

STATE OF CALIFORNIA  
**Budget Change Proposal - Cover Sheet**  
 DF-46 (REV 08/15)

Fiscal Year 2016-17	Business Unit 890	Department Secretary of State	Priority No. 11
Budget Request Name 0890-012-BCP-BR-2016-GB		Program <b>0705-ELECTIONS</b>	Subprogram

Budget Request Description  
 Vote by Mail Ballot Drop-off Location Regulations (SB-365)

**Budget Request Summary**

The Secretary of State is requesting one-time funding of \$55,000 for Fiscal Year 2016-17 from the General Fund for temporary help to assist in the promulgation of regulations required under Senate Bill 365, Chapter 733, Statutes of 2015.

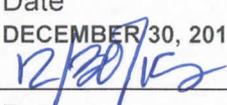
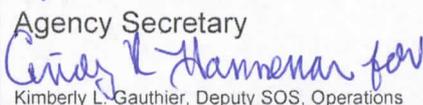
Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed
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Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
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For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance.

FSR       SPR      Project No.      Date:

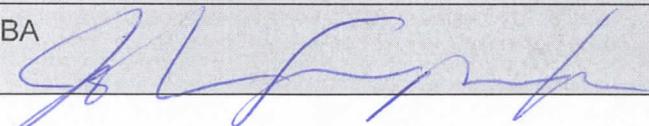
If proposal affects another department, does other department concur with proposal?     Yes     No  
*Attach comments of affected department, signed and dated by the department director or designee.*

Prepared By  Becky Lopez, Budget Officer	Date DECEMBER 30, 2015 	Reviewed By  Kristin Dagsher, Manager, Fiscal Affairs	Date DECEMBER 30, 2015
Department Director  Cindy Hanneman, Chief, Mgmt Svc Div	Date DECEMBER 30, 2015	Agency Secretary  Kimberly L. Gauthier, Deputy SOS, Operations	Date DECEMBER 30, 2015

**Department of Finance Use Only**

Additional Review:  Capital Outlay     ITCU     FSCU     OSAE     CALSTARS     Dept. of Technology

BCP Type:       Policy       Workload Budget per Government Code 13308.05

PPBA 	Date submitted to the Legislature 1/7/16
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## Analysis of Problem

### A. Budget Request Summary

The Secretary of State is the chief elections officer for the State of California and has, pursuant to statute, the sole duty of administering the provisions of the Elections Code and ensuring elections are conducted efficiently and that state election laws are enforced.

The Secretary of State is requesting one-time funding \$55,000 for Fiscal Year 2016-17 for temporary help to assist in promulgating regulations establishing guidelines based on best practices for security measures and procedures, including, but not limited to, chain of custody, pick-up times, proper labeling, and security of the vote-by-mail ballot drop boxes, that a county elections official may use if the county elections official establishes one or more vote-by-mail ballot drop-off locations, as required under Senate Bill (SB) 365, Chapter 733, Statutes of 2015.

### B. Background/History *(Provide **relevant** background/history and provide program resource history. Provide workload metrics, if applicable.)*

Since 1990, vote-by-mail usage has steadily increased from 18% of the total votes cast to almost 70% of the total votes cast in the 2014 general election. A study of vote-by-mail usage in the November 2014 general election showed that over 26% of vote-by-mail voters returned their ballot to a polling place instead of sending it by mail or dropping it off at their county elections office. As the number of vote-by-mail voters has increased, some counties have turned to vote-by-mail drop boxes as a means of providing additional ballot drop-off opportunities.

**Resource History**  
*(Dollars in thousands)*

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY
Authorized Expenditures					
Actual Expenditures					
Revenues					
Authorized Positions					
Filled Positions					
Vacancies					

**Workload History**

Workload Measure	PY - 4	PY - 3	PY - 2	PY - 1	PY	CY
e.g., Applications Received, Applications Processed, Call Volume, etc.						

### C. State Level Considerations

In order to comply with the provisions of SB 365, the Secretary of State will be required to promulgate regulations related to vote-by-mail drop boxes. This BCP will ensure the consistent application of security measures and procedures for establishing and maintain vote-by-mail ballot drop boxes and supports the Secretary of State's overall mission of strengthening democracy by building voter confidence and participation and overseeing fair and accurate statewide elections.

