

Texas: 2022 HAVA Election Security Grant Funding Narrative

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I. Overview of State Election Structure

The Secretary of State (“SOS”) is the chief election officer of Texas. In that role, SOS obtains and maintains uniformity in Texas elections and advises and assists local officials conducting those elections.

The conduct of elections in Texas is decentralized. County clerks or, in those counties that have created the office, county elections administrators, conduct county elections (the “County Election Officer”). In addition, the voter registrars (generally either the county tax assessor-collector or the county elections administrator) maintain the official list of registered voters in their respective counties. The county political parties conduct primary elections in Texas, with the county chair as the chief election officer. Early voting in primary elections, including voting by mail, is conducted by the County Election Officer.

Local political subdivisions conduct their own elections. For example, city elections are held by the city, and school district elections are held by the school. These political subdivisions often contract with the county to conduct their election or hold joint elections with one another. They utilize the county list of registered voters appropriate for their locality.

II. Prior HAVA Election Security Grant Funds (2018, 2020)

Texas allocated HAVA funds received prior to the 2022 allocation into the following categories (the categories have been adjusted to correspond to the updated categories prescribed by the US Election Assistance Commission):

- 1) Voting Equipment/Processes
 - a) SOS permitted counties to acquire HAVA-compliant, paper-based voting equipment using sub-grants awarded to the counties. As required by state law, counties must select from a list of voting system components certified by the state. Also consistent with state law, counties must obtain SOS approval prior to executing a contract to acquire a voting system.
 - b) Accordingly, funds budgeted under the “SUBGRANTS” category in the Texas HAVA Budget Worksheet may be used, at the discretion of the county, to acquire paper-based voting equipment.

2) Voter Registration Systems and Other Election Applications

- a) Texas devoted HAVA grant funds to making security enhancements to the current Texas Election Administration Management (“TEAM”) system, which hosts the state’s HAVA-compliant voter registration system.
- b) The security enhancements include integration of various election management applications maintained by the SOS, including, but not limited to, applications relating to candidate filing, ballot certification, election night reporting, and canvassing of elections.
- c) The HAVA grant funds continue to allow for additional security enhancements as well as hosting and maintenance of the system through the duration of the grant period.

3) Election Auditing

- a) Texas is using HAVA funds to initiate a Risk Limiting Audit (RLA) pilot program by November 2022 and a statewide RLA program by November 2026 in accordance with state law enacted in 2021.

4) Cyber and Physical Security

- a) SOS partnered with the Texas Department of Information Resources (“DIR”) to offer election security assessments through DIR’s Managed Security Services (“MSS”) program, free of charge, to all 254 Texas counties, which were all completed prior to the 2022 primary elections.
- b) Funds budgeted under “SUBGRANTS” in the Texas HAVA Budget Worksheet may be used by the counties for remediation in response to the election security assessments as well as other election security needs identified by the county.
- c) Texas has also utilized HAVA funds for an assessment of the TEAM system, dark web monitoring during election cycles, and the hiring of two election security trainers whose duties include, but are not limited to, the following:
 - Assisting in training county election officials on security best practices;
 - Assisting counties with election security remediation efforts; and
 - Developing a pilot program on Risk-Limiting Audits, a new form of post-election audits.

III. 2022 HAVA Election Security Grant Funds

SOS implemented a new version of the state’s HAVA-compliant, statewide voter registration system, TEAM, in 2015 by partnering with a vendor to host and maintain the system. The contract stipulated 10 years of service, including a seven-year commitment with three option years. SOS is currently in its first option year.

SOS intends to use the 2022 HAVA Election Security Funds to procure the next version of TEAM. There have been significant upgrades, enhancements to functionality, and security improvements in the industry. SOS also has an acute need for enhanced functionality to provide greater transparency regarding voter registration statistics, particularly publicly available information extracted from TEAM. Using this opportunity, SOS intends to leverage the funding to secure the most comprehensive, viable,

secure, and economically sustainable solution that is available. It is the state's intent to utilize the funding for procurement services, implementation, and, if funding remains, ongoing maintenance costs.

It should be noted that the state will, at a minimum, maintain its current level of funding for the ongoing operation of the current TEAM system. As the legacy system is retired and the new system becomes operational, those funds will be allocated to the new system.

IV. State Match

Over the course of the HAVA Election Security project period beginning in March 2018, SOS has secured a number of cash and in-kind matching sources. First, the state appropriated \$1,162,630.00 in matching funds during the 86th Regular Session of the Texas Legislature.

Second, the sub-grants to the counties require a 20% match over a certain amount. Not all of the match has been recorded as of yet because the counties have not expended and reported all of the sub-grant funds. It is anticipated that some of the sub-grants will remain unexpended and roll back to the state. In that instance, the remaining required match will not come from the counties but from other sources instead.

