

The Legislative Fiscal Division Presents an Agency Profile of:

## Secretary of State

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### Agency Description

### Definition of Terms

The Office of the Secretary of State:

- Interprets state election laws and oversees state and federal elections
- Maintains the official records of the executive branch and the acts of the legislature
- Reviews, maintains, and distributes public-interest records of businesses and nonprofit organizations
- Publishes administrative rules adopted by state departments, boards, and agencies
- Attests to the governor's signature on executive orders, proclamations, resolutions, extradition papers, and appointments
- Preserves the state seal
- Files and maintains records of secured financial transactions, such as liens
- Serves on the state Board of Land Commissioners and the Board of Examiners
- Commissions notaries public
- Serves on the Capital Finance Advisory Council
- Provides public records management guidance and technical assistance

### How Services are Provided

The office is comprised of one program, the Business and Government Services Program, which consists of five divisions that provide the following major functions:

#### Administration Division

- Office budgeting, accounting, payroll, and administration
- Information technology development, administration, and support
- Establishes and provides general oversight and policy direction for the office

### Records and Information Management Division

- Establishes guidelines for inventorying, cataloging, retaining, and transferring all public records of state agencies and operates state records center to store and service public records
- Microfilms documents for state agencies and approves microfilming projects and microfilm equipment purchases of state agencies
- Assists the legislative and judicial branches in establishing records management procedures

### Business Services Division

- Files and maintains charter documents for Montana and foreign corporations and limited liability companies
- Registers and maintains records for trademarks, limited liability partnerships, and assumed business names
- Files and maintains lien notices within central lien notification system
- Files and maintains records of Montana and foreign limited partnerships
- Assembles, prepares, and publishes the federal farm products Master List for registered buyers under the authority of the United States Department of Agriculture