## Analysis of Problem

### D. Justification

SB 365, Chapter 733, Statutes of 2015, will improve the security of ballot drop-off locations; however, it does not address the costs associated with requiring the Secretary of State to promulgate and adopt regulations establishing guidelines based on best practices for security measures and procedures, including, but not limited to, chain of custody, pick-up times, proper labeling, and security of the vote-by-mail ballot drop boxes, that a county elections official may use if the county elections official establishes one or more vote-by-mail ballot drop-off locations. Furthermore, five other bills recently chaptered also require the Secretary of State to promulgate regulations—AB 44, Chapter 723, Statutes of 2015; AB 363, Chapter 725, Statutes of 2015; AB 1020, Chapter 728, Statutes of 2015; AB 1461, Chapter 729, Statutes of 2015; and SB 439, Chapter 734, Statutes of 2015—each at a cost of approximately \$55,000. The Secretary of State simply does not have the ability to promulgate all of these regulations at once without additional resources, particularly during a presidential election year.

The Secretary of State will need to work with county elections officials to identify best practices for security measures and procedures prior to determining how to best address them in regulations. The regulatory process will take approximately six to twelve months and includes drafting the text of the regulations and reviewing with agency staff and stakeholders, public notice and publishing of the draft regulations, conducting public hearings, considering comments and drafting potential amendments to the regulations, and final adoption of the regulations.

Existing staff will be available to assist and review throughout the process as necessary; however, the majority of their time must remain focused on the successful conduct of the 2016 presidential election. Therefore, \$55,000 is requested in order for the Secretary of State to obtain temporary assistance in the creation of these regulations.

### E. Outcomes and Accountability *(Provide summary of expected outcomes associated with Budget Request and provide the projected workload metrics that reflect how this proposal improves the metrics outlines in the Background/History Section.)*

The Secretary of State will use temporary help funded by this proposal to work with existing staff to promulgate regulations in a timely manner in order to ensure the uniform application of election law statewide.

**Projected Outcomes**

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
e.g., Applications Received, Applications Processed, Call Volume, etc.						

### F. Analysis of All Feasible Alternatives

**Alternative 1:** Approve one-time funding of \$55,000 for FY 2016-17 to support the cost of temporary help to promulgate regulations related to vote-by-mail drop boxes.

**Pros:** By approving this request, the Secretary of State will be able to obtain temporary help to promulgate regulations establishing guidelines based on best practices for security measures and procedures, including, but not limited to, chain of custody, pick-up times, proper labeling, and security of the vote-by-mail ballot drop boxes, that a county elections official may use if the county elections official establishes one or more vote-by-mail ballot drop-off locations, as required under SB 365 without requiring the Secretary of State to redirect critical staff from their work related to the conduct of the upcoming presidential election.

**Cons:** By approving this request, less General Fund money will be available for other state programs.

## Analysis of Problem

### Alternative 2: Redirect staff from other divisions.

Pros: There would be no increase to state General Fund expenditures.

Cons: Appropriate staff with the level of experience necessary is limited and takes staff resources away from other critical programs.

### Alternative 3: Do nothing.

Pros: There would be no increase in state General Fund expenditures.

Cons: This alternative does not provide sufficient resources to allow the Secretary of State to promulgate regulations in a timely manner and may jeopardize the Secretary of State's ability to ensure the uniform application of election law and the fair conduct of elections statewide.

## G. Implementation Plan

Funding as identified is requested effective July 1, 2016.

The implementation plan is straightforward. Once the proposal has been approved, steps will be taken to hire temporary staff to assist in the creation and implementation of the required regulations.

## H. Supplemental Information (*Describe special resources and provide details to support costs including appropriate back up.*)

None.

## I. Recommendation

Alternative 1 – Approve one-time funding of \$55,000 for FY 2016-17 to support the cost of obtaining temporary help to promulgate regulations establishing guidelines based on best practices for security measures and procedures, including, but not limited to, chain of custody, pick-up times, proper labeling, and security of the vote-by-mail ballot drop boxes, that a county elections official may use if the county elections official establishes one or more vote-by-mail ballot drop-off locations, as required under SB 365, Chapter 733, Statutes of 2015.

## BCP Fiscal Detail Sheet

BCP Title: Vote-by-mail Ballot Drop-off Location Regulations (SB 365)

DP Name: 0890-012-BCP-DP-2016-GB

### Budget Request Summary

	FY16					
	CY	BY	BY+1	BY+2	BY+3	BY+4
Salaries and Wages						
Earnings - Temporary Help	0	55	0	0	0	0
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Fund Summary

Fund Source - State Operations						
0001 - General Fund	0	55	0	0	0	0
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Program Summary

Program Funding						
0705 - Elections	0	55	0	0	0	0
<b>Total All Programs</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**Personal Services Details**

Salaries and Wages

	CY	BY	BY+1	BY+2	BY+3	BY+4
VR00 - Various	0	55	0	0	0	0
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$55</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>