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April 19, 2021

Honorable Jonathan Dismang, Chairman Honorable Lane Jean, Chairman Joint Budget Committee One Capitol Mall Little Rock, AR 72201

Dear Senator Dismang and Representative Jean:

On behalf of the Office of Secretary of State, I respectfully request that our fiscal year 2021-2022 appropriation bill, HB 1187 of 2021, be amended to add an additional section to add a cash appropriation of \$1,500,000 for the redesign of the Secretary of State's Financial Disclosure Online Filing System.

In January of 2016, the Electronic Filing Systems for Campaign and Finance Reports Subcommittee of the Arkansas Legislative Council completed hearings and submitted a report to the full Arkansas Legislative Council on the feasibility of implementing a new system for the submission and review of all forms filed with the Arkansas Secretary of State. The report mandated the SOS develop and issue a Request for Proposal to qualified vendors to implement a fully functional electronic filing system.

The contract for the initial Online Filing System was executed on July 18, 2016. The initial five-year maintenance agreement is set to expire in July 2021, subject to an extension by both parties.

During the past several weeks, the SOS has been approached by several legislators who have voiced their concerns regarding the functionality of the system.

Because of these concerns and the end of the initial agreement, the SOS believes that a full assessment of the system is warranted at this time. The appropriation would cover any potential expenditures associated with the upgrading or replacement of this system.

Thank you for your consideration of this request. Should you have any questions or need additional information, please contact Kurt Naumann at 501-680-0239 or kurt.naumann@sos.arkansas.gov.

Sincerely,

Bill Huffman Chief Deputy

Cc: Jennifer Rook, Bureau of Legislative Research