



COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE

**Secretary of the Commonwealth Carol Aichele's  
Testimony before the House Appropriations Committee Hearing  
March 7, 2012**

Chairman Adolph, Chairman Markosek, Members of the Appropriations Committee, thank you for giving me the opportunity to discuss the Department of State's 2012-2013 budget.

As you all know, state government continues to face the challenge of providing quality government services at a reasonable cost, while revenue collections continue to lag. I want to assure you that the Department of State, following Governor Corbett's direction, will continue to provide the important services all Pennsylvanians depend on—at a high level—with the revenues available to us. I believe our agency's proposed budget allows us to meet this goal.

The Department of State is a relatively small agency, with about 500 employees, and a total budget of approximately \$100 million. Of this total budget, roughly 90 percent is in restricted and federal funds.

However, in 2012, even though we are a small state agency, we will have an extremely high profile during the Presidential election. Our highest priority is to maintain the confidence and trust of Pennsylvania citizens. With this in mind, we recently began implementing new procedures for Pennsylvania's elections. For example, we moved the area where we accepted nomination petitions to a larger facility so that the petition process could be managed more efficiently. We also began scanning and electronically reviewing the petitions as a way to reduce costs in the long run. Many of the more than 1,000 candidates who filed petitions with the Department this winter complimented us on our new system.

We are cutting \$1,267,000 from the portion of our budget that is taxpayer funded. This is partly due to the elimination of \$1.7 million for the once-a-decade requirement of publishing maps of the new state legislative and Congressional districts, following reapportionment.

Our federal funding is down nearly \$2.2 million this year. This is because the amount of money we have from the Help America Vote Act continues to decrease. Part of this decrease would be

funding that would go to our Statewide Uniform Registry of Electors, known as the SURE system. This system helps preserve the integrity of every vote by maintaining a statewide registry of voters, and provide critical election services to voters and to counties.

Speaking of SURE, one of the services we are excited to be launching this summer is an online application for voter registration and absentee balloting, which will send a resident's application directly to his/her county for processing through the SURE system. This option will result in easy and efficient services for voters as well as cost savings, and will improve the accuracy of voter lists in counties.

Due to reductions in federal money available—and because Pennsylvania is again expected to be in the spotlight in this year's Presidential election—we have added \$482,000 to our state budget request for the SURE system. This request is necessary to ensure that the system continues to provide reliable, accurate and efficient services to our voters and county election offices. The SURE system not only maintains vital voter registration information and services, but also is a key part of the system that now supports the Department's Elections and Campaign Finance sections. This year, we have also requested funding for Pennsylvania's Electoral College, in preparation for this Presidential election year requirement.

You will notice an increase in our restricted funds budget request. This is due largely to a planned, one-time expenditure of money already in the Corporation Bureau Reserve Fund—that is, money already paid by corporations registering to do business here in Pennsylvania. We, with the unanimous support of the Corporation Bureau Advisory Committee, propose to use this money—\$3 million—to upgrade the Corporation Bureau computer system.

This will provide long-term savings to Pennsylvania taxpayers and businesses. Once in place, this upgraded system will permit corporate registration work to be done entirely online, and will result in improved service to our corporate customers, who are Pennsylvania's job creators.

We are reducing the cost to taxpayers by another \$515,000, through a reorganization of two bureaus that will result in a more efficient operation. Seven positions from the Bureau of Charitable Organizations are being shifted to the Corporation Bureau, and will be funded by fees paid by corporations when they register with us. This move will consolidate all for-profit and not-for-profit corporate registrations in the Corporation Bureau, and bring both these bureaus under one director, further saving costs.

Funding for protection of the public health and safety through our Bureau of Professional and Occupational Affairs, headed very ably by your former colleague Katie True, remains sufficient

to provide the means needed to investigate complaints against licensed professionals, and to set and maintain the highest standards for our professional occupations. This gives the public confidence in the licenses they see hanging on the wall when they visit their doctor, dentist, realtor, accountant, or other licensed professional. Setting and enforcing these high standards, I believe, also enhances the value of those licenses, and attracts the best professionals to Pennsylvania.

We are maintaining this level of public service with no increase in fees at this time.

I can tell you with certainty that the budget request we put before you will give the Department of State the necessary resources to do the job Pennsylvanians expect of us. We will work with our county partners to make sure the closely watched election this year is conducted with integrity. We will set and enforce the highest standards for our licensed professionals, be diligent in seeing our citizens' charitable donations go to their intended purpose, register new corporations smoothly, and enforce the rules of the State Athletic Commission to protect health and safety.

We will do this while keeping Governor Corbett's pledge that state government live within its means.

Thank you for having me here to talk about the Department of State's budget, and for all the hard work you do on behalf of your constituents and all the citizens of our Commonwealth.