

DEPARTMENT OF STATE

**FY 2024-2025
LEGISLATIVE BUDGET**

Albert Schmidt
Secretary of the Commonwealth
February 2024

**DEPARTMENT OF STATE
FY 2024-2025
Legislative Budget**

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Mission Statement:

Under the leadership of the Secretary of the Commonwealth, the Pennsylvania Department of State promotes the integrity of the electoral process; provides the initial infrastructure for economic development through corporate organizations and transactions; and protects the health and safety of the public. The Department encourages the highest standards of ethics and competence in elections, campaign finance, lobbying disclosure, notarization, professional and occupational licensure, charitable solicitation, and the sport of boxing, wrestling, and mixed martial arts. By employing the latest technology, the agency delivers exceptional public service remaining a leader in regulatory and enforcement policies and practices aimed at protecting every resident of the Commonwealth.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

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APPROPRIATION:
General Government Operations

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	\$6,085	\$9,275	\$11,682
Other Funds Total Augmentations	<u>\$5,897</u>	<u>\$6,702</u>	<u>\$7,537</u>
Total	\$11,982	\$15,977	\$19,219
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: General Government Operations		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
State Funds	\$4,263	\$5,131	\$5,934	\$803	15.65%
Other Funds - Augs.	<u>\$5,333</u>	<u>\$5,344</u>	<u>\$6,318</u>	<u>\$974</u>	<u>18.23%</u>
Total Personnel	\$9,596	\$10,475	\$12,252	\$1,777	16.96%
OPERATING					
State Funds	\$1,821	\$4,142	\$5,746	\$1,604	38.73%
Other Funds - Augs.	<u>\$564</u>	<u>\$1,358</u>	<u>\$1,219</u>	<u>(\$139)</u>	<u>-10.24%</u>
Total Operating	\$2,385	\$5,500	\$6,965	\$1,465	26.64%
FIXED ASSETS					
State Funds	\$1	\$2	\$2	\$0	0.00%
Other Funds - Augs.	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
Total Fixed Assets	\$1	\$2	\$2	\$0	0.00%
TOTAL FUNDS					
State Funds	\$6,085	\$9,275	\$11,682	\$2,407	25.95%
Other Funds - Augs.	<u>\$5,897</u>	<u>\$6,702</u>	<u>\$7,537</u>	<u>\$835</u>	<u>12.46%</u>
Total Funds	\$11,982	\$15,977	\$19,219	\$3,242	20.29%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

APPROPRIATION: General Government Operations
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024 Estimated</u>
State Funds	\$0	\$0	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025 Budgeted</u>
Benefit Rate	61.2%	69.6%	66.0%
State/Federally Funded			
<i>Authorized</i>	88	81	86
<i>Filled</i>	<u>67</u>	<u>68</u>	<u>86</u>
Total			
<i>Authorized</i>	88	81	86
<i>Filled</i>	67	68	86

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for 86 filled complement positions. The funding for operating expenses provides for ongoing election modernization and maintaining ongoing operations.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:

General Government Operations - 71 P.S. Section 243, Section 703 of the Administrative Code; 71 P.S. Section 271 *et seq.*, Section 8 of the Administrative Code; Election Code - 25 P.S. Section 2600 *et seq.*; Notaries Public - 57 P.S. Section 1 *et seq.*; Solicitation of Funds for Charitable Purposes Act - 10 P.S. Section 162.1 *et seq.*; Institutions of Purely Public Charity Act - 10 P.S. Section 371 *et seq.*

Disbursement Criteria:

This appropriation provides funding for the Executive Offices, the Bureaus within the Elections and Commissions deputate, the BEI Charities Investigation Unit, and the Bureau of Finance and Operations. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating and fixed asset expenses incurred from the operation of these programs.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: General Government Operations			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for complement of 79 were prepared using instructions and factors provided by the Office of the Budget:	\$469	\$0	\$738	\$1,207
2. Personnel costs for a new complement of 1 in the Office of Chief Counsel due to the implementation of Act 122:	\$25	\$0	\$102	\$127
3. Personnel costs for a new complement of 1 in the Bureau of Enforcement and Investigations Charities Investigations Unit to ensure consumer safety:	\$59	\$0	\$0	\$59
4. Personnel costs for new complement of 2 in the Bureau of Elections for continued elections administration activities:	\$140	\$0	\$0	\$140
5. Personnel costs for new complement of 3 for the Department to assist with increased administration activities:	\$110	\$0	\$134	\$244
Subtotal Personnel	\$803	\$0	\$974	\$1,777
OPERATING				
1. Increased funds needed for Campaign Finance Audit activities:	\$112	\$0	\$0	\$112
2. Election funding to maintain ongoing operations:	\$1,500	\$0	\$0	\$1,500
3. Costs to maintain ongoing operations:	(\$8)	\$0	(\$139)	(\$147)
Subtotal Operating	\$1,604	\$0	(\$139)	\$1,465
FIXED ASSETS				
1. No Change:	\$0	\$0	\$0	\$0
Subtotal Fixed Assets	\$0	\$0	\$0	\$0
TOTAL	\$2,407	\$0	\$835	\$3,242

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

GENERAL GOVERNMENT OPERATIONS

Program Narrative

The Department of State continues to accomplish its mission and seek ways to advance Governor Shapiro's goals to enhance Pennsylvania's services. The Department continues to strive to improve service to the public and enhance public safety while utilizing technological advances that facilitate access to public information.

Through these endeavors the Department continues to combat fraudulent charitable solicitations; strives to administer fair, accurate and accessible elections; as well as enforce and administer the Commonwealth's campaign finance and lobbying disclosure laws. The FY 2024-2025 budget will enable the Department to continue these efforts by conducting business in an efficient and effective manner.

Bureau of Enforcement and Investigations - Charities Investigation Unit

The Charities Investigation Unit (CIU) of the Bureau of Enforcement and Investigations focus is on investigation of charitable fraud. The CIU administers and enforces Pennsylvania's Solicitation of Funds for the Charitable Purposes Act. During the 2022-23 fiscal year, the CIU opened 348 new investigations and closed 489 existing investigations. This unit is essential to preserve the public's confidence in the charities that solicit funds in the Commonwealth. The requested appropriation gives this unit the resources needed to perform their vital role and protect the citizens of the Commonwealth.

Safeguarding Consumer Safety - Special Investigator

The number of assigned cases at the Department's Bureau of Enforcement and Investigations (BEI) has increased drastically over the last few fiscal years. Since 2019, the number of cases has increased by 68% resulting in significant increases in each investigator's caseload--from an average of 19 cases per month to 32 cases per month. Investigators are overburdened and, therefore, increasingly difficult to retain--investigator turnover has increased from 9% in FY2018-19 to 42% in FY2021-22 and 40% in FY2022-23. The understaffing and overworking impacts BEI's ability to serve and safeguard the citizens of the commonwealth as well as those who visit commonwealth licensed professionals or businesses regulated by the Bureau of Professional and Occupational Affairs' (BPOA) licensing boards and commissions. The requested increase in complement will reduce caseload, mitigate employee fatigue, and make it easier to retain qualified and trained investigators. The FY2024-25 provides funding for one (1) additional Special Investigator position for six (6) months under the Bureau Enforcement and Investigations Charities Investigations Unit General Government Operations Sub-Fund.

Bureau of Elections

The Bureau of Elections is responsible for managing the development and continued operation of the Statewide Uniform Registry of Electors used by the 67 county election offices throughout the state. The Bureau serves both external and internal stakeholders in its mission to support election security, voting systems, voter registration, election management, public-facing and internal applications, and voting technology. Additionally, the Department makes its services available to limited-English proficient voters via its language access plan, which are a priority throughout the state.

The Bureau serves as the main driver of technological innovation and infrastructure maintenance for elections in support of counties, Pennsylvania's 8 million + voters, and key stakeholders. During FY2022-23, 37 schools participate in the Governor's Civic Engagement awards, where 31 of the schools earned gold level awards and six (6) earned silver level awards. Of the 37 schools receiving awards, 28 student poll workers were recognized, and nearly 3,486 students were registered to vote at the participating schools.

STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

The fiscal demand on elections has increased dramatically since the 2020 election. Ensuring all needs are met, such as enhancements to basic IT infrastructure due to unknown initiatives and changes, equipment needs at county election offices, funding for election related litigation, or temporary staff for help with the clerical duties surrounding the increased activities related to the 2024 general election are important and result in a much-needed increase to the overall Bureau of Elections operating budget. The fiscal year 2024-25 budget includes \$1.5 million in operating funds to cover the various funding needs that are anticipated to arise as part of the day-to-day operating costs within the bureau. This bureau has relied heavily on prior year unused waived funds to cover current year expenses to ensure it can meet its financial obligations each year. This increase in funds will allow operating in the upcoming year and transparency in spending.

Voter Roll Analysts to Preserve Election Integrity and Voter Security

The Department continues to have the utmost highest priority to support the Bureau of Elections' (BEL) efforts to promote secure and fair elections by ensuring the Pennsylvania voters are not disenfranchised. Currently, Bureau staff are often called upon to conduct investigations in two (2) principal scenarios. First, the Bureau must research repeat and unlawful voting through data received through its membership in ERIC, or is approached periodically by federal law enforcement officials or officials in other states to research alleged cases of unlawful voting and to provide copies of voting records and other potential evidence; or secondly, bureau staff are required to research information presented by outside parties as a result of county list maintenance activities (or lack thereof). Hiring two (2) full time Voter Roll Analysts to preserve election integrity within the Commonwealth and ensure voter security while furthering the Bureau's continued efforts will be an invaluable aid. The Department will be able to quickly investigate allegations of unlawful voting and timely refer any evidence of alleged unlawful voting to the appropriate law enforcement officials for potential criminal investigation. The fiscal year 2024-25 budget provides funding for these two (2) positions for six (6) months under the Bureau of Elections General Government Operations Sub-Fund.

Bureau of Campaign Finance and Lobbying Disclosure

The Bureau of Campaign Finance and Lobbying Disclosure oversees the functions of the bureau by ensuring campaign finance reports are filed and posted to the online website and makes all filed lobbying disclosure statement and expense reports public. During FY 2022-2023, the Bureau processed 13,650 campaign expense reports and campaign expense statements and a total of 1,181 new and amended committee registrations and authorizations.

