2 - Non-Recurring	Third Party Consultant for Richland County	500,000	0	500,000	0	0	0	0.00	0.00	0.00
5											
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TOTAL BUDGET REQUESTS			11,753,494	0	11,753,494	0	0	0	0.00	0.00	0.00

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

FORM B1 – RECURRING OPERATING REQUEST

AGENCY PRIORITY
Provide the Agency Priority Ranking from the Executive Summary.

TITLE
Provide a brief, descriptive title for this request.

AMOUNT
What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

NEW POSITIONS
Please provide the total number of new positions needed for this request.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
<input type="checkbox"/>	Non-mandated program change in service levels or areas
<input type="checkbox"/>	Proposed establishment of a new program or initiative
<input type="checkbox"/>	Loss of federal or other external financial support for existing program
<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
<input type="checkbox"/>	IT Technology/Security related
<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Related to a Non-Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:

<input type="checkbox"/>	Education, Training, and Human Development
<input type="checkbox"/>	Healthy and Safe Families
<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

ACCOUNTABILITY OF FUNDS

Strategy 2.1 – Support a statewide voting system, ensuring it is easy to use, accurate and secure

This request would advance the strategy above by ensuring that adequate number of ballots and other miscellaneous supplies are available for voters to use when voting at the polls and by ensuring that the security and secrecy of the ballot is provided at all times.

Funds are continually monitored internally and are included in agreed upon procedures audits conducted by the State Auditor’s Office.

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency’s accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The SEC would be the recipient of the funds and would use the funds to provide the necessary supplies and reimbursements to counties for statewide elections.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

South Carolina has used a paperless voting system for 15 years. Following the purchase of a new paper based statewide voting system, items have been identified that are necessary for the efficient use of the new system. This request addresses items specifically related to the paper aspect of the new voting system.

The following items will be needed in order to support statewide elections:

- Ballot cards for 110% of registered voters - \$430,000
- Delivery/pickup of ballot marking devices, precinct tabulators and other items required for polling places - \$150,000
- Miscellaneous supplies such as privacy sleeves, envelopes for in-person absentee voting and spoiled ballots - \$20,000

The cost for these items was determined with quotes obtained from the vendors who supply the products. The amount needed for ballot cards was calculated by multiplying the current cost of card stock by 110% of the number of registered voters as per Section 7-13-430 of the SC Code of Laws.

If the funds are not provided, the items needed to support the new paper based voting system would not be available, which would result in an inability of the SEC to provide reimbursement for the adequate number of ballots needed for voters on election day, and privacy and security of the ballot may be compromised. There is no additional funding available to absorb these costs.

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. If new positions have been requested, explain why existing vacancies are not sufficient.

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY
Provide the Agency Priority Ranking from the Executive Summary.

TITLE
Provide a brief, descriptive title for this request.

AMOUNT
What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

Mark "X" for all that apply:

<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience
<input type="checkbox"/>	Change in case load/enrollment under existing program guidelines
<input type="checkbox"/>	Non-mandated change in eligibility/enrollment for existing program
<input type="checkbox"/>	Non-mandated program change in service levels or areas
<input type="checkbox"/>	Proposed establishment of a new program or initiative
<input type="checkbox"/>	Loss of federal or other external financial support for existing program
<input type="checkbox"/>	Exhaustion of fund balances previously used to support program
<input checked="" type="checkbox"/>	IT Technology/Security related
<input type="checkbox"/>	Consulted DTO during development
<input type="checkbox"/>	Request for Non-Recurring Appropriations
<input type="checkbox"/>	Request for Federal/Other Authorization to spend existing funding
<input type="checkbox"/>	Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

Mark "X" for primary applicable Statewide Enterprise Strategic Objective:

<input type="checkbox"/>	Education, Training, and Human Development
<input type="checkbox"/>	Healthy and Safe Families
<input type="checkbox"/>	Maintaining Safety, Integrity, and Security
<input type="checkbox"/>	Public Infrastructure and Economic Development
<input checked="" type="checkbox"/>	Government and Citizens

ACCOUNTABILITY OF FUNDS

Strategy 1.1 – Maintain a statewide voter registration system that is secure, convenient, accessible, and meets the needs of the counties and the citizens of South Carolina.

This request would advance the strategy above by reducing lines and creating other efficiencies at polling places, reducing the time and resources necessary to process voter participation data, and improving the security of election infrastructure.

