

**DEPARTMENT OF STATE  
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 10, 2013  
1:30 pm – 3:00 pm**

**1:30-1:40      INTRODUCTIONS AND OPENING COMMENTS**

**1:40-1:45      QUESTIONS COMMON TO ALL DEPARTMENTS**

- 1. Please describe how the Department responds to inquiries that are made to the Department. How does the Department ensure that all inquiries receive a timely and accurate response?**

**Response:**

The Department of State responds to inquiries in several capacities.

We operate an 11-person service center that takes incoming customer phone calls and responds to general inquiry emails. The service center takes over 100,000 calls and responds to over 30,000 emails annually. We also serve approximately 13,000 customers in-person at our physical office annually.

The service center continually tracks call volume and additional staff resources are dedicated if necessary. Over the last year, we have cross-trained additional staff to answer first-line customer inquiries spanning the entire Department. This allows for a greater pool of staff who can answer calls and, in many cases, sufficiently respond to a customer inquiry. We also escalate calls to subject matter experts on an as-needed basis. For the month of November, the average hold time for customers calling the service center was ten seconds. The average call time for the service center, including time spent talking to a member of Department staff, is four minutes. 97 percent of people who call the service center speak with someone immediately or leave a voicemail and get a return call within one working day.

In addition, our customer support team assists county clerk and recorders and their staff who use the statewide voter registration system (SCORE). This five-person team answered 18,000 phone calls during 2012, a major election year, and is on pace to answer 15,000 calls this year. The team also receives and sends nearly 8,000 emails in support of county users each year.

In addition to the above, the Department is currently implementing customer relationship management software for customer interactions. We piloted the software last year and are rolling it out to more programs this year. This customer management software will provide greater insight into customer contacts.

Finally, the Department employs a legislative liaison and public information officer who respond to requests for information from the legislature and media.

**1:45-2:40 DEPARTMENT OVERVIEW AND GENERAL QUESTIONS**

**2. Please provide fines data for 2-3 years, including fine types, amount per fine, number of fines assessed, number of fines collected, and total fine revenue collected. Are fines being waived? How vigorously are fines enforced?**

**Response:**

The Department of State has two divisions that assess fines, the Business and Licensing Division and the Elections Division.

*Business and Licensing Division*

The Business and Licensing Division has three programs that assess fines: the Lobbying program, the Charities program, and the Bingo and Raffle program.

- The Lobbying Program assesses fines, as required by statute, for failure to file disclosure statements. An entity that fails to file is fined \$20 per business day for the first ten business days and \$50 per business day after that. The Secretary may waive or reduce a fine for “bona fide personal emergencies,” which include medical and practical emergencies such as loss of records due to fire, Secretary of State website error, or other compelling reasons beyond the lobbyist’s control.
- The Charities Program assesses fines for four specific reasons:

Party	Reason	Fine
Charity	Failure to file renewal	\$60
Charity	Soliciting while unregistered	\$300
Paid Solicitors and Paid Fundraising Consultants (PFC)	Failure to file renewal or solicitation campaign financial report	Graduated, based upon date of filing: 15 days after deadline: \$50 30 days after deadline: \$100 45 days after deadline: \$150 60 days after deadline: \$200
Paid Solicitors and PFCs	Soliciting while unregistered	\$1,000

The Secretary of State may waive a fine if:

- There was a bona fide personal emergency;
- Website or administrative errors made it impossible to file in a timely manner; or
- The organization was not subject to the requirement to register at any time during the period for which it was assessed a fine, and the organization requests to withdraw its

registration.

- The Bingo and Raffle Program assesses fines for late quarterly reporting and for Rule 15 violations as noted in the chart below:

Party	Reason	Fine
Bingo/Raffle Licensee	Late quarterly report filing (30 days after end of each quarter; included as Class 3 Violation)	\$50
Any licensee	Class 1 Violation: willful act prohibited by statute or rule that results in profit or enrichment of the violator	\$100
Any licensee	Class 2 Violation: willful act prohibited by statute or rule that does not result in profit or enrichment of the violator	\$75
Any licensee	Class 3 Violation: failure to comply with statutory or rules-based requirement; negligent, not willful	\$50

The Secretary of State may waive a fine if:

- There was a bona fide personal emergency, including medical emergencies;
- There was a natural disaster;
- The licensee is new to the regulatory process; or
- The licensee has a positive compliance track record.

### *Elections Division*

The Elections Division has two programs that assess fines: the Campaign Finance Program and the Voter Registration Drive Program.

- The Campaign Finance Program assesses fines for failure to file disclosure reports as noted below:

Party	Reason	Fine
Candidates/Committees	Failure to timely file contribution/expenditure disclosure reports	\$50 (per day)
Candidates	Failure to timely file Personal Financial Disclosure statement	\$50 (per day)
Any individual, candidate, or committee	Any person who violates campaign finance laws is subject to a civil penalty as determined by an Administrative Law Judge	Up to 2 to 5 times the amount contributed, received, or spent in violation of the law.

- Voter registration drive organizations are fined if they fail to comply with state law. Most fines are associated with a failure to timely deliver voter registration forms to the county clerk and recorder. Our office generally waives fines for first time offenders and on occasion works with organizations to partially waive fines for a second offense. Voter registration drives have the option to appeal a fine. We have not fined any organizations

for voter registration drive violations in 2013. Fine information for previous years appear below.

VRD Fines

Violation	Penalty
Failure to timely deliver forms	We charged \$50 per form, per day until June of 2012, when we switched to the current fine of \$25 per late form.
Failure to register as a VRD	\$2000

2012

Total amount of Fines Issued	\$13,125
Total amount of fines after wavier process	\$4,787
Total amount of fines collected	\$4,137

2011

Total amount of Fines Issued	\$2700
Total amount of fines after wavier process	\$2700
Total amount of fines collected	\$2700

See Appendix A for additional detail on fines paid and fines waived.

See Appendix B for information regarding assessment and waiver of fines based on Department rules.

**3. Is the Department currently using any fee holidays? Are filing fees lower or higher than they have been historically? Please provide a list of fee holidays in the last 2-3 years. Please provide a list of filing fees and changes in the last 2-3 years.**

**Response:**

No, the Department is not currently offering a fee holiday.

The Department provided a fee holiday for nonprofits from October 1, 2012, to June 30, 2013. During that time, all nonprofit fees were \$1. Nonprofit programs include Bingo-Raffle and Charities.

The Department provided a fee holiday for notaries public from November 1, 2012, to February 28, 2013. During that time, the fee for notary public registration and renewal was \$1.

The Department provided a fee holiday for business registrations and annual reports from December 1, 2012, to February 28, 2013. During that time, the fee for business registrations and annual reports was \$1.

The Department also offered a fee holiday when launching the online system for filing statement of foreign entity authority (SOFEA) records. From September 1, 2011, to November 30, 2011, the

fee was lowered from \$125 to \$1. At the conclusion of the fee holiday, the fee was set at \$100 to account for efficiency savings from reduced processing of paper records.

Aside from these fee holidays there have been some fee changes during in recent years. See Appendix C for a full listing of fee changes.

**4. Please provide an update on the Business Intelligence Suite and other request items that were funded last year.**

**Response:**

- *Business Intelligence Center:* The Department hired a program manager on July 1, 2013. Since this time, substantial activity has taken place to build the data platform and execute the first application challenge, scheduled for spring 2014. The Department hired vendors for IT consulting services, marketing and branding, and legal support. These vendors are working together to ensure a successful challenge. The application challenge is now branded as Go Code Colorado. The program has received strong support from the Governor's Office as well as state agencies such as OIT, OEDIT, SIPA, DOLA, CCHE, CDOR and DORA. The advisory board has been meeting monthly since July. This program is gaining traction within the technology and business community and remains within budget.
- *Secure File Transfer:* The Department conducted an evaluation of five products in early FY2014. We selected Accellion based on features, functionality, and price. We purposely delayed implementation until after the November 2013 Coordinated Election because the transition will impact file transmissions to and from county offices. The Department has purchased the product and will replace our current secure file transfer technology with Accellion during the first quarter of calendar year 2014.
- *Microsoft SharePoint Implementation:* The Department has delayed implementation of this program as we work with the Department of Personnel to gain approval for the FTE position. We currently expect approval to post the position within the next four weeks. Once we have filled the position, we will proceed with the first phase of the project: project planning and design. We will purchase the infrastructure and licenses for the implementation during FY2014. Since the position has not been filled, we will spend six months of the FTE appropriation at most during this fiscal year. It is very likely that we will request approval to roll-forward at least a portion of the dollars appropriated for consulting and training, since prepping for and posting the FTE position has delayed the start of this project.

**5. Please provide data on expenditures related to finding ineligible voters over the last two years. How much staff time has been spent on these efforts? Delineate Department procedures for identifying ineligible voters. How many ineligible voters have been identified through these efforts? How many ineligible voters identified through Department efforts have been confirmed ineligible by county clerks or identified for prosecution by local law enforcement authorities?**

**Response:**

The Department helps county clerk and recorders maintain the integrity of voter registration lists. Removing ineligible voters from the rolls is a vital to good list maintenance. Under both state—C.R.S. 1-2-302(1.5)(b)—and federal—42 U.S.C §1973gg-6(4)—law, the Department has a duty to maintain accurate voter rolls made up only of people who are eligible to vote. Each month the Department receives a list of felons from the Department of Corrections and a list of deceased people from the Department of Public Health and the Environment. These lists are loaded into SCORE and county clerk and recorders use the information to remove ineligible electors from the rolls.

The Department has spent over \$4,000 in the last two years to obtain death record data from the Department of Public Health and Environment.

In addition to removing felons and deceased electors, the Department also helps county clerk and recorders to remove noncitizens who registered to vote in error. The Department receives information from the Department of Revenue indicating people who obtained a driver's license with a noncitizen document. This information is matched against SCORE and any matches are then run through a federal noncitizen database called SAVE. If the SAVE search indicates that a person is not a citizen the Department sends that person a letter indicating that the federal government believes that person is not a citizen. Under a memorandum of agreement to use the SAVE system, we contact anyone who is registered to vote and whose status is noncitizen in the SAVE system to give them the opportunity to clarify their citizenship status. If a person responds that they are in fact not a citizen we forward that information to the appropriate county clerk and recorder.

The tables below identify the number of ineligible people cancelled from the rolls. In addition to the numbers below many ineligible electors voluntarily withdrew their record, but withdrawals do not contain a reason in the voter registration system. We do know that 28 of the registered voters that showed as non-citizens in the SAVE database asked to have their registration withdrawn. There are most certainly additional withdrawals due to ineligibility that are in addition to the data presented below.