Campaign Finance Auditing

Every two (2) years the department must issue a Request For Quote (RFQ) for campaign finance audits. These audits are required by law and are conducted through a ballot lottery held after each election. In the past, on average, annual audit costs ranged between \$25,000 and \$30,000. In 2023, the Department issued an RFQ that resulted in one (1) bid submittal with a cost of over \$100,000. In effort to obtain additional quotes for comparison at a lower cost, a second RFQ was issued and unfortunately, no bids were received leaving the Department to award the contract at the much higher rate than funds available within the fiscal year 2023-24 budget. To assist in covering those costs, waiver 23-43 was approved on August 1, 2023, to ensure that these funds were available to cover the increase in anticipated expenditures. In preparation for the larger ballot lottery to result from the 2024 presidential primary and general elections, the Department is requesting an additional \$112,000 to supplement the \$20,000 fiscal year 2024-25 cost to carry budget within the Bureau of Campaign Finance and Lobbying Disclosure General Government Operations Sub-Fund for this service.

STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

Bureau of Notaries, Commissions and Legislation

The Bureau of Notaries, Commissions and Legislation's focus is to oversee the functions of the processing and compliance. The bureau serves commissioned notaries public, businesses, county recorders of deeds, individual constituents, and other stakeholders on matters relating to notarial acts, certification of commissioned officers, apostilles, and legislation. During FY2022-2023 the Bureau issued 825 gubernational commissions, 19,031 notary publics were commissioned, and 53,845 documents were certified.

Implementing Act 122 - Business Registration Attorney

Currently, a single attorney from the Department's Office of Chief Counsel (OCC) is assigned to provide counsel to the Bureau of Corporations and Charitable Organizations (BCCO); the Bureau of Notaries, Commissions and Legislation; and the State Athletic Commission. With the implementation of a new BCCO registration system and legislation requiring annual reports for all filing entities, the workload for this single attorney has become unduly burdensome. The implementation of Act 122 will require annual reports for all filing entities. This is a very large multi-year lift because annual reports also require administrative dissolutions as the penalty for not filing. This process will begin in 2028 and is estimated that up to 1 million currently registered businesses may no longer be active and will need to be dissolved. The additional attorney will provide the critical assistance that is needed to ensure quality and timely legal services to agency clients. More importantly, the new attorney will play an important role in developing and implementing the procedures for that process. Moreover, adding another attorney now, will allow OCC to create a seamless succession plan and ensure appropriate backup support for the current lead Deputy Chief Counsel position and would also, when needed, provide assistance to other staff attorneys on legal issues relating to human resources, procurement, contracting, the Right-To-Know-Law, and elections.

Administrative Staff Needs within the Department:

Office of Chief Counsel - Legal Analyst to Support Right-to-Know Requests

Currently, the Department's Office of Chief Counsel (OCC) has a single legal analyst within its office headquarters. This position's primary role is to serve as the Agency Open Records Officer for the Department of State. In that role, the legal analyst routinely tracks and handles in upwards of 500 to 700 Right-to-Know Law (RTKL) requests per year. Each request requires the analyst to record, send request to affected parties, gather all records submitted, search all records, issue final responses on behalf of the Department, prepare declarations to be used for RTKL appeals, and make sure that all documents are timely filed with the Office of Open Records—all within the deadlines required by the RTKL. This position will provide critical support to the Department's OCC and the Office of General Counsel's Main Office attorneys, especially in an environment of increasingly contentious litigation.

Office of Legislative Affairs - Legislative Aide to Support Increased Customer Service

The Department's Office of Legislative Affairs currently consists of a Director and Deputy Director and answers over 300 inquiries weekly all while conducting outreach to field questions from five (5) legislative oversight committees. Because of this volume of work, the office is unable to provide the level of customer service to members of the General Assembly that it would like. The additional staff person would allow for quicker and more thorough replies to the General Assembly, ability to assist with resolving constituent issues coming through the legislative office and to help to solve issues without escalating to agency bureaus.

STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

Bureau of Finance and Operations - Revenue Reconciliation Specialist to Standardize Reconciliation Practices and Minimize Risk through Agency Internal Controls

The Department has begun to centralize revenue processing and reconciliation across the agency in an effort to standardize processes and create efficiencies throughout all bureaus with an accounts receivable area. The Bureau of Finance and Operations (BFO) has absorbed revenue processing for the largest agency bureau, the Bureau of Professional and Occupational Affairs, however, to assume the remaining program areas, additional staffing is required to ensure that sufficient and timely completion of daily deposits and reconciliations can occur while addressing issues and anomalies as needed. In addition to the revenue and reconciliation duties, this position will be required to assist with any refund requests resulting from the Governor's Executive Order 2023-07. This position will be solely dedicated to the duties of the Revenue Section within the bureau. The centralization of revenue processing and reconciliation within the agency will create efficiencies in processes that are currently shown as somewhat deficient within our agency's Internal Control Plan. It also will allow the Department to respond to any refund requests in a timely manner.

The services provided under Voter Registration and Education, Federal Election Reform, the Statewide Uniform Registry of Electors, Lobbying Disclosure, Publishing Constitutional Amendments, County Election Expenses, Voting Citizens in Military Service, and Electoral College appropriations are also encompassed within the Elections and Commissions deputation.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

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APPROPRIATION:
Federal Election Reform

I. SUMMARY FINANCIAL DATA	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Federal Funds Total			
Federal Sources Itemized			
Help America Vote Act (HAVA)	<u>\$11,934</u>	<u>\$11,110</u>	<u>\$11,110</u>
Total	\$11,934	\$11,110	\$11,110

IA. REQUESTED SUPPLEMENTALS (Included above)

No supplementals requested

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Federal Election Reform		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
<i>Federal Funds</i>	<u>\$50</u>	<u>\$151</u>	<u>\$339</u>	<u>\$188</u>	<u>124.50%</u>
Total Personnel	\$50	\$151	\$339	\$188	124.50%
OPERATING					
<i>Federal Funds</i>	<u>\$6,412</u>	<u>\$9,890</u>	<u>\$9,702</u>	<u>(\$188)</u>	<u>-1.90%</u>
Total Operating	\$6,412	\$9,890	\$9,702	(\$188)	-1.90%
GRANTS & SUBSIDIES					
<i>Federal Funds</i>	<u>\$5,472</u>	<u>\$1,069</u>	<u>\$1,069</u>	<u>\$0</u>	<u>0.00%</u>
Total Grants & Subsidies	\$5,472	\$1,069	\$1,069	\$0	0.00%
TOTAL FUNDS					
<i>Federal Funds</i>	<u>\$11,934</u>	<u>\$11,110</u>	<u>\$11,110</u>	<u>\$0</u>	<u>0.00%</u>
Total Funds	\$11,934	\$11,110	\$11,110	\$0	0.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

APPROPRIATION: Federal Election Reform
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	0.0%	0.0%	0.0%
Federally Funded			
<i>Authorized</i>	0	0	0
<i>Filled</i>	0	0	0
Total			
<i>Authorized</i>	0	0	0
<i>Filled</i>	0	0	0

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides federal funding for ongoing operations and grants to counties needed for implementation of the Help America Vote Act (HAVA).

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes" on the following page.

Legislative Citations:

Help America Vote Act (HAVA), P.L. 107-252 (42 U.S.C. § 15301 *et. seq.*)
Vital Statistics Law, 35 P.S. § 450.303 (relating to death certificates)

Disbursement Criteria:

This appropriation provides funding for the administration and implementation of the Help America Vote Act (HAVA) within the Commonwealth. Disbursements are made based on grants to counties and through invoices submitted for operating and fixed asset expenses incurred to meet the mandates of the Help America Vote Act.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Federal Election Reform			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Increase due to additional staff needed for the Department's voter hotline during the 2024 primary election:	\$0	\$188	\$0	\$188
Subtotal Personnel	\$0	\$188	\$0	\$188
OPERATING				
1. Decrease due to spend down on grant:	\$0	(\$188)	\$0	(\$188)
Subtotal Operating	\$0	(\$188)	\$0	(\$188)
GRANTS & SUBSIDIES				
1. No Change	\$0	\$0	\$0	\$0
Subtotal Grants & Subsidies	\$0	\$0	\$0	\$0
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
Federal Funds	Approp 710 - SAP Fund 70490	\$391

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

FEDERAL ELECTION REFORM

Program Narrative

The Help America Vote Act of 2002, which was passed by the U.S. House on October 10, by the U.S. Senate on October 16, and signed by the President into law on October 29, 2002, provides funding to implement various election reforms including: voting system replacement upgrades, polling place accessibility and language accessibility and voter education. Legislative Citation: Help America Vote Act (HAVA), P.L. 107-252 (42 U.S.C. § 15301 et. seq.)

Election Security Grant - Voting System Technology

Since 2018, the Department of State has made over \$21.5 million in election security grant funds provided through the U.S. Election Assistance Commission available to county elections offices to improve the administration of elections for Federal Office, including enhancements to technology and make election security improvements. The most recent grant awards were distributed to counties for either the preparation of the replacement of the SURE Vote System, or to enhance their Election Security posture. The remaining funds are being expended directly by the Commonwealth for statewide efforts including Post-Election Audit implementation; election security and technology enhancements for the counties and the Commonwealth and other technological enhancements to improve statewide election administration and security. County and statewide spending for this grant is ongoing. To date, the Department has reimbursed County Election Offices approximately \$21 million towards these efforts.

Additional information regarding election modernization can be found within the Statewide Uniform Registry of Electors and the Election Modernization appropriations.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Occupational Licensing

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Federal Funds	\$0	\$1,000	\$1,000
Total	\$0	\$1,000	\$1,000
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Occupational Licensing		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
GRANT & SUBSIDY					
<i>Federal Funds</i>	\$0	\$1,000	\$1,000	\$0	0.00%
Total Grant & Subsidy	\$0	\$1,000	\$1,000	\$0	0.00%
TOTAL FUNDS					
<i>Federal Funds</i>	\$0	\$1,000	\$1,000	\$0	0.00%
Total Funds	\$0	\$1,000	\$1,000	\$0	100.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Occupational Licensing

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024 Estimated</u>
Federal Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION
No complement for this appropriation.

