



Ohio Secretary of State Frank LaRose

FY2026-2027 Operating Budget Testimony

February 11, 2025

Chairman Stewart, Vice Chair Dovilla, Ranking Member Sweeney, and members of the House Finance Committee, thank you for the opportunity to testify today on our office's budget request for the upcoming biennium.

As Secretary of State, my mission is to help every Ohioan pursue the American dream of participating in our democracy and building a business. I'm happy to report that we've been successful in that mission, but there's more work to do. As we began 2024, my office and the 88 county boards of elections began preparations for what's considered our Super Bowl: the presidential general election. My office held numerous "Ready for November" seminars with the county boards of elections to prepare for the expected high turnout for the election. We assisted the boards by providing tools and resources to ensure layers of redundant security and administrative practices were planned for and practiced, ensuring the democratic process would not be disrupted. The General Assembly approved a \$1 million public service announcement campaign to raise awareness of the election, educate voters on the methods to vote, and communicated information about the security of Ohio's elections. I issued the fifth Security Directive of my administration to the county boards of elections to ensure both cyber and physical security measures were implemented across the state, and my office coordinated with the Ohio Association of Election Officials to conduct a Legislative Seminar for the General Assembly to provide education on the administration of our elections.

"Sweat in training so you don't bleed in battle" is a mantra I've instilled into the Secretary of State's office, borrowed from my Army Special Forces service. We're responsible for a no-fail mission, where our elections must be transparent, accurate, secure, and efficient. The members of my team at the Secretary of State's office, along with the frontline election officials at our county boards of elections, upheld those standards from the beginning of early voting to the close of polls. Unlike other states that were still counting ballots days and weeks after the election, Ohioans knew the unofficial results on election night. This was accomplished with 5.8 million Ohioans making their voices heard at the ballot box, representing the second-highest turnout in our state's history and a record for in-person early voting.

In addition to the successful administration of elections, we continue to ensure Ohio is the most affordable state in the Midwest to start and grow a business. A strong state economy relies on our ability to remain a national leader for business growth, which is incentivized by low business filing fees and an incredibly efficient incorporation process—one of the fastest in the nation. In 2024, more than 172,000 new businesses filed in our state, and just last month we processed the highest number of filings in four years.

Our office has been a national leader in leveraging our cybersecurity and fraud protection expertise from the elections side of our operations to better support and protect Ohio businesses, their owners, customers and their employees from those threats. Working with many civic partners across the state, my office held regional cybersecurity training seminars across Ohio, inviting business owners to hear from leading cybersecurity experts and learn best practices to keep their businesses, customers, and employees safe from cyber-attacks.

As I shared with the previous General Assembly, the funding model for the Office of the Secretary of State is heavily reliant on business filing fees. While convenient in the short term, this model is not fiscally sustainable over time and should be revisited within the next two years. Now is the time to revisit the funding structure of this office. With the federal Help America Vote Act funding effectively reaching a zero-dollar balance at the end of this fiscal year, the budget before you today requests a GRF investment to ensure Ohio's elections are safe from potential cyber-attacks. My office has been a reliable partner in the fiscal stewardship of state resources, and we will continue to manage our priorities with a conservative mindset.

Ohio's business filing fees have remained static for at least a decade, while the operational cost of servicing our election and business infrastructure has increased due to the ever-growing threats we face. In FY 2020-2021, my office willingly returned more than \$1 million in state GRF to support the pandemic-related constraints to the state budget. In the following biennium, our GRF funding was further reduced by \$860,000.

We've been fiscally responsible state partners, and our conservative approach will continue. But maintaining sound stewardship must be balanced with responsible investments in strong security. Increasing my office's state GRF to our original request is essential for the protection and support of the election infrastructure and economic development engine we maintain. With that in mind, please allow me to explain some of the fiscal priorities that demand our attention.

Investing in Cybersecurity and Election Infrastructure

First, we've been a national leader in helping our county election operations build a strong, secure firewall – one that often has collateral benefit to the other functions of local government. We've focused on helping our boards of elections 1) evaluate and understand the threat landscape, 2) strengthen their security requirements, 3) modernize their cybersecurity capabilities, and 4) establish strict vendor standards.

This collective defense of our critical infrastructure is not a "one and done" effort. It requires constant vigilance and adjustment to adapt to bad actors who work quickly to identify and exploit new vulnerabilities. We know our efforts are working, and I welcome Governor DeWine's additional focus on securing and sustaining the statewide protection of critical infrastructure. By strengthening our collective defense and recovery planning, we're preparing Ohio's communities for when, not if, an attack happens. My team actively shares our intelligence reports, our challenges, and our successes with local, state, and federal partners, because we're stronger together. Recent examples in the City of Columbus and Wood County drive home the need for a strong cybersecurity presence.

In the past, my office has utilized federal grant funds to build on this foundation, but the reality is that, while the threats continue to grow and become more complex, we're unable to rely exclusively on consistent federal funding. The cash balance in the office's grant fund will effectively be at zero by the end of FY2025, with no foreseeable new resources to deploy.

Fortunately, a portion of our request for GRF to support our cybersecurity initiatives is included in Governor Mike DeWine's proposed budget. Most of these funds directly support the counties you represent through grants for technology support needed to operate and sustain a sophisticated cybersecurity program. As their state partner, we help them leverage resources, share best practices, and secure cost-effective solutions. We estimate that our spending power has saved counties more than \$1 million compared with purchasing these resources on their own.

Keeping Vulnerable Voters Safe at Home

Also included in the governor's budget request is an expansion of Ohio's Safe at Home program, which helps to protect the confidentiality of abuse survivors. The administration's proposed budget increases the appropriation authority from the current level of \$200k to \$375k in FY2026 and to \$400k in FY2027. These funds, supported by revenue collected from business filing fees and certain fines collected by

the courts, will permit my office to hire additional staff to serve those who've encountered domestic violence, sexual battery, human trafficking, rape, or menacing by stalking. The program protects the confidentiality of these victims, allowing them to receive mail, buy a house, and participate in elections without fear of their abuser finding them by searching for their voter registration or other public governmental information.

To be candid, this program has the potential to do so much more than its current limited reach. We support the proposed increase in appropriation authority, but we also intend to work with the General Assembly to expand awareness of and participation in Safe at Home. This includes addressing the eligibility requirements and expanding the program's marketing reach.

Ensuring Voter Confidence

Finally, our budget request continues a landmark modernization of Ohio's voter registration system to standardize data and ensure consistent reporting. It also continues to enhance the work of our Public Integrity Division to improve the investigation of election crimes, modernize the reporting of campaign finances, certify the security of Ohio's voting systems, and assist businesses victimized by fraud and identity theft.

Conclusion

These are just a few of our most urgent priorities in the upcoming biennium. I want to thank the members of this General Assembly for your continued partnership in helping Ohioans build a business and participate in elections. You have truly allowed us to make our state the gold standard and a leader in that important mission.

Thank you, Chairman Stewart and members of the committee, for allowing me to testify on behalf of the Office of the Secretary of State. I look forward to answering any questions you may have about our budget request.

Yours in service,



Frank LaRose

Ohio Secretary of State