Canceled Reason	2012	2013
Convicted Felon	2,055	3,144
Deceased	22,203	27,441

Canceled/Withdrawn	Prior to 2012	2012	2013
Noncitizen	436	126	56

In February, the Department sent a letter to Rep. Duran and copied the rest of the Joint Budget Committee membership. The letter was in response to a similar question regarding time spent finding ineligible voters. That letter noted that under the Secretary of State’s normal course of duties, the office is obligated to remove ineligible voters from the rolls. Under C.R.S. 1-2-302(1.5)(b), “Only the names of voters who are not registered or who are not eligible to vote are removed from the computerized statewide voter registration list.”

That letter included a spreadsheet with costs related to identifying non-citizen voters, included with these responses as Appendix D.

Since the February letter, the Department spent an additional \$250 in printing and mailing costs plus the research costs detailed in the table below.

Description	# of hours	cost (average loaded cost \$38.50/hr)
SAVE Query Fees		\$1,500
SAVE	30	\$1,155
Data Analysis	10	\$385
<b>Total Research</b>	40	\$3,040

The Department has been working on creating a tool to better track the interaction with voter registration data and the SAVE database. Because SAVE requires a human element to initiate inquiries, the database is a tool that will track records and avoid errors going forward. As with many Department initiatives as much of this process as possible has been automated by the creation of a database. Department IT developers have spent approximately 720 hours over the last several months for technical resources to ensure this project is a success.

**6. Please provide legal services expenditure data for 2-3 years. What legal issues have been addressed and what have they cost? Please provide legal services expenditure data related to the Secretary of State's legal defense before the Independent Ethics Commission (IEC). Please provide legal services expenditure data related to the Secretary of State's appeal in Denver District Court. How much Department staff time has been spent at IEC hearings and in meetings related to these legal issues?**

As the state's chief election official, the Secretary of State is often involved in legal challenges regarding elections and the statutes that govern them. Often the Secretary is named in suits even when others' actions are challenged.

The single largest source of legal fees over the last three years was the *Independence Institute v. Gessler* case. As with many cases detailed below, the Department fulfilled its legal duty to defend a challenge to legislation passed by the General Assembly. Other cases involve his defense of provisions of the state constitution.

Overall, legal fees have been decreasing over the last three years as the Independence Institute case has wound down.

Department has not tracked staff time spent on matters related to the IEC, but staff has spent substantial time preparing records and responding to requests from the IEC.

Appendix E provides more detail on legal fees over the last three years. Below is a brief description of cases.

***Hanlen v. Gessler*** (Ineligible person on ballot for school board candidate)

The Secretary of State's office, upon learning that the name of an individual who was ineligible to be a candidate nevertheless appeared on the ballot, promulgated a rule prohibiting the clerks of Broomfield and Adams counties from counting the votes cast for the ineligible individual. The Secretary was sued by eligible electors in the district who wanted their votes counted despite the fact that the individual was ineligible. This case is ongoing and currently pending review by the Colorado Supreme Court.

***Busse v. Gessler*** (Secrecy and security of ballots)

Plaintiffs sued the Douglas County Clerk and Recorder alleging a violation of the constitutional right to secret ballots. The Secretary of State was named as a defendant because he is the state's chief election official.

***Coalition for Secular Government v. Gessler*** (Campaign finance rulemaking)

Plaintiffs challenged the constitutionality of state campaign finance laws and rules promulgated by the Secretary of State in accordance with those laws. The Secretary of State was named as a defendant because he is charged with enforcing Colorado's campaign finance laws.

***Paladino v. Gessler*** (Campaign finance rulemaking)

Plaintiffs challenged the Secretary of State's authority to promulgate certain campaign finance rules. Again, the Secretary was named as the defendant because he has general supervisory authority over the state's campaign finance laws and rules.



***Citizen Center v. Gessler*** (Ballot secrecy)

Plaintiffs sued several county clerks alleging that unique marks on ballots processed and mailed by those clerks allow a person to track a ballot back to the person who voted the ballot. The Secretary was named as a defendant because he is the state's chief election official charged with enforcing Colorado's election code.

***Marks v. Gessler*** (HAVA complaint)

Plaintiffs challenged provisions in the Colorado Election Code and the Secretary of State's election rules that implement the federal Help America Vote Act. The Secretary of State was named as a defendant because HAVA charges him with the duty to coordinate HAVA activities at the state level and because he is the state's chief election official charged with enforcing Colorado's election code.

***Colorado Common Cause and Colorado Ethics Watch v. Gessler*** (Campaign finance rulemaking)

Plaintiffs challenged the Secretary's authority to amend campaign finance rules in response to a decision handed down by the United States Tenth Circuit Court of Appeals. The Secretary of State was named as a defendant because he promulgated the rules in accordance with his constitutional supervisory authority over the state's campaign finance laws.

***Riddle, Curry v. Gessler, Hickenlooper*** (Campaign finance limits per election)

Plaintiffs challenged the constitutionality of Colorado's campaign finance laws limiting contributions per election. The Secretary was named as a defendant because he has general supervisory authority over the state's campaign finance laws and rules.

***Independence Institute v. Gessler*** (Initiative petition circulators)

Plaintiffs challenged a law passed by the General Assembly regulating the payment of initiative-petition circulators. The Secretary of State was named as the defendant because he is the state's chief election official charged with enforcing Colorado's election code.

***Recall cases*** (petition challenges, rule challenges)

The Secretary of State was named as a defendant in two recall petition cases that challenged the language on the face of the petition. The Secretary was named as a defendant because he has the duty to enforce Colorado's election code.

The Secretary was also named as a defendant in a case challenging rules promulgated by the Secretary governing recall elections. The General Assembly, in HB 13-1303, required clerks to conduct recall elections as mail-ballot elections. But recall deadlines contained in the constitution made this impossible. As the state's chief election official, the Secretary of State

promulgated rules to give effect to the constitution and all statutes that did not directly contradict the constitution. The Secretary's authority to do so was challenged by plaintiffs.

**7. Please provide an update on the Colorado Voter Access and Modernized Elections Commission reporting process required by H.B. 13-1303. Please include appropriations and expenditures data and, if necessary, explain the need for adjustments to the appropriations identified in the fiscal note. If no adjustments are necessary, why is the Department suggesting that it does not have the funds for the reports?**

**Response:**

HB 13-1303 created the Colorado Voter Access and Modernized Elections Commission and required that the commission submit four reports to the General Assembly. Two of the reports have been produced already. The next two are due in January 2015 and February 2015.

- A “Needs Assessment of the Current State of Voting and Registration System Technology” was due on July 15, 2013. The commission submitted the report on July 15. A copy of the report can be found at:  
<http://www.sos.state.co.us/pubs/elections/CVAMEC/files/2013/20130715NeedsAssessmentReport.pdf>.
- An “Assessment of Voting System Technology Report” was due by September 2. The commission submitted the report on August 30, 2013. A copy of the report can be found at:  
<http://www.sos.state.co.us/pubs/elections/CVAMEC/files/2013/20130830SLIAssessmentReportFinal.pdf>.
- By January 15, 2014, the commission must submit “recommendations based on the two needs assessment reports” (above). This report must also set forth a process by which the commission will review the use of technology in the 2014 General election.
- By February 16, 2015, CVAMEC must submit an evaluation of the use of technology during the 2014 general election and technical recommendations for the 2016 general election.

Section 1-1-115(3)(b)(IV), C.R.S. requires the Department to “provide technical assistance and support, to the extent practicable within existing resources, to assist the commission in completing” the reports. During a previous meeting, commissioners indicated their desire to hire an outside vendor to assist in completing the next report. The Department explained that there was not additional funding available for such an expenditure and assured the commissioners that Department staff would assist in the creation of the next report.

Though the General Assembly made an appropriation to accompany HB 13-1303, it did not provide any General Fund dollars. Therefore, the Department was left to use current funding—the vast majority of which comes from business filing fees—to pay for the substantial costs in implementing the new election law.

Further, the Department told the General Assembly that the fiscal note for HB 13-1303 was not adequate. That was based on the analysis the Department was able to conduct in the very short timeframe required. Subsequent analysis of the legislation has confirmed that the fiscal note appropriation was not adequate.

Appropriations for the commission's activities include per diem, staff support, and reports drafted at the direction of the commission itself. The Department has spent \$4,900 on travel and meals and \$48,000 for preparation of the two reports already approved by the commission and submitted to the General Assembly. The Department spends significant additional resources in support of the commission. The Deputy Secretary of State co-chairs the commission. The Department's Chief Information Officer, Elections Director, and other staff regularly brief the commission and its subgroup meetings.

HB13-1303 has imposed substantial financial strain on the Department's budget. Most significantly, the bill substantially increased the election reimbursement that will be paid out to counties. Voters previously designated as "Inactive" for failure to vote were changed to "Active" by HB13-1303. These voters, approximately 330,000 in total, are thus considered when calculations of local election reimbursements are made. This increase in expenses, nearly \$300,000, was not included in the fiscal note for HB13-1303. As mentioned in the staff briefing, this expenditure comes from the Department's cash fund and the Department will submit a supplemental for approval to make these payments from other Department Long Bill lines.

Further, the Department has invested approximately 1,050 hours to date working on the SCORE system to bring it into compliance with the requirements of HB13-1303. This work falls in three major areas: short-term project work to modify the SCORE early voting module for use in 2013 elections; changes to the online voter registration system to bring it into compliance with HB13-1303; and, long-term project work to develop HB13-1303-required Voter Service and Polling Center (VSPC) functionality for SCORE.

The Department is also working with the commission and the state's Office of Cyber Security to determine approaches to addressing security and operational concerns with use of electronic pollbooks at VSPCs. The operational impact and ultimate costs associated with providing secure, real-time access to SCORE at VSPCs are unknown, but are expected to be significant. The impact and costs associated with this aspect of VSPCs will affect both the state and county offices.

## **2:40-3:00 ISSUES**

### Fund Balance Concerns and Funding for Election-related External Expenditures I: General Funding Local Election Reimbursement:

- 8. Is the Department of State Cash Fund subject to the 16.5 percent excess reserve limit? Have there been any sweeps to the General Fund over the last two economic downturns? Were those sweeps repaid?**

#### **Response:**

Yes, the Department is subject to the statutory 16.5 percent target reserve. The Department historically has not complied with the limit laid out in statute. In order to bring itself in compliance, the Department initiated a three-tiered fee holiday beginning October 2012 and ending February 2013 (described in more detail above).