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA
<p>Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget provides funding that may become available through various federal programs that work to protect the health and safety of consumers.</p> <p>Legislative Citations: Not applicable at this time.</p> <p>Disbursement Criteria: This appropriation provides funding to assist the boards and commissions under the Bureau of Professional and Occupational Affairs with additional funding that may become available through various federal programs. Disbursements and payments would be made based on grant criteria and through invoices submitted for expenses incurred.</p>

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Occupational Licensing			
	State \$	Federal \$	Other \$	Total \$
OPERATING				
1. No Change	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Operating	\$0	\$0	\$0	\$0
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Occupational Licensing

Program Narrative

Occupational Licensure grants will be used to assist the boards and commissions under the Bureau of Professional and Occupational Affairs with additional funding that may become available through various federal programs that work to protect the health and safety of consumers. These funds could be used on various projects over a multitude of grant programs.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Professional and Occupational Affairs

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Other Funds Total	<u>\$58,953</u>	<u>\$74,480</u>	<u>\$72,812</u>
Total	\$58,953	\$74,480	\$72,812
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Professional and Occupational Affairs		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
Other Funds - Res. Rev.	<u>\$32,380</u>	<u>\$36,288</u>	<u>\$38,995</u>	<u>\$2,707</u>	<u>7.46%</u>
Total Personnel	\$32,380	\$36,288	\$38,995	\$2,707	7.46%
OPERATING					
Other Funds - Res. Rev.	<u>\$26,308</u>	<u>\$37,902</u>	<u>\$33,552</u>	<u>(\$4,350)</u>	<u>-11.48%</u>
Total Operating	\$26,308	\$37,902	\$33,552	(\$4,350)	-11.48%
FIXED ASSETS					
Other Funds - Res. Rev.	<u>\$265</u>	<u>\$290</u>	<u>\$265</u>	<u>(\$25)</u>	<u>0.00%</u>
Total Fixed Assets	\$265	\$290	\$265	(\$25)	0.00%
Other Funds - Res. Rev.	<u>\$58,953</u>	<u>\$74,480</u>	<u>\$72,812</u>	<u>(\$1,668)</u>	<u>-2.24%</u>
Total Funds	\$58,953	\$74,480	\$72,812	(\$1,668)	-2.24%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

APPROPRIATION: Professional and Occupational Affairs
--

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	67.8%	74.7%	75.2%
Other Funded			
<i>Authorized</i>	402	410	413
<i>Filled</i>	<u>328</u>	<u>361</u>	<u>413</u>
Total			
<i>Authorized</i>	402	410	413
<i>Filled</i>	328	361	413

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for 413 filled complement positions. The funding for operating expenses provides for maintaining ongoing operations as well as a replacement of the current licensure IT application.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," following on the following page.

Legislative Citations:

Professional and Occupational Affairs - 71 P.S. Section 279.1; 63 P.S. Section 1 *et seq.*
Navigation Commission for the Delaware River - 55 P.S. § 1 *et seq.*

Disbursement Criteria:

This appropriation is funded from augmentations from the Professional Licensure Augmentation restricted revenue account and is funded solely from the fees and fines collected by the current 26 licensing boards and commissions comprising this appropriation. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating and fixed asset expenses incurred in the operation of the program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Professional and Occupational Affairs			
	State \$	Federal \$	Other \$	Total \$
<u>POA's share of total BPOA expenses</u>				
PERSONNEL				
1. Personnel costs for complement of 410 were prepared using instructions and factors provided by the Office of the Budget:	\$0	\$0	\$2,548	\$2,548
2. Personnel costs for 3 new Professional Conduct Investigators to ensure consumer safety:	\$0	\$0	\$159	\$159
Subtotal Personnel	\$0	\$0	\$2,707	\$2,707
OPERATING				
1. PA Licensure System Modernization Year 2:	\$0	\$0	(\$5,000)	(\$5,000)
2. Military Occupational Crosswalk - Online Portal:	\$0	\$0	\$439	\$439
3. Increase in costs to maintain ongoing operations:	\$0	\$0	\$211	\$211
Subtotal Operating	\$0	\$0	(\$4,350)	(\$4,350)
FIXED ASSETS				
1. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$25)	(\$25)
Subtotal Fixed Assets	\$0	\$0	(\$25)	(\$25)
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>(\$1,668)</u>	<u>(\$1,668)</u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

PROFESSIONAL AND OCCUPATIONAL AFFAIRS

Program Narrative

The Bureau of Professional and Occupational Affairs' mission is to protect the Commonwealth's consumers through the administration of the professional and occupational licensing programs. The 26 licensing boards and commissions under this appropriation established by statute, ensure that professionals provide high-quality and safe services to the citizens of the Commonwealth. To accomplish this, these boards and commissions have been authorized to set standards for both initial licensure and practice, and to enforce these standards as well as those established by statute. This appropriation is funded solely from the fees and fines collected by the twenty-six licensing boards and commissions. Legislative Citations: Professional and Occupational Affairs 71 P.S. Section 279.1; 63 P.S. Section 1 et seq.; Navigation Commission for the Delaware River 55 P.S. § 1 et seq.

Military Occupational Crosswalk - Online Portal

Act 35 of 2022 was established to eliminate obstacles to licensing and employment for military personnel and their families. Since its enactment in January 2023, it has provided support to approximately 1,500 veterans, service members, and military spouses through its provisions, which include expediting application reviews and waiving initial licensure fees. Currently, the Crosswalk landing page, launched in February 2023, is presented as a collection of over 300 PDF documents on the DOS website, making it challenging for users to access the information effectively. The complex layout poses difficulties for both service members and administrators, thereby limiting the overall usability of the tool.

The Department seeks to acquire a hosted solution for a dynamic and informative portal website that fulfills the essential business requirements for the Commonwealth, military veterans, active servicemembers, professional licensing boards and commissions, employers, and the general public. The Military Occupational Crosswalk serves to compare the qualification specifics of military occupations with the initial requirements for DOS licensure in related professions, as well as to identify any potential gaps in training, experience, or education. The fiscal year 2024-25 budget request for \$500,000 under the Bureau of Professional and Occupational Affairs, the State Board of Medicine, the State Board of Osteopathic Medicine, and the State Board of Podiatry appropriations will allow the Department to acquire a hosted solution for a dynamic and informative portal website.

Safeguarding Consumer Safety - Professional Conduct Investigators Complement Increase

The number of assigned cases at the Department's Bureau of Enforcement and Investigations (BEI) has increased drastically over the last few fiscal year. Since 2019, the number of cases has increased by 68% resulting in significant increases in each investigator's caseload--from an average of 19 cases per month to 32 cases per month. Investigators are overburdened and, therefore, increasingly difficult to retain—investigator turnover has increased from 9% in FY2018-19 to 42% in FY2021-22 and 40% in FY2022-23. The understaffing and overworking impacts BEI's ability to serve and safeguard the citizens of the commonwealth as well as those who visit commonwealth licensed professionals or businesses regulated by the Bureau of Professional and Occupational Affairs' (BPOA) licensing boards and commissions. The requested increase in complement will reduce caseload, mitigate employee fatigue, and make it easier to retain qualified and trained investigators. Fulfilling this request will expand the investigator ranks and give them the resources they need to protect the public and enforce the commonwealth's professional standards. The FY2024-25 provides funding for three (3) additional Professional Conduct Investigator positions for six (6) months within the Bureau Enforcement and Investigations.

The services provided under State Board of Medicine, State Board of Osteopathic Medicine, and the State Board of Podiatry appropriations are also encompassed within the Bureau of Professional and Occupational Affairs' appropriation narrative.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
State Board of Medicine

I. SUMMARY FINANCIAL DATA	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED
Other Funds Total	\$9,398	\$11,240	\$11,025
Total	\$9,398	\$11,240	\$11,025

IA. REQUESTED SUPPLEMENTALS (Included above)

No supplementals requested

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED	Change Budgeted vs. Available	Percent Change
PERSONNEL					
Other Funds - Res. Rev.	\$6,348	\$6,999	\$7,597	\$598	8.54%
Total Personnel	\$6,348	\$6,999	\$7,597	\$598	8.54%
OPERATING					
Other Funds - Res. Rev.	\$3,044	\$4,235	\$3,428	(\$807)	-19.06%
Total Operating	\$3,044	\$4,235	\$3,428	(\$807)	-19.06%
FIXED ASSETS					
Other Funds - Res. Rev.	\$6	\$6	\$0	(\$6)	0.00%
Total Fixed Assets	\$6	\$6	\$0	(\$6)	0.00%
TOTAL FUNDS					
Other Funds - Res. Rev.	\$9,398	\$11,240	\$11,025	(\$215)	-1.91%
Total Funds	\$9,398	\$11,240	\$11,025	(\$215)	-1.91%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

APPROPRIATION: State Board of Medicine
--

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION

The complement supporting the appropriation is authorized in SAP Fund 16239 (Professional and Occupational Affairs).

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:
 The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the complement supporting this appropriation, which is authorized in the Professional and Occupational Affairs appropriation. The funding for operating expenses provides for maintaining ongoing operations as well as a replacement of the current licensure IT application.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:
 Professional and Occupational Affairs - 71 P.S. Section 279.1; 63 P.S. Section 1 *et seq.*

Disbursement Criteria:
 This appropriation is funded from augmentations from the State Board of Medicine's restricted revenue account, solely from the fees and fines collected. Disbursements are made through the Board's share of distributed costs and through invoices submitted for operating expenses incurred from the operation of this program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: State Board of Medicine			
<u>State Board of Medicine's share of total BPOA expenses</u>	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for complement of 413 were prepared using instructions and factors provided by the Office of Budget:	\$0	\$0	\$598	\$598
Subtotal Personnel	\$0	\$0	\$598	\$598
OPERATING				
1. Military Occupational Crosswalk - Online Portal:	\$0	\$0	\$40	\$40
2. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$847)	(\$847)
Subtotal Operating	\$0	\$0	(\$807)	(\$807)
Fixed Assets				
1. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$6)	(\$6)
Subtotal Fixed Assets	\$0	\$0	(\$6)	(\$6)
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>(\$215)</u>	<u>(\$215)</u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

STATE BOARD OF MEDICINE

Program Narrative

The State Board of Medicine ensures that professionals in this field meet standards of ethics and competency. With the help of the Bureau of Professional and Occupational Affairs staff, the board approves and disapproves professional schools, processes applications for licensure, issues licenses and regulates license holders. The board is comprised of professionals in the medical field and of consumer members who represent the public-at-large. This appropriation is funded solely from the fees and fines collected by the State Board of Medicine. Legislative Citations: Professional and Occupational Affairs 71 P.S. Section 279.1; 63 P.S. Section 1 et seq.

