



STATE OF INDIANA

Todd Rokita, Secretary of State

J. Bradley King, Co-Director
Pamela Potesta, Co-Director

Indiana Election Division
302 West Washington Street, Room E204
Indianapolis, Indiana 46204-2767
Phone: (317) 232-3939
Fax: (317) 233-6793

November 22, 2010

Mr. Christopher A. Ruhl, Director
Office of Management and Budget
212 State House

Dear Mr. Ruhl:

We are pleased to transmit the proposed FY 2011-2013 budget for the Indiana Election Division. The following information is included in support of the Division's budget submission:

- Exhibit A: The mission statement for the Division
- Exhibit B: Budget overviews for each agency account

The actuarial numbers for the budget will be transmitted via BudStars.

Under our bipartisan direction, and in coordination with the Indiana Election Commission and the Secretary of State, the Election Division continues to focus on upholding our agency mission while maintaining and improving our direct service relationship with our constituencies: Indiana's election and voter registration professionals; officeholders and candidates; political party and political action committee chairs and treasurers, and of course, Hoosier voters.

Our operations and expenditures are governed by a 2-year election cycle, which culminates in the November general election in even-numbered years. As a result, the bulk of our expenditures are made to prepare for the next general election (November 2012).

To that end, the Election Division proposes the following three goals for the next biennium:

(1) Improvements in Voter Registration Administration:

Indiana met the January 1, 2006 deadline set by federal law (the Help America Vote Act of 2002 [HAVA]) to establish a statewide voter registration system. This interactive and uniform database is now the official voter registration list for the State of Indiana.

As a result, voter registration information is being shared among not only 92 county voter registration offices on a daily basis, but with several other state and federal agencies, to ensure that Indiana's voter registration records are updated each day on an "expedited basis" to add new registrations, process transfers of registration, and to remove deceased or other disqualified voters.

On July 1, 2010, Indiana became the 8th state in the nation to implement on-line voter registration, with the statewide voter registration system serving as the platform to permit Hoosier voters to submit an entirely paper-less application to their county voter registration offices.

The implementation of this statewide system has been achieved through unprecedented cooperation and input from representatives of county voter registration offices, other state agencies, the state committees of political parties, and of voters with disabilities.

These interested parties continue to identify refinements and improvements that can be made to the statewide voter registration system. These improvements include providing system information requested by users in a variety of reports and formats that were not available before the implementation of the system. The Election Division anticipates that during the next biennium other changes to the current statewide voter registration system will be required as a result of federal or state legislation.

Now that the system is in operation, the Election Division must obtain the technical resources to ensure that the system is properly maintained (and efficiently administered) during the next biennium so that Indiana's voter registration system continues to comply with federal law. To do so, the Election Division has begun a transition from the interim administration of this program by its project manager to ongoing administration of the program.

The Election Division also must ensure that the smooth operation of the system is not interrupted for any of the 92 county voter registration offices in Indiana, and has begun periodic repair, upgrade, and replacement of system hardware and other components that will continue throughout the anticipated 20 year life of the statewide voter registration system.

In 2006, the Election Division conducted the first statewide voter list maintenance mailing, which was sent to every Hoosier voter. Under the requirements of the federal court consent decree in *United States of America v. State of Indiana*, the Election Division developed and implemented an ongoing voter list maintenance plan for the 2007-2009 biennium.

However, as discussed in detail in *Exhibit B: Budget Overview* below: (1) the creation and ongoing operation of the statewide voter registration system since 2006 (and the statewide voter list maintenance mailing in that year); and (2) the implementation of poll worker training and voter education regarding HAVA requirements, were accomplished primarily by using *federal* funds. By July 1, 2011, these funds will have been expended or otherwise allocated to comply with the requirements of the federal HAVA law.

Although the mandates imposed by HAVA (such as operating the statewide voter registration system and providing voters with information) will continue indefinitely, federal funding of HAVA will end after the current biennium.

As a result, the Election Division is compelled to seek the *state* funding necessary to cover the ongoing costs of the statewide voter registration system's operation and maintenance and voter education.

(2) Improvements in Election Administration:

Indiana also met its federal deadline under HAVA to replace all lever voting machines and punch card voting systems in Indiana before the May 2006 primary. The Election Division, in conjunction with the Office of the Secretary of State, administered a program to provide federal and state funds to reimburse counties which had purchased Indiana certified voting equipment to replace the lever and punch card systems.

The Election Division has also worked to ensure that Indiana complies with HAVA by reimbursing counties for the purchase of voting systems which allow a voter with a disability (such as blindness, for example) to cast their ballots privately and independently.