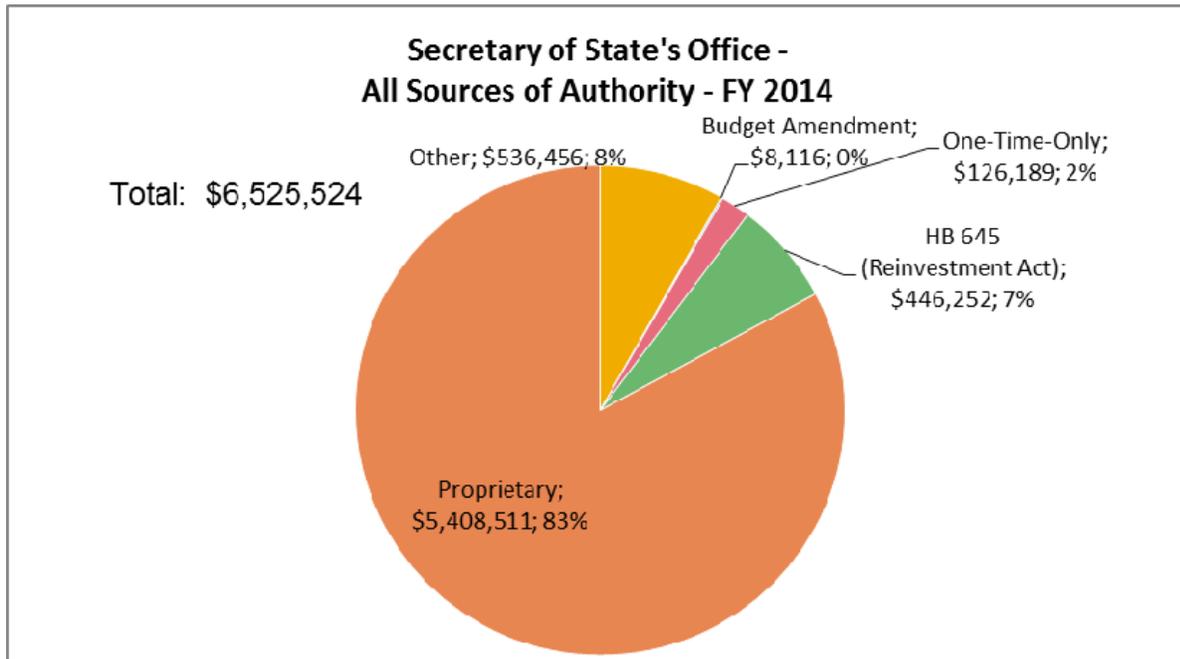
### Elections and Government Division

- Files legislative bills from introduction through approval by the Governor and assigns chapter numbers for the session laws of Montana
- Files the journals of the legislature
- Files and maintains the record of declarations of nomination of candidates for state and district offices
- Prepares, publishes, and distributes instruction manuals for election officials and election judges, including forms for use in elections
- Prescribes and certifies official primary and general election ballots
- Assists, trains and advises local election administrators in election matters, and publishes and distributes election laws
- Files petitions for and prepares, publishes, and distributes the voters' information pamphlet on special measures and constitutional amendments
- Maintains the record of executive reorganization, official acts of the Governor, applications for pardons and commutation of sentence, requisitions for extradition

### Administrative Rules of Montana and Notary Certification Division

- Prescribes the format for the administrative rules of state agencies
- Publishes and distributes the Montana administrative register of proposed and adopted administrative rules of state agencies
- Publishes and distributes the complete administrative rules on Montana
- Distributes commissions of notaries public issued by the Secretary of State
- Provides training for Montana notaries
- Investigates complaints regarding Montana notaries

## Sources of Spending Authority



The above chart shows the sources of authority of the Secretary of State's Office. For a more detailed description of accounting terminology, please refer to the definition of terms. The operations of the Secretary of State are funded primarily with proprietary funds derived from fees for services, document sales, and other fees established in statute.

## Funding

The agency did not have HB 2 authority for funding that is considered ongoing, therefore the agency does not have an HB 2 funding table in this agency profile. Beginning in FY 2003, the federal Help America Voter Act of 2002 (HAVA) provided federal special revenue for election reform initiatives. The legislature has provided authority for this funding through one-time-only appropriations.

## Expenditures

The agency did not have HB 2 authority for expenditures that are considered base costs, therefore the agency does not have an expenditure table in this Agency Profile.

## How the 2015 Legislature Can Effect Change

In order to change expenditure levels and/or agency activity, the legislature must address one or more of the following basic elements that drive costs:

- State laws associated with the requirements and duties associated with election laws
- Laws that impact the frequency of interactions between the office and those served
- Laws associated with requirements and duties associated with election laws

## Major Cost Drivers

The personal services and operating expenses incurred by the agency are driven by:

- Number of businesses within Montana that use business services
- Elections and additional costs incurred if a recount is required
- Volume and type of state agency records
- Volume of legislative bills
- Number of notaries and complaints against notaries

Secretary of State		FY 2008	FY 2014
<b>Business Services Division</b>			
Documents process for registration of new Montana domestic corporations		5,625	2,788
Documents process for registration of new Montana foreign corporations		1,652	1,678
Documents processed for registration of new Montana domestic limited liability corporations		8,840	9,241
Documents processed for registration of new Montana foreign limited liability corporations		1,072	1,486
Total Annual Reports		-	121,868
Average document processing turnaround time	10 Days		2-5 days
Customer Servies telephone wait time	3 minutes		20 seconds
Online services available		17	14

## Funding/Expenditure History

Since the HAVA funding provided for the SOS has been included as a one-time only appropriation by the 2009, 2011, and 2013 Legislatures, a table showing the last four year of funding and expenditures is not included in this profile.

## Major Legislative Changes in the Last Ten Years

Prior to FY 2003, the office was funded exclusively with proprietary funds. Beginning in FY 2003, the office received funding federal funding for election reform activities under the Help America Vote Act of 2002. Under federal requirements, HAVA was used to improve the election process and access to polling places across Montana.

For further information, you may wish to contact the agency at:

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