Strategy 2.1 – Support the statewide voting system ensuring it is easy to use, accurate and secure.

This request would advance the strategy above by providing a program to conduct audits of paper ballots to verify the results of the election as tabulated by the ballot scanners.

AGENCY NAME:	State Election Commission		
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Strategy 3.3 – Produce public education and information.

This request would advance the strategy above by educating voters on the new voting system:

The funds would be continually monitored internally and included in agreed upon procedures audits conducted by the State Auditor’s Office.

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

RECIPIENTS OF FUNDS

The SEC would be the recipient of all funds for these initiatives.

Security and Auditing of the New Voting System – The funds would be used to secure the new voting system and develop a comprehensive system to ensure vote totals are tabulated accurately.

Electronic Poll Books – The funds would be used to provide the electronic poll books to counties to be used in polling places on election day.

Voter Education and Outreach Program for the New Voting System – The funds would be used to educate voters using various methods including traditional media, social media, and voter education and outreach events.

The above initiatives would be procured through a competitive bid process.

Voting System Equipment - The funds would be used to purchase additional tabulators/scanners and ballot marking devices which would be provided by the current voting system vendor.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

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Funding for the following initiatives was included in the SEC's 2019-20 budget request for a new statewide voting system solution. The SEC requested \$60M; however, full fund was not provided. These initiatives are critical to implementing the new statewide voting system, but were not funded.

Security and Auditing of New Voting System

Since 2010, South Carolina has used a comprehensive audit program that analyzed electronic audit data produced by the statewide voting system. With the implementation of a paper based system, new auditing methods are required.

A paper-based voting system adds an important layer of security and bolsters public confidence in the election process. The paper record produced by the new system can be audited to verify the results of the election as tabulated by the ballot scanners. However, this layer of security cannot be fully realized without a program in place to conduct audits of the paper ballots.

Two ways of auditing paper ballots are risk-limiting audits (RLAs) and independent third-party verification. RLAs are post-election audits of samples of paper ballots designed to provide strong statistical evidence that the outcome is correct. Independent third-party verification software tabulates election results using software not provided by the voting system vendor.

The cost to establish an RLA program is approximately \$500,000.

Protecting the security of the state's critical election infrastructure is enhanced by having paper ballots for auditing; however, the use of paper ballots also introduces new security challenges in the handling, storage and delivery of ballots.

The cost for security of the state's critical election infrastructure is \$500,000.

If the funds are not received for security and auditing, the agency would be unable to implement a robust security and auditing program, errors in the ballot tabulation process could go undetected and inaccurate election results could be certified, elections could be overturned, and voters could lose confidence in the integrity of the election process in South Carolina.

Electronic Poll Books

South Carolina currently has an antiquated electronic poll book solution that is not compatible with the new statewide voting system. The software was developed in-house and provided to counties at no charge. Counties are required to purchase laptops to use the software. This approach was prudent more than a decade ago when very few poll books were commercially available and development was in its infancy. Today, competition in the electronic poll book marketplace has resulted in available options that have far greater functionality, ease of use, and security features than the SEC could match with our in-house application. New electronic poll book solutions would also streamline use of the

**JUSTIFICATION OF
REQUEST**

new statewide voting system.

Not only will poll managers be able to process voters faster, electronic poll books will ensure voters receive the correct ballot style reducing the likelihood an election could be overturned. In addition, fully eliminating paper voter registration lists at polling places will allow voter history on the statewide voter registration system to be updated and made available to the public faster in order to meet the demands of our customers.

A Request for Information (RFI) was issued by the SEC, and various vendors provided estimates for the cost to provide electronic poll books. \$5M is required to provide electronic poll books for all counties in South Carolina.

If funds are not received, counties would be forced to continue using our antiquated electronic poll book system or paper voter registration lists, the lines at polling places on election day could be longer, and providing voter history could be delayed and the possibility of voters receiving the wrong ballot style could continue.

Voter Education and Outreach Program – New Voting System

Educating the public on the new voting system will be critical to the success of the new system. The SEC conducts general voter education on all aspects of the voter registration and election process and will incorporate new voting system messaging into these education efforts. However, the agency currently has no funds dedicated to conducting initiatives above and beyond these baseline efforts.

