



Submitted by John C. Wobensmith, Secretary of State

Chairman Madaleno and members of the committee, I appreciate the opportunity to present the budget of the Office of the Secretary of State for Fiscal Year 2019.

The Committee was provided a packet of information that details some of the duties of the office. Our mission is to provide the citizens of Maryland with information, services and assistance relating to the constitutional, statutory and regulatory functions assigned to the office. Additionally, the office provides support to promote Maryland's expanding role in international affairs by representing the Executive Department and the State in diplomatic and related duties.

Before responding to Ms. Boney's analysis, I would like to highlight some of the accomplishments of our 5 divisions.

Significant accomplishments were made by the Office of the Secretary of State (OSOS) in fulfilling our key performance goals. From the certification of international documents to the production of official publications containing Maryland regulations, to the registration of charitable organizations and the processing of applications for Notary Publics, the OSOS handled a broad scope of constitutional, statutory, and regulatory duties.

Division of State Documents (DSD):

- DSD offers electronic subscriptions to COMAR in addition to the print subscriptions.
- Supplements for print and electronic versions of COMAR are now offered twice per year rather than the previous once-per-year supplements.
- Maryland Register and COMAR are online for free. DSD has not raised any prices for COMAR since 2010.
- Postage and UPS charges continue to rise, as well as printing costs.

- The Electronic Filing System is being modified to accommodate Executive Order 01.01.2017.33 (rescinding Executive Order 01.01.1996.03). State agencies no longer have to submit proposed regulations with a correlating federal standard to the Department of Commerce for review.

Charities and Legal Services:

Notary of Public

- The Division processed 24,532 new and renewing applications for notary public during FY 17. YTD = 11,787
- The Division conducts full in-house background checks for new applicants
 - The result - dozens of applicants with criminal or civil judgment backgrounds have been noted and denied commissions
- Twenty-two Senators have opted-out of conducting background checks for new notary applicants
- Engaged in an information exchange program with the Department of Human Resources.
 - The information, such as social security numbers, are used to track and locate persons behind on their child support obligations and other legally bound duties.
- Division staff also process extraditions, condominium & timeshare registration, special police, professional solicitors, ceremonial pens, and manual signatures.

Charity Division

- An average of 14,226 charities file with our office annually
- Delinquent registrations at beginning of FY 16 = 2,385. Delinquent registrations at beginning of FY 17 = 1,505 (37% fewer)

Address Confidentiality Program (ACP):

- The program has been a valuable resource for victims since its inception in 2006
- We served 1,380 participants and forwarded 16,576 packets, most containing multiple pieces of mail, to participants.
- Since the addition of contractual staff in fiscal year 2017, the ACP expanded its training program, conducting 30 training events and certifying 159 new application assistants and 187 new participants.

- The program also strengthened its security measures by moving its confidential participant data to a private, off-line secure database.
- The program also convened a Task Force to Study the Recording of Deeds of Victims of Domestic Violence, which has recommended legislation that is being introduced this session as part of Governor Hogan's bill package.

International Affairs:

- The Office continues to work with the Governor's Office and state agencies via the Governor's Subcabinet on International Affairs, as well as many embassies, on a number of different programs, including hosting foreign delegations and promoting business cultural, and education ties between Maryland and foreign countries.
- These activities include:
 - A Sister State with Jeollanam-do, South Korea was established. (September 2017)
 - Signing of an MOU between UMBC and the University of Piura, Peru, via facilitation of the Maryland –Piura, Peru Sister State partnership, to establish English teacher training and exchange. (June 2017)
 - Anhui Province Party Secretary Li visited Maryland and met with Governor Hogan to promote business ties with Anhui Province. (June 2017)
 - Signing an MOU with the South African Department of Social Development to improve the delivery of education and health services to the citizens of both areas. (May 2017)
 - A Sister State with the Negev Region, Israel was established. (September 2016)

Issues:

The Department of Legislative Services recommends that the Secretary of State comment on current staffing and how the addition of 3 contractual positions will affect staffing concerns.

Office of the Secretary of State response:

Our staffing in FY 17 - FY 19 is 25.0 PINS with 9.0 contractual, a total of 34.0 FTEs. Five (5) of these contractuales are a direct result of a Federal grant awarded to the Address Confidentiality Program to expand the program.

In FY 17, SOS collected \$158,898 in late fees, or 286% more than the \$41,081

collected in FY 15. We are working to be more proactive and less reactive. Progress has been made using the contractual positions including reducing backlogs in Charities and Notaries. Additionally, we expedited the implementation of our Online Notary Application technology which has greatly enhanced our ability to process the increased number of applications we are receiving, and we have initiated actions to modernize the Charities functions to reduce backlogs, improve reporting and service delivery.

Operating Budget Recommended Actions:

1. Concur with Governor's allowance

Office of the Secretary of State response:
The Office agrees with this recommendation