This county reimbursement program is expected to be completed within the current biennium.

The Election Division has also implemented the Voting System Technical Oversight Program authorized by the General Assembly in 2005 (IC 3-11-16).

This program, administered by the Bowen Center of Ball State University, is providing critical technical expertise to assist the Indiana Election Commission in reviewing voting systems for certification and use in Indiana elections to ensure that the voting systems meet federal standards and comply with Indiana law.

The Election Division devotes considerable time and resources to serve as an election information clearinghouse for voters, the media, candidates, political parties, and legislators. We plan to continue to improve and expand the election information available on our website to reduce publication and photocopying costs, and the volume of telephone calls seeking general information about the election process.

During the current biennium, this office has coordinated educational efforts with the Office of the Secretary of State to vastly improve the quantity and quality of election training available to county clerks, election administrators, and poll workers to provide assistance in understanding and properly implementing the changes in election law resulting from federal HAVA and state election legislation.

The most noteworthy feature of these educational efforts is *Who Are Your Elected Officials*, the nation's first comprehensive electronic directory of all elected officials, from President of the United States to township board and school board members. By entering their address, or clicking a location on a map of the state, an Indiana voter receives a listing of the more than 30 elected officials who represent that voter, along with contact information and job descriptions for each elected official.

Likewise, *Who Is on Your Ballot*, which was inaugurated for the May 2010 primary election, provides customized electronic sample ballots, which permit each voter to see the names of the candidates, and text of the public questions, which will appear on the ballot in that voter's specific precinct.

The Election Division has also coordinated with the Office of the Secretary of State to undertake a program of outreach to every Hoosier voter. These efforts include creating a website that permits voters to confirm their voter registration status and learn the location of the polling place for their precinct designated by their county election officials.

The Election Division will continue to search for innovative methods and tools to inform voters, poll workers, and county election officials about the election process.

(3) Improvements in Campaign Finance Administration:

The administration of campaign finance reporting and making committee reports available to the public is a major responsibility of the Election Division. Legislation enacted by the General Assembly in 2005 has assisted the Election Division in making progress toward achieving its goal of reducing the largest single cost incurred in campaign finance administration: the manual data entry of lengthy campaign finance reports submitted in paper form only. The 2005 legislation required candidates for statewide office and certain political action committees to file their reports electronically without manual data entry, and has significantly assisted the Election Division in containing these data entry costs.

Under Indiana law, the data on all reports must be entered in the Election Division's campaign finance database. The Election Division has ensured that this information is available to the public on its website within 7 days after the deadline for filing pre-primary reports and pre-election reports, and within 14 days after the deadline for filing annual reports, so that members of the public, candidates, and other interested parties have access to this critical information *before* the primary and general elections are held.

We understand from our campaign finance vendor that having detailed web access to this campaign finance information before the next election is still the exception, not the rule, among the 50 states.

The Election Division continues to energetically encourage committees which file their reports in paper form to begin filing using the free electronic software campaign finance reporting programs supplied by the Election Division, and has worked extensively with private campaign finance software vendors to ensure that their programs are compatible with the Election Division's campaign finance database so that manual data entry costs can be avoided to the greatest extent possible. We continually solicit suggestions for user-friendly improvements to the Division's campaign finance software and website.

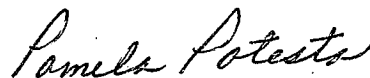
Thanks also to legislation enacted by the General Assembly, the Election Division has reduced the number of campaign finance enforcement actions by offering committees an opportunity to settle potential enforcement actions without requiring a public hearing by the Indiana Election Commission. This program reduces administrative notice and hearing costs and has permitted the reallocation of staff efforts towards further reduction of manual data entry costs. The Election Division continues to work towards reducing the need for these enforcement actions by offering candidates, political committees, and counties (who conduct their own campaign finance administration) with training materials and opportunities to become more knowledgeable regarding campaign finance laws and procedures.

We hope that the enclosed information is useful as the State Budget Agency prepares for the next biennium. Please feel free to contact us if we may be of assistance.

Sincerely,



J. Bradley King
Co-Director



Pamela Potesta
Co-Director

Exhibit A: Mission Statement

The primary mission of the bipartisan Indiana Election Division is to assist the Secretary of State in “ministerial duties related to the administration of elections,” (IC 3-6-4.2-2) and to assist the Indiana Election Commission, a separately created administrative body, in its mandate to “govern the fair, legal, and orderly conduct of elections in Indiana (IC 3-6-4.1-14).