If the funds are not provided, the agency will be unable to conduct voter education and outreach efforts to educate voters on the new voting system. Lack of voter registration and outreach efforts could result in voter confusion, long lines at polling places and a lack of voter confidence in the new voting system.

To conduct a voter education and outreach program to educate voters on the new voting system would be approximately \$1M.

Voting System Equipment

When preparing the Request for Proposal (RFP) for the new statewide voting system, the method for calculating the required equipment was based on state law plus 5% for population growth. Section 7-13-1680 provides for one voting machine for every 250 registered voters or portion thereof in each polling place. Now that the voting system has been determined and the process is known, some counties have expressed a need for additional tabulators/scanners and ballot marking devices. While the current amount of equipment is sufficient to conduct most elections, additional equipment would allow absentee ballots to be tabulated faster, help reduce potential lines at polling places during a general election, allow for opening additional satellite absentee locations, and provide for additional equipment that can be deployed to address issues that may arise on election day. Because absentee ballots cannot be scanned prior to election day,

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faster tabulators/scanners will be needed in order to have absentee results in a timely manner. With the old voting system, approximately 60% of absentee votes were cast on voting machines. With the new voting system, all ballots will produce a paper record which cannot be scanned until election day.

Additional equipment is needed to ensure all counties have a minimum of the same number of ballot marking devices as voting machines previously used with the old voting system. The difference is a result of counties purchasing additional voting machines above the number required by law.

The estimated cost for the additional equipment is approximately \$2.3M. This would provide an additional 500 ballot marking devices and 10 high speed tabulators/scanners.

There are no additional funds available to absorb the costs for these initiatives.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	
AGENCY CODE:	SECTION:

FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY	3 <i>Provide the Agency Priority Ranking from the Executive Summary.</i>
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TITLE	Matching Funds for 2019 HAVA Grant <i>Provide a brief, descriptive title for this request.</i>
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AMOUNT	\$1,353,494 <i>What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.</i>
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FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:
	<input type="checkbox"/> Change in cost of providing current services to existing program audience
	<input type="checkbox"/> Change in case load/enrollment under existing program guidelines
	<input type="checkbox"/> Non-mandated change in eligibility/enrollment for existing program
	<input type="checkbox"/> Non-mandated program change in service levels or areas
	<input type="checkbox"/> Proposed establishment of a new program or initiative
	<input type="checkbox"/> Loss of federal or other external financial support for existing program
	<input type="checkbox"/> Exhaustion of fund balances previously used to support program
	<input checked="" type="checkbox"/> IT Technology/Security related
	<input type="checkbox"/> Consulted DTO during development
<input checked="" type="checkbox"/> Request for Non-Recurring Appropriations	
<input type="checkbox"/> Request for Federal/Other Authorization to spend existing funding	
<input type="checkbox"/> Related to a Recurring request – If so, Priority #	

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES	Mark "X" for primary applicable Statewide Enterprise Strategic Objective:
	<input type="checkbox"/> Education, Training, and Human Development
	<input type="checkbox"/> Healthy and Safe Families
	<input type="checkbox"/> Maintaining Safety, Integrity, and Security
	<input type="checkbox"/> Public Infrastructure and Economic Development
<input checked="" type="checkbox"/> Government and Citizens	

ACCOUNTABILITY OF FUNDS	<p>Strategy 1.1 – Maintain a statewide voter registration system that is secure, convenient, accessible, and meets the needs of the counties and the citizens of South Carolina. This request would advance the strategy above by reducing lines and creating other efficiencies at polling places, reducing the time and resources necessary to process voter participation data, and improving the security of election infrastructure.</p> <p>Strategy 2.1 – Support the statewide voting system ensuring it is easy to use, accurate and secure. This request would advance the strategy above by providing a program to conduct audits of paper ballots to verify the results of the election as tabulated by the ballot scanners.</p>
	<i>What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of</i>

AGENCY NAME:

AGENCY CODE:

SECTION:

these funds be evaluated?

RECIPIENTS OF FUNDS

The SEC would be the recipient of the funds and would use the funds to meet the match requirement for the HAVA grant funds.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

JUSTIFICATION OF REQUEST

The Consolidated Appropriations Act of 2020 provides funds to the U. S. Election Assistance Commission (EAC) as authorized under Title I Section 101 of the Help America Vote Act (HAVA) of 2002 to make grant payments to states. The funds are provided to improve the administration of elections for Federal office, including to enhance election technology and make security improvements. States are required to match 20% of amount awarded. South Carolina's required match is \$1,353,494.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

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FORM B2 – NON-RECURRING OPERATING REQUEST

AGENCY PRIORITY

Provide the Agency Priority Ranking from the Executive Summary.

