



# DEPARTMENT OF STATE

*FY 2010-11 Budget Balancing Proposal  
August 23, 2010*

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## *Proposed Cash Fund Transfer from the Department of State Cash Fund -- #200*

**Name of Fund:** The Department of State Cash Fund

**Purpose of Fund:** This is the primary fund for all activities at the Department of State including election activities around the state, business activity regulation and licensing for various professions. Filing fees collected by the Business Division provide the majority of revenue in the fund, with funds from campaign finance and notary administration fees contributing a small amount.

**Projected End-of-Year Balance:**

	FY 2010-11
Ending Balance FY 2009-10/Beginning Balance FY 2010-11	\$ 4,852,298
Plus Projected Revenue	\$18,776,467
Less Projected Mandatory Expenditures <sup>1</sup>	\$17,954,839
Equals Proposed Projected End of Year Balance	\$5,673,926
<b>Recommended Transfer</b>	<b>(\$3,500,000)</b>
<b>Projected End of Year Balance with Transfer</b>	<b>\$2,173,926</b>

<sup>1</sup>This amount is the sum of H.B.10-1376 appropriations plus special bill appropriations for FY 2010-11 from the Department of State Cash Fund. See Table 1 for more detail.

**Impact of Recommended Reduction:**

The Secretary of State reported to OSPB that these funds were available in FY 2010-11 for budget balancing. The proposed transfer will reduce the fund balance in the Department of State Cash Fund. It will not have an impact on any of the programs or daily business activities at the Department of State.

**Assumptions:**

- Mandatory expenditures for FY 2010-11 will equal Long Bill appropriations from the Department of State Cash Fund (H.B.10-1376) plus the special bill appropriations from the Department of State Cash Fund as listed in Table 1 on the following page.

**Table 1: Total FY 2010-11 Appropriations from the Secretary of State Cash Fund**

<b>Bill Number and Title</b>	<b>Cash Fund Appropriated Amount</b>
H.B.10-1376 -- FY 2010-11 Long Appropriations Bill	\$17,598,397
S.B.10-087 – Secretary of State Authority to Regulate Lobbyists	\$32,560
S.B.10-141 – Moving the Regulation of Games of Chance to the Department of Revenue	\$116,020
S.B.10-143 – Department of State Cash Fund Refunds	\$1,000
S.B.10-203 – Independent Expenditures in Colorado Elections	\$101,662
H.B.10-1403 – Commercial Notifications by the Secretary of State	\$105,200
<b>Total Appropriated/Mandatory Expenditures for FY 2010-11</b>	<b>\$17,954,839</b>

- Due to on-going and anticipated expenditures (i.e. the continuation of E-Fort funding and the repeal of federal Help America Vote Act funding) the Department does not anticipate any changes to fees in the coming fiscal year. Projected revenue is based on continuation of the current fee structure.

**Current Statutory Authority or Needed Statutory Change:**

**Section 24-21-104 (1) (a), C.R.S. (2009)** - It is the duty of the secretary of state to charge fees for filing each body corporate and politic document, for filing each facsimile signature, for each notary public's commission, for each foreign commission, for each official certificate, for administering each oath, for all transcripts or copies of papers and records, computer tapes, microfilm, or microfiche, and for other papers officially executed and other official work that may be done in the secretary of state's office.

**Section 24-21-104 (3) (b), C.R.S. (2009)** – creates the Department of State Cash Fund and designates that all fees collected by the department for its business and election activities. The section stipulates that all moneys credited to the department of state cash fund shall not be deposited in or transferred to the general fund of this state or any other fund. The section requires the Department to adjust its fees, either up or down, so that the revenue generated from the fees approximates its direct and indirect costs.

Similar to transfers made from this fund in the past, this proposal will require statutory change to allow the suggested amount to be transferred to the General Fund.