The duties of the Indiana Election Division include:

Administration of the Help America Vote Act of 2002 (HAVA) State Plan. The Election Division works with the Secretary of State to administer this plan, which was originally adopted in 2005 to specify how Indiana would implement HAVA (IC 3-11-6.5-2.1). Although certain tasks under the HAVA State Plan have been almost totally completed (the reimbursement of counties for voting system upgrades, for example), the Election Division continues to assist with the development of voter education programs created under the Plan, with the ongoing maintenance and enhancement of the statewide voter registration system required by HAVA, and with the administration of the grievance procedure required by HAVA.

Statewide Voter Registration System Administration and Voter List Maintenance: The Election Division, in conjunction with the Office of the Secretary of State, has implemented and now administers the statewide voter registration system required under HAVA. The Election Division must provide the support required for the county voter registration offices to enter information into the statewide system (IC 3-7-26.3-3; 3-7-26.3-10).

The Co-Directors of the Election Division are jointly designated as the election officials charged with administering the National Voter Registration Act of 1993 (NVRA) (IC 3-7-11-1) in Indiana. HAVA and Indiana law require that the Co-Directors ensure that the voter registration records are accurate and updated regularly, and perform the voter list maintenance required by the National Voter Registration Act of 1993 (NVRA).

Providing Training and Support for Election and Voter Registration: The Election Division provides training and support for circuit court clerks, county election board members, county voter registration board members, and county administrative staff through a variety of means, such as the annual election administrators’ instructional conference required under IC 3-6-4.2-14. The Election Division maintains a web site: www.in.gov/sos/elections, which makes its publications and other election information widely available. The office continues to produce several publications targeted towards specialized audiences, such as candidates, or voter registration board members, as well as

broader audiences, such as voters. The Election Division enhances its training and support duties by developing professional relationships with local election administrators, elected officials, candidates, and other interested parties in the electoral process.

Voter Education and Outreach: The Election Division serves as a clearinghouse of information pertaining to election laws and election data for state and local elected officials, the news media, political organizations, and the general public. For example, the Election Division publishes preliminary "Election Night Results" for state level elections on its website, based on information supplied by county election officials. During the current biennium, the Election Division has worked in conjunction with the Office of the Secretary of State to develop significantly expanded voter education and outreach programs to attempt to make every Hoosier voter aware of significant changes in election laws and procedures. This voter education program has used a variety of media, from television and radio to advertisements on city buses, to reach as many voters as possible.

The Election Division is designated as the office that provides information regarding voter registration and absentee ballot procedures for Indiana's military voters and overseas voters, and has concentrated its educational efforts during the last year to implement the federal Military and Overseas Voter Empowerment Act (MOVE).

The Election Division provides detailed information to the United States Election Assistance Commission (EAC), the federal agency charged with the administration of HAVA as part of its nationwide survey of election officials.

Enforcing Campaign Finance Laws: The Indiana Election Commission, a separate four-member administrative body created by state law (IC 3-6-4.1), administers the Indiana Campaign Finance Act. The Commission is empowered to levy civil penalties for violations of these laws. In contrast, the Election Division performs the day-to-day administrative work of collecting data reported by committees regarding the raising and expenditure of campaign funds. As a result, the Election Division serves as the repository for campaign finance reports filed by hundreds of candidates, political party committees, and political action committees. The Election Division makes these reports available for public inspection both at the agency's office and on the Internet at a searchable website: <http://campaignfinance.in.gov>. The Election Division audits reports and presents the Commission with information regarding alleged campaign finance violations.

Certification of Voting Systems: The Indiana Election Commission must approve each voting system or upgrade to an existing voting system before the system's vendor markets, sells, leases, installs, implements, or permits the use of the voting system by counties or voters in Indiana elections. The Election Division accepts filings and processes applications from vendors for voting system certification.

The Voting System Technical Oversight Program (VSTOP), administered by the Bowen Center of Ball State University, advises the Commission whether the components of the application required by state law (such as reports from nationally accredited independent

testing authority laboratories [ITA] indicating compliance with national voting system standards, and the documentation of escrow of system software), have been properly filed, and whether the voting system's features specifically required under Indiana law are properly functioning.

VSTOP has also developed the first comprehensive inventory of the individual voting system models used by the counties to conduct Indiana elections, along with a database detailing the contracts entered into by counties with voting system vendors.

Maintaining Maps of Election Districts: The Election Division is required to maintain complete legal descriptions and maps for all precincts in the state. The statewide voter registration system contains features which now permit these maps to be stored and reproduced in electronic form. The Co-Directors of the Election Division may approve precinct boundary changes. However, if any objection is filed to a proposed precinct change, the matter is referred to the Indiana Election Commission for decision.