TITLE

Third Party Consultant for Richland County

Provide a brief, descriptive title for this request.

AMOUNT

\$500,000

What is the net change in requested appropriations for FY 2020-21? This amount should correspond to the total for all funding sources on the Executive Summary.

FACTORS ASSOCIATED WITH THE REQUEST

- Mark "X" for all that apply:**
- Change in cost of providing current services to existing program audience
 - Change in case load/enrollment under existing program guidelines
 - Non-mandated change in eligibility/enrollment for existing program
 - Non-mandated program change in service levels or areas
 - Proposed establishment of a new program or initiative
 - Loss of federal or other external financial support for existing program
 - Exhaustion of fund balances previously used to support program
 - IT Technology/Security related
 - Consulted DTO during development
 - Request for Non-Recurring Appropriations
 - Request for Federal/Other Authorization to spend existing funding
 - Related to a Recurring request – If so, Priority #

STATEWIDE ENTERPRISE STRATEGIC OBJECTIVES

- Mark "X" for primary applicable Statewide Enterprise Strategic Objective:**
- Education, Training, and Human Development
 - Healthy and Safe Families
 - Maintaining Safety, Integrity, and Security
 - Public Infrastructure and Economic Development
 - Government and Citizens

ACCOUNTABILITY OF FUNDS

The funds would be continually monitored internally and included in agreed upon procedures audits conducted by the State Auditor's Office.

What specific strategy, as outlined in the FY 2019-20 Strategic Planning and Performance Measurement template of agency's accountability report, does this funding request support? How would this request advance that strategy? How would the use of these funds be evaluated?

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RECIPIENTS OF FUNDS

The SEC would be the recipient of the funds and would use the funds to contract for a third party consultant to advise the Richland County Board of Registrations and Elections on the conduct of elections.

What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

Proviso 101.14 was added to the SEC’s FY2019-20 budget requiring the State Election Commission to expend funds to contract for a third party consultant to advise Richland County Board of Voter Registration and Elections on the conduct of elections.

A Request for Information (RFI) was issued by the SEC, and various vendors provided estimates for the cost to provide these services.

The Agency currently does not pay for consultants to advise counties, and there are no additional agency funds available to absorb the cost for these services.

JUSTIFICATION OF REQUEST

Proviso 101.14 was added to the SEC’s FY2019-20 budget requiring the State Election Commission to expend funds to contract for a third party consultant to advise Richland County Board of Voter Registration and Elections on the conduct of elections.

A Request for Information (RFI) was issued by the SEC, and various vendors provided estimates for the cost to provide these services.

The Agency currently does not pay for consultants to advise counties, and there are no additional agency funds available to absorb the cost for these services.

Please thoroughly explain the request to include the justification for funds, potential offsets, matching funds, and method of calculation. Please include any explanation of impact if funds are not received. Does this non-recurring appropriation request create an annualization or need for recurring funds?

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

FORM D – PROVISIO REVISION REQUEST

NUMBER 102.12

Cite the proviso according to the renumbered list for FY 2020-21 (or mark "NEW").

TITLE ELECT: (Match for Additional HAVA Funds)

Provide the title from the FY 2019-20 Appropriations Act or suggest a short title for any new request.

BUDGET PROGRAM V. Statewide/Special Primaries

Identify the associated budget program(s) by name and budget section.

RELATED BUDGET REQUEST

Is this request associated with a budget request you have submitted for FY 2020-21? If so, cite it here.

REQUESTED ACTION Amend

Choose from: Add, Delete, Amend, or Codify.

OTHER AGENCIES AFFECTED None

Which other agencies would be affected by the recommended action? How?

SUMMARY & EXPLANATION

This proviso allows the SEC to utilize funds appropriated for primary and general elections and for voting system refurbishment to provide a match for federal funds should additional Help America Vote Act (HAVA) funds become available.

The SEC is requesting reference to voting system refurbishment funds be deleted as those funds are no longer available.