The chart below details sweeps from the Department’s cash fund since fiscal year 2002. The swept funds have not been repaid.

Fiscal Year	Transfer Amount
FY 08-09	\$2,175,000
FY 02-03	\$2,700,000
FY 01-02	\$1,200,000
<b>Total</b>	<b>\$6,075,000</b>

**9. What is the timing on reimbursements to counties for statewide elections? How long does it take to reimburse counties? Please provide a cash flow table showing reimbursement amounts made to counties for the last 2-3 years, identifying the election being reimbursed, dates of request by counties, and dates of payments made to counties.**

**Response:**

Under Election Rule 7.12, counties must submit their request form no later than 90 days after the election to receive their county election reimbursement. Immediately prior to the 2013 election, the reimbursement form was posted on the County Clerk section of the Secretary of State’s website. The form was then made into a fillable web-based form and released to the counties November 24, 2013. Historically, reimbursements are processed following a submission of the county invoice by January or February following the election.

Department Outlays for County Reimbursement by Election

2011	2012	2013 (Est.)
\$ 1,541,360	\$2,226,707	\$2,455,000

Appendix F provides more detail for reimbursement data from the past three years. Counties have begun submitting reimbursement requests for the November 2103 election, but payments have not yet been made.

**10. Did the fiscal note for H.B. 13-1303 include an increased appropriation for the reimbursement line item for the increased number of active status voters generated by the bill?**

**Response:**

The fiscal note did not anticipate the additional funding required to reimburse counties based on reinstating inactive voters. The fiscal note response was required in a very short timeframe and

the legislation was immensely complex—impacting the majority of the elections code. The Department will be submitting a supplemental to request the spending authority required to pay for the higher reimbursement.

**11. What does the Department think about reimbursing the Department of State Cash Fund for past General Fund sweeps rather than funding with General Fund?**

See response to question 12.

**12. As an alternative to staff's recommendation, what does the Department think about phasing in General Fund over a number of years rather than funding all in the first?**

**Response:**

While the Department would welcome the cash fund replenishment that the repayment of past sweeps would provide, it doesn't address the long-term structural deficit that currently exists with county election reimbursements. Shifting county reimbursement to the general fund is the preferred approach.

**Fund Balance Concerns and Funding for Elections-related External Expenditures II: Narrowing the Window for the Line-by-line Verification of Signatures:**

**13. What does the Department think about staff's recommendation to narrow the window for line-by-line verification of signatures? Please provide more historical data, over several two-year election cycles, that compares the accuracy of the sampling process to the line-by-line verification.**

The Secretary of State supports the JBC staff recommendation to narrow the window for line-by-line verification of signatures from 90-110 percent to 95-105 percent.

The Secretary of State is responsible for reviewing petitions for citizen-initiated ballot questions. State questions must meet a substantial threshold to get a question onto the statewide ballot. During the current election cycle, the requirement is 86,105 signatures from registered voters—as calculated by five percent of the total votes cast in the Secretary of State race from 2010. As not all signatures on a petition are valid, proponents often turn in many more signatures than the required amount.

Under current law, a five percent random sample is first analyzed to determine the validity of the signatures. If the results of that random sample project the petition will fall below 90 percent of the required signatures, the petition is deemed insufficient—though proponents are allowed a 15-day period to provide additional signatures. If the random sample projects the initiative has more than 110 percent of the required number of valid signatures, the petition is deemed sufficient. If the random sample falls in between the 90-110 percent range, the petition proceeds to a full line-by-line review of each signature on the petition. A line-by-line review is costly and time-consuming for the Department.

The change proposed by JBC staff would require amendment to Section 1-40-116(4), C.R.S. so that only projections falling within the 95-105 percent range proceed to a line-by-line review. Those that fall below 95 percent would be deemed insufficient. Those that project above 105 percent would be deemed sufficient.

For all but one proposed initiative that required line-by-line verification since 2001, the projected determination of sufficiency or insufficiency in the 5 percent random sample matched the actual determination in the line-by-line. Proposed initiative #82, which was reviewed for the 2008 ballot, was projected to pass based on a 5 percent random sample at 100.66 percent of the signatures required, but failed the line-by-line review at 89.7 percent of the signatures required. Under the proposed change to a 95-105 percent range for line-by-line review, #82 would have received a line-by-line review. Since 2008, no random sample review has deviated more than 4.5 percent from the line-by-line determination.

Appendix G includes additional historical detail of the petition review process.

The proposed change would not impact the ability of proponents to cure insufficiencies. So if a petition was declared insufficient based on the random sample, proponents would be allowed 15 days to submit additional signatures and cure the deficiency.

Funding CCR-related Expenses Through the Statewide Indirect Cost Plan:

**14. What is the Department's opinion on staff's recommendation? What does the Department think about establishing fees for state agency CCR filings as an alternative?**

**Response:**

The Department agrees with the recommendation that the funding would be allocated through the DPA Indirect Cost model. The Department does not wish to establish fees for each state agency to file their CCR filings. The infrastructure required to assess such fees would be very costly.

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED**

**1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implemented or has partially implemented the legislation on this list.**

**Response:**

As noted below, all projects are on schedule, and all projects are within budget.

**SB 12-123 Enhance Secretary of State Online Filing System:** The Act authorized several projects over a multi-year period improve various programs in the Department. Several projects have been implemented, others are in active development, and some have yet to be initiated. The

Department expects to complete all these projects within the timelines specified in the Act.

**HB 12-1209 Uniform Electronic Legal Material Act:** The Act requires authentication of electronic legal materials. For the Department, this Act affects publication of rulemaking materials under the Administrative Procedures Act, which must be authenticated no later than March 31, 2014. The Department will implement this on time.

**HB 12-1274 Regulation Notaries Public:** The Act allows the Department to require electronic filing by applicants for commissioning as notaries public. The Department will complete implementation of the Act on time by December 16, 2013.

**HB 13-1138 Authorize Benefit Corporations:** The effective date of this Act is March 31, 2014. The Department will implement this on time.

**HB 13-1167 Secretary of State Collect Business Information:** The effective date of this Act is January 1, 2014. The Department will implement this on time.

**HB 13-1303 Create the Voter Access & Modernized Elections Act:** The Act was effective upon signature of the Governor. The Department implemented temporary changes to the state voter registration and election management system in time for the September 2013 recall elections and the November 2013 coordinated election. The Department is working with the Colorado Voter Access and Modernized Elections Commission to identify, prioritize, and implement other changes required by the Act in time for the primary and general elections in 2014.

**HB 13-1101 Progressive Raffles:** The effective date of this Act is January 1, 2014. The Department will implement this on time.

**HB13-1135 16 year-old Pre-Registration:** The Act requires the Secretary of State to update hard forms and the online voter registration system to allow 16-year-olds to pre-register to vote. It became effective August 8, 2013. Implementation required changes to the SCORE database. Those changes have been implemented. The Act prescribes that the Department of Revenue component of the change, updating the driver's license form to include pre-registration be fully implemented by January 1, 2014. The Department has been in constant communication with the Department of Revenue concerning these changes.

**2. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the Department doing to resolve the outstanding high priority recommendations?**

[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/\\$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf)

**Response:**

The Department had one recommendation related to the compliance with state regulations

regarding the cash fund balances. The Department of State cash fund as of June 30, 2013, is currently in compliance with the state regulations regarding cash fund balances.

- 3. Does the Department pay annual licensing fees for its state professional employees? If so, what professional employees does the Department have and from what funding source(s) does the Department pay the licensing fees? If the Department has professions that are required to pay licensing fees and the Department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?**

**Response:**

Generally, we do not have positions that require licenses. The Department has a Security position in the IT division that requires a certain type of license. For some positions, the Department prefers candidates that are licensed attorneys as they have shown to add additional value. Overall the Department has more than a dozen licensed attorneys. The Department's policy currently reflects that license renewals will be paid on annual basis. These expenses are paid directly from the cash fund.

- 4. Does the Department provide continuing education, or funds for continuing education, for professionals within the Department? If so, which professions does the Department provide continuing education for and how much does the Department spend on that? If the Department has professions that require continuing education and the Department does not pay for continuing education, does the employee have to pay the associated costs?**

**Response:**

The Department pays for continuing education for IT, Project Management, Legal, and Business Analyst certifications courses. The Department recently implemented a Skillssoft program to make business and IT courses available to all employees for professional growth and continuing education. The Skillssoft program cost \$26,203.

- 5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the Department because the starting salary that is offered is not high enough?**

**Response:**

During the last fiscal year, 24 positions were filled and two top candidates turned down the offer of employment due to the starting salary. In other cases, candidates turned down the starting salary and negotiated for a higher amount.

- 6. What is the turnover rate for staff in the Department?**



**Response:**

The Department's turnover rate is approximately ten percent.

## Appendix A

### FY12

	Assessed	Paid	Waived
<b>Charitable</b>	\$ 103,900.00	\$ 67,525.00	\$ 150.00
<b>Campaign Finance</b>	\$ 1,288,650.00	\$ 91,035.00	\$ 819,850.00
<b>Lobbyist</b>	\$ 67,970.00	\$ 8,660.00	\$ 13,680.00
<b>Bingo/Raffle</b>	\$ 28,550.00	\$ 16,000.00	\$ 13,900.00

### FY12

	Number Assessed	Number Paid
<b>Charitable</b>	3,691	2,439
<b>Campaign Finance</b>	744	432
<b>Lobbyist</b>	147	169
<b>Bingo/Raffle</b>	568	318

### FY13

	Assessed	Paid	Waived
<b>Charitable</b>	\$ 88,970.00	\$ 67,730.00	\$ 96,115.00
<b>Campaign Finance</b>	\$ 1,153,415.00	\$ 83,506.79	\$ 424,200.00
<b>Lobbyist</b>	\$ 56,430.00	\$ 12,480.00	\$ 33,270.00
<b>Bingo/Raffle</b>	\$ 30,960.00	\$ 19,610.00	\$ 9,200.00

### FY13

	Number Assessed	Number Paid
<b>Charitable</b>	2,872	2,332
<b>Campaign Finance</b>	826	464
<b>Lobbyist</b>	261	153
<b>Bingo/Raffle</b>	473	246

\* Paid + Waived does not equal assessed because fines paid and fines waived cross fiscal years.