Additional Responsibilities: The Election Division provides administrative support to the Indiana Election Commission in other administrative proceedings, such as when the Commission conducts hearings to determine candidate eligibility challenges, or in developing and revising the uniform election forms for approval by the Commission under IC 3-5-4-8 whenever these forms must be created or revised to reflect new or amended election laws.

The Election Division provides administrative support to the Indiana Recount Commission when that body conducts a recount or contest proceeding.

The Election Division assists the Secretary of State with the performance of certain election duties, such as the certification of primary election returns, and assists the Office of the Governor with the issuance of commissions or certificates of election to state legislators, to statewide elected officials, and to the constitutionally-created county offices.

Exhibit B: Budget Overview

EXECUTIVE SUMMARY

During the current biennium, Indiana will have accomplished three major tasks required by the state's plan to implement the federal Help America Vote Act (HAVA): (1) the reimbursement of counties for the replacement of all punch card voting systems and lever machines formerly used by Hoosier voters; (2) the maintenance and enhancement of Indiana's first statewide voter registration system, which links 92 county voter registration offices in real-time with each other, and with state and federal agencies, to improve the accuracy of the voter registration list; and (3) making the voting process accessible for voters with disabilities by improving access to polling places, and by

providing voting systems which allow any voter, regardless of disability, to cast a ballot privately and independently.

These achievements were accomplished by an unprecedented level of effort and cooperation between the Election Division (and other state offices and agencies) and county clerks, election administrators, and voter registration officials throughout Indiana, and by the availability of federal funding to implement the first stage of these mandates.

During the next biennium, Indiana faces the challenge of continuing to meet HAVA requirements by ensuring that all voting systems used by Hoosier voters continue to comply with HAVA standards; that polling places and voting systems remain accessible to voters with disabilities; that a technically complex voter registration system is properly maintained to ensure accurate voter registration lists; and that voters are provided with information regarding voter registration and election dates, deadlines, and procedures.

The Election Division (in coordination with the Office of the Secretary of State) will strive to meet these requirements during the next biennium, but the federal funding available to continue to comply with these federal mandates is expected to be entirely expended or otherwise allocated by the end of the *current* biennium. Although additional federal funds were originally authorized by HAVA, these remaining federal dollars have not been appropriated by Congress.

In addition to these new programs and their responsibilities, the Election Division will continue its historic role of assisting state and local election officials in administering the 2011 municipal elections, the 2012 presidential-year primary, and the 2012 presidential-year general election. The Election Division plans additional features and improvements to our web site, so that Indiana voters (and future voters) will have access to more information about candidates, legislative districts, election results, and other information to enhance their meaningful participation in the election process.

The Election Division also will continue to assist candidates and political committees by improving its campaign finance software, based on customer feedback, and by making ongoing improvements to the Division's campaign finance web site.

Since the implementation of enhanced campaign finance reporting and disclosure required under legislation adopted in 1997, and by the adoption of electronic filing by statewide candidate committees and certain political action committees in 2005, campaign finance administration has continued to grow as a responsibility of this agency.

The greatest single outlay for campaign finance administration is the data entry of campaign finance reports submitted in paper form. These campaign finance data entry costs vary with the election cycle (with the greatest volume of data entry resulting from reports filed in the October preceding a general election, and the reports filed in the following January). The Election Division has endeavored to reduce these data entry costs by encouraging all committees to submit their reports using online electronic filing software. These efforts have met with some success, with approximately 1/3 of all

committees having obtained the necessary security passwords to file their reports electronically by using this software.

As a result, the Election Division was able to totally eliminate these costs for the April 2010 pre-primary report (and to reduce these costs for the October 2010 pre-general election report) by performing much of this data entry work in-house through the efforts of the Election Division's two campaign finance staff employees.

However, the Division's optimism concerning this achievement is tempered by its uncertainty regarding the quantity of paper reports that will be filed during the general elections scheduled during the next biennium. The Division will continue to encourage all candidates and committee treasurers to obtain the free software provided by the Division to contain and further reduce these costs and work vigorously to make this software as user-friendly as possible. The Election Division's budget for the next biennium is based on the assumptions that: (1) total campaign finance data entry costs will not increase beyond current levels; and (2) that the General Assembly will not adopt any additional campaign finance reporting requirements that would impact the Division's budget in the next biennium.

The attached budget reflects an efficient and realistic projection of the requirements that the Election Division will need to continue to fulfill its duties under state and federal law. Except as noted below in the discussion of HAVA Training and Voter Education, the Election Division budget does not request any funding increases for any program activities in the *General Operating Budget* for the next biennium.