The narrative for Professional and Occupational Affairs also encompasses this appropriation.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
State Board of Osteopathic Medicine

I. SUMMARY FINANCIAL DATA	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED
Other Funds Total	\$2,651	\$3,194	\$3,204
Total	\$2,651	\$3,194	\$3,204
IA. REQUESTED SUPPLEMENTALS (Included above)			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: State Board of Osteopathic Medicine				
	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED	Change Budgeted vs. Available	Percent Change
PERSONNEL					
<i>Other Funds - Res. Rev.</i>	\$1,462	\$1,569	\$1,703	\$134	8.54%
Total Personnel	\$1,462	\$1,569	\$1,703	\$134	8.54%
OPERATING					
<i>Other Funds - Res. Rev.</i>	\$1,186	\$1,622	\$1,501	(\$121)	-7.46%
Total Operating	\$1,186	\$1,622	\$1,501	(\$121)	-7.46%
FIXED ASSETS					
<i>Other Funds - Res. Rev.</i>	\$3	\$3	\$0	(\$3)	0.00%
Total Fixed Assets	\$3	\$3	\$0	(\$3)	0.00%
TOTAL FUNDS					
<i>Other Funds - Res. Rev.</i>	\$2,651	\$3,194	\$3,204	\$10	0.31%
Total Funds	\$2,651	\$3,194	\$3,204	\$10	0.31%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: State Board of Osteopathic Medicine
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION

The complement supporting the appropriation is authorized in SAP Fund 16239 (Professional and Occupational Affairs).

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:
 The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the complement supporting this appropriation, which is authorized in the Professional and Occupational Affairs appropriation. The funding for operating expenses provides for maintaining ongoing operations as well as a replacement of the current licensure IT application.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:
 Professional and Occupational Affairs - 71 P.S. Section 279.1; 63 P.S. Section 1 *et seq.*

Disbursement Criteria:
 This appropriation is funded from augmentations from the State Board of Osteopathic Medicine's restricted revenue account, solely from the fees and fines collected. Disbursements are made through the Board's share of distributed costs and through invoices submitted for operating expenses incurred from the operation of this program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: State Board of Osteopathic Medicine			
<u>State Board of Osteopathic Medicine's share of total BPOA expenses</u>	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for complement of 413 were prepared using instructions and factors provided by the Office of Budget:	\$0	\$0	\$134	\$134
Subtotal Personnel	\$0	\$0	\$134	\$134
OPERATING				
1. Military Occupational Crosswalk - Online Portal:	\$0	\$0	\$19	\$19
2. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$140)	(\$140)
Subtotal Operating	\$0	\$0	(\$121)	(\$121)
FIXED ASSETS				
1. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$3)	(\$3)
Subtotal Fixed Assets	\$0	\$0	(\$3)	(\$3)
TOTAL	\$0	\$0	\$10	\$10

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

STATE BOARD OF OSTEOPATHIC MEDICINE

Program Narrative

The State Board of Osteopathic Medicine ensures that professionals in this field meet standards of ethics and competency. With the help of the Bureau of Professional and Occupational Affairs staff, the board approves and disapproves professional schools, processes applications for licensure, issues licenses and regulates license holders. The board is comprised of professionals in the medical field and of consumer members who represent the public-at-large. This appropriation is funded solely from the fees and fines collected by the State Board of Osteopathic Medicine. Legislative Citations: Professional and Occupational Affairs 71 P.S. Section 279.1; 63 P.S. Section 1 et seq.

The narrative for Professional and Occupational Affairs also encompasses this appropriation.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of the Governor's Executive Budget
Pg. E38-1 through E38-7

APPROPRIATION:
State Board of Podiatry

I. SUMMARY FINANCIAL DATA	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED
Other Funds Total	\$410	\$442	\$454
Total	\$410	\$442	\$454
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: State Board of Podiatry				
	2022-2023 ACTUAL	2023-2024 AVAILABLE	2024-2025 BUDGETED	Change Budgeted vs. Available	Percent Change
PERSONNEL					
Other Funds - Res. Rev.	\$188	\$213	\$230	\$17	7.98%
Total Personnel	\$188	\$213	\$230	\$17	7.98%
OPERATING					
Other Funds - Res. Rev.	\$222	\$229	\$224	(\$5)	-2.18%
Total Operating	\$222	\$229	\$224	(\$5)	-2.18%
TOTAL FUNDS					
Other Funds - Res. Rev.	\$410	\$442	\$454	\$12	2.71%
Total Funds	\$410	\$442	\$454	\$12	2.71%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: State Board of Podiatry
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION

The complement supporting the appropriation is authorized in SAP Fund 16239 (Professional and Occupational Affairs).

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:
 The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the complement supporting this appropriation, which is authorized in the Professional and Occupational Affairs appropriation. The funding for operating expenses provides for maintaining ongoing operations as well as a replacement of the current licensure IT application.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:
 Professional and Occupational Affairs - 71 P.S. Section 279.1; 63 P.S. Section 1 *et seq.*

Disbursement Criteria:
 This appropriation is funded from augmentations from the State Board of Podiatry's restricted revenue account, solely from the fees and fines collected. Disbursements are made through the Board's share of distributed costs and through invoices submitted for operating and expenses incurred from the operation of this program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: State Board of Podiatry			
<u>State Board of Podiatry's share of total BPOA expenses</u>	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for complement of 413 were prepared using instructions and factors provided by the Office of the Budget:	\$0	\$0	\$17	\$17
Subtotal Personnel	\$0	\$0	\$17	\$17
OPERATING				
1. Military Occupational Crosswalk - Online Portal:	\$0	\$0	\$2	\$2
2. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$7)	(\$7)
Subtotal Operating	\$0	\$0	(\$5)	(\$5)
TOTAL	\$0	\$0	\$12	\$12

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

STATE BOARD OF PODIATRY

Program Narrative

The State Board of Podiatry ensures that professionals in this field meet standards of ethics and competency. With the help of the Bureau of Professional and Occupational Affairs staff, the board approves and disapproves professional schools, processes applications for licensure, issues licenses and regulates license holders. The board is comprised of professionals in the medical field and of consumer members who represent the public-at-large. This appropriation is funded solely from the fees and fines collected by the State Board of Podiatry. Legislative Citations: Professional and Occupational Affairs 71 P.S. Section 279.1; 63 P.S. Section 1 et seq.

The narrative for Professional and Occupational Affairs also encompasses this appropriation.

For additional information on Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
State Athletic Commission

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Other Funds Total	\$868	\$908	\$946
Total	\$868	\$908	\$946
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplemental requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: State Athletic Commission		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
Other Funds - Res. Rev.	\$493	\$589	\$646	\$57	9.68%
Total Personnel	\$493	\$589	\$646	\$57	9.68%
OPERATING					
Other Funds - Res. Rev.	\$375	\$319	\$300	(\$19)	-5.96%
Total Operating	\$375	\$319	\$300	(\$19)	-5.96%
TOTAL FUNDS					
Other Funds - Res. Rev.	\$868	\$908	\$946	\$38	4.19%
Total Funds	\$868	\$908	\$946	\$38	4.19%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

APPROPRIATION: State Athletic Commission
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	71.9%	80.3%	90.5%
Other Funded			
<i>Authorized</i>	6	6	6
<i>Filled</i>	<u>5</u>	<u>4</u>	<u>6</u>
Total			
<i>Authorized</i>	6	6	6
<i>Filled</i>	5	4	6

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the authorized complement of 6 positions. The funding for operating expenses provides for maintaining ongoing operations.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:

State Athletic Code - 5 Pa.C.S. Section 101 *et seq.*
 Athletic Agent Registration Act - 5 Pa.C.S. Section 3101 *et seq.*

Disbursement Criteria:

This appropriation is funded from augmentations from the State Athletic Commission's restricted revenue account for the ongoing administration of this program. Revenue is collected from license fees, fines, gross receipt taxes and pay-per-view broadcast taxes. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating expenses incurred from the operation of the Commission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: State Athletic Commission			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for complement of 6 were prepared using instructions and factors by the Office of Budget:	<u>\$0</u>	<u>\$0</u>	<u>\$57</u>	<u>\$57</u>
Subtotal Personnel	\$0	\$0	\$57	\$57
OPERATING				
1. Decrease in costs to maintain ongoing operations:	<u>\$0</u>	<u>\$0</u>	<u>(\$19)</u>	<u>(\$19)</u>
Subtotal Operating	\$0	\$0	(\$19)	(\$19)
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$38</u>	<u>\$38</u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

STATE ATHLETIC COMMISSION

Program Narrative

In 2023 the PA State Athletic Commission (SAC) regulated 538 events throughout the year. Those events consisted of 38 pro-boxing events, 37 professional/amateur MMA events and 397 professional wrestling events.

The Commission licenses many different licensure types including announcer, boxer, MMA fighter, judge, manager, matchmaker, physician, promoter (including those promoting professional wrestling), referee, second, timekeeper, trainer and athletic agent. As such, the SAC licensed 2,331 professional and amateur individuals during the 2023 calendar year.