# Appendix B

## DEPARTMENT OF STATE

### Secretary of State

## RULES FOR THE ADMINISTRATION OF THE COLORADO CHARITABLE SOLICITATIONS ACT

### 8 CCR 1505-9

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#### Rule 6. Fines

- 6.4 A charitable organization, professional fundraising consultant, or paid solicitor registered with the Secretary of State or subject to registration under Article 16 of Title 6, C.R.S., may ask the Secretary to reduce or excuse an imposed fine by letter, email, fax. The Secretary of State may consider excusing or waiving a fine only in the case of a bona fide personal emergency as defined below, or if a timely filing was not possible due to website or administrator errors, or if the organization was not subject to the requirement to register at any time during the period for which it was assessed a fine, and the organization requests to withdraw its registration. The request must include:
- 6.4.1 The name of the charitable organization, professional fundraising consultant, or paid solicitor;
  - 6.4.2 The request date;
  - 6.4.3 The due date of the delinquently filed registration document(s);
  - 6.4.4 The actual filing date of the delinquently filed registration document(s);
  - 6.4.5 A brief summary of the reason, circumstance, or other justification for the bona fide personal emergency;
  - 6.4.6 Measures that the charitable organization, professional fundraising consultant, or paid solicitor instituted or plan to institute to avoid future delinquencies, if applicable;
  - 6.4.7 The basis for claiming an exemption, if applicable; and
  - 6.4.8 Other relevant information, such as a detailed description of the website error that prevented filing the registration document on time.
- 6.5 If the charitable organization, professional fundraising consultant, or paid solicitor asks the Secretary to reduce or excuse a fine, the Secretary's staff will conduct an investigation and notify the charitable organization, professional fundraising consultant, or paid solicitor registrant of the decision.
- 6.5.1 The Secretary of State must receive waiver requests no later than 30 days after the date the penalty notification was mailed.
- 6.6 The Secretary of State will issue decisions depending on individual facts and circumstances. The criteria considered are the establishment of a bona fide personal emergency or the demonstration of a website error that made it impossible to file a required registration document. If uncertain, the Secretary may also consider the frequency of requests to excuse or reduce fines within a two-year period, and the registrant's demonstration of commitment to fulfill the requirements of Colorado's laws concerning charitable solicitations.

**DEPARTMENT OF STATE**

**Secretary of State**

**BINGO AND RAFFLE GAMES**

**8 CCR 1505-2**

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**Rule 15. Fines**

- 15.1 general. The schedule of fines provided in this rule applies to any violation of the Bingo and Raffles Law or Rules for which the Secretary of State elects to impose an administrative fine in lieu of seeking a license suspension or revocation.
- 15.2 Class 1 Violations. A Class 1 violation is a willful act that is specifically prohibited by statute or rule and does, may, or is intended to result directly in the profit or enrichment of the violator or any person associated with the violator.
- 15.2.1 The fine for a Class 1 violation is \$100.
- 15.2.2 Class 1 violations include, but are not limited to:
- (a) Employing a device, scheme, or artifice to defraud or deceive in connection with any charitable gaming activity;
  - (b) Engaging in an act, practice, or conduct that constitutes fraud or deceit, including any intentional misstatement of fact, in charitable gaming operations;
  - (c) Transferring any license issued in accordance with the Colorado Bingo and Raffles Law;
  - (d) Authorizing or permitting any person other than active member of a licensee to assist in the management or operation of games of chance;
  - (e) Conducting more than 220 bingo occasions in one calendar year under color of a single bingo-raffle license;
  - (f) Possessing, using, selling, offering for sale or putting into play any computerized or electro-mechanical facsimile of a pull tab game, any pull tab game not purchased from a licensed supplier and accompanied by a complete supplier's invoice; any pull tab game that is marked, altered, tampered with, commingled or known to be defective; any pull tab game in any unlicensed premises, other than the licensee's own premises; or any pull tab game that does not conform to the definitions and requirements of the Bingo and Raffles Law.
  - (g) Permitting any person under the age of eighteen to purchase the opportunity to participate in a game of chance.
  - (h) Allowing any person other than a licensee's owner, officer, director, member, shareholder of more than 10% of the licensee's ownership interests, or licensed agent to represent a supplier, manufacturer or landlord licensee with regard to any Colorado transaction.

- (i) Buying, selling, receiving, furnishing, or distributing games of chance equipment to any person in Colorado other than a licensee, a supplier licensee and its licensed agents, or a manufacturer licensee.
- (j) Filing any falsified and/or materially misleading renewal application or quarterly financial statement.
- (k) Authorizing, permitting, or receiving any remuneration or inurement for participating in the management or operation of a licensed game of chance.
- (l) Requiring, inducing or coercing a licensee to enter into any agreement contrary to the Bingo and Raffles Law, or to purchase supplies or equipment from a particular supplier as a condition of conducting games of chance at a commercial bingo facility.

15.3 Class 2 Violations. A Class 2 violation is a willful act that is specifically prohibited by statute or rule and is not intended to and does not directly result in the profit or enrichment of the violator.

15.3.1 The fine for a Class 2 violation is \$75.

15.3.2 Class 2 violations include, but are not limited to:

- (a) Using bingo-raffle equipment that is not owned or leased by a landlord licensee or owned or leased by a licensee.
- (b) Paying other than reasonable, bona fide, lawful expenses in connection with the conduct of licensed games of chance, purchasing games of chance prizes or equipment at prices exceeding reasonable and usual amounts, or other use of games of chance proceeds for other than the lawful purposes of the licensee.
- (c) Converting into or redeeming for cash any bingo merchandise prizes.
- (d) Offering or giving any alcoholic beverage as a prize in a licensed game of chance.
- (e) Giving, receiving, authorizing, or permitting the assistance in the conduct of games of chance of any person disqualified or prohibited by statute or rule from rendering such assistance.
- (f) Offering or giving any bingo door prizes or jackpot prizes exceeding the statutory maximum amounts set for prizes.
- (g) Reserving or setting aside bingo cards or pull tabs for use by players, except as authorized in section 12-9-107(27), C.R.S., or, except as authorized by these rules, reserving or allowing to be reserved any seat or playing space for use by players.
- (h) Drawing a check on a bingo-raffle account payable to "cash" or to a fictitious payee.
- (i) Authorizing or allowing the play of bingo by a person not present on the premises where the game is conducted, or the play of any game of chance on credit, or without collecting the consideration required in full and in advance.

- (j) Engaging in any act, practice or conduct described as a Class 1 violation in Rule 15.2, or that would otherwise be a Class 1 violation, when the act or conduct is not intended to and does not directly result in the profit, inurement or remuneration of the violator.

15.4 Class 3 Violations. A Class 3 violation is one that occurs when a licensee omits, fails or neglects to comply with a requirement set forth in the statutes or rules, but that does not involve the affirmative performance of an act specifically prohibited by statute or rule. Class 3 violations are deemed negligent rather than willful, unless a specific violation is repeated within a two-year period or the facts of the violation show that the violator knowingly and deliberately failed or refused to comply with a requirement or standard set by statute or rule.

15.4.1 The fine for a Class 3 violation is \$20 unless the violation is repeated or knowing and deliberate, in which case the fine is \$50.

15.4.2 Class 3 violations include, but are not limited to:

- (a) Neglecting to display a license or other document at a time and place where display is required.
- (b) Failing to file with the Secretary of State any quarterly report, administrative fee, or rental or other document at the time required for the filing, or omitting required information on such a filing.
- (c) Failing to keep or furnish required records in connection with any licensed activity.
- (d) Omitting any required procedure in the conduct of bingo-raffle activities.
- (e) Failing to designate an officer responsible for the use of games of chance proceeds.
- (f) Neglecting to have a certified games manager present continuously during the conduct of any raffle or bingo occasion and for thirty minutes after the last game in an occasion.
- (g) Failing to have games of chance premises or equipment open or available for inspection by the Secretary of State or police officers.
- (h) Failing to deposit or maintain all games of chance receipts in a special segregated checking or savings account of the licensee, or to withdraw any funds expended from such account by means of consecutively numbered checks or withdrawal slips signed by an officer or officers of the licensee and showing the payee and a description of reason for the payment for which the check or withdrawal slip is made, or by electronic funds transfer.
- (i) Failing to submit the required administrative fee, or a portion thereof, at the time of filing a required quarterly financial report.
- (j) Neglecting to give required notice of the termination of a rental agreement or the cancellation of a bingo occasion.
- (k) Omitting required information from a raffle ticket, if the ticket has been offered for sale or sold without the approval of the Secretary of State.

15.5 Citations.

15.5.1 Issuance. The Secretary of State shall issue all citations in writing, signed and dated by the authorized agent of the Secretary of State and shall identify the licensee cited; the facts and/or conduct constituting the violation, the specific rule or statutory provision violated, the fine assessed in accordance with this rule and the Bingo and Raffles Law.

15.5.2 Delivery. Citations may be delivered to the cited licensee, to the attention of its games manager, games managers, officer or officers on record in the files of the Secretary of State, either personally or by first class mail.

15.5.3 Suspension or reduction of fine. The Secretary of State, for good cause shown, may suspend or reduce any fine imposed in accordance with this rule. Requests for fine suspensions or reductions must be in writing, must be received by the Secretary of State within 20 days of the date of the citation, and must state and document with particularity the facts, circumstances and arguments supporting the request.

15.4.4 Referral to law enforcement. Irrespective of whether a citation was issued, the Secretary of State reserves the right to refer any violation to a law enforcement agency.

15.6 Hearings and payment of fines.

15.6.1 Request for hearing. In accordance with section 12 9 103(1)(a)(II), C.R.S., a licensee may request a hearing before an administrative law judge to appeal the imposition of a fine. The Secretary of State must receive a written request for a hearing within 20 days of the date that the Secretary of State denied a fine suspension or reduction request.

15.6.2 Payment of fines.

- (a) If a licensee does not request a fine suspension, fine reduction, or hearing before an administrative law judge, then the licensee must pay within 20 days of the date of the citation imposing the fine.
- (b) If the Secretary of State denies a suspension request or grants a reduction request, then the licensee must pay the fine or reduced fine within 20 days of the date of the notice of denial or reduction.
- (c) If an administrative law judge denies an appeal of a fine, then the licensee must pay the appealed fine within 20 days of the date of the issuance of the administrative law judge's order.
- (d) A licensee must pay fines by check or money order, payable to the Colorado Secretary of State.

**DEPARTMENT OF STATE**

**Secretary of State**

**RULES CONCERNING CAMPAIGN AND POLITICAL FINANCE**

**8 CCR 1505-6**

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**Rule 18. Penalties, Violations, and Complaints**

18.1 Requests for waiver or reduction of campaign finance penalties

18.1.1 A request for waiver or reduction of campaign finance penalties imposed under Article XXVIII, Section 10(2) must state the reason for the delinquency. The filer should provide an explanation that includes all relevant factors relating to the delinquency and any mitigating circumstances, including measures taken to avoid future delinquencies. Before the Secretary of State will consider a request, the report must be filed, and a request including the information required by this paragraph must be submitted.