The Election Division's experience with the costs associated with implementing HAVA during the current biennium has provided guidance regarding the amount of additional state funding which will be necessary to replace the federal dollars currently used carry out the ongoing mandates imposed under this federal law.

The statewide voter registration system currently costs the state \$2,598,660 per year to operate (\$5,197,320 for the biennium). In each fiscal year of the current biennium, \$512,500 in state funds was appropriated for voter list maintenance, leaving a gap of \$2,086,160 per year.

This funding gap was covered by *federal* money in the current biennium, but since those federal funds will no longer be available, the Election Division's budget for Voter List Maintenance includes a requested increase of \$3,928,000 for the next biennium.

The total estimated cost for operating and maintaining the statewide voter registration system during the next biennium is \$5,103,000 (which reflects holding costs steady, and even modestly reducing them from current levels).

The Election Division fully appreciates that the timing and circumstances for requesting this increase in state funding could hardly be worse. Although the Election Division continues to work to identify and implement efficiencies in the operating and maintenance costs of the statewide voter registration system, candor compels us to acknowledge that these savings will be marginal, and that a technically complex computer system linked to 92 county offices and several state and federal agencies requires a significant amount of funding simply to perform its functions.

Recognizing the far-reaching impacts of improvements to Indiana's election process that have been achieved in the current biennium from the implementation of HAVA, the Division's budget seeks to ensure that the success of these initiatives will continue, so that Indiana's 2012 primary and general elections will be a national model for efficient election administration that bolsters the confidence of Hoosier voters in the integrity of their election process.

The Election Division's budget is presented in three major divisions: the general operating budget, the instructional conference budget, and the special initiatives to continue and implement HAVA programs. A brief description of each budget is outlined below to summarize the agency requests.

General Operating Budget 10590

This current year estimate of the next biennium's budget needs reflects the necessary baseline funding for employee compensation, to continue to perform campaign finance administration and the other basic office operations necessary to all election administration activities with which this agency is charged. For existing functions (other than the training and voter education discussed below), the Election Division requests that the funding for the "Other Operating Expense" budget line remain at the level set in the current biennial budget (\$196,242 per fiscal year).

The attached budget reflects the ongoing hardware and software costs to continue to providing campaign finance information to the public in a searchable electronic database on our web site, as required by state law. This program is under contract with a vendor to provide the data storage and maintenance services for campaign finance report information for an annual cost of approximately \$60,000.

Instructional Conference Budget 44790

Indiana Code 3-6-4.2-14 requires the Election Division to "call a meeting of the county election boards and the boards of voter registration to instruct them as to their duties." This annual election conference has been attended in recent years by between 300 and 400 participants from throughout Indiana.

The budget attached to this request is a self-funding seminar account. Registration fees from participants are intended to cover the entire cost of conducting the meeting. The attached budget estimates project costs that are consistent with historical costs for this account.

**Campaign Finance Enforcement Fund
45440**

This account was established under Indiana Code 3-9-4-16 and is entirely funded by campaign finance enforcement civil penalties levied by the Indiana Election Commission, or by funds from settlement agreements to pay proposed civil penalties entered into by committees under IC 3-9-4-20. The funds in the account are used to assist with campaign finance administration conducted by the Division.

**Election Technology and Administration Requirements (HAVA Title II)
13140**

Title II of HAVA requires the appropriation of matching funds by the state to assist with the establishment of the statewide voter registration system (and other requirements set forth in Titles II and III of HAVA). The amount of the required state match is fixed by federal law at 5% of the total amount to be spent by the state in complying with Title III.

However, it does not appear that any additional federal HAVA funds will be appropriated during the next biennium, and there is therefore no foreseeable need for state matching funds.

\$0 for 2011-2012; \$0 for 2012-2013.

**Section 101 HAVA
60300**

This account was established under Indiana Code 3-11-6.5 to carry out the HAVA requirement to conduct activities to improve various aspects of the administration of federal elections, including voter education and the training of election officials and poll workers. During the current biennium, the Election Division has assisted the Office of the Secretary of State in developing many new publications and other educational products, such as public service announcements about voting procedures broadcast throughout Indiana. The federal funds and state matching funds previously appropriated to this account in the current biennium have been used or encumbered for these purposes. As a result, it is anticipated that the remaining federal funds will be sufficient to conduct these programs during the current biennium. But in the next biennium, the federal funds will have been entirely expended or allocated towards fulfilling other HAVA requirements, such as the administrative grievance procedure.