Summarize the existing proviso. If requesting a new proviso, describe the current state of affairs without it. Explain the need for your requested action. For deletion requests due to recent codification, please identify SC Code section where language now appears.

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

FISCAL IMPACT

No fiscal impact

Provide estimates of any fiscal impacts associated with this proviso, whether for state, federal, or other funds. Explain the method of calculation.

**PROPOSED
PROVISO TEXT**

In the event that additional Help America Vote Act federal funds become available, the commission shall be authorized to utilize funds appropriated for primary and general elections and for voting system refurbishment to provide a match for the federal funds.

Paste FY 2019-20 text above, then bold and underline insertions and strikethrough deletions. For new proviso requests, enter requested text above.

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

**FORM E – AGENCY COST SAVINGS AND GENERAL FUND REDUCTION
CONTINGENCY PLAN**

TITLE Agency Cost Savings and General Fund Reduction Contingency Plan

AMOUNT \$83,832
What is the General Fund 3% reduction amount (minimum based on the FY 2019-20 recurring appropriations)? This amount should correspond to the reduction spreadsheet prepared by EBO.

ASSOCIATED FTE REDUCTIONS No FTE's would be reduced.
How many FTEs would be reduced in association with this General Fund reduction?

PROGRAM/ACTIVITY IMPACT

What programs or activities are supported by the General Funds identified?

AGENCY NAME:

State Election Commission

AGENCY CODE:

E28

SECTION:

102

SUMMARY

Method of Calculation

The SEC's general fund appropriation is \$6,627,413. \$3,833,000 is exempt from mandated reductions as per Proviso 102.5.

Proviso 102.1 references Aid to County stipends for County Boards of Voter Registration and Election Commission board members, and the proviso exempts these funds from the calculation of mandated reductions.

Proviso 102.6 states that recurring and nonrecurring primary and general election funds are exempt from the calculation of mandated reductions.

\$6,627,413

(3,833,000)

\$ 2,794,413

\$2,794,413 x 3% = \$83,832

Please provide a detailed summary of service delivery impact caused by a reduction in General Fund Appropriations and provide the method of calculation for anticipated reductions. Agencies should prioritize reduction in expenditures that have the least significant impact on service delivery.

**AGENCY COST
SAVINGS PLANS**

In order to absorb a 3% reduction, the SEC would reduce spending for supplies, training and travel.

What measures does the agency plan to implement to reduce its costs and operating expenses by more than \$50,000? Provide a summary of the measures taken and the estimated amount of savings. How does the agency plan to repurpose the savings?

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

FORM F – REDUCING COST AND BURDEN TO BUSINESSES AND CITIZENS

TITLE	Reducing Cost and Burden to Businesses and Citizens
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Provide a brief, descriptive title for this request.

EXPECTED SAVINGS TO BUSINESSES AND CITIZENS	\$0
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What is the expected savings to South Carolina's businesses and citizens that is generated by this proposal? The savings could be related to time or money.

FACTORS ASSOCIATED WITH THE REQUEST	<p>Mark "X" for all that apply:</p> <input type="checkbox"/> Repeal or revision of regulations. <input type="checkbox"/> Reduction of agency fees or fines to businesses or citizens. <input type="checkbox"/> Greater efficiency in agency services or reduction in compliance burden. <input type="checkbox"/> Other
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METHOD OF CALCULATION	
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Describe the method of calculation for determining the expected cost or time savings to businesses or citizens.

REDUCTION OF FEES OR FINES	
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Which fees or fines does the agency intend to reduce? What was the fine or fee revenue for the previous fiscal year? What was the associated program expenditure for the previous fiscal year? What is the enabling authority for the issuance of the fee or fine?

REDUCTION OF REGULATION	
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Which regulations does the agency intend to amend or delete? What is the enabling authority for the regulation?

AGENCY NAME:	State Election Commission		
AGENCY CODE:	E28	SECTION:	102

The SEC is required to collect the following fees:

- Section 7-13-40 of the SC Code of Laws requires the SEC to collect filing fees from candidates to offset the cost of conducting primaries
- Section 7-3-20 of the SC Code of Laws requires the SEC to provide precinct lists to any registered voter in South Carolina at a reasonable price
- Proviso 101.7 allows the SEC to charge each class participant a fee to attend the SEC's Training and Certification classes to offset the cost for conducting the classes

SUMMARY

Provide an explanation of the proposal and its positive results on businesses or citizens. How will the request affect agency operations?