18.1.2 Requests for waiver or reduction of campaign finance penalties imposed under Article XXVIII, Sections 9(2) or 10(2) must be considered by the Secretary of State and Administrative Law Judges according to the following rules:

<b>Scenario - applied in numerical order (i.e. if #1 doesn't apply, move to #2)</b>		<b>Result</b>
#1	A waiver is requested and establishes good cause that made timely filing impracticable (For example, was in the hospital, got in a car accident, was stranded by a blizzard, etc.). The event or events that made timely filing impracticable must occur within a reasonable time of the date on which the report was filed.	Waive penalty in full. A waiver will be granted without consideration of previous delinquencies.
#2	A waiver is requested but does not present circumstances that made timely filing impracticable (For example, forgot, was out of town, electronic calendar crashed), and:	



	<p>(a) Filer had contributions and/or expenditures during the reporting period. The penalty imposed is \$100 or more.</p>	<p>First delinquency in 24 months: The penalty will be reduced to \$50.</p> <p>Second delinquency in 24 months: The penalty will be reduced by 50%.</p> <p>Third (or subsequent) delinquency in 24 months: A reduction in penalty will not be granted.</p> <p>Penalties imposed under this Section are capped at the higher of the contributions or expenditures made during the reporting period. If a delinquency is found to be willful, the penalty cap may be increased to two to five times the higher of the contributions or expenditures made during the reporting period.</p> <p>For purposes of this analysis, previous delinquencies exclude those for which a waiver under scenario #1 was granted.</p>
	<p>(b) Filer has no activity (contributions OR expenditures) during the reporting period and the committee balance is zero. The penalty imposed is \$100 or more.</p>	<p>The penalty will be reduced to \$50.</p>
	<p>(c) Filer has a fund balance greater than zero and filer has no activity (contributions OR expenditures) during the reporting period. The penalty imposed is \$100 or more.</p>	<p>First delinquency in 24 months: The penalty will be reduced to \$50.</p> <p>Second delinquency in 24 months: The penalty will be reduced by 50%, subject to a cap of 10% of the fund balance (but not less than \$100).</p> <p>Third (or subsequent) delinquency in 24 months: The penalty is capped at 10% of the fund balance, and a minimum penalty of \$100 will be imposed.</p> <p>If a delinquency is found to be willful, the penalty cap may be increased to 20% to 50% of the fund balance.</p> <p>For purposes of this analysis, previous delinquencies exclude those for which a waiver under scenario #1 was granted.</p>
	<p>(d) Filer seeks to terminate active status, has a fund balance of \$1,000 or less, and has no activity (contributions OR expenditures) during the reporting period(s) in question.</p>	<p>Penalties are subject to a cap equal to the total amount of the filer's fund balance as of the date on which the delinquent report was filed, if the committee is promptly terminated.</p>
<p>#3</p>	<p>A waiver is requested, but submitted more than 30 days after the date of penalty imposition. For purposes of this analysis, a filer has 30 days after the date on which the final notice of penalty</p>	<p>A request will not be considered unless good cause has been shown for failure to meet the 30-day waiver filing requirement.</p>

	<p>imposition is issued following the filing of the delinquent report. Until an outstanding report is filed, penalties shall continue to accrue at a rate of \$50 per day and no request for waiver will be considered.</p>	
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18.1.3 The Secretary of State or Administrative Law Judge may consider any additional factors that establish good cause or may otherwise be relevant to the request for waiver or reduction of campaign finance penalties. In considering a request, The Secretary of State or Administrative Law Judge may request additional information, including but not limited to financial or other records maintained by the filer.

18.1.4 For waiver requests that apply to more than one penalty, the guidelines will be applied separately to each penalty in chronological order using the single request as the basis for each.

18.1.5 Filers may request that the Secretary of State reconsider a request for waiver or reduction of campaign finance penalties. Any request for reconsideration must present additional material facts that are significantly different than those alleged in the original request for reduction or waiver, and must be submitted to the Secretary of State, in writing, within 30 days of the date on which the waiver decision was mailed.

18.1.6 The Secretary of State will respond to requests for waiver or reduction of campaign finance penalties within 60 days. Failure to respond within 60 days, however, will not constitute an approval of the request.

18.1.7 When reduced, penalties are rounded to the highest \$25. No penalty will be reduced to an amount less than \$25, unless a full waiver has been granted.

18.1.8 Major Contributor Reports

- (a) Penalties assessed for failure to timely file a Major Contributor Report under section 1-45-108(2.5), C.R.S., stop accruing on the date that the contribution is first disclosed, either on the Major Contributor Report or the regularly-scheduled Report of Contributions and Expenditures. Penalties will not accrue beyond the date of the general election. [Section 1-45-108(2.5) C.R.S.]
- (b) The date of deposit is considered the "received" date for contributions that require a major contributor report. [Section 1-45-108(2.5), C.R.S.]
- (c) For purposes of determining contributions and expenditures received during the reporting period, the contribution that was required to be disclosed on the major contributor report shall be the amount considered.

18.2 Cure period for violations discovered by the appropriate officer

18.2.1 If the appropriate officer, as defined in Article XXVIII, Section 2(1), discovers in the ordinary course of his or her duties in maintaining a campaign finance filing system a possible violation of Article XXVIII or Article 45 of Title 1, C.R.S., and no complaint alleging such violation has been filed with the Secretary of State under Article XXVIII, Section 9(2)(a), then the appropriate officer shall:

- (a) Provide the person believed to have committed the violation with written notice of the facts or conduct that constitute the possible violation, and

- (b) Allow 15 business days to correct the violation or to submit written statements explaining the reasons that support a conclusion that a violation was not committed.

18.2.2 No cure period under this rule applies to late filings of campaign finance reports subject to penalties under Article XXVIII, Section 10(2)(a).

18.3 If, within the time allotted under Rule 18.2, the person fails to correct the violation or to offer a satisfactory explanation, then the appropriate officer may file a complaint under Article XXVIII, Section 9(2)(a).

18.4 Written complaints.

18.4.1 A written complaint filed with the Secretary of State under Article XXVIII, Section 9(2)(a) shall include the Secretary of State's complaint cover sheet, which must include the following information:

- (a) The name, address, and signature of the complainant (if the complainant is represented by counsel, include the counsel's name, address, and signature along with the name, address, and signature of the complainant);
- (b) The name and address of each person alleged to have committed a violation; and
- (c) The particulars of the violation.

18.4.2 If an incomplete complaint is received, the date on which the originally filed complaint was received is considered the filed date for purposes of Article XXVIII, Section 9(2)(a), if a complete copy is received within ten days of notification from the Secretary of State that the complaint was incomplete.

18.4.3 A complaint may be submitted by fax or electronic mail if a signed original is received by the Secretary of State no later than five calendar days thereafter. If the complaint is complete, the Secretary of State will promptly transmit the complaint to the Office of Administrative Courts in the Department of Personnel and Administration for consideration by an administrative law judge, which will notify the respondents of the filing of the complaint and which will issue all other appropriate notices to the parties. [Article XXVIII, Section 9(2)(a)]

18.5 No report shall be subject to penalties of more than \$50 per day for any late filing or incomplete report violation(s).

18.6 Payments for penalties imposed by an Administrative Law Judge shall be remitted to the Secretary of State's office, to the attention of Campaign Finance.

## Appendix C

<b>Date of Change</b>	<b>Form / service</b>	<b>Type</b>	<b>From</b>	<b>To</b>	
8/2/2010	Report - Late Fee	paper	\$40.00	\$0.00	
	Report - Late Fee	online	\$40.00	\$0.00	
8/7/2010	Report - Late Fee	paper	\$0.00	\$40.00	
	Report - Late Fee	online	\$0.00	\$40.00	
12/1/2010	Lobbyist Fine - Phase I Penalty (10 Business Days)	paper	\$10.00	\$0.00	(became a variable price)
	Lobbyist Fine - Phase I Penalty (10 Business Days)	online	\$10.00	\$0.00	(became a variable price)
12/2/2010	Elections Facsimile Signature, Certification, and Expedite Certified Copy	paper	N/A	\$30.00	
		paper	\$0.00	\$10.00	
1/1/2011	Notary Application (paper)	paper	\$20.00	\$50.00	
	Certifications - Notary	paper	\$0.00	\$5.00	
	Certified Copy	paper	\$10.00	\$5.00	
	Notary Certifications - Expedited	paper	\$10.00	\$15.00	
	Elections Facsimile Signature and Certification	paper	\$20.00	\$15.00	
	Elections Facsimile Signature, Certification, and Expedite	paper	\$30.00	\$25.00	
	Elections Certifications - Expedited	paper	\$10.00	\$15.00	
	Duplicate Notary Certificate	online	\$5.00	\$10.00	
1/27/2011	Charitable System Information (CD)	paper	N/A	\$50.00	
		paper	N/A	\$50.00	
4/7/2011	Lobbyist Fine - Phase I Penalty (10 Business Days)	paper	\$0.00	\$20.00	(changed from variable to fixed)
	Lobbyist Fine - Phase I Penalty (10 Business Days)	online	\$0.00	\$20.00	(changed from variable to fixed)
	Lobbyist Fine - Phase 2 Penalty (11+ days)	paper	N/A	\$50.00	
	Lobbyist Fine - Phase 2 Penalty (11+ days)	online	N/A	\$50.00	
6/28/2011	Foreign App for Authority	online	N/A	\$125.00	
	Withdraw Foreign Authority	online	N/A	\$125.00	
9/1/2011	Foreign App for Authority	online	\$125.00	\$1.00	