\$0 for 2011-2012; \$0 for 2012-2013

Programs to be conducted using federal Help America Vote Act funds

**Section 102 HAVA
60300**

This account was established to carry out the HAVA requirements to replace punch card and lever voting machines. Indiana law (IC 3-11-6.5) provided for counties to be reimbursed following their purchase or lease of upgraded voting systems. The replacement of the former county voting machines has been completed, and the reimbursement of counties for these purchases is expected to be completed during the current biennium. As a result, it is anticipated that the remaining federal funds will be sufficient to conduct this program during the current biennium. But by the beginning of the next biennium, these federal funds will have been entirely expended.

\$0 for 2011-2012; \$0 for 2012-2013

Programs to be conducted using federal Help America Vote Act funds

**Title III HAVA
60300**

This account was established to carry out the HAVA requirement to establish a statewide voter registration system, to conduct voter education concerning the provisional ballot process, and to ensure that a voting system was available in each polling place to permit a voter with disabilities to cast a ballot with the same opportunities for privacy and independence as other voters. The federal funds and state matching funds previously appropriated to this account in the current biennium have been used for these purposes. As a result, it is anticipated that the remaining federal funds will be sufficient to conduct these programs during the current biennium. But by the beginning of the next biennium, the federal funds will have been entirely expended or allocated.

\$0 for 2011-2012; \$0 for 2012-2013

Programs to be conducted using federal Help America Vote Act funds

**HAVA Polling Place Accessibility Grant
60310**

This account was established to carry out the HAVA requirement that each state make polling places accessible so that voters with disabilities, including the blind and visually impaired, have the same opportunity for access to the polls and participation in the election process. This account is funded entirely by federal grants from the U.S. Department of Health and Human Services (approximately \$250,000 for the current federal fiscal year). Unlike other HAVA funding, these federal appropriations are expected to continue during the next biennium.

\$0 for 2011-2012; \$0 for 2012-2013

Program conducted using U.S. Department of Health and Human Services federal funds

SPECIAL INITIATIVES

Voter Lit Maintenance: Statewide Voter Registration System Administration 14550 [formerly the National Voter Registration Act of 1993 account]

This account provides for the ongoing maintenance and operation of the statewide voter registration system established in November 2005 in accordance with the requirements of federal HAVA.

As early as the Election Division's October 11, 2006 transmittal letter to the Budget Agency, and on many occasions since then, the Division (in coordination with the Office of the Secretary of State) has emphasized the need for ongoing state funding for SVRS:

“With the exception of a \$130,000 state match required by federal law to expend remaining federal HAVA funds, the Election Division anticipates that no additional state funding will be necessary to carry out these federal mandates during the [2007-2009] biennium. However, these federal funds are not likely to be available after June 30, 2009, and as a result, significant increases in the Election Division budget should be anticipated after that date to comply with federal HAVA mandates.”

Section 254(a)(7) of HAVA provides that Indiana must “maintain the expenditures of the State for activities funded by the payment [of federal funds to this account] at a level that is not less than the level of such expenditures maintained by the State for the fiscal year ending prior to November 2000.”

In developing the State Plan to implement HAVA, the State identified that the level of state expenditures for voter registration maintenance for the fiscal year ending before November 2000 was \$225,000 for that biennium.

For the current biennium, this \$225,000 “maintenance of effort” requirement under HAVA was met by the appropriation of \$512,500 for each fiscal year (or a total of \$1,025,000 for the current biennium) for voter list maintenance.

Although the appropriation of \$512,500 for each year of the next biennium would certainly fulfill this maintenance of effort requirement, this amount would still be insufficient for Indiana to comply with the federal requirement to maintain a statewide voter registration system. An additional \$1,964,500 in state funding for each fiscal year is necessary to cover these costs.

The \$5,103,000 total cost to operate and maintain the statewide voter registration system during the next biennium is itemized below, and includes application hosting costs; network connectivity costs; software licensing, maintenance and support; program and project management; help desk support; training expenses; system changes required by state and federal law; and on-line voter registration services.

Expense Type	FY2010 – 2011 SVRS Budget	FY2012 – 2013 SVRS Budget
Application Hosting	\$864,000	\$990,000
Network Connectivity	\$784,320	\$528,000
Software Licenses, Maintenance, Support	\$780,000	\$816,000
Program & Project Management	\$1,320,000	\$1,320,000
Help Desk Support	\$660,000	\$660,000
Application Changes (RSE Hours)	\$525,000	\$525,000
Training	\$264,000	\$264,000
Total SVRS Budget	\$5,197,320	\$5,103,000
Less Previous FY2010 - 2011 State Funding		\$1,025,000
Less Anticipated FY2010 - 2011 Credit		\$150,000
FY2012 - 2013 Budget Gap from FY2010 - 2011		\$3,928,000

The statewide voter registration system was developed by a contractor in accordance with an extremely detailed and complex design document that was the result of extensive input from the Election Division, other state agencies and offices, county election and voter registration administrators, and other interested parties. During the next biennium, both the Election Division and its prime contractor will continue to maintain and enhance the statewide voter registration system in accordance with that document, as amended, and with the ongoing input from the many interested parties who participated in the design and implementation of the system.