Lastly, the 87th Texas Legislature appropriated \$38.3MM to certain counties for the conversion or acquisition of auditable voting machines (voter-verifiable paper record). As of February 2022, which is prior to the 2020 HAVA Election Security budget period but within the project period, the state has expended \$10,948,806 for auditable voting equipment. Since the beginning of the 2022 budget period, the state has expended an additional \$7,290,981.23. Because this type of expense is an eligible activity under the HAVA Election Security grant, these expenditures should qualify as in-kind match under the grant. This would also be true for future similar expenditures during the project and applicable budget periods.

V. Conclusion

With the addition of the 2022 HAVA grant funds, Texas will move forward with securing the next generation statewide voter registration system while maintaining its other ongoing HAVA Election Security efforts.

VI. Texas HAVA Budget Worksheet

EAC HAVA GRANT - BUDGET WORKSHEET											
GRANTEE NAME:	Texas Secretary of State										
AWARD TYPE:	FORMULA		MATCH %:	14%							
PROJECT PERIOD START DATE:	3/23/2018		INDIRECT COST % (IF APPLIED):								
PROJECT PERIOD END DATE:	Until Expended		INDIRECT COST TYPE:								
SECTION A: GRANT BUDGET	YEAR ONE	YEAR TWO	YEAR THREE	TOTAL:							
FEDERAL AMOUNT	\$ 23,252,604.00	\$ 26,197,203.00	\$ 4,241,736.00	\$ 53,691,543.00							
NON FEDERAL MATCH	\$ 1,162,630.20	\$ 5,239,440.60	\$ 848,347.00	\$ 7,250,418.00							
TOTAL:	\$ 24,415,234.20	\$ 31,436,643.60	\$ 5,090,083.00	\$ 60,941,961.00							
SECTION B: BUDGET CATEGORIES (Federal Only)	Voting Equipment	Voting Processes	Voter Registration Systems	Election Auditing	Cyber and Physical Security	Voter Education	Accessibility	Other Election Applications	Other (Provide description in this box)	TOTALS	% Fed Total
PERSONNEL										\$ -	0%
FRINGE RELATED TO SALARY										\$ -	0%
EQUIPMENT										\$ -	0%
TRAINING										\$ -	0%
CONTRACTUAL			\$ 10,765,627.00							\$ 10,765,627.00	20%
OTHER (Describe)				\$ 1,000,000.00	\$ 10,534,570.00					\$ 11,534,570.00	21%
OTHER (Describe)										\$ -	0%
SUBGRANTS		\$ 19,836,190.00			\$ 10,160,000.00			\$ 1,395,156.00		\$ 31,391,346.00	58%
TOTAL DIRECT COSTS	\$ -	\$ 19,836,190.00	\$ 10,765,627.00	\$ 1,000,000.00	\$ 20,694,570.00	\$ -	\$ -	\$ 1,395,156.00	\$ -	\$ 53,691,543.00	100%
INDIRECT COSTS (if applied)										\$ -	0%
TOTAL PROGRAM BUDGET	\$ -	\$ 19,836,190.00	\$ 10,765,627.00	\$ 1,000,000.00	\$ 20,694,570.00	\$ -	\$ -	\$ 1,395,156.00	\$ -	\$ 53,691,543.00	100%
PERCENTAGE BY CATEGORY	0%	37%	20%	2%	39%	0%	0%	3%	0%		
SECTION C: NON FEDERAL MATCH RESOURCES											
SOURCE DESCRIPTION	STATE FUNDS	OTHER	TOTAL:								
86th TX Leg - 2018 HAVA Match	\$ 1,162,630.00		\$ 1,162,630.00								
County Subgrant Match*		\$ 4,064,000.00	\$ 4,064,000.00								
87th TX Leg - Reimb Auditable Voting Machines	\$ 38,300,000.00		\$ 38,300,000.00								
			\$ -								
	\$ 39,462,630.00	\$ 4,064,000.00	\$ 43,526,630.00								
*This represents the required amount of match that would be expended if counties utilize the full sub award amount.											

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INDIRECT COSTS (if applied)										\$ -	0%
TOTAL PROGRAM BUDGET	\$ -	\$ 19,836,190.00	\$ 10,765,627.00	\$ 1,000,000.00	\$ 20,694,570.00	\$ -	\$ -	\$ 1,395,156.00	\$ -	\$ 53,691,543.00	100%
PERCENTAGE BY CATEGORY	0%	37%	20%	2%	39%	0%	0%	3%	0%		
SECTION C: NON FEDERAL MATCH RESOURCES											
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