	Foreign App for Authority	paper	\$125.00	\$1.00
	Foreign App. for Auth. - Expedited	paper	\$275.00	\$151.00
11/1/2011	CFD-Art of Inc-Domestic NP	paper	\$50.00	\$20.00
	CFD-Art of Inc-Domestic NP	online	\$50.00	\$20.00
	All Restatements	paper	\$25.00	\$20.00
	All Restatements	online	\$25.00	\$20.00
	Establish/Register Trademark	paper	\$50.00	\$30.00
	Establish/Register Trademark	online	\$50.00	\$30.00
	Renewal Of Trade Name	paper	\$1.00	\$5.00
	Renewal Of Trade Name	online	\$1.00	\$5.00
12/1/2011	Foreign App for Authority	paper	\$1.00	\$100.00
	Foreign App for Authority	online	\$1.00	\$100.00
	Foreign App. for Auth. - Expedited	paper	\$151.00	\$250.00
3/28/2012	CFD - Articles of Organization (LCA)	paper	N/A	\$50.00
	CFD - Articles of Organization (LCA)	online	N/A	\$50.00
7/23/2012	VRD Penalty	paper	N/A	\$0.00
8/8/2012	Statement Curing Delinquency	paper	\$100.00	\$60.00
	Statement Curing Delinquency	online	\$100.00	\$60.00
10/1/2012	Bingo Mfg, License	paper	\$700.00	\$1.00
	Bingo Mfg. Agent License	paper	\$200.00	\$1.00
	Bingo Supplier License	paper	\$700.00	\$1.00
	Bingo Supplier Agent License	paper	\$200.00	\$1.00
	Bingo Hall Owners	paper	\$1,000.00	\$1.00
	Games Manager Certificate	paper	\$20.00	\$1.00
	Charitable Organization Registration	online	\$10.00	\$1.00
	Charitable Organization Amendment	online	\$10.00	\$1.00
	Charitable Organization Renewal	online	\$10.00	\$1.00
	Fundraising Consultant Registration	online	\$175.00	\$1.00

	Fundraising Consultant Amendment	online	\$25.00	\$1.00
	Fundraising Consultant Renewal	online	\$175.00	\$1.00
	Paid Solicitor Registration	online	\$175.00	\$1.00
	Paid Solicitor Amendment	online	\$25.00	\$1.00
	Paid Solicitor Renewal	online	\$175.00	\$1.00
	Paid Solicitor Solicitation Notice	online	\$75.00	\$1.00
11/1/2012	Duplicate Notary Certificate	online	\$10.00	\$1.00
12/1/2012	Original (UCC-1)	online	\$5.00	\$1.00
	Misc Amendments (UCC-3)	online	\$5.00	\$1.00
	Reservation of Name	online	\$25.00	\$1.00
	Transfer/Renew/Other Reservation of	online	\$25.00	\$1.00
	Old Age Pension Fee	online	\$5.00	\$0.10
	CFD-Art of Inc-Domestic Profit Corp	online	\$45.00	\$0.90
	CFD-Art of Inc-Domestic NP	online	\$20.00	\$1.00
	CFD-Art of Org-Domestic	online	\$50.00	\$1.00
	CFD-Cooperative-Domestic	online	\$50.00	\$1.00
	CFD-Reg as Domestic LPA	online	\$50.00	\$1.00
	CFD-Certificate of LP	online	\$50.00	\$1.00
	CFD-Reg as Domestic LLP	online	\$50.00	\$1.00
	CFD-Reg as Domestic LLLP	online	\$50.00	\$1.00
	CFD-Cert of LP and Reg as LLLP	online	\$50.00	\$1.00
	Statement of Correction	online	\$10.00	\$1.00
	Statement of Change	online	\$10.00	\$1.00
	Amend Profit/NP/LLC	online	\$25.00	\$1.00
	Amend LP/LLP/LLLP/LPA/Cooperative	online	\$25.00	\$1.00
	All Restatements	online	\$20.00	\$1.00
	All Amend and Restates	online	\$25.00	\$1.00
	Dissolve Entity	online	\$25.00	\$1.00
	Withdraw Entity	online	\$25.00	\$1.00
	Statement of Trade Name	online	\$20.00	\$1.00
	Withdraw/Other Trade Name	online	\$10.00	\$1.00
	Registration of True Name	online	\$25.00	\$1.00

	Renew/Transfer/Withdraw/Other True Name	online	\$25.00	\$1.00	
	Foreign App for Authority	online	\$100.00	\$1.00	
	Withdraw Foreign Authority	online	\$125.00	\$1.00	
	CFD - Articles of Organization (LCA)	online	\$50.00	\$1.00	
	Establish/Register Trademark	online	\$30.00	\$1.00	
	Renew Trademark	online	\$10.00	\$1.00	
	Assign/Transfer Trademark	online	\$10.00	\$1.00	
	Cancel/Withdraw Trademark	online	\$10.00	\$1.00	
	Report	online	\$10.00	\$1.00	
	All Reinstatements	online	\$100.00	\$1.00	
	Dissolution of Delinquent Entity	online	\$25.00	\$1.00	
	Renewal Of Trade Name	online	\$5.00	\$1.00	
	Trade Name Statement of Correction	online	\$10.00	\$1.00	
	Trade Name Statement of Change	online	\$10.00	\$1.00	
	Trademark Statement of Change	online	\$10.00	\$1.00	
	Trademark Statement of Correction	online	\$10.00	\$1.00	
	Statement of Conversion	online	\$50.00	\$1.00	
	Combined Conversion and CFD	online	\$100.00	\$1.00	
	CFD - Art of Inc. - Domestic Profit Corp. - online	online	\$50.00	\$1.00	
	UCC - Statement - online	online	\$8.00	\$4.00	
	UCC - Amd. Cont. Term. - online	online	\$8.00	\$4.00	
	Bingo Mfg, License	paper	\$1.00	\$0.00	(became variable price)
	Bingo Mfg. Agent License	paper	\$1.00	\$0.00	(became variable price)
	Bingo Supplier License	paper	\$1.00	\$0.00	(became variable price)
	Bingo Supplier Agent License	paper	\$1.00	\$0.00	(became variable price)
	Bingo Hall Owners	paper	\$1.00	\$0.00	(became variable price)
1/1/2013	Charitable Organization Late Fee	online	\$25.00	\$60.00	
	Paid Solicitor Late Fee	online	\$50.00	\$200.00	
	Fundraising Consultant Late Fee	online	\$50.00	\$200.00	
1/22/2013	Prepaid Account	online	N/A	\$0.00	
3/1/2013	Original (UCC-1)	online	\$1.00	\$5.00	

Misc Amendments (UCC-3)	online	\$1.00	\$5.00
Reservation of Name	online	\$1.00	\$25.00
Transfer/Renew/Other Reservation of	online	\$1.00	\$25.00
Old Age Pension Fee	online	\$0.10	\$5.00
CFD-Art of Inc-Domestic Profit Corp	online	\$0.90	\$45.00
CFD-Art of Inc-Domestic NP	online	\$1.00	\$50.00
CFD-Art of Org-Domestic	online	\$1.00	\$50.00
CFD-Cooperative-Domestic	online	\$1.00	\$50.00
CFD-Reg as Domestic LPA	online	\$1.00	\$50.00
CFD-Certificate of LP	online	\$1.00	\$50.00
CFD-Reg as Domestic LLP	online	\$1.00	\$50.00
CFD-Reg as Domestic LLLP	online	\$1.00	\$50.00
CFD-Cert of LP and Reg as LLLP	online	\$1.00	\$50.00
Statement of Correction	online	\$1.00	\$10.00
Statement of Change	online	\$1.00	\$10.00
Amend Profit/NP/LLC	online	\$1.00	\$25.00
Amend LP/LLP/LLLP/LPA/Cooperative	online	\$1.00	\$25.00
All Restatements	online	\$1.00	\$25.00
All Amend and Restates	online	\$1.00	\$25.00
Dissolve Entity	online	\$1.00	\$25.00
Withdraw Entity	online	\$1.00	\$25.00
Statement of Trade Name	online	\$1.00	\$20.00
Withdraw/Other Trade Name	online	\$1.00	\$10.00
Registration of True Name	online	\$1.00	\$25.00
Renew/Transfer/Withdraw/Other True Name	online	\$1.00	\$25.00
Foreign App for Authority	online	\$1.00	\$100.00
Withdraw Foreign Authority	online	\$1.00	\$125.00
CFD - Articles of Organization (LCA)	online	\$1.00	\$50.00
Establish/Register Trademark	online	\$1.00	\$30.00
Renew Trademark	online	\$1.00	\$10.00
Assign/Transfer Trademark	online	\$1.00	\$10.00
Cancel/Withdraw Trademark	online	\$1.00	\$10.00
Report	online	\$1.00	\$10.00
All Reinstatements	online	\$1.00	\$100.00



	Dissolution of Delinquent Entity	online	\$1.00	\$25.00
	Renewal Of Trade Name	online	\$1.00	\$5.00
	Trade Name Statement of Correction	online	\$1.00	\$10.00
	Trade Name Statement of Change	online	\$1.00	\$10.00
	Trademark Statement of Change	online	\$1.00	\$10.00
	Trademark Statement of Correction	online	\$1.00	\$10.00
	Statement of Conversion	online	\$1.00	\$50.00
	Combined Conversion and CFD	online	\$1.00	\$100.00
	CFD - Art of Inc. - Domestic Profit Corp. - online	online	\$1.00	\$50.00
	UCC - Statement - online	online	\$4.00	\$8.00
	UCC - Amd. Cont. Term. - online	online	\$4.00	\$8.00
	Duplicate Notary Certificate	online	\$1.00	\$10.00
4/5/2013	Charitable System Information (CD)	paper	\$50.00	\$1.00
7/1/2013	Charitable Organization Registration	online	\$1.00	\$10.00
	Charitable Organization Amendment	online	\$1.00	\$10.00
	Charitable Organization Renewal	online	\$1.00	\$10.00
	Fundraising Consultant Registration	online	\$1.00	\$175.00
	Fundraising Consultant Amendment	online	\$1.00	\$25.00
	Fundraising Consultant Renewal	online	\$1.00	\$175.00
	Paid Solicitor Registration	online	\$1.00	\$175.00
	Paid Solicitor Amendment	online	\$1.00	\$25.00
	Paid Solicitor Renewal	online	\$1.00	\$175.00
	Paid Solicitor Solicitation Notice	online	\$1.00	\$75.00
	Charitable Organization Registration	online	\$1.00	\$10.00
	Charitable Organization Amendment	online	\$1.00	\$10.00
	Charitable Organization Renewal	online	\$1.00	\$10.00
	Fundraising Consultant Registration	online	\$1.00	\$175.00
	Fundraising Consultant Amendment	online	\$1.00	\$25.00
	Fundraising Consultant Renewal	online	\$1.00	\$175.00
	Paid Solicitor Registration	online	\$1.00	\$175.00
	Paid Solicitor Amendment	online	\$1.00	\$25.00
	Paid Solicitor Renewal	online	\$1.00	\$175.00

	Paid Solicitor Solicitation Notice	online	\$1.00	\$75.00
	Charitable System Information (CD)	paper	\$1.00	\$50.00
	Games Manager Certificate	paper	\$1.00	\$0.00
11/1/2013	Report - Late Fee	paper	\$40.00	\$50.00
	Report - Late Fee	online	\$40.00	\$50.00
	Statement Curing Delinquency	paper	\$60.00	\$100.00
	Statement Curing Delinquency	online	\$60.00	\$100.00

**STATE OF COLORADO**  
**Department of State**  
1700 Broadway  
Suite 200  
Denver, CO 80290

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**Scott Gessler**  
**Secretary of State**

**Suzanne Staiert**  
**Deputy Secretary of State**

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February 26, 2013

Appendix D

The Honorable Crisanta Duran  
200 Colfax  
Denver, CO 80203

Re: Department of State budget request

Dear Representative Duran,

I apologize if I was not clear in my description of my office's costs of maintaining clean and accurate voter rolls. Under the Secretary of State's normal course of duties, I am obligated to remove ineligible voters from the rolls. Under C.R.S. 1-2-302(1.5)(b), "Only the names of voters who are not registered or who are not eligible to vote are removed from the computerized statewide voter registration list."