For additional information on the Department of State programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Bureau of Corporations and Charitable Organizations

I. SUMMARY FINANCIAL DATA	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Other Funds Total	<u>\$9,235</u>	<u>\$9,364</u>	<u>\$14,288</u>
Total	\$9,235	\$9,364	\$14,288
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)	APPROPRIATION: Bureau of Corporations and Charitable Organizations				
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
<i>Other Funds - Res. Rev.</i>	<u>\$4,125</u>	<u>\$4,602</u>	<u>\$6,508</u>	<u>\$1,906</u>	<u>41.42%</u>
Total Personnel	\$4,125	\$4,602	\$6,508	\$1,906	41.42%
OPERATING					
<i>Other Funds - Res. Rev.</i>	<u>\$5,088</u>	<u>\$4,738</u>	<u>\$7,758</u>	<u>\$3,020</u>	<u>63.74%</u>
Total Operating	\$5,088	\$4,738	\$7,758	\$3,020	63.74%
FIXED ASSETS					
<i>Other Funds - Res. Rev.</i>	<u>\$22</u>	<u>\$24</u>	<u>\$22</u>	<u>(\$2)</u>	<u>-8.33%</u>
Total Fixed Assets	\$22	\$24	\$22	(\$2)	-8.33%
TOTAL FUNDS					
<i>Other Funds - Res. Rev.</i>	<u>\$9,235</u>	<u>\$9,364</u>	<u>\$14,288</u>	<u>\$4,924</u>	<u>52.58%</u>
Total Funds	\$9,235	\$9,364	\$14,288	\$4,924	52.58%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

APPROPRIATION:
Bureau of Corporations and Charitable Organizations

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	74.7%	87.6%	85.3%
Other Funded			
<i>Authorized</i>	47	46	60
<i>Filled</i>	<u>37</u>	<u>40</u>	<u>60</u>
Total			
<i>Authorized</i>	47	46	60
<i>Filled</i>	37	40	60

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the authorized complement of 60 positions. This personnel and operating funding is provided to maintain ongoing operations.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:

The Associations Code - 15 P.S. Section 101 *et seq.*

Article 9 of the Uniform Commercial Code (UCC) - 13 Pa.C.S. Section 91401 *et seq.*

Names - 54 Pa.C.S. Chapters 1, 3, 11, 13 & 15

Disbursement Criteria:

This appropriation is funded from augmentations from the Bureau of Corporations & Charitable Organizations restricted revenue account. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating and fixed asset expenses incurred from the operation of the Bureau.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Bureau of Corporations and Charitable Organizations			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for current complement of 46 were prepared using instructions and factors provided by the Office of the Budget:	\$0	\$0	\$400	\$400
2. Personnel costs for new complement of 14 due to implementation of Act 122:	\$0	\$0	\$1,506	\$1,506
Subtotal Personnel	\$0	\$0	\$1,906	\$1,906
OPERATING				
1. PA Business Filing System Maintenance and Hosting:	\$0	\$0	\$250	\$250
2. Act 122 implementation:	\$0	\$0	\$1,221	\$1,221
3. Printing and Mailing of Annual Filing Notices:	\$0	\$0	\$1,550	\$1,550
4. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$1)	(\$1)
Subtotal Operating	\$0	\$0	\$3,020	\$3,020
FIXED ASSETS				
1. Decrease in costs to maintain ongoing operations:	\$0	\$0	(\$2)	(\$2)
Subtotal Fixed Assets	\$0	\$0	(\$2)	(\$2)
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$4,924</u>	<u>\$4,924</u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Bureau of Corporations and Charitable Organizations

Program Narrative

This appropriation funds the Bureau of Corporations and Charitable Organizations for both profit and nonprofit organizations through a restricted revenue account. Its main objective is to provide the best possible means of protecting the health, safety and welfare of the citizens of the Commonwealth against fraud, misrepresentation, and/or other misconduct by requiring the registration of all businesses or individuals doing business in the Commonwealth. A secondary function is the filing of secured transactions under the provisions of the Uniform Commercial Code.

Legislative Citations: The Associations Code - 15 P.S. Section 101 et seq.; Article 9 of the Uniform Commercial Code (UCC) - 13 Pa.C.S. Section 91401 et seq.; Names - 54 Pa.C.S. Chapters 1, 3, 11, 13 & 15.

As of June 30, 2023, there are 3 million companies authorized to do business in Pennsylvania. There were 16,051 accepted Charitable Organizations, 1,176 Institutions of Purely Public Charities, 93 Professional Solicitors and 377 fund-raising counsels registered with the Bureau of Charitable Organizations. In FY 2022-2023 the bureau processed over 233,721 corporate filings and 166,324 UCC filings.

The primary goal of the Bureau of Corporations and Charitable Organizations is to make the registration process as efficient as possible, to enhance public access in order to promote a more favorable business climate within the Commonwealth, to promote transparency and disclosure by charities, to educate consumers and to pursue aggressively fraudulent solicitation activities.

Act 198 of 1980 established a restricted account with funding levels to be executively authorized by the Governor to fund the Bureau of Corporations and Charitable Organizations.

Act 55 of 1997 increased the number of charities required to register with the Department of State and established a system of mandatory arbitration to resolve complaints of unfair competition filed by small businesses against charities.

PA Business Filing System Maintenance and Hosting

In October 2022, the PA Business Filing System created for the Bureau of Corporations and Charitable Organizations for the use of filing all corporate and uniform commercial code documents went live. Since the go-live deployment, there were various shortcomings with the system needing additional focus. After much discussion with the system vendor, Tecuity Inc., it was determined to be in the best interest of BCCO to increase the maintenance efforts to ensure the vendor is able to meet the demands of the bureau. Additionally further changes brought by legislative or regulatory updates will require changes to the existing IT system to ensure that processing times continue to stay at a minimum. The FY 2024-25 budget includes a request for an increase of \$250,000 to be readily available when unexpected changes demand immediate IT adjustments. This is an investment in preparedness, ensuring the bureau can react agilely without hindering operational efficiency. This strategic investment in flexibility will empower the bureau to navigate the constant flux of the business registry environment with confidence, ensuring the bureau's continued success.

Act 122 of 2022 Annual Filing Requirements

Act 122 of 2022 replaced Pennsylvania's decennial business filing requirement with an annual requirement, dramatically increasing businesses' filing and the Bureau of Corporations and Charitable Organization's (BCCO) processing needs. It is expected that there will be more than two (2) million business registrations processed every year; if an estimated 20% of filings come via paper submission, the bureau will need to manually process 520,000 filings per year, well above its current obligations.

Act 122 also imposed significant notification requirements. BCCO must send notices to registrants on nine (9) separate occasions each year, which goes well beyond the bureau's current activity. Without additional staff, an insurmountable and ever-increasing backlog in business registrations will occur, undoing the improvements the Administration has made in improving business processing times. Additional staff will allow leadership to manage the implementation and enforcement of Act 122, file documents timely, manage new lists correctly, mail notices timely and accurately, answer customer questions, and ensure that the Department continues to file all corporate and charitable documents within the expected timeframe.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

An additional change that the bureau expects will be very impactful is the Corporate Transparency Act (CTA), which went into effect January 1, 2024. This federal legislation requires many companies in the United States to report information about their beneficial owners – the individuals who ultimately own or control the company – to the Financial Crimes Enforcement Network (FinCEN), a bureau of the U.S. Department of the Treasury. Companies formed prior to the effective date have a year to comply with the new filing requirements; but any new companies must submit their beneficial ownership reports within 90 days of formation or registration to the Department. Eventually, the time frame for filing the ownership report will shrink to 30 days.

While the CTA is a federal requirement, it will significantly impact many of the more than 3 million companies registered to do business in the Commonwealth. The federal law is very complex. For example, there are 23 categories of business entities that are exempt from this new federal reporting requirement. The Bureau is currently receiving consumer inquiries about the new Beneficial Ownership Information (BOI) reporting requirement and anticipates that the number of such inquiries will continue to grow.

Exacerbating the increased demand for customer assistance is the fact that—as reported in industry media and as relayed by the Corporation Bureau Advisory Committee--many law offices in Pennsylvania are opting to not engage in the creation of BOI reports for businesses. Additionally, law firms are withdrawing from filing new business formations altogether on behalf of clients, so that the lawyer or paralegal is not considered to be a “company applicant” by FinCEN by signing the formation filing. Rather, we expect that law firms will instruct clients to sign and submit new business formations directly to BCCO. This unintended consequence of the CTA will result in many more BCCO customer service interactions with consumers who know little to nothing about company formation filing. For this reason, too, it is critical for the bureau to have additional customer service staff available to assist with the increased volume in customer demands. BCCO needs these positions to effectively build this team during the first year of implementation of Act 122 and to assist customers with the changes resulting from the Corporate Transparency Act.

For additional information on the Department of State Programs, refer to the Governor’s Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

Page # of Governor's Executive Budget: Pg. E38-1 through E38-7		APPROPRIATION: Statewide Uniform Registry of Electors (SURE)				
I. SUMMARY FINANCIAL DATA						
		<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>		
State Funds		<u>\$11,791</u>	<u>\$13,474</u>	<u>\$13,948</u>		
Total		\$11,791	\$13,474	\$13,948		
II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		APPROPRIATION: Statewide Uniform Registry of Electors (SURE)				
		<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL						
State Funds		<u>\$642</u>	<u>\$1,445</u>	<u>\$2,252</u>	<u>\$807</u>	<u>55.85%</u>
Total Personnel		\$642	\$1,445	\$2,252	\$807	55.85%
OPERATING						
State Funds		<u>\$10,954</u>	<u>\$11,807</u>	<u>\$11,540</u>	<u>(\$267)</u>	<u>-2.26%</u>
Total Operating		\$10,954	\$11,807	\$11,540	(\$267)	-2.26%
FIXED ASSETS						
State Funds		<u>\$195</u>	<u>\$222</u>	<u>\$156</u>	<u>(\$66)</u>	<u>-29.73%</u>
Total Fixed Assets		\$195	\$222	\$156	(\$66)	0.00%
TOTAL FUNDS						
State Funds		<u>\$11,791</u>	<u>\$13,474</u>	<u>\$13,948</u>	<u>\$474</u>	<u>0.00%</u>
Total Funds		\$11,791	\$13,474	\$13,948	\$474	0.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Statewide Uniform Registry of Electors (SURE)
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	59.9%	72.3%	69.2%
State/Federally Funded			
<i>Authorized</i>	0	12	19
<i>Filled</i>	0	12	19
Total			
<i>Authorized</i>	0	12	19
<i>Filled</i>	0	12	19

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:
 The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the authorized complement of 19 positions. Funding for operating expenses provides for maintaining ongoing support of the Statewide Uniform Registry of Electors (SURE) system and election modernization as it relates to the new SUREVote IT system.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:
 Act 2002-3 (Relating to Voter Registration); 25 Pa.C.S. § 1101 et seq.
 Help America Vote Act (HAVA), P.L. 107-252 (42 U.S.C. § 15301 et. seq.)