The Election Division and the 92 county system users continue to identify a wide variety of potential enhancements to the system, based on their ongoing daily experience in administering complicated federal and state laws governing voter registration, absentee voting, and election-day procedures.

At the beginning of the next biennium, the statewide voter registration system will require extensive updating to its voter records to reflect new congressional and state legislative redistricting.

The Election Division (in conjunction with the Office of the Secretary of State) also retained a project manager to provide the technical expertise not available from Election Division staff, and to ensure contractor compliance with the hundreds of requirements spelled out in the project's design document. The project manager has provided highly skilled technical staff to assist with developing system protocols, the identification of necessary or desirable enhancements to the statewide system, the coordination of complex communications to county system users, and the review of system deliverables submitted by the contractor. The project manager has significantly enhanced county

confidence in the statewide system during its development by serving as an independent source to evaluate the extent and cause of system problems, and to offer creative solutions.

The statewide voter registration system successfully withstood the unprecedented demands of Indiana's hotly contested May 2008 presidential primary and November 2008 presidential election. The retention of the project manager through the November 2012 presidential election will substantially reduce the risk that any system problem would result in real (or perceived) impairment of the integrity of the election process.

The project manager's extensive experience with Indiana's voter registration system and with Indiana's county election administration and voter registration officials make it uniquely qualified to provide these services during the next biennium.

To reduce project management costs, the Election Division (in coordination with the Secretary of State's office) has transferred several administrative functions from the project manager to Secretary of State staff members whose positions have been funded in the current biennium by the Help America Vote Act. However, the replacement of the project manager with additional Election Division staff would also require additional funding to employ these staff members, and result in increased risk to the system if an extensive "knowledge transfer" process was necessary. The Election Division's budget request anticipates retaining the project manager's services during the next biennium.

\$2,086,500 for 2011-2012; \$2,086,500 for 2012-2013

HAVA – Education and Training 10590

Section 302(b) of HAVA requires that Indiana "shall cause voting information to be publicly posted at each polling place on the day of each election for Federal office", including sample ballots, information on election dates and hours, instructions on how to vote, and "general information on voting rights under applicable Federal and State laws".

The Election Division's requested budget continues the voter education initiatives conducted during the current biennium to ensure that every current and new Hoosier voter is informed about significant election laws and procedures, including absentee voting procedures, photo identification requirements, and election day "fail-safe" procedures, such as provisional ballots.

Continuing these voter education programs reduces the likelihood that a voter will be accidentally disfranchised due to the voter's lack of familiarity with (or understanding of) the requirements established by many complex federal and state election laws.

The Election Division plans to continue the training programs conducted during the current biennium for county election administrators and precinct poll workers. In

coordination with the Secretary of State's office, precinct poll worker training became available on-line before the May 2010 primary.

Continuing these election administration training programs reduces the likelihood that an election official will fail to comply with the requirements set forth in federal and state election laws, which can result in voter disfranchisement, election-related litigation (such as recounts and contests), court-ordered special elections, and reduced public confidence in the integrity of the election process and their government.

Nonetheless, the fiscal realities facing the state make it necessary to significantly reduce these training and outreach efforts to voters while preserving the core responsibility to comply with federal law and to provide information to both voters and poll workers to ensure that voters understand their rights and responsibilities under the law, and that elections are administered in conformity with the law.

For FY 2010-2011, a total of \$693,165 of *federal* funding was allocated under the State HAVA Plan for poll worker training (\$47,165) and voter education (\$646,000).

For FY 2011-2012, which will include the May 2012 presidential primary, the Election Division requests significantly reduced amounts of state funding for poll worker training (\$37,315) and voter education (\$225,500), for a total of \$262,815.

For FY 2012-2013, which will include the November 2012 presidential election, the Election Division requests even smaller amounts of state funding for poll worker training (\$16,880) and voter education (\$124,400), for a total of \$141,280.

Detailed information regarding the poll worker training and voter education requests is set forth on the following pages.