As background, the Colorado Secretary State's office transitioned to a real-time, statewide voter registration system in 2008 as mandated by the Help America Vote Act. The system checks the Department of Corrections to identify voters convicted of a felony, the Department of Public Health and Environment to identify deceased voters and the Department of Revenue to verify driver's license numbers and social security numbers. Unfortunately, the system is incapable of identifying and removing non-citizen voters.

Until a real-time link is available to a federal immigration database, we're forced to compare data just like we do for federal court felony convictions. Once we identify voters convicted of a federal offense, the counties cancel the voter record and mail letters notifying the voters their record was cancelled.

In order to address your question about costs related to identifying non-citizen voters, I've attached a spreadsheet outlining those costs. Since Colorado began requiring proof of lawful presence in 2006, our first comparison looked at hundreds of thousands of motor vehicle records where applicants showed proof of non-citizenship. Our costs going forward will be significantly less as we compare data over the course of months versus years.

If you have any additional questions, please don't hesitate to contact me directly.

Sincerely,  
Scott Gessler

CC: Colorado Joint Budget Committee  
David Meng

Non-Citizen Voter Project

Description	# of hours	cost (average loaded cost \$38.50/hr)
<b>Research</b>		
SAVE Query Fees		\$ 2,212.00
SAVE - mhagihara	8	\$ 308.00
SAVE - bmcentire	6	\$ 231.00
SAVE - dchacon	6	\$ 231.00
Data Analysis - mhagihara	8	\$ 308.00
SAVE- dj	4	\$ 154.00
IT research- tparker	6	\$ 231.00
Policy-tbratton	5	\$ 192.50
SAVE-tgriesmer	5	\$ 192.50
Data Analysis-tgriesmer	3	\$ 115.50
<b>Total Research</b>	51	\$ 4,175.50
<b>Mailing</b>		
Printing/Supplies		\$ 3,200.00
Postage		\$ 1,800.00
Preparation - mhagihara	4	\$ 154.00
Preparation - dj	6	\$ 231.00
Preparation - tbratton	4	\$ 154.00
Preparation-tgriesmer	4	\$ 154.00
<b>Total Mailing</b>	18	\$ 5,693.00
<b>Legal</b>		
Rule/Statutory Analysis - tbratton	15	\$ 577.50
<b>Total Legal</b>	15	\$ 577.50
<b>Grand Total</b>		\$ 10,446.00



## Department of State

### Legal Services Paid FY 12

Issue/Case	Amount
Citizen Center v. Gessler, <i>et al.</i>	\$ 9,515
Colorado Common Cause v. Gessler	\$ 37,584
Colorado Ethics Watch v. Gessler	\$ 5,853
Division of Elections -- General Matters	\$ 25,748
Gessler v. Johnson	\$ 22,282
Independence Institute v. Gessler (Buescher)	\$315,293
Marks - HAVA Complaint	\$ 8,572
Paladino V. Gessler	\$ 3,739
Riddle <i>et al.</i> , v. Gessler, <i>et al.</i>	\$ 11,137
Other legal matters	\$ 62,871
Outside Counsel Services	\$ 18,071
Total	<u>\$520,665</u>

### Legal Services Paid FY 13

Busse v. Gessler <i>et al.</i>	\$ 15,689
Citizen Center V. Gessler <i>et al.</i>	\$ 35,722
Coalition for Secular Government v. Gessler	\$ 43,614
Colorado Common Cause v. Gessler	\$ 7,189
Colorado Ethics Watch v. Gessler	\$ 39
Division of Elections -- General Matters	\$ 29,986
Gessler, Scott v. Johnson, Debra	\$ 71,221
Independence Institute v. Gessler (Buescher)	\$ 11,495
Marks - HAVA Complaint	\$ 8,368
Paladino v. Gessler	\$ 14,727
Riddle, <i>et al.</i> v. Gessler, <i>et al.</i>	\$ 8,712
Other Legal Matters	\$ 43,501
Outside Counsel Services*	<u>\$ 171,901</u>
Total	<u>\$ 462,164</u>

\*The Majority of Outside Counsel Services for 2013 are related to the IEC matter and related appeal.

## Legal Services YTD FY 14

Busse v. Gessler <i>et al.</i>	\$ 574
Citizen Center v. Gessler, <i>et al.</i>	\$ 4,583
Coalition for Secular Government v. Gessler	\$ 14
Colorado Common Cause v. Gessler	\$ 5,680
Colorado Ethics Watch v. Gessler	\$ 43
Colorado Libertarian Party v. Gessler	\$ 29,908
Division of Elections -- General Matters	\$ 21,389
Independence Institute v. Gessler (Buescher)	\$ 8,286
Marks - HAVA Complaint	\$ 4,070
Morse & Giron Recall Petition Matters	\$ 12,527
Paladino v. Gessler	\$ 3,646
Riddle <i>et al.</i> v. Gessler, Hickenlooper <i>et al.</i>	\$ 2,167
Other legal matters	\$ 16,575
Outside Counsel Services	<u>\$ 67,022*</u>
Total	<u>\$ 176,484</u>

\*The Outside Counsel Services for 2014 are related to the IEC matter and related appeal.



## Department of State

### Election Reimbursement Payments to Counties for November 2012 Election

Date	County	Amount
2/8/2013	Adams County	\$ 149,422
2/8/2013	Alamosa County	\$ 6,434
2/8/2013	Arapahoe County	\$ 248,421
2/8/2013	Archuleta County	\$ 6,154
2/8/2013	Baca County	\$ 1,929
2/8/2013	Bent County	\$ 1,800
2/8/2013	Boulder County	\$ 150,370
2/8/2013	Broomfield, City & County of	\$ 27,342
2/8/2013	Chaffee County	\$ 8,940
2/8/2013	Cheyenne County	\$ 1,050
2/8/2013	Clear Creek County	\$ 5,438
2/8/2013	Conejos County	\$ 3,793
2/8/2013	Costilla County	\$ 1,716
2/8/2013	Crowley County	\$ 1,385
2/8/2013	Custer County	\$ 2,488
2/8/2013	Delta County	\$ 13,373
2/8/2013	Denver, City & County of	\$ 269,464
2/8/2013	Dolores County	\$ 1,136
2/8/2013	Douglas County	\$ 141,680
2/8/2013	Eagle County	\$ 18,751
2/8/2013	El Paso County	\$ 255,473
2/8/2013	Elbert County	\$ 11,474
2/8/2013	Fremont County	\$ 17,529
2/8/2013	Garfield County	\$ 20,834
2/8/2013	Gilpin County	\$ 4,563
2/8/2013	Grand County	\$ 7,463
2/8/2013	Gunnison County	\$ 8,107
2/8/2013	Hinsdale County	\$ 599
2/8/2013	Huerfano County	\$ 4,548
2/8/2013	Jackson County	\$ 776
5/9/2013	Jefferson County	\$ 261,627
2/8/2013	Kiowa County	\$ 758
2/8/2013	Kit Carson County	\$ 3,503
2/8/2013	La Plata County	\$ 24,778
2/8/2013	Lake County	\$ 2,800
2/8/2013	Larimer County	\$ 156,775

2/8/2013	Las Animas County	\$ 6,313
2/8/2013	Lincoln County	\$ 2,174
2/8/2013	Logan County	\$ 8,752
2/8/2013	Mesa County	\$ 63,038
2/8/2013	Mineral County	\$ 608
2/8/2013	County Of Moffat	\$ 5,673
2/8/2013	Montezuma County	\$ 10,188
2/8/2013	Montrose County	\$ 17,078
2/8/2013	Morgan County	\$ 8,798
2/8/2013	Otero County	\$ 7,880
2/8/2013	Ouray County	\$ 2,992
2/8/2013	Park County	\$ 8,713
2/8/2013	Phillips County	\$ 2,067
2/8/2013	Pitkin County	\$ 8,330
2/8/2013	Prowers County	\$ 4,454
2/8/2013	Pueblo County	\$ 67,366
2/8/2013	Rio Blanco County	\$ 3,198
2/8/2013	Rio Grande County	\$ 5,112
2/8/2013	Routt County	\$ 10,816
2/8/2013	Saguache County	\$ 2,885
2/8/2013	San Juan County	\$ 519
2/8/2013	San Miguel County	\$ 4,081
2/8/2013	Sedgwick County	\$ 1,485
2/8/2013	Summit County	\$ 13,228
2/8/2013	Teller County	\$ 11,362
2/8/2013	Washington County	\$ 2,367
2/8/2013	Weld County	\$ 100,145
2/8/2013	Yuma County	\$ <u>4,397</u>
	Total	<u>\$2,226,707</u>

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Election Reimbursement Payments to Counties for November 2011 Election