Disbursement Criteria:
 This appropriation provides funding for the Statewide Uniform Registry of Electors. Disbursements are made through invoices submitted from operating expenses incurred through ongoing support of the SURE system and the development of the new SUREVote IT system.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Statewide Uniform Registry of Electors (SURE)			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for current complement of 14 were prepared using instructions and factors provided by the Office of the Budget:	\$333	\$0	\$0	\$333
2. Personnel costs for 5 new technical election complement positions:	<u>\$474</u>	<u>\$0</u>	<u>\$0</u>	<u>\$474</u>
Subtotal Personnel	\$807	\$0	\$0	\$807
OPERATING				
1. Decrease in costs to maintain ongoing operations:	<u>(\$267)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$267)</u>
Subtotal Operating:	(\$267)	\$0	\$0	(\$267)
FIXED ASSETS				
1. Decrease in costs to maintain ongoing operations:	<u>(\$66)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$66)</u>
Subtotal Fixed Assets	(\$66)	\$0	\$0	(\$66)
TOTAL	<u><u>\$474</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$474</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

STATEWIDE UNIFORM REGISTRY OF ELECTORS (SURE)

Program Narrative

Act 3 of 2002 requires the department to develop and maintain a Statewide Uniform Registry of Electors (SURE) - an integrated voter registration database containing all electors in the Commonwealth and further requires that all costs of operating this system must be borne by the Commonwealth. The Help America Vote Act (HAVA) of 2002 required the development of a centralized voter registration system to be implemented with various enhancements in January 2006. The SURE System has met both requirements and was implemented in all 67 counties. The ongoing support includes the system hosting costs, county hardware support, and help desk availability to support all county users as well as individual citizen system users.

Election Modernization

Modernization of the commonwealth's Statewide Uniform Registry of Electors (SURE) system to the new SUREVote platform is of the highest priority to DOS. However, after a thorough review of the current project, the Department determined that the existing vendor did not meet the contractual standards and expectations needed to build a best-in-class system for voters of Pennsylvania. On December 4, 2023, both Pennsylvania and the contracted vendor agreed to terminate their contract for convenience, and through this termination, the Department will receive a contract reimbursement totaling \$720,400. To ensure that modernization efforts continue, the Department is focusing on the needs of the current platform while working to release a new Request for Proposal in the spring of 2024 to restart statewide system replacement efforts. As part of this project, this appropriation continues to include funding for a new system to support all voter registration activities across the commonwealth. This includes development, software, maintenance, and hosting, as well as the addition of IT staff augmented contractors, election project managers, and consultants for the project.

Increase of Election Technical Staff Complement

As elections become increasingly technical, the Department needs to increase its complement to add data analysts to work on election administration activities. The Department must maintain a strong group of internal experts to assist counties, collect and analyze election-related data, and support developing responses to public inquiries. Hiring five (5) full-time election staff in the technical area of election security and technology to support the Bureau's efforts will invaluablely aid the promotion of secure and fair elections. It will improve the Department's ability to oversee elections, to support the counties as they administer elections, and to problem solve and respond to unexpected challenges or issues.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget: Pg. E38-1 through E38-7		APPROPRIATION: Voter Registration and Education			
I. SUMMARY FINANCIAL DATA					
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>		
State Funds	\$502	\$546	\$5,751		
Total	\$502	\$546	\$5,751		
IA. REQUESTED SUPPLEMENTALS (Included above)					
No supplementals requested					
II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)		APPROPRIATION: Voter Registration and Education			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
State Funds	\$256	\$235	\$248	\$13	5.53%
Total Personnel	\$256	\$235	\$248	\$13	5.53%
OPERATING					
State Funds	\$246	\$311	\$5,503	\$5,192	1669.45%
Total Operating	\$246	\$311	\$5,503	\$5,192	1669.45%
TOTAL FUNDS					
State Funds	\$502	\$546	\$5,751	\$5,205	953.30%
Total Funds	\$502	\$546	\$5,751	\$5,205	953.30%

**DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)**

APPROPRIATION: Voter Registration and Education
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024 Estimated</u>
State Funds	\$0	\$141	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025 Budgeted</u>
Benefit Rate	68.0%	71.1%	69.2%
State/Federally Funded			
<i>Authorized</i>	3	2	3
<i>Filled</i>	<u>3</u>	<u>1</u>	<u>3</u>
Total			
<i>Authorized</i>	3	2	3
<i>Filled</i>	3	1	3

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for the authorized complement of 3 positions. The funding for operating expenses provides for maintaining ongoing operations of the Voter Registration and Education Appropriation.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations:

Act 2002-3 (Relating to Voter Registration and Education) - 25 Pa.C.S. § 1101 *et seq.*

Disbursement Criteria:

This appropriation funds the Voter Registration and Education program in the Department of State. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating expenses and fixed assets incurred from the operation of the program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Voter Registration and Education			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for current complement of 3 were prepared using instructions and factors provided by the Office of the Budget:	\$13	\$0	\$0	\$13
Subtotal Personnel	\$13	\$0	\$0	\$13
OPERATING				
1. Eligible But Unregistered Voters (EBU) Mailer:	\$160	\$0	\$0	\$160
2. Printing and shipping of Voter Registration forms for Presidential Election:	\$57	\$0	\$0	\$57
3. Educating Voters and Promoting Accurate and Updated Voter Rolls through Direct Outreach:	\$5,000	\$0	\$0	\$5,000
4. Decrease in costs to maintain ongoing operations:	(\$25)	\$0	\$0	(\$25)
Subtotal Operating	\$5,192	\$0	\$0	\$5,192
TOTAL	\$5,205	\$0	\$0	\$5,205

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VOTER REGISTRATION AND EDUCATION

Program Narrative

The funding received under the Voter Registration and Education appropriation is used toward all voter registration activities throughout the Commonwealth. Bureau staff interact with each of the counties' election offices, the general public, groups and organizations who are organizing voter drives, as well as coordinators in each state agency that are charged with providing voter registration opportunities to their clients in accordance with the National Voter Registration Act of 1993. The funding in this appropriation also provides for paper voter registration applications to be printed and provided as requested.

Printing and Shipping of Voter Registration Forms for Presidential Election

On September 7, 2022, the Governor signed Executive Order (EO) 2022-03 for the expansion of voter registration opportunities throughout Pennsylvania by increasing the number of state agencies designated as a Voter Registration Distribution Agency. Due to the increase in the demand of forms from various entities, in December 2022, the Department initiated a prospective project with the Department of General Services (DGS) Bureau of Supplies and Surplus Operations on an interagency partnership to assist with inventory and form shipment to customers. To date, 238,155 voter registration forms, 626 multilingual voter registration posters, and 4,974 "Pledge to Vote" cards have been sent to 114 individual entities. Under this new process, the electronic order is placed by the customer, the order is prepared and packaged within one (1) business day and shipped to the customer, normally arriving within 1-2 days at their mailing address, which has received extremely positive feedback. While utilizing this service, there is a financial cost to house the forms at the DGS warehouse. There is already a noticeable increase in the number of forms requested from various organizations and agencies resulting in the need for DOS to print additional items as well, however, the goal to raise awareness for all eligible Pennsylvania voters increases daily by making these items more easily accessible to our community partners which makes this an absolutely needed cost to carry item for DOS. The Department's 2024-25 budget includes additional funding to cover the anticipated increase in costs to print and ship forms prior to and during the period preceding the 2024 presidential general election cycle.

Eligible But Unregistered Voters (EBU) Mailer

As a part of the membership to the Electronic Registration Information Center (ERIC) Inc., once every two (2) years, Pennsylvania is required to send voter registration information to individuals identified in the Eligible but Unregistered (EBU) Report. In the upcoming election cycle, information must be mailed to any individual that clearly meets Pennsylvania's voter eligibility requirements, as determine by law, by October 1, 2024, or 15 days before the 2024 voter registration deadline, whichever is earlier.

As part of the 2024 election year, to ensure that the Department remains in compliance with the requirements of ERIC membership, the Department is requesting an additional \$160,000 within its fiscal year 2024-25 budget to ensure there are sufficient funds to cover this mandate that stipulates notifying any eligible voter who clearly meets Pennsylvania's voter eligibility requirements at the time of mailing.

Educating Voters and Promoting Accurate and Updated Voter Rolls through Direct Outreach

Voting and list maintenance are daily parts of DOS life, but the average Pennsylvanian should have information readily available on when, how, and where to vote. It is more important than ever to make sure that the Department has the resources to disseminate accurate information and educate voters on how to register, how to vote, and how election administrators keep elections secure.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

In previous election cycles, the Department's Ready to Vote program communicated and sent educational material that informed voters at various points in the election cycle about voting options, how to apply for and complete a mail-in ballot, in person voting options, instructions and deadlines, and assistance in locating voters' polling places. In addition, COPA provided voters an Election Day Hotline to assist with questions or issues on election day. Recently, the Department has used the National Change of Address (NCOA) data to directly reach out through use of a mailing with pre-paid postage return envelope, to voters who may have moved. This mailing is an attempt to encourage a moved voter to register in their new jurisdiction and to send confirmation to the Department that their old residence should be removed, so that their local election authority can plan for an election with the most accurate information possible.

Educating voters on voting rights and processes is one of the best ways the Department can ensure free, fair, and secure elections in the commonwealth. The Department relies on both state and federal funding sources to conduct voter outreach and ensure that varied election information is conveyed to all Pennsylvanians. Federal funding under the Help America Vote Act are anticipated to become depleted in the near future, and because of this, the Department is in critical need of state funds to make up this deficit. The Department's fiscal year 2024-25 budget request includes sufficient funding to cover any anticipated needs to ensure adequate outreach for all Pennsylvanians.

