## **TESTIMONY OF**

## SHENNA BELLOWS, SECRETARY OF STATE DEPARTMENT OF THE SECRETARY OF STATE

Before the Joint Standing Committees on Appropriations and Financial Affairs and Veterans and Legal Affairs

## February 27, 2025

L.D. 210, An Act Making Unified Appropriations and Allocations from the General Fund and Other Funds for the Expenditures of State Government and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2025, June 30, 2026 and June 30, 2027

Senators Rotundo and Hickman, Representatives Gattine and Supica, and distinguished members of the Joint Standing Committees on Appropriations and Financial Affairs and Veterans and Legal Affairs, my name is Shenna Bellows, and I am the Secretary of State. I am here today to present testimony in support of those items presented in the 2026-2027 Biennial Budget for the Department of the Secretary of State.

Department information begins on page A-621 of the Budget Document.

Administration - Bureau of Corporations, Elections and Commissions 0692

There are 3 General Fund initiatives:

1. Establishes one limited-period Public Service Coordinator I position through June 30, 2027 to serve as a dedicated Public Relations Specialist for elections and provides funding for related All Other Costs. The Personal Services request is \$127,279 in FY 2025-26 and \$137,780 in FY2026-27. The All Other request is \$10,058 in FY 2025-26 and \$2,958 in FY2026-27.

This request establishes one public relations specialist to serve as a Public Information Officer and Freedom of Access Officer for Elections to ensure the public has accurate, timely information about elections. Public interest in elections processes has dramatically increased in recent years, and the Elections Division is one of the few areas in state government without a dedicated individual responsible for ensuring timely, accurate information is disseminated to the public. This position will respond to requests for thousands of pages of elections records and daily public queries for elections information. This position will also ensure that all information provided to the public on all elections-related forms, letters, brochures, pamphlets, signs, social media postings and website information are consistent, complete, accurate and timely.

2. Establishes one limited-period Election Security Analyst position through June 30, 2027 and provides funding for related All Other costs. The Personal Services request is \$128,621 in FY 2025-26 and \$137,501 in FY2026-27. The All Other request is \$10,058 in FY 2025-26 and \$2,958 in FY2026-27.

Election security is very important. In 2024, for example, swatting targeting our schools impacted five polling locations, but voting continued virtually uninterrupted because of table top the vote exercises and security training facilitated by the Department of Secretary of State with our federal and state partners. This initiative would provide matching funds for an election security analyst.

3. Provides funding for meetings, travel and supplies for the Post-Election Audits and Training Division. The All Other request is \$15,060 in FY 2025-26 and \$33,300 in FY2026-27.

This initiative would provide funding to facilitate meetings, travel and supplies associated with planning and performing risk limiting audits and conducting procedural election audits of municipalities for up to 50 municipal audits annually.

4. Provides funding for increases in technology costs in accordance with MaineIT rate structure. The All Other request is \$19,838 in FY 2025-26 and \$19,838 in FY2026-27.

Expenses from MaineIT have increased. This initiative seeks to provide funding for the increases. We respectfully request that an additional \$19,838 be added to the FY26 request of \$19,838 (for a total of \$39,676 in FY26 and \$19,838 in FY27) due to the expense incurred in FY25 that we must pay to MaineIT. The Elections Division simply has no extra funds to absorb this cost within existing resources. We depend on MaineIT for support of our network given that cyber criminals and foreign adversaries have a strong interest in attacking elections network infrastructure. In a time of increasing cyber threats, MaineIT's support for elections is critical to maintaining safe, secure and trusted elections.

5. Establishes 3 Office Specialist II positions and provides funding for related All Other Costs. The Personal Services request is \$267,105 in FY 2025-26 and \$288,186 in FY2026-27. The All Other request is \$43,042 in FY 2025-26 and \$21,733 in FY2026-27.

These positions are vital to being able to adequately serve Maine's business community. The volume of work has outpaced the team's capacity. By every measure, every type of corporate filing is up and has remained significantly higher than pre-pandemic levels now for a sustained period that indicates the numbers are not an anomaly. We have tried to address the problem by hiring temporary staff. We have now had temporary workers (3 currently) on site for over two years, but it is difficult to attract experienced temporary workers and even more difficult to retain temporary workers once trained. We simply do not have the Human Resources to process the current volume of work in the time we have. Corporations has not received any new positions in over 30 years. As a result, the Division of Corporations, UCC and Commissions has experienced and continues to

- experience filing backlogs that result in delays and challenges for our business community.
- 6. Provides one-time funding for the refresh of computer equipment. The All Other request is \$173,145 in FY 2025-26 and \$0 in FY2026-27. The Capital Expenditures request is \$9,000 in FY 2025-26 and \$0 in FY2026-27.
  - This request is for lifecycle replacement of personal computers, monitors, printers and desktop scanners for Bureau staff to increase productivity and efficiency and avoid equipment failures requiring emergency replacement.
- 7. Provides funding for the approved reclassification of one Accounting Associate I position to an Office Specialist I position retroactive to August 2023. The Personal Services request is \$3,660 in FY 2025-26 and \$3,960 in FY2026-27.
  - This is an employee-initiated reclassification of one Accounting Associate I position to an Office Associate II position..
- 8. Provides funding for the increase in election ballot printing, postage and other election costs. The All Other request is \$500,000 in FY 2025-26 and \$500,000 in FY2026-27.
  - This is our highest priority election need. We must increase the baseline to cover the basic costs of ballot printing. In addition to this amount, we are requesting that an additional \$408,431 be added to the FY26 request of \$500K (for a total of \$908,431 in FY26 and \$500K in FY27) due to the expense incurred in FY25 for the ballots required for the November, 2024 election. Continued consolidation in the printing industry and supply chain issues are resulting in increased costs for printing and delivery of ballots and absentee envelopes and other election supplies, so we anticipate these costs to only increase. There are simply no excess funds in the Elections Division budget to absorb these costs within existing resources. Budget deficits place an unnecessary and unwarranted level of strain on a small elections staff operating in a high-pressure environment and result in difficult choices about what not to do. We cannot urge more strongly that adequate funding for ballots and basic election materials be provided for in this budget to ensure safe and secure elections.
- 9. Establishes one Auditor II position and provides funding for related All Other costs. The Personal Services request is \$98,935 in FY 2025-26 and \$106,545 in FY2026-27. The All Other request is \$10,058 in FY 2025-26 and \$2,958 in FY2026-27.
  - This initiative would replace the Auditor I position proposed for elimination in this budget to enable the Post-Election Audits and Training Division to successfully recruit and retain an Auditor II with the skills to perform independent procedural audits of election administration of municipalities on an annual basis.
- 10. Eliminates one part-time Auditor I position. The Personal Services reduction of (\$72,034) in FY 2025-26 and (\$78,001) in FY2026-27.

We have been unsuccessful recruiting this position in its present state. We have determined that having two Auditor II positions will allow the Division to conduct more procedural audits of municipalities each year, as each Auditor II would be able to conduct these audits independently.

11. Provides funding for a contract programmer to support existing software applications and future technology modernization. The All Other request is \$212,160 in FY 2025-26 and \$212,160 in FY2026-27.

This contracted position will provide Information Services programming support for all corporations, elections and commission operations including voter registration, election management, notary public commissions, corporate and Uniform Commercial Code filings. Current technology staff resources are insufficient to ensure timely resolution of ongoing technology support and development needs. The business community has urged us to modernize our corporations applications, and we are eager to do so but require a programmer to do the work.

This concludes my testimony on the items included in the Governor's proposed General Fund FY 2026-27 budget.

I would be happy to answer questions now or at the work session.

Thank you.