Constitutional Subcommittee Proviso Request Summary FY 2020-21

Proviso # in FY 19-20 Act	Renumbered FY 20-21 Proviso #	Proviso Title	Short Summary	Agency Recommended Action (keep, change, delete, add)
101.1	102.1	County Boards of Voter Registration and Elections Compensation	Funds appropriated for compensation of board members of County Boards of Voter Registration and Elections. The maximum amount allowed per year is \$1,500 per member and \$13,500 per county.	Keep
101.2	102.2	Elections Managers & Clerks Per Diem	Provides the maximum rate of pay per day for all clerks and poll managers, provides the maximum number of allowable days for which clerks/poll managers may be paid for an election, and provides additional poll manager reimbursement for each county, before and following statewide elections.	Keep
101.3	102.3	Board of State Canvassers Compensation	Provides \$100 per day, up to a total of 15 days per year, additional compensation for the Board of State Canvassers members when the Board is required to conduct protest and appeal hearings following elections.	Keep
101.4	102.4	Sale of List Revenue Carry Forward	Provides the State Election Commission with the authority to generate and retain revenue from the sale of election lists after expenses of the program have been paid. Also allows the SEC to use up to \$400,000 for nonrecurring expenses in conjunction with extraordinary special elections and legal costs and costs for upgrading the statewide voter registration system. Any balance in the account may be carried forward into the next fiscal year.	Keep
101.5	102.5	Budget Reduction Exemption	Exempts funds appropriated for recurring and non-recurring general and primary election expenses from mandated across the board reductions. Also excludes those funds from the agency's base budget.	Keep

101.6	102.6	Primary and General Election Carry Forward	Allows fees from candidates filing to run for office to be retained and expended by the State Election Commission to pay for the conduct of those elections. Provides that any balance in the account at the end of the fiscal year be carried forward and expended for the same purposes.	Keep
101.7	102.7	Training & Certification Program	The SEC provides members and staff of County Boards of Voter Registration and Elections with training on duties and responsibilities of the boards. The SEC is allowed to retain and expend up to \$35,000 of revenue generated by charging a fee to attend the courses. Requires the SEC to withhold the stipend of members who do not complete the program as required in Section 7-5-10 of the 1976 Code of Laws. Additionally, funds must be withheld if a member does not complete at least one training course per year. Requires removal by the county's legislative delegation if a board member does not become compliant within 18 months of initial notification of stipend withholding.	Keep
101.8	102.8	Penalty for Late Submission of Reimbursable Expenses	Allows the SEC to deduct 10% from allowable expenses submitted for the conduct of elections. Also allows 10% to be deducted if expenses are not submitted by the county in the Statewide Voter Registration Election Management System.	Keep
101.9	102.9	HAVA Carry Forward	Allows the SEC to carry forward any unexpended Help America Vote Act (HAVA) funds.	Keep
101.10	102.10	HAVA Match Funds	Allows funds appropriated for the purpose of providing a match for federal funds received through the Help America Vote Act (HAVA) to be moved into a restricted account in order that the funds may accrue interest as required by the Act.	Keep

101.11	102.11	Use of Election Funds	Provides that funds appropriated to the SEC for the purpose of conducting elections shall not be used for any other purpose unless specifically authorized in the Appropriations Act. Allows up to \$200,000 to be transferred to other operating upon approval from the Executive Budget Office, which shall then notify the Chairman of the Senate Finance Committee, Chairman of the House Ways and Means Committee and the Governor of such transfer of funds.	Keep
101.12	102.12	Match for Additional HAVA Funds	Allows the SEC to use election funds and voting system refurbishment funds to provide a match for additional HAVA funds	Amend
101.13	102.13	Third Party Consultant	In the current fiscal year and from the funds appropriated, the Election Commission must expend funds to contract for a third-party consultant to advise the Richland County Election Commission on the conduct of elections.	Keep