The narrative under General Government Operations Elections and Commissions also encompasses this appropriation.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Lobbying Disclosure

I. SUMMARY FINANCIAL DATA	2022-2023 <u>ACTUAL</u>	2023-2024 <u>AVAILABLE</u>	2024-2025 <u>BUDGETED</u>
State Funds	\$714	\$562	\$562
Other Funds Total	<u>\$538</u>	<u>\$538</u>	<u>\$544</u>
Total	\$1,252	\$1,100	\$1,106

IA. REQUESTED SUPPLEMENTALS (Included above)

No supplementals requested

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Lobbying Disclosure		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
PERSONNEL					
State Funds	\$242	\$254	\$286	\$32	12.60%
Other Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
Total Personnel	\$242	\$254	\$286	\$32	12.60%
OPERATING					
State Funds	\$465	\$297	\$269	(\$28)	-9.43%
Other Funds	<u>\$538</u>	<u>\$538</u>	<u>\$544</u>	<u>\$6</u>	<u>1.12%</u>
Total Operating	\$1,003	\$835	\$813	(\$22)	-2.63%
FIXED ASSETS					
State Funds	\$7	\$11	\$7	(\$4)	-36.36%
Other Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.00%</u>
Total Fixed Assets	\$7	\$11	\$7	(\$4)	-36.36%
TOTAL FUNDS					
State Funds	\$714	\$562	\$562	\$0	0.00%
Other Funds	<u>\$538</u>	<u>\$538</u>	<u>\$544</u>	<u>\$6</u>	<u>1.12%</u>
Total Funds	\$1,252	\$1,100	\$1,106	\$6	0.55%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

APPROPRIATION: Lobbying Disclosure

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$170	\$0	\$0

IV. COMPLEMENT INFORMATION	<u>12/31/2022</u>	<u>12/31/2023</u>	<u>2024-2025</u> Budgeted
Benefit Rate	72.8%	77.6%	76.3%
State/Federally Funded			
<i>Authorized</i>	4	4	4
<i>Filled</i>	4	4	4
Total			
<i>Authorized</i>	4	4	4
<i>Filled</i>	4	4	4

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA

Derivation of Request:

The FY 2024-2025 Governor's Executive Budget provides funding for the authorized complement of 4 positions. This appropriation registers and monitors lobbying activities. The funding for operating expenses provides for maintaining ongoing operations and for the Lobbying Disclosure initiative as it relates to SURE modernization.

Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.

Legislative Citations: Lobbying Disclosure Law - 65 Pa.C.S. § 1301-A *et. seq.*

Disbursement Criteria:

This appropriation provides funding for the monitoring of lobbying activities. Disbursements are made based on approved positions, established employee benefits, and through invoices submitted for operating expenses from the operation of the program.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Lobbying Disclosure			
	State \$	Federal \$	Other \$	Total \$
PERSONNEL				
1. Personnel costs for current complement of 4 were prepared using instructions and factors provided by the Office of the Budget:	<u>\$32</u>	<u>\$0</u>	<u>\$0</u>	<u>\$32</u>
Subtotal Personnel:	\$32	\$0	\$0	\$32
OPERATING				
1. Decrease in costs to maintain ongoing operations:	<u>(\$28)</u>	<u>\$0</u>	<u>\$6</u>	<u>(\$22)</u>
Subtotal Operating:	(\$28)	\$0	\$6	(\$22)
Fixed Assets				
1. Decrease in costs to maintain ongoing operations:	<u>(\$4)</u>	<u>\$0</u>	<u>\$0</u>	<u>(\$4)</u>
Subtotal Fixed Assets:	(\$4)	\$0	\$0	(\$4)
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$6</u></u>	<u><u>\$6</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)
No obligations for this appropriation	

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025

(\$ Amounts in Thousands)

LOBBYING DISCLOSURE

Program Narrative

Act 134 of 2006, the Lobbying Disclosure Act, requires the Department of State to register lobbyists, lobbying firms and principals, developing and providing registration and reporting forms, developing and maintaining a website for computerized filing, making registrations and reports available for public inspection, conducting audits and producing a lobbying directory. Every two years all registrants must renew their registration records in order to remain registered under the Act. By law, the Department of State is tasked with maintaining records and the State Ethics Commission is tasked with enforcement. As such, the Department of State is also responsible for providing certified copies of lobbying records related to alleged non-compliance to the State Ethics Commission for investigatory purpose.

The narrative under General Government Operations Elections and Commissions also encompasses this appropriation.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Publishing Constitutional Amendments (EA)

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	\$4,500	\$0	\$1,300
Total	\$4,500	\$0	\$1,300
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Publishing Constitutional Amendments (EA)		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
OPERATING					
State Funds	\$4,500	\$0	\$1,300	\$1,300	100.00%
Total Operating	\$4,500	\$0	\$1,300	\$1,300	100.00%
TOTAL FUNDS					
State Funds	\$4,500	\$0	\$1,300	\$1,300	100.00%
Total Funds	\$4,500	\$0	\$1,300	\$1,300	100.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Publishing Constitutional Amendments (EA)
--

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024 Estimated</u>
State Funds	\$ 4,500	0	0

IV. COMPLEMENT INFORMATION
No complement for this appropriation.

V. DERIVATION OF REQUEST / LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA
<p>Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for advertising any joint resolutions passed by both chambers of the General Assembly.</p> <p>Legislative Citations: Article XI of the Constitution of Pennsylvania relating to constitutional amendments.</p> <p>Disbursement Criteria: This program is required by Article XI of the Constitution of Pennsylvania relating to constitutional amendments. The Constitution requires that the Secretary of the Commonwealth publish the text of the proposed constitutional amendments in newspapers in all counties of the Commonwealth.</p>

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Publishing Constitutional Amendments (EA)			
	State \$	Federal \$	Other \$	Total \$
OPERATING				
1. Increase in costs to publish constitutional amendments:	<u>\$1,300</u>	<u>\$0</u>	<u>\$0</u>	<u>\$1,300</u>
Subtotal Operating	\$1,300	\$0	\$0	\$1,300
TOTAL	<u><u>\$1,300</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$1,300</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

PUBLISHING CONSTITUTIONAL AMENDMENTS (EA)

Program Narrative

Upon the passing of a joint resolution, the Secretary of the Commonwealth is required by the Pennsylvania Constitution to publish a proposed constitutional amendment in two (2) newspapers of circulation in every county in each of the three (3) months prior to the election in which it will be voted on. Currently there are no amendments, however a joint resolution could be approved for publishing for future elections.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Electoral College

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	\$0	\$0	\$10
Total	\$0	\$0	\$10
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplemental requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Electoral College		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
OPERATING					
State Funds	\$0	\$0	\$10	\$10	100.00%
Total Operating	\$0	\$0	\$10	\$10	100.00%
TOTAL FUNDS					
State Funds	\$0	\$0	\$10	\$10	100.00%
Total Funds	\$0	\$0	\$10	\$10	100.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Electoral College
--

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024 Estimated</u>
State Funds	\$0	\$0	\$0

IV. COMPLEMENT INFORMATION
No complement for this appropriation.

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA
<p>Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget includes funding for cost reimbursements to presidential electors for travel and contingent expenses of the Electoral College.</p> <p>Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes" on the following pages.</p> <p>Legislative Citations: This program is required by Section 1504 of the Pennsylvania Election Code, 25 P.S. § 3194, which provides for cost reimbursement to presidential electors for travel and contingent expenses of the Electoral College. The Electoral College meets every four (4) years in conjunction with the presidential election. The Electoral College will convene on December 17, 2024.</p> <p>Disbursement Criteria: Disbursements are made through travel expense vouchers and invoices submitted for operating expenses incurred from the ceremonial procedures of the Electoral College.</p>

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Electoral College			
	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
OPERATING				
1. Presidential Election Year:	<u>\$10</u>	<u>\$0</u>	<u>\$0</u>	<u>\$10</u>
Subtotal Operating	\$10	\$0	\$0	\$10
TOTAL	<u><u>\$10</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$10</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025 (\$ Amounts in Thousands)		
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
<u>No obligations for this appropriation</u>		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

ELECTORAL COLLEGE EXPENSES

Program Statement

This program is required by Section 1504 of the Pennsylvania Code which provides for cost reimbursement to presidential electors for travel and contingent expenses of the Electoral College. The Electoral College meets every four (4) years, in conjunction with the presidential election and will convene on December 17, 2024.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Voting of Citizens in Military Service

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	\$20	\$20	\$20
Total	\$20	\$20	\$20
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Voting of Citizens in Military Service		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
GRANTS & SUBSIDIES					
State Funds	\$20	\$20	\$20	\$0	0.00%
Total Grants & Subsidies	\$20	\$20	\$20	\$0	0.00%
TOTAL FUNDS					
State Funds	\$20	\$20	\$20	\$0	0.00%
Total Funds	\$20	\$20	\$20	\$0	0.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Voting of Citizens in Military Service
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$20	\$18	\$0

IV. COMPLEMENT INFORMATION No complement for this appropriation.
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V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget provides the required funding to reimburse County Boards of Election at a rate of \$0.60 for each military and overseas civilian absentee ballot cast during an election. Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page. Legislative Citations: Section 305 (c) of the Pennsylvania Code Disbursement Criteria: Disbursements are made to reimburse County Boards of Election.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Voting of Citizens in Military Service			
	State \$	Federal \$	Other \$	Total \$
GRANTS & SUBSIDIES				
1. No change:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Grants & Subsidies	\$0	\$0	\$0	\$0
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VOTING OF CITIZENS IN THE MILITARY SERVICE

Program Narrative

This program is required by Section 305 (c) of the Pennsylvania Election Code. The Department of State is required to reimburse the County Boards of Elections at a rate of \$.60 for each military and overseas absentee ballot cast during an election.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
County Election Expenses (EA)