\$262,815 for 2011-2012; \$141,280 for 2012-2013

FY 2011-FY 2012	Train-the-Trainer		
	2011 Municipal Election		\$200.00
	2012 Primary Election		\$200.00
		SUB-TOTAL	\$400.00
	Publications		
	Election Day Handbook		\$25,500.00
	Poll Worker Training Video		\$750.00
	Voter's Bill Of Rights		\$2,700.00
	Voter's Bill Of Rights (Spanish)		\$2,150.00
	Photo ID Chute Poster		\$950.00
	Photo ID Chute Poster (Spanish)		\$465.00
	Poll Worker Information Guide		\$4,000.00
		SUB-TOTAL	\$37,315.00
	TOTAL FUNDING NEEDED		\$37,715.00
	Poll Worker Training	Publications	
Indiana Voter Information Guide			\$20,625.00
Indiana Voter Information Guide (Spanish)			\$16,250.00
5 Things You Need to Know...Postcard			\$12,375.00
Military and Overseas Voter's Guide			\$8,000.00
		SUB-TOTAL	\$57,250.00
Outreach Mailings		SUB-TOTAL	\$4,000.00
Public Service Announcements			
Production			\$2,000.00
Hosting			\$2,250.00
		SUB-TOTAL	\$4,250.00
Photo ID Awareness			
TV, Radio, Print, Public Transportation		SUB-TOTAL	\$130,000.00
Voter Registration Deadline		SUB-TOTAL	\$30,000.00
TOTAL FUNDING NEEDED		\$225,500.00	
Voter Education			

FY 2012-FY 2013	Train-the-Trainer		
	2012 Presidential Election		\$200.00
		SUB-TOTAL	\$200.00
	Publications		
	Election Day Handbook		\$12,250.00
	Poll Worker Training Video		\$400.00
	Voter's Bill Of Rights		\$1,400.00
	Voter's Bill Of Rights (Spanish)		\$1,000.00
	Photo ID Chute Poster		\$400.00
	Photo ID Chute Poster (Spanish)		\$230.00
	Poll Worker Information Guide		\$2,000.00
		SUB-TOTAL	\$16,680.00
		TOTAL FUNDING NEEDED	\$16,880.00
Poll Worker Training	Publications		
	Indiana Voter Information Guide		\$10,300.00
	Indiana Voter Information Guide (Spanish)		\$8,125.00
	5 Things You Need to Know...Postcard		\$6,150.00
	Military and Overseas Voter's Guide		\$4,000.00
		SUB-TOTAL	\$28,575.00
	Outreach Mailings		\$2,000.00
		SUB-TOTAL	\$2,000.00
	Public Service Announcements		
	Production		\$1,000.00
	Hosting		\$1,125.00
		SUB-TOTAL	\$2,125.00
	Photo ID Awareness		
	TV, Radio, Print, Public Transportation	SUB-TOTAL	\$60,000.00
Voter Registration Deadline	SUB-TOTAL	\$15,000.00	
	TOTAL FUNDING NEEDED	\$124,400.00	
Voter Education			

Voting System Technical Oversight Program 16990

The Voting System Technical Oversight Program (VSTOP) was established by the General Assembly in 2005 (IC 3-11-16). The Program is to be conducted by a person or entity which has entered into a contract with the Secretary of State to serve as program administrator. The Bowen Center of Ball State University currently administers VSTOP.

The VSTOP program account is funded solely by penalties imposed by the Secretary of State against a voting system vendor who knowingly, recklessly, or negligently installs or permits the use of a voting system in violation of Indiana election laws (IC 3-11-17).

To assist with ongoing program planning, and avoid reliance solely on fines to fund this program, the Election Division budget proposes that this account be designated as a non-reverting line item.

The statute creating the Voting System Technical Oversight Program requires that the program administrator perform several ongoing tasks, including:

- (1) Developing and proposing procedures and standards for the certification, acquisition, functioning, training, and security for voting systems used to conduct Indiana elections.
- (2) Compiling and maintaining an inventory of all voting systems used in Indiana.
- (3) Reviewing reports concerning voting systems prepared by independent laboratories and submitted by applicants for voting system certification.
- (4) Recommending to the Indiana Election Commission whether an application for voting system certification should be approved and, if so, whether the approval should be subject to any restrictions or conditions to ensure compliance with Indiana law; and
- (5) Performing annual random audits of voting systems used to conduct Indiana elections and prepare reports indicating whether the voting systems have been certified, programmed, and used in compliance with Indiana law.

VSTOP has successfully implemented almost all of these tasks. Annual random audits of voting systems are planned for the future.

Public confidence in the accuracy and integrity of Indiana's voting equipment, and in the election process, can be significantly enhanced by the ongoing operation of the Voting System Technical Oversight Program.

\$0 for 2011-2012; \$0 for 2012-2013