**State Election Commission
2019-20 Provisos**

101.1. (ELECT: County Boards of Voter Registration and Elections Compensation) The amounts appropriated in this section for "County Boards of Voter Registration and Elections Board Members," shall be disbursed annually to the County Treasurer at the rate of \$1,500 for each member, not to exceed \$13,500 per county. The County Treasurer shall use these funds only for the compensation of County Boards of Voter Registration and Elections Board Members. Any funds not used for this purpose shall be returned to the State Treasurer. These funds are exempted from mandated budget reductions. In addition, in the calculation of any across the board agency base reductions mandated by the Executive Budget Office or the General Assembly, the amount of funds appropriated for compensation of County Boards of Voter Registration and Elections Board Members shall be excluded from the agency's base budget. Unexpended funds shall be carried forward from the prior fiscal year and shall be utilized for special primaries, runoffs, and elections. **(Keep)**

101.2. (ELECT: Elections Managers & Clerks Per Diem) Managers and clerks of state and county elections shall receive a per diem of \$75.00 for the day of work and \$60.00 for training and paperwork. Managers shall not be paid for more than two days for any election and clerks for not more than three days for any election. The commission may adjust the per diem of \$75.00 for the managers and clerks of the statewide election to a higher level only to the extent that the appropriation for the statewide election is sufficient to bear the added cost of increasing the per diem and the cost of the statewide election. Up to three additional managers per county may be appointed to assist county boards of voter registration and elections with the absentee/fail safe voting process prior to, on Election Day, and immediately following statewide elections. Managers assisting the county boards of voter registration and elections in the absentee/fail safe process may receive a per diem of \$75.00 per day for not more than a total of fifteen days regardless of whether one, two, or three additional managers are used. **(Keep)**

101.3. (ELECT: Board of State Canvassers Compensation) \$100.00 additional compensation per day may be paid to each member of the Board of State Canvassers up to a total of fifteen days that may be required for hearings held by the members of the Board of State Canvassers. **(Keep)**

101.4. (ELECT: Sale of Lists Revenue Carry Forward) Any revenue generated from the sale of election lists may be retained and expended by the South Carolina Election Commission to reimburse the Department of Administration, for the printing of such lists and to pay expenses of postage and shipment of these lists to electors who purchase them. After such reimbursement has been made an amount, not to exceed \$400,000, shall be used for nonrecurring expenses in conjunction with extraordinary special election and legal costs and costs for upgrading the Statewide Voter Registration System. Any balance in the Sale of Lists Account on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. **(Keep)**

101.5. (ELECT: Budget Reduction Exemption) Funds appropriated for recurring and nonrecurring general and primary election expenses are exempted from mandated across the board reductions. In addition, in the calculation of any across the board agency base reductions mandated by the Executive Budget Office or the General Assembly, the amount of funds appropriated for recurring and nonrecurring primary and general election expenses shall be excluded from the agency's base budget. **(Keep)**

101.6. (ELECT: Primary and General Election Carry Forward) Filing fees received from candidates filing to run in statewide or special primary elections may be retained and expended by the State Election Commission to pay for the conduct of primary elections. Any balance in the filing fee accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. In addition, any balance in the Primary and General Election Accounts on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purposes during the current fiscal year. In addition, the aforementioned funds may also be utilized to conduct the Presidential Preference Primary elections. **(Keep)**

State Election Commission
2019-20 Provisos

101.7. (ELECT: Training & Certification Program) All members and staff of County Boards of Voter Registration and Elections will receive a common curriculum to include core courses on the duties and responsibilities of county boards of voter registration and elections and electives to promote quality service and professional development. The State Election Commission shall make these courses available in various locations, including but not be limited to, the upstate, coastal, and midlands areas of the state. Up to \$35,000 of revenue generated by charging a fee to attend these courses may be retained and expended by the South Carolina Election Commission to help cover the cost of providing the training. Any balance in the training and certification account on June thirtieth, of the prior fiscal year may be carried forward and expended for the same purpose during the current fiscal year. **(Keep)**

The State Election Commission is required to withhold the stipend of members who do not complete the training and certification program as required in Section 7-5-10 of the 1976 Code. Additionally, funds will also be withheld if a board member completes the training and certification program, but fails to complete at least one training course per year. The board member and members of that county's legislative delegation will be notified of the withholding of the stipend and the requirements needed to bring the member into compliance with the law. If a board member cannot complete the program or complete the required continuing education due to extenuating circumstances, the board member must submit a written request to the county legislative delegation for approval or funds will continue to be withheld as described in this proviso. If a board member does not become compliant with the law within eighteen months of initial notification of stipend withholding, the county's legislative delegation must replace that person on the board. **(Keep)**