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	<u>\$1,065</u>	<u>\$400</u>	<u>\$400</u>
Total	\$1,065	\$400	\$400
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: County Election Expenses (EA)		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
GRANTS & SUBSIDIES					
State Funds	<u>\$1,065</u>	<u>\$400</u>	<u>\$400</u>	<u>\$0</u>	<u>0.00%</u>
Total Grants & Subsidies	\$1,065	\$400	\$400	\$0	0.00%
TOTAL FUNDS					
State Funds	<u>\$1,065</u>	<u>\$400</u>	<u>\$400</u>	<u>\$0</u>	<u>0.00%</u>
Total Funds	\$1,065	\$400	\$400	\$0	0.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: County Election Expenses (EA)
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III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$99	\$0

IV. COMPLEMENT INFORMATION No complement for this appropriation.

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget provides funding for this program to reimburse County Boards of Election for the cost of conducting special elections to fill vacancies in the General Assembly, as well as costs associated with mandated recounts. Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page. Legislative Citations: PA Election Code - 25 P.S. § 2645(a)4 - 25 P.S. § 3154(g) - 25 P.S. § 3261(b) and 3262(a.1) Disbursement Criteria: Disbursements are made to reimburse County Boards of Election for expenses related to special elections and mandated recounts.
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DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: County Election Expenses (EA)			
	State \$	Federal \$	Other \$	Total \$
GRANTS & SUBSIDIES				
1. No Changes	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Grants & Subsidies	\$0	\$0	\$0	\$0
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

COUNTY ELECTION EXPENSES (EA)

Program Narrative

This program provides for reimbursement of expenses to County Boards of Election which are required to conduct special elections to fill vacancies in the General Assembly, as well as costs associated with mandated recounts.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Election Code Debt Service

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
State Funds	\$9,264	\$9,256	\$9,247
Total	\$9,264	\$9,256	\$9,247
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Election Code Debt Service		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
Debt Service/Investment					
State Funds	\$9,264	\$9,256	\$9,247	(\$9)	-0.10%
Total Debt					
Service/Investment	\$9,264	\$9,256	\$9,247	(\$9)	-0.10%
TOTAL FUNDS					
State Funds	\$9,264	\$9,256	\$9,247	(\$9)	-0.10%
Total Funds	\$9,264	\$9,256	\$9,247	(\$9)	-0.10%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Election Code Debt Service

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$1	\$0	\$1

IV. COMPLEMENT INFORMATION No complement for this appropriation.
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V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA Derivation of Request: The Fiscal Year 2024-2025 Governor's Executive Budget provides for year five (5) debt service principal and interest payments. Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page. Legislative Citations: The Act of October 31, 2019, P.L. 552, No. 77 ("Act 77"), added Article XI-B ("Article XI-B") to the Act of June 3, 1937 (P.L. 1333, No. 320), as amended, known as the Election Code. Disbursement Criteria: This appropriation provides for year five (5) debt service principal and interest payments.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)	APPROPRIATION: Election Code Debt Service			
	State \$	Federal \$	Other \$	Total \$
Debt Service/Investment				
1. Decrease in costs for principal and interest payments:	(\$9)	\$0	\$0	(\$9)
Subtotal Debt Service/Investment	(\$9)	\$0	\$0	(\$9)
TOTAL	(\$9)	\$0	\$0	(\$9)

VII. Obligations from 2023-2024 rolled to 2024-2025	(\$ Amounts in Thousands)	
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Election Code Debt Service

Program Narrative

This program under Act 77 of 2019 authorizes the Pennsylvania Economic Development Financing Authority to issue a bond in the amount of \$90 million for financing of a project consisting of grants made to all Pennsylvania counties for the purpose of reimbursing 60% of costs associated with county voting apparatus purchases. This appropriation provides for two (2) debit service principal and interest payments annually. The fiscal year 2024-25 budget will cover year five (5) of the 10 year principal and interest repayment plan.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

Page # of Governor's Executive Budget:
Pg. E38-1 through E38-7

APPROPRIATION:
Real Estate Recovery Fund (EA)

I. SUMMARY FINANCIAL DATA			
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>
Other Funds Total	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>
Total	\$150	\$150	\$150
IA. REQUESTED SUPPLEMENTALS (Included above)			
No supplementals requested			

II. DETAIL BY MAJOR OBJECT (\$ Amounts in Thousands)			APPROPRIATION: Real Estate Recovery Fund (EA)		
	<u>2022-2023 ACTUAL</u>	<u>2023-2024 AVAILABLE</u>	<u>2024-2025 BUDGETED</u>	<u>Change Budgeted vs. Available</u>	<u>Percent Change</u>
GRANTS & SUBSIDIES					
<i>Other Funds</i>	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>	<u>\$0</u>	<u>0.00%</u>
Total Grants & Subsidies	\$150	\$150	\$150	\$0	0.00%
TOTAL FUNDS					
<i>Other Funds</i>	<u>\$150</u>	<u>\$150</u>	<u>\$150</u>	<u>\$0</u>	<u>0.00%</u>
Total Funds	\$150	\$150	\$150	\$0	0.00%

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
 (\$ Amounts in Thousands)

APPROPRIATION: Real Estate Recovery Fund (EA)

III. HISTORY OF LAPSES (\$ Amounts in Thousands)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u> Estimated
State Funds	\$0	\$0	\$0
This appropriation does not lapse to the General Fund.			

IV. COMPLEMENT INFORMATION
No complement for this appropriation.

V. DERIVATION OF REQUEST/ LEGISLATIVE CITATIONS / DISBURSEMENT CRITERIA
<p>Derivation of Request: This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission.</p> <p>Detail on the appropriation request is outlined in Section VI, entitled "Explanation of Changes," on the following page.</p> <p>Legislative Citations: Real Estate Recovery Fund 63 P.S. Section 455.801 <i>et. seq.</i></p> <p>Disbursement Criteria: This appropriation is funded from fees paid by licensees, with interest on investments being retained by the fund. Disbursements are made from court ordered judgements.</p>

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

VI. EXPLANATION OF CHANGES (\$ Amounts in Thousands)		APPROPRIATION: Real Estate Recovery Fund (EA)		
GRANTS & SUBSIDIES	<u>State \$</u>	<u>Federal \$</u>	<u>Other \$</u>	<u>Total \$</u>
1. No change:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Subtotal Grants & Subsidies	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
TOTAL	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

VII. Obligations from 2023-2024 rolled to 2024-2025		(\$ Amounts in Thousands)
<u>Funding Source</u>	<u>Appropriation</u>	<u>Amount</u>
No obligations for this appropriation		

DEPARTMENT OF STATE BUDGET REQUEST FOR FY 2024-2025
(\$ Amounts in Thousands)

REAL ESTATE RECOVERY FUND (EA)

Program Narrative

This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgments against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund. If the balance of the fund goes below \$300,000, it is the responsibility of the Bureau of Professional and Occupational Affairs to assess current licensees an additional fee, up to \$10, to restore the account to \$500,000.

Payouts from this fund are court ordered and payment is due within 30 days of being presented to the Department of State. Annually, the Department of State requests spending authority in the amount of \$150,000 to make payment on said judgments.

For additional information on the Department of State Programs, refer to the Governor's Executive 2024-2025 Budget, pg. E38-1 through E38-7, and the FY 2024-2025 Agency Budget Submission.

Real Estate Recovery Fund

This fund was established in 1980 to reimburse aggrieved persons any amounts unpaid from final judgements against any person licensed by the Real Estate Commission. Revenue is derived from additional fees paid by licensees, with interest on investments being retained by the fund.

Statement of Cash Receipts and Disbursements: (Dollar Amounts in Thousands)

	<u>2022-23 Available</u>	<u>2023-24 Estimated</u>	<u>2024-26 Estimated</u>
Cash Balance, Beginning	\$ 844	\$ 928	\$ 888
Receipts:			
Additional License Fees.....	59	\$ 60	\$ 60
Interest	31	50	40
Total Receipts	90	110	100
Total Funds Available	\$ 934	\$ 1,038	\$ 988
Disbursements:			
State.....	\$ 6	\$ 150	\$ 150
Total Disbursements	-6	-150	-150
Cash Balance, Ending	<u>\$ 928</u>	<u>\$ 888</u>	<u>\$ 838</u>

County Voting Apparatus Fund

The County Voting Apparatus Fund was established in accordance with Act 77 of 2019 to account for the deposit of proceeds for the county voting machine bonds. The legislation authorizes the Pennsylvania Economic Development Financing Authority (PEDFA) to issue bonds on behalf of the Department of State for up to \$90,000,000 to provide funding for counties to replace voting systems. Debt service payments would be subject to annual appropriations by the General Assembly. While county applications for grant funds have expired, eligible reimbursement payments of up to 60 percent of the costs incurred in securing voting systems will continue be made to counties throughout the grant award period.

Statement of Cash Receipts and Disbursements: (Dollar Amounts in Thousands)

	<u>2022-23 Available</u>	<u>2023-24 Estimated</u>	<u>2024-26 Estimated</u>
Cash Balance, Beginning	\$ 38,799	\$ 17,210	\$ 9,670
Receipts:			
Interest	724	913	434
Total Receipts	724	913	434
Total Funds Available	\$ 39,523	\$ 18,123	\$ 10,104
Disbursements:			
State:			
State:.....	\$ 22,313	\$ 8,453	\$ 1,237
Total Disbursements	-22,313	-8,453	-1,237
Cash Balance, Ending	\$ 17,210	\$ 9,670	\$ 8,867

Department of State

Management Directive 310.3 (Act 146) Waivers for Fiscal Years prior to 2023-2024
Dollar Amounts in Thousands

<u>Appropriation</u>	<u>Year Waived</u>	<u>Amount</u>
General Government Operations	2021	Available Balance and Commitments
General Government Operations	2022	Available Balance and Commitments
Statewide Uniform Registry of Electors	2021	Available Balance and Commitments
Statewide Uniform Registry of Electors	2022	Available Balance and Commitments
Lobbying Disclosure	2022	Available Balance and Commitments
Professional an Occupational Affairs	2022	Available Balance and Commitments
State Board of Medicine	2022	Available Balance and Commitments
Publishing Constitutional Amendments	2022	Available Balance and Commitments