Date Paid	County	Amount
1/30/2012	Adams County	\$ 94,369
1/30/2012	Alamosa County	\$ 4,568
1/30/2012	Arapahoe County	\$ 164,529
1/30/2012	Archuleta County	\$ 4,887
1/30/2012	Baca County	\$ 1,717
1/30/2012	Bent County	\$ 1,486
1/30/2012	Boulder County	\$ 103,069
1/30/2012	Broomfield, City & County of	\$ 19,110
1/30/2012	Chaffee County	\$ 7,514
1/30/2012	Cheyenne County	\$ 874
1/30/2012	Clear Creek County	\$ 4,162
1/30/2012	Conejos County	\$ 2,874
1/30/2012	Costilla County	\$ 1,385
1/30/2012	Crowley County	\$ 1,176
1/30/2012	Custer County	\$ 2,058
1/30/2012	Delta County	\$ 10,303
1/30/2012	Denver, City & County of	\$ 167,223
1/30/2012	Dolores County	\$ 933
1/30/2012	Douglas County	\$ 99,506
1/30/2012	Eagle County	\$ 13,096
1/30/2012	El Paso County	\$ 166,881
1/30/2012	Elbert County	\$ 8,900
1/30/2012	Fremont County	\$ 13,185
1/30/2012	Garfield County	\$ 14,757
1/30/2012	Gilpin County	\$ 2,445
1/30/2012	Grand County	\$ 6,212
1/30/2012	Gunnison County	\$ 5,757
1/30/2012	Hinsdale County	\$ 526
1/30/2012	Huerfano County	\$ 3,251
1/30/2012	Jackson County	\$ 667
1/30/2012	Jefferson County	\$ 183,583
1/30/2012	Kiowa County	\$ 676
1/30/2012	Kit Carson County	\$ 2,834
1/30/2012	La Plata County	\$ 16,463
1/30/2012	Lake County	\$ 2,031
1/30/2012	Larimer County	\$ 109,418
1/30/2012	Las Animas County	\$ 5,017
1/30/2012	Lincoln County	\$ 1,700
1/30/2012	Logan County	\$ 6,930
1/30/2012	Mesa County	\$ 45,173
1/30/2012	Mineral County	\$ 506
1/30/2012	County Of Moffat	\$ 4,308

1/30/2012	Montezuma County	\$ 8,126
1/30/2012	Montrose County	\$ 12,706
1/30/2012	Morgan County	\$ 7,602
1/30/2012	Otero County	\$ 5,902
1/30/2012	Ouray County	\$ 2,346
1/30/2012	Park County	\$ 6,740
1/30/2012	Phillips County	\$ 1,714
1/30/2012	Pitkin County	\$ 6,550
1/30/2012	Prowers County	\$ 3,491
1/30/2012	Pueblo County	\$ 44,387
1/30/2012	Rio Blanco County	\$ 2,373
1/30/2012	Rio Grande County	\$ 3,898
1/30/2012	Routt County	\$ 8,214
1/30/2012	Saguache County	\$ 2,234
1/30/2012	San Juan County	\$ 414
1/30/2012	San Miguel County	\$ 2,838
1/30/2012	Sedgwick County	\$ 1,038
1/30/2012	Summit County	\$ 9,038
1/30/2012	Teller County	\$ 8,149
1/30/2012	Washington County	\$ 2,117
1/30/2012	Weld County	\$ 70,759
1/30/2012	Yuma County	\$ 3,576
3/06/2012	Dolores County	\$ 5,548
3/06/2012	Park County	<u>\$ 15,540</u>
	Total	<u>\$ 1,541,360</u>

## Appendix G

Initiative Title	Verification Dates	Number of signatures SOS reviewed based on the 5% random sample	Number of valid signatures after random-sample review	Number of signatures SOS reviewed during the line-by-line verification	Number of valid signatures after line-by-line review	Difference between projected valid signatures and actual valid signatures (as a percentage of the total number of valid signatures required for placement on the ballot)	End Result
"Fixed Guideway (Monorail) System" (Proposed Initiative 2001-2002 #8)	August 15, 2001	5,752	4,141 (72%)	115,046	82,283 (72%)	Projected valid: 103% Actual valid: 102%	<b>Deemed Sufficient</b> (placed on ballot as Amendment 26).
"School District Expenditures for Education" (Proposed Initiative 2005-2006 #46)	February 24, 2006 - March 24, 2006	5,229	3,627 (69%)	104,568	69,320 (66%)	Projected valid: 106.9% Actual valid: 102.2%	<b>Deemed Sufficient</b> (placed on ballot as Amendment 39).
"Discrimination/Pref-erential Treatment by Colorado Governments" (Proposed Initiative 2007-2008 #82)	August 4, 2008 - September 3, 2008	5,889	3,828 (65%)	117,871	68,195 (58%)	Projected valid: 100.66% Actual valid: 89.67%	<b>Deemed Insufficient</b> (76,047 valid signatures required).
"Use and Regulation of Marijuana" (Proposed Initiative 2011-2012 #30)	January 4, 2012- February 27, 2012	8,180	4,436 (54%)	177,783	90,466 (51%)	Projected valid: 103.04% Actual valid: 105.06%	<b>Deemed Sufficient</b> (placed on ballot as Amendment 64).
"Application of the Term Person" (Proposed Initiative 2011-2012 #46)	August 6, 2012- August 28, 2012	5,306	4,287 (81%)	106,119	82,246 (78%)	Projected valid: 99.58% Actual valid: 95.52%	<b>Deemed Insufficient</b> (86,105 valid signatures needed)
"Colorado Congressional Delegation to Support Campaign Finance Limits" (Proposed Initiative 2011-2012 #82)	August 6, 2012- September 5, 2012	9,105	4,547 (50%)	182,113	87,170 (48%)	Projected valid: 105.61% Actual valid: 101.20%	<b>Deemed Sufficient</b> (placed on ballot as Amendment 65).
"Funding for Public Schools" (Proposed Initiative 2013-2014 #22)	August 5, 2013- September 4, 2013	8,286	4,646 (56%)	165,710	89,820 (54%)	Projected valid: 107.90% Actual valid: 104.30%	<b>Deemed Sufficient</b> (placed on ballot as Amendment 66).

<b>"Definition of a Person and Child" (Proposed Initiative 2013-2014 #5)</b>	September 30, 2013-October 14, 2013	7,003	5,481 (78%)	N/A	N/A	<b>Deemed Sufficient</b> (will be placed on 2014 ballot as Amendment 67).
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Since 2001, only two signature addendums have been filed to cure an insufficiency. They are:

- In 2010, proponents of Amendment 62 submitted 47,114 signatures to cure the original insufficiency. A line-by-line was not required.
- In 2012, proponents of Amendment 64 submitted 14,151 signatures to cure the original insufficiency. A line-by-line was required.

**DEPARTMENT OF STATE  
FY 2014-15 JOINT BUDGET COMMITTEE HEARING AGENDA**

**Tuesday, December 10, 2013  
1:30 pm – 3:00 pm**

**1:30-1:40      INTRODUCTIONS AND OPENING COMMENTS**

**1:40-1:45      QUESTIONS COMMON TO ALL DEPARTMENTS**

1. Please describe how the department responds to inquiries that are made to the department. How does the department ensure that all inquiries receive a timely and accurate response?

**1:45-2:40      DEPARTMENT OVERVIEW AND GENERAL QUESTIONS**

2. Please provide fines data for 2-3 years, including fine types, amount per fine, number of fines assessed, number of fines collected, and total fine revenue collected. Are fines being waived? How vigorously are fines enforced?
3. Is the Department currently using any fee holidays? Are filing fees lower or higher than they have been historically? Please provide a list of fee holidays in the last 2-3 years. Please provide a list of filing fees and changes in the last 2-3 years.
4. Please provide an update on the Business Intelligence Suite and other request items that were funded last year.
5. Please provide data on expenditures related to finding ineligible voters over the last two years. How much staff time has been spent on these efforts? Delineate Department procedures for identifying ineligible voters. How many ineligible voters have been identified through these efforts? How many ineligible voters identified through Department efforts have been confirmed ineligible by county clerks or identified for prosecution by local law enforcement authorities?
6. Please provide legal services expenditure data for 2-3 years. What legal issues have been addressed and what have they cost? Please provide legal services expenditure data related to the Secretary of State's legal defense before the Independent Ethics Commission (IEC). Please provide legal services expenditure data related to the Secretary of State's appeal in Denver District Court. How much Department staff time has been spent at IEC hearings and in meetings related to these legal issues?

7. Please provide an update on the Colorado Voter Access and Modernized Elections Commission reporting process required by H.B. 13-1303. Please include appropriations and expenditures data and, if necessary, explain the need for adjustments to the appropriations identified in the fiscal note. If no adjustments are necessary, why is the Department suggesting that it does not have the funds for the reports?

**2:40-3:00 ISSUES**

Fund Balance Concerns and Funding for Election-related External Expenditures I: General Funding Local Election Reimbursement:

8. Is the Department of State Cash Fund subject to the 16.5 percent excess reserve limit? Have there been any sweeps to the General Fund over the last two economic downturns? Were those sweeps repaid?
9. What is the timing on reimbursements to counties for statewide elections? How long does it take to reimburse counties? Please provide a cash flow table showing reimbursement amounts made to counties for the last 2-3 years, identifying the election being reimbursed, dates of request by counties, and dates of payments made to counties.
10. Did the fiscal note for H.B. 13-1303 include an increased appropriation for the reimbursement line item for the increased number of active status voters generated by the bill?
11. What does the Department think about reimbursing the Department of State Cash Fund for past General Fund sweeps rather than funding with General Fund?
12. As an alternative to staff's recommendation, what does the Department think about phasing in General Fund over a number of years rather than funding all in the first?

Fund Balance Concerns and Funding for Elections-related External Expenditures II: Narrowing the Window for the Line-by-line Verification of Signatures:

13. What does the Department think about staff's recommendation to narrow the window for line-by-line verification of signatures? Please provide more historical data, over several two-year election cycles, that compares the accuracy of the sampling process to the line-by-line verification.

Funding CCR-related Expenses Through the Statewide Indirect Cost Plan:

14. What is the Department's opinion on staff's recommendation? What does the Department think about establishing fees for state agency CCR filings as an alternative?

**ADDENDUM: OTHER QUESTIONS FOR WHICH SOLELY WRITTEN RESPONSES ARE REQUESTED**

1. Provide a list of any legislation that the Department has: (a) not implemented or (b) partially implemented. Explain why the Department has not implement or has partially implemented the legislation on this list.
2. Does Department have any outstanding high priority recommendations as identified in the "Annual Report of Audit Recommendations Not Fully Implemented" that was published by the State Auditor's Office on June 30, 2013? What is the department doing to resolve the outstanding high priority recommendations?  
[http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/\\$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/D36AE0269626A00B87257BF30051FF84/$FILE/1337S%20Annual%20Rec%20Database%20as%20of%2006302013.pdf)
3. Does the department pay annual licensing fees for its state professional employees? If so, what professional employees does the department have and from what funding source(s) does the department pay the licensing fees? If the department has professions that are required to pay licensing fees and the department does not pay the fees, are the individual professional employees responsible for paying the associated licensing fees?
4. Does the department provide continuing education, or funds for continuing education, for professionals within the department? If so, which professions does the department provide continuing education for and how much does the department spend on that? If the department has professions that require continuing education and the department does not pay for continuing education, does the employee have to pay the associated costs?
5. During the hiring process, how often does the number one choice pick candidate turn down a job offer from the department because the starting salary that is offered is not high enough?
6. What is the turnover rate for staff in the department?