101.8. (ELECT: Penalty for Late Submission of Reimbursable Expenses) In the event that a county submits reimbursable election expenses to the Commission for payment more than thirty days after the election is held, the Commission may deduct a penalty of ten percent of the late-submitted amount. The county is responsible for payment of this amount. If the Commission finds good reason for such late submission, the penalty may be waived. The Election Commission shall be authorized to expend funds appropriated/authorized in the current fiscal year to pay election expenses incurred by a county in the prior fiscal year. If a county submits a request for reimbursement of election expenses through any means other than the Voter Registration and Election Management System (VREMS), the Commission may deduct a penalty of ten percent of the amount submitted. **(Keep)**

101.9. (ELECT: HAVA Carry Forward) The Election Commission shall be authorized to carry forward unexpended Help America Vote Act funds into the current fiscal year and to use these funds for the same purpose. **(Keep)**

101.10. (ELECT: HAVA Match Funds) Funds appropriated through the General Fund for the purpose of providing a match for federal funds received through the Help America Vote Act (HAVA) shall be moved to a restricted account in order that the funds may accrue interest as per Section 254 (b) (1) of the Help America Vote Act. Unexpended funds shall be carried forward from the prior fiscal year and shall be utilized for special primaries, runoffs, and elections. These funds may also be used to reimburse local governmental entities for expenses incurred in the prior fiscal year associated with special primaries, runoffs, and general elections. **(Keep)**

101.11. (ELECT: Use of Election Funds) Funds appropriated to the Election Commission for the purpose of conducting elections shall not be used for any other purpose unless specifically authorized in this act. However, up to \$200,000 may be transferred to other operating accounts from General Election accounts upon approval from the Executive Budget Office, which shall then notify the Chairman of the Senate Finance Committee, the Chairman of the House Ways and Means Committee, and the Governor of such transfer of funds. **(Keep)**

State Election Commission
2019-20 Provisos

101.12. (ELECT: Match for Additional HAVA Funds) In the event that additional Help America Vote Act federal funds become available, the commission shall be authorized to utilize funds appropriated for primary and general elections and for voting system refurbishment to provide a match for the federal funds. **(Amend)**

101.13. (ELECT: Third-Party Consultant) In the current fiscal year and from the funds appropriated, the Election Commission must expend funds to contract for a third-party consultant to advise the Richland County Election Commission on the conduct of elections. **(Keep)**

**State Election Commission
Carry Forward FY2019-20**

General Fund Recurring		
Operating	498,843	
Aid to County	67,038	
Election Funds	260,689	
	<u>826,570</u>	
Total General Funds Carry Forward		826,570
Other Funds		
Sale of Lists	146,941	
Statewide Primary Filing Fees	-	
Training Certification	68,509	
Capital Reserve Funds (New Voting System)	3,965,864	
	<u>4,181,314</u>	
Total Other Funds		4,181,314
Federal Funds		
Help America Vote Act	6,532,774	
Total Federal Funds Carry Forward		<u>6,532,774</u>
Grand Total All Funds Available at end of FY2019-20		<u><u>11,540,658</u></u>

**State Election Commission
Authorized Positions**

Administration

Position Title	GF Filled	GF Vacant	Other Filled	Other Vacant	Total
Agency Head	1				
Administration Manager I	1				
Admn. Coord. I	1				
Acct/Fiscal Analyst II	1				
Fiscal Tech I					
Postal Courier			1		
Postal Courier			1		
Attorney III		0.5			
Total Administration	1	0.5	2	0	

Voter Services

Position Title	GF Filled	GF Vacant	Other Filled	Other Vacant	Total
Program Manager I	1				
IT Manager I	1				
IT Security Analyst I	1				
IT Consultant I	1				
IT Service Specialist III	1				
IT Service Specialist II	1				
Total Voter Services	5	0	0	0	10

Public Information

Position Title	GF Filled	GF Vacant	Other Filled	Other Vacant	Total
Prog. Mgr. I	1				
Outreach Coordinator		1			
Total PI/Training	1	1	0	0	2

Training

Position Title	GF Filled	GF Vacant	Other Filled	Other Vacant	Total
Prog. Mgr. I	1				
Ins/Trng Coord. II		1			
Program Coord. II					
Total Training	1	1	0	0	2

Grand Total Authorized Positions

GF Filled	20	4.5	